



**United Nations  
Environment  
Programme**

Distr.  
GENERAL

UNEP/OzL.Pro/ExCom/76/66  
24 May 2016



ORIGINAL: ENGLISH

EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Seventy-sixth Meeting  
Montreal, 9-13 May 2016

**REPORT OF THE SEVENTY-SIXTH MEETING OF THE EXECUTIVE COMMITTEE**

Introduction

1. The 76<sup>th</sup> meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol was held at the Plaza Centre-Ville, Montreal, Canada, from 9 to 13 May 2016.
2. The meeting was attended by representatives of the following countries, members of the Executive Committee in accordance with decision XXVII/13 of the Twenty-Seventh Meeting of the Parties to the Montreal Protocol:
  - (a) Parties not operating under paragraph 1 of Article 5 of the Protocol: Austria (Vice-Chair), Belgium, Canada, Germany, Japan, the Russian Federation and the United States of America; and
  - (b) Parties operating under paragraph 1 of Article 5 of the Protocol: Argentina, Cameroon, China, Egypt, India, Jordan and Mexico (Chair).
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 the 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 Executive Secretary and staff of the Ozone Secretariat, the President of the Implementation Committee under the Non-Compliance Procedure of the Montreal Protocol and members of the Technology and Economic Assessment Panel (TEAP) were also present.
5. Representatives of the Alliance for Responsible Atmospheric Policy and the Environmental Investigation Agency also attended the meeting as observers.

## **AGENDA ITEM 1: OPENING OF THE MEETING**

6. The meeting was opened by the Chair, Mr. Agustín Sánchez, who welcomed the members to the first of the two meetings planned for 2016. The year promised to be both eventful and demanding for the Montreal Protocol community. Further discussions on HFC management were scheduled at the meeting of the Open-ended Working Group in July, following fruitful consultations relating to the Dubai Pathway on HFCs earlier in the year. In October, the Chair would be reporting to the Twenty-Eighth Meeting of the Parties on the progress made by the Executive Committee at its 75<sup>th</sup> and 76<sup>th</sup> meetings.

7. At the current meeting, members would consider project proposals and activities amounting to almost US \$110 million. These included stage II of HCFC phase-out management plans (HPMPs) for seven non-low-volume-consuming (LVC) countries, tranches of approved HPMPs for 26 countries and requests for the renewal of institutional strengthening projects. A number of demonstration projects for the introduction of technologies with low-global warming potential (GWP) were also under consideration. Furthermore, in addition to the regular agenda items came two reports relating to the calculation of incremental project costs, as well as the template for draft agreements for stage II of HPMPs, which the Chair hoped could be resolved at the current meeting, and a review of the Committee's current regime of two meetings per year, which was now in its third year.

8. Finally, the Chair drew the members' attention to the need to decide on the composition of the Sub-group on the Production Sector, given the new membership of the Executive Committee for 2016. He expressed the hope that the group would be able to conclude on the draft HCFC production sector guidelines at the current meeting.

## **AGENDA ITEM 2: ORGANIZATIONAL MATTERS**

### **(a) Adoption of the agenda**

9. The Executive Committee adopted the following agenda for the meeting on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/76/1:

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) Update on the status of implementation of the 2016–2018 consolidated business plan of the Multilateral Fund;
  - (c) Tranche submission delays.

6. Programme implementation:
  - (a) Monitoring and evaluation:
    - (i) 2016 consolidated project completion report;
    - (ii) Multi-year agreement database report;
  - (b) Country programme data and prospects for compliance;
  - (c) Status reports and reports on projects with specific reporting requirements;
  - (d) Issues relating to the recording of disbursements and planned completion dates of tranches of a multi-year agreement (decision 75/10(c)).
7. Project proposals:
  - (a) Overview of issues identified during project review;
  - (b) Bilateral cooperation;
  - (c) Work programmes:
    - (i) 2016 work programme of UNDP;
    - (ii) 2016 work programme of UNEP;
    - (iii) 2016 work programme of UNIDO;
    - (iv) 2016 work programme of the World Bank;
  - (d) Investment projects.
8. Calculation of the incremental capital costs and incremental operating costs for foam sector alternatives (decision 75/28).
9. Calculation of the level of incremental costs for the conversion of heat exchanger manufacturing lines in enterprises converting to HC-290 technology (decision 75/43(f)).
10. Template for draft agreements for stage II of HCFC phase-out management plans (decision 75/66).
11. Reconciliation of the 2014 accounts (decision 75/71(d)).
12. Approved 2016, 2017 and 2018 budgets of the Fund Secretariat (decision 75/72(c)).
13. Review of the operation of the Executive Committee (decision 73/70(h)).
14. Draft report of the Executive Committee to the Twenty-eighth Meeting of the Parties to the Montreal Protocol.
15. Report of the Sub-group on the Production Sector.

16. Other matters.
17. Adoption of the report.
18. Closure of the meeting.

**(b) Organization of work**

10. The Executive Committee agreed to consider, under agenda item 16 (Other matters), issues relating to the dates and venues of the 77<sup>th</sup> and 78<sup>th</sup> meetings of the Committee, the publication of meeting documents on the website of the Secretariat and the reporting of country programme data.

11. The meeting agreed to reconvene the Sub-group on the Production Sector with the following composition: Argentina, Austria, Canada (facilitator), China, Germany, India, Japan, Jordan, Mexico and the United States of America.

12. In response to concerns raised during the discussion on organizational matters, the Chair confirmed that issues relating to the draft HCFC production sector guidelines would be considered by the Sub-group on the Production Sector; issues relating to demonstration projects would be discussed during consideration of agenda item 7(a), Overview of issues identified during project review; and that stage II of the HPMP for China would be introduced early in the meeting to allow maximum time for consideration.

**AGENDA ITEM 3: SECRETARIAT ACTIVITIES**

13. The Chief Officer welcomed the members of the Executive Committee to the present meeting. He then introduced document UNEP/OzL.Pro/ExCom/76/2, which provided an overview of the work done by the Secretariat since the 75<sup>th</sup> meeting.

14. Updating the Executive Committee on staffing matters, the Chief Officer announced that Mr. Balaji Natarajan had been selected for the post of Senior Programme Management Officer, and would take up his position shortly. He looked forward to welcoming Mr. Natarajan to the Secretariat shortly.

15. Drawing the Executive Committee's attention to the summaries of meetings attended and missions undertaken by Secretariat staff, he said that the Secretariat had continued to interact with related organizations and drew attention to the inter-agency coordination meeting held in Montreal in early March 2016, at which the Secretariat, the bilateral and implementing agencies and the Treasurer had discussed relevant issues facilitating preparations for the present meeting.

16. The Chief Officer and the Senior Administrative and Fund Management Officer had visited UNEP headquarters to address outstanding issues regarding the implementation of the Umoja system and other financial and administrative matters. With regard to delegation of authority, he stated that the draft document prepared previously for the Multilateral Fund was no longer valid, and that a new simpler version would be drafted and presented to the Executive Committee when finalized.

17. He also mentioned that the staff of the Secretariat had attended the address given by the United Nations Secretary-General, Mr. Ban Ki-moon, during his official visit to Canada in February 2016.

18. Following the presentation, members of the Executive Committee thanked the Secretariat for its preparation of the present meeting, and the Chief Officer for the report on Secretariat activities, including the continued efforts to work closely with representatives of other multilateral environmental agreements.

19. The representative of Canada noted that 2016 marked the 25<sup>th</sup> anniversary of the location of the Fund Secretariat in Montreal, and urged that some consideration be given as to how to mark that anniversary, particularly as the Multilateral Fund was a model for cooperation on environmental matters. In his response, the Chief Officer expressed appreciation for the outstanding support that the Fund Secretariat had received throughout that time from the Governments of Canada and Quebec.

20. Some members drew attention to the problems that they continued to experience when making travel arrangements to attend meetings of the Executive Committee, owing to the current administrative system. They expressed a preference for the system used previously by the Secretariat. The Chief Officer said that that had been one of the main issues discussed during the visit to UNEP headquarters in Nairobi. Considerable efforts were being made to resolve it, including by designating a travel agent in Montreal to facilitate travel arrangements, although that had yet to be finalized. The Secretariat continued to work with relevant staff in Nairobi in order to address the difficulties being encountered.

21. With regard to the inter-agency coordination meeting, one member said that the report of that meeting should be presented for consideration by the time of the ensuing meeting of the Executive Committee, and that issues discussed at the inter-agency coordination meeting, for example with regard to performance indicators, should not be binding on Parties unless so decided by the Executive Committee. The Chief Officer reaffirmed that the purpose of the inter-agency coordination meeting was not to discuss policy items; rather, discussions had centred on: business plans and how they could meet the needs of Article 5 countries; the decisions taken by the Executive Committee and how they could be implemented; and any problems encountered by the bilateral and implementing agencies during project implementation. Regarding the performance indicators, some discussion had taken place between the Secretariat and the bilateral and implementing agencies on the basis of the decision of the Executive Committee on the funding of institutional strengthening projects. The report of the inter-agency coordination meeting was available on the Multilateral Fund website. Following the Chief Officer's response, the member who had raised the issue requested some discussion of the matter at the present meeting, and the Committee agreed to hold informal discussions at the present meeting on issues arising from the inter-agency coordination meeting.

22. Subsequently, the Chief Officer reported on the outcome of those informal discussions, which, he said, had provided clarification regarding the documentation prepared for the inter-agency coordination meeting, including the guidance prepared by the Secretariat to assist implementing agencies and Article 5 countries in preparing documents, for example on institutional strengthening and stage II of HPMPs.

23. The Executive Committee took note with appreciation of the report on Secretariat activities contained in document UNEP/OzL.Pro/ExCom/76/2.

#### **AGENDA ITEM 4: STATUS OF CONTRIBUTIONS AND DISBURSEMENTS**

24. The Treasurer introduced the report on the status of contributions and disbursements (UNEP/OzL.Pro/ExCom/76/3) and provided updated information on countries' contributions to the Fund as at 6 May 2016. Since the report had been published, the Treasurer had received the balance of 2016 contributions from: the Government of Australia (US \$3,515,851), the Holy See (US \$2,001), the Government of Latvia (US \$18,161), the Government of Monaco (US \$24,252) and the Government of New Zealand (US \$609,134). It had also received from the Government of Kazakhstan US \$244,537, representing the Government's outstanding contribution for the years 2003 to 2009.

25. With those additional contributions, totalling US \$4,413,936, the Fund's balance stood at US \$40,853,451, which comprised US \$26,556,642 in cash and US \$14,296,809 in promissory notes, 53 per cent of which were due for encashment in 2017 and 2018. He said that 36 per cent of the pledges for 2016 had been paid, and that the loss on the fixed-exchange-rate mechanism (FERM) now stood at US \$4.9 million. He also said that, as follow-up to decision 75/1(d), letters had been sent by the Chief

Officer to eight countries that had not paid their contributions for one triennium or more. A response had been received from the Government of Portugal, which had indicated its intention to make a partial payment during the current year. Additional clarification regarding outstanding contributions had been provided to the Government of Belarus and the Treasurer would follow up on that matter.

26. Several members expressed their appreciation to those countries that had made their contributions and encouraged those that had not yet done so to make their contributions as soon as possible. It was pointed out that several countries were significantly in arrears, and the Treasurer was asked for additional information about those outstanding contributions. He was also asked about the additional actions that he was contemplating to address the issue and whether he or the Secretariat intended to review the current strategy being used to collect those debts. Other members, while agreeing that the arrears needed to be collected, also noted that the collection rate for contributions for 2015 was approaching 97 per cent which was notably better than for many other Funds. The meeting was informed that several Parties that had made a partial payment of their contributions would do their best to fulfil their obligations before the next Committee meeting.

27. The Treasurer reminded the meeting that the Multilateral Fund did not write off unpaid contributions and that the performance of the Fund with regard to arrears had been relatively good. The Treasurer and the Chief Officer had met with the representatives of the Parties with arrears in the margins of the Montreal Protocol meetings to discuss the issue. The Chief Officer said that it was as a result of communicating with countries with outstanding contributions that the Holy See, for example, had made its payments to the Fund.

28. The Executive Committee decided:

- (a) To note the report by the Treasurer on the status of contributions and disbursements, the information on promissory notes, and the countries that opted to use the fixed-exchange-rate-mechanism during the 2015–2017 triennium, as contained in Annex I to the present report;
- (b) To urge all Parties to pay their contributions to the Multilateral Fund in full and as early as possible; and
- (c) To request the Secretariat to continue to follow up with the countries that had outstanding contributions for one triennium or more, and to report back to the 77<sup>th</sup> meeting.

**(Decision 76/1)**

## **AGENDA ITEM 5: STATUS OF RESOURCES AND PLANNING**

### **(a) Report on balances and availability of resources**

29. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/4 and provided updated information on the return of balances from ongoing projects. She said that the funding being returned by the implementing agencies to the current meeting was US \$867,120, including agency support costs. The balances on completed projects held by the Governments of France, Germany and Italy would be offset against projects approved at the current meeting, and the balances held by the Governments of Israel and Portugal would be returned to the Fund in cash at the current meeting.

30. Taking into account the updated information reported by the Treasurer, at the time of the discussion of the agenda item, the total resources available at the current meeting for new commitments amounted to US \$41,720,571.

31. The Executive Committee decided:

(a) To note:

- (i) The report on balances and availability of resources contained in document UNEP/OzL.Pro/ExCom/76/4;
- (ii) That the net level of funds being returned to the 76<sup>th</sup> meeting by the implementing agencies was US \$867,120, which included the return of: US \$243,247 plus agency support costs of US \$18,238 from UNDP; US \$6,113 plus agency support costs of US \$1,403 from UNEP; US \$73,462 plus agency support costs of US \$6,907 from UNIDO; and US \$481,628 plus agency support costs of US \$36,122 from the World Bank;
- (iii) That UNIDO had balances of US \$145,448, excluding support costs, for two projects completed over two years previously;
- (iv) That the Government of France had balances for one closed project and four completed projects, totalling US \$425,293, including agency support costs, which would be offset against bilateral projects approved for the Government of France at the 76<sup>th</sup> meeting;
- (v) That the Government of Germany had balances for one completed project, totalling US \$1,989, including agency support costs, which would be offset against bilateral projects approved for the Government of Germany at the 77<sup>th</sup> meeting;
- (vi) That the Government of Italy had balances for five completed projects, totalling US \$22,357, including agency support costs, which would be offset against bilateral projects approved for the Government of Italy at the 77<sup>th</sup> meeting;

(b) To request:

- (i) Implementing agencies with projects completed over two years previously to return the balances to the 77<sup>th</sup> meeting;
- (ii) Bilateral and implementing agencies to disburse or to cancel commitments not needed for completed projects and projects completed “by decision of the Executive Committee” in order to return balances to the 77<sup>th</sup> meeting;

(c) To request the Treasurer:

- (i) To adjust, by US \$82,009, including agency support costs, the amount due in cash to the Multilateral Fund from the Government of Israel to reflect the balances associated with one project completed since December 2008; and
- (ii) To adjust, by US \$53,765, including agency support costs, the amount due in cash to the Multilateral Fund from the Government of Portugal to reflect the balances associated with one project completed since July 2011.

**(Decision 76/2)**

**(b) Update on the status of implementation of the 2016–2018 consolidated business plan of the Multilateral Fund**

32. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/76/5, Add.1 and Add.1/Corr.1. She indicated that, if the recommendations on project proposals submitted to the 76<sup>th</sup> meeting were approved, an additional US \$85 million would be agreed to in principle, excluding the proposed amount for stage II of the HPMP for China. Furthermore, US \$69 million worth of activities included in the business plan had not been submitted to the 76<sup>th</sup> meeting. According to the cash flow analysis carried out, the FERM had generated a net loss of almost US \$15 million on received pledges, and possible additional losses of almost US \$35 million from outstanding contributions, based on the current exchange rates.

33. During the ensuing discussion, some members expressed concern about the sizeable gap between the funds being requested and the money available for the projects in the business plan. Given the shortfall, and the losses from the FERM, it seemed possible that there would be insufficient funds for projects presented later in the replenishment period. It was pointed out that, when considering business planning and available funds, it was important to make the distinction between cash flow and budgeting. The shortfall of US \$108.8 million did not represent a lack of cash flow; it represented the value of the projects submitted to the 76<sup>th</sup> meeting, added to the value of those to be submitted throughout the remainder of the replenishment period, according to the consolidated business plan. It was further pointed out that funds were more available than they seemed. Implementing agencies and countries still had funds from the implementation of stage I of many of the larger HPMPs, ready to be disbursed. Increasingly, however, countries were proposing HPMP activities aimed at accelerating phase-out, with a higher concentration of funds in the early tranches of stage II of the HPMPs. This resulted in the “frontloading” of funds, which could have repercussions on fund availability.

34. Providing clarification of the issue, the representative of the Secretariat highlighted previous Executive Committee decisions on fund disbursement, the 20 per cent threshold, and business planning (decisions 57/6(c), 74/18, and 75/3(b)(i)), which addressed the concerns expressed by members at the present meeting with respect to the timing and value of tranches of multi-year agreements (MYAs). In light of the existing decisions, members agreed that it was sufficient to request the Secretariat and bilateral and implementing agencies, when considering activities and tranche distribution for stage II of HPMPs, to take into account the impact of proposals on current and anticipated funds.

35. Following the discussion, the Executive Committee decided to take note of:

- (a) The update on the status of implementation of the 2016–2018 consolidated business plan of the Multilateral Fund contained in documents UNEP/OzL.Pro/ExCom/76/5, Add.1 and Add.1/Corr.1;
- (b) With appreciation, the reports on dialogue with national ozone units by UNDP, UNEP and UNIDO with respect to the ratings in the qualitative performance assessments, as requested in decision 75/16(b); and
- (c) The revised 2016–2018 business plan provided by the Government of Germany.

**(Decision 76/3)**

**(c) Tranche submission delays**

36. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/6, indicating that 52 out of 104 activities associated with tranches of HPMPs due for consideration at the 76<sup>th</sup> meeting had not been submitted, 11 of which had not met the 20 per cent disbursement threshold. All delayed tranches, except those for Kuwait, Myanmar, the Philippines and Yemen, were expected to be submitted at the 77<sup>th</sup> meeting.

37. During the ensuing discussion, one member pointed out that there were multiple reasons for tranche submission delays, some of which were beyond countries' control and might be the responsibility of implementing agencies. Another member highlighted the connection between tranche submission delays and the availability of funds in the context of business planning. The importance of making sure that countries and implementing agencies had enough time to ensure proper planning of fund disbursement, including meeting the 20 per cent disbursement threshold, was stressed.

38. The Chief Officer assured members that the reasons for tranche submission delays were always discussed with the agency concerned. The letters sent to the relevant countries regarding delays were always tailored to the specific situation in the country. He also pointed out that the issue of business planning and tranche disbursement had been taken into account when the Executive Committee took the decision on the 20 per cent disbursement threshold, with countries and bilateral and implementing agencies being requested to plan accurately. He also mentioned that implementing agencies could also cause delays, which had occurred in the run-up to the present meeting as a result of a new administrative system being introduced in one implementing agency.

39. Following the discussion, the Executive Committee decided:

(a) To note:

- (i) The report on tranche submission delays contained in document UNEP/OzL.Pro/ExCom/76/6;
- (ii) The information on tranche submission delays under multi-year agreements submitted by the Government of France, UNDP, UNEP, UNIDO and the World Bank;
- (iii) That 52 out of 104 activities related to tranches of HCFC phase-out management plans (HPMPs) due for submission to the 76<sup>th</sup> meeting had not been submitted on time and that six activities from four tranches had been withdrawn following discussions with the Secretariat;
- (iv) That relevant bilateral and implementing agencies had indicated that the late submission of the tranches of HPMPs due for the first meeting of 2016 would have no impact, or was unlikely to have an impact, on compliance with the Montreal Protocol, apart from the case of one country, and that there had been no indication that any of the countries concerned had been in non-compliance in 2014 with the 2013 freeze on HCFC consumption; and

(b) To request the Secretariat to send letters on the decisions on tranche submission delays to relevant Governments as indicated in Annex II to the present report.

**(Decision 76/4)**

## AGENDA ITEM 6: PROGRAMME IMPLEMENTATION

### (a) Monitoring and evaluation

#### (i) 2016 consolidated project completion report

40. The Senior Monitoring and Evaluation Officer introduced documents UNEP/OzL.Pro/ExCom/76/7 and Corr.1.

41. Two members expressed their appreciation for the report, stressing the importance of recording the reasons for project delays, which could also be the cause of delays in tranche submissions. The database of lessons learned was a valuable resource for countries and bilateral and implementing agencies alike.

42. The Executive Committee decided:

- (a) To take note of the 2016 consolidated project completion reports (PCRs) contained in documents UNEP/OzL.Pro/ExCom/76/7 and Corr.1;
- (b) To urge bilateral and implementing agencies to submit to the 77<sup>th</sup> meeting the backlog of PCRs for multi-year agreements (MYAs) and individual projects, and, if the PCRs due were not submitted, to provide the reasons for not doing so and the schedule for submission;
- (c) To urge cooperating implementing agencies to complete their portions of PCRs to allow the lead implementing agency to submit them according to the schedule;
- (d) To urge bilateral and implementing agencies to enter clear, well written and thorough lessons learned when submitting their PCRs, as they would appear in their submitted form in the database of lessons learned; and
- (e) To invite all those involved in the preparation and implementation of MYAs and individual projects to take into consideration the lessons learnt from PCRs when preparing and implementing future projects.

**(Decision 76/5)**

#### (ii) Multi-year agreement database report

43. The Senior Monitoring and Evaluation Officer introduced document UNEP/OzL.Pro/ExCom/76/8. In response to queries from members, she explained that information would be entered into the database once the project funding was approved and updated whenever there was a change in funding. The database included a mechanism to ensure that countries and bilateral and implementing agencies were in agreement on the information to be entered.

44. The Chief Officer also addressed some of the concerns raised, assuring members that lengthy discussions had been held with the bilateral and implementing agencies on how to streamline the process and reduce the burden on the agencies and Parties in terms of entering data into the database. The MYA database had proved to be a very important tool for a number of activities and action requested not only by the Executive Committee, but also by the Meeting of the Parties and other bodies. The Secretariat, however, was proposing to design a database simpler than the MYA database, and understood that most of the information on projects approved for HCFC phase-out was available from the bilateral and implementing agencies and could be captured without undue effort.

45. The Executive Committee decided:

- (a) To take note of the multi-year agreement database report contained in document UNEP/OzL.Pro/ExCom/76/8; and
- (b) To request the Senior Monitoring and Evaluation Officer to report back to the 77<sup>th</sup> meeting on the status of implementation of decision 75/6(b).

**(Decision 76/6)**

**(b) Country programme data and prospects for compliance**

46. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/9, which consisted of three parts. Part I presented the status of and prospects for compliance of Article 5 countries, part II provided information on Article 5 countries subject to decisions on compliance, and part III contained data on the implementation of country programmes for HCFCs.

47. Following the presentation, one member queried gaps in the data for process agents in tables presenting data on the distribution by sector of HCFC consumption. The representative of the Secretariat responded that data had been received from only two countries, so the cells were otherwise blank.

48. With regard to the table on average prices of HCFCs and alternatives, one member noted that price ranges for certain hydrocarbons, such as isobutane and propane, were much higher than for other alternatives, such as HFC-134a, and requested the Secretariat and the implementing agencies to work together to provide improved clarity and consistency in the presentation of average prices for HCFCs and alternatives for future reports to the Executive Committee. Another member said that it was difficult for Parties to provide accurate information on prices as it might be collected differently, some from customs and some from distributors; prices also varied over time, in response to changes in exchange rates, and within different markets. The representative of the Secretariat responded that prices could not be confirmed by the Secretariat until a tranche was requested or a project submitted for review; otherwise, it was difficult to obtain consistent information about prices.

49. In subsequent discussion on the matter, several members favoured retention of the current system to tabulate data on prices. One member said that the current data on average price, range, and the countries at the outer bounds of that range provided the Executive Committee with a useful summary, in tabular form, of prices of HCFCs and their alternatives, and further detail might not assist clarity. Another member said that national situations needed to be taken into account, and considerable divergences in price could result from local supply and demand factors for individual substances. In addition, any further work to clarify price differentials would need to be undertaken by national ozone units, which might find such work burdensome and difficult to undertake. Another member said that some indication of the context of a particular price – for example the date, the source, and whether it was a single price or an average – might be useful and not too onerous to provide. Another member said that it would be helpful to the Committee if the table gave an indication of the number of sources from which each average was derived, in order to aid evaluation of the robustness of the data, and encouraged the Secretariat to review its presentation of the information on average prices submitted by countries with a view to improving the comparability of the information submitted.

50. The representative of the Ozone Secretariat provided updates pertaining to certain items in the report on country programme data. South Sudan had reported in April 2016 that it had established a licensing system through ministerial order, and had thus fulfilled its obligations under Article 4B of the Montreal Protocol. The Democratic Republic of the Congo, Dominica and Somalia had in April 2016 submitted to the Ozone Secretariat their 2014 data as per decision XXVII/9, and had thereby fulfilled

their data reporting obligations under Article 7 of the Protocol. Yemen, however, had still to submit its data.

51. On the matter of submission of the data requested for the country programme data report, one member said that, while data on controlled substances were a legal requirement for Parties to the Montreal Protocol, many countries found it difficult to collect data on substances not controlled under the Montreal Protocol, as such data were not required for official purposes. Under those circumstances, it would be useful to extend the annual deadline of 1 May for submission of those data; in addition, a request for the Secretariat to send letters to countries that had not submitted 2015 data should not be included in the decision.

52. It was considered unnecessary to amend the country programme data report format at present.

53. Responding to the issues raised, the representative of the Secretariat first clarified that the data discrepancy identified for Argentina, between the 2014 country programme and Article 7 reports, was due to the amount of HCFC-141b contained in imported pre-blended polyols. On the format for country programme data reporting, he said that the intention was to continue using the present format, although certain information requested under the format would no longer be required for completion of the country programme data report. The Executive Committee might consider revision of the format in response to some future change of circumstances, such as the outcome of the survey on ODS alternatives, or the outcome of the discussions on the Dubai Pathway on HFCs.

54. The Executive Committee decided:

(a) To note:

- (i) The document on country programme data and prospects for compliance contained in UNEP/OzL.Pro/ExCom/76/9;
- (ii) That 108 of the 138 countries that had submitted 2014 country programme data had done so using the web-based system;
- (iii) With appreciation, that 18 countries had submitted 2015 data eight weeks prior to the first meeting of the year in line with decision 74/9(b)(iv);
- (iv) The explanations provided by UNDP, UNEP and UNIDO on possible data discrepancies pursuant to decision 75/17(b)(ii);

(b) To request:

- (i) UNEP to continue assisting the Government of Mauritania in finalizing the amendment of its licensing system to include the accelerated control measures for HCFCs and the Government of Burundi in finalizing the formal HCFC quota system, and to report to the 77<sup>th</sup> meeting on its efforts in that respect;
- (ii) The Secretariat to send letters to the governments of countries with outstanding 2014 country programme data reports urging them to submit the reports as soon as possible, noting that, without them, the relevant analyses of ODS consumption and production levels could not be undertaken by the Secretariat;

- (c) To continue using the existing country programme data report format, noting that:
- (i) Section B on regulatory, administrative and supportive actions was no longer needed, although such data might be needed if there were further adjustments or chemicals added;
  - (ii) Section C on HCFC quotas issued and prices of ODS and alternatives (where available) was still relevant, although information on training and recovery, recycling and reuse was no longer needed;
  - (iii) Section D on the status of implementation of the licence and quota system (qualitative assessment of operation of the HPMP) should continue to be provided, but other qualitative information in that section was no longer necessary;
- (d) To consider revising the country programme data report format at a future meeting, on the basis of the outcome of the surveys of ODS alternatives and the discussions on the HFC amendment; and
- (e) To request the Secretariat to clarify the uses of HCFCs as process agents reported in Tables 9 to 11 of the report on country programme data and prospects for compliance (UNEP/OzL.Pro/ExCom/76/9), and to provide an update to the 77<sup>th</sup> meeting.

**(Decision 76/7)**

**(c) Status reports and reports on projects with specific reporting requirements**

55. The Chair introduced document UNEP/OzL.Pro/ExCom/76/10, which consisted of six parts.

Part I: Projects with implementation delays and for which special status reports were requested

56. The Chair drew attention to the information supplied in part I of document UNEP/OzL.Pro/ExCom/76/10.

57. The representative of UNIDO provided clarification regarding two projects, the first under implementation by UNIDO and the second by the Government of Japan. On the matter of the pilot demonstration project on ODS waste management and disposal in Algeria (ALG/DES/72/DEM/79), he said that non-signature of the project document, as a reason for possible cancellation of the project, was not an applicable criterion under UNIDO projects; a more appropriate criterion was the absence of confirmation that a working group had been established for project management. He also clarified that the Nigeria and Senegal components of the strategic demonstration project for accelerated conversion of CFC chillers in African countries (AFR/REF/48/DEM/35), implemented by the Government of Japan, had been completed, accounting for the present lack of activity recorded for those project components.

58. On the matter of the possible transfer of the HPMP for Afghanistan (stage I, first and second tranches) (AFG/PHA/63/INV/13 and AFG/PHA/72/INV/17), the representative of the Government of Germany said that the national ozone unit was not yet fully operational and that no response had been received to requests for further information.

59. The Executive Committee decided:

(a) To note:

- (i) The document on status reports and reports on projects with specific reporting requirements contained in UNEP/OzL.Pro/ExCom/76/10;
- (ii) That the Secretariat and the bilateral and implementing agencies would take established actions according to the Secretariat's assessments on status reports and report on implementation delays, and notify governments and implementing agencies as required;
- (iii) That the Government of Germany would report on the possible transfer of the HCFC phase-out management plan (HPMP) for Afghanistan (stage I, first and second tranches) at the 77<sup>th</sup> meeting;

(b) To request:

- (i) Submission, to the 77<sup>th</sup> meeting, of implementation delay reports and additional status reports on the projects listed in Annex III to the present report as part of the 2015 annual and financial progress report of the bilateral and implementing agencies, taking into account the information requested in Table 3 of document UNEP/OzL.Pro/ExCom/76/10;
- (ii) The Secretariat to send letters of possible cancellation for the following projects if the project documents were not signed by the 77<sup>th</sup> meeting:
  - a. HPMP for Barbados (stage I) (BAR/PHA/69/INV/21);
  - b. Institutional strengthening project in Qatar (phase III) (QAT/SEV/59/INS/15);
  - c. Renewal of the institutional strengthening project in Morocco (phase IV) (MOR/SEV/59/INS/63);
- (iii) The Secretariat to send a letter of possible cancellation of the pilot demonstration project on ODS waste management and disposal in Algeria (ALG/DES/72/DEM/79) if confirmation of the establishment of a project management working group was not received by the 77<sup>th</sup> meeting;

(c) To extend the completion date for the following projects:

- (i) Pilot demonstration project on ODS waste management and disposal in China (CPR/DES/67/DEM/521) to December 2017 to allow for the completion of the last component of the project;
- (ii) HPMP for Iraq (stage I) (IRQ/PHA/65/INV/16) to July 2016 to allow for completion of the training, as all funds had been disbursed; and

- (iii) National ODS phase-out plan for Iraq (IRQ/PHA/58/INV/09 and IRQ/PHA/63/INV/15) to December 2016 to allow the country to find a company to complete the conversion of ODS-based enterprises under the current internal difficulties.

**(Decision 76/8)**

Part II: Temporary use of high-GWP technology by enterprises that had been converted to a low-GWP technology

60. One member said that, in addition to the regular updates, the issue of the limited availability of low-GWP alternatives in the Dominican Republic required further consideration, as the same issue might be faced by other Article 5 countries. The representative of UNDP explained that, in the case of the foam sector in the Dominican Republic, all the enterprises had been converted to the use of low-GWP alternatives and that the enterprises would be able to use those alternatives as soon as a stable local supply of the alternatives was available. He said that UNDP would conduct its final mission to the Dominican Republic in June 2016.

61. The Executive Committee decided:

- (a) To note with appreciation the report provided by UNDP, and the efforts made to facilitate the availability of pre-blended polyol systems with low-global warming potential domestically in the Dominican Republic; and
- (b) To request UNDP to provide a report to the 77<sup>th</sup> meeting on the status of the conversion of the enterprises in the foam sector in line with decision 74/41(c).

**(Decision 76/9)**

Part III: HPMP for the Dominican Republic (stage I) (request for an extension of the Agreement)

62. The representative of the Secretariat introduced part III of document UNEP/OzL.Pro/ExCom/76/10.

63. The Executive Committee decided:

- (a) To approve the request for the extension of stage I of the HCFC phase-out management plan (HPMP) for the Dominican Republic until December 2017;
- (b) To note the updated version of the Agreement between the Government of the Dominican Republic and the Executive Committee contained in Annex IV to the present report, specifically Appendix 2-A, which took into account the extension agreed in sub-paragraph (a) above, and the new paragraph, which indicated that the updated Agreement superseded that approved at the 65<sup>th</sup> meeting; and
- (c) To request the Government of the Dominican Republic and UNDP to submit progress reports on the implementation of the work programmes associated with stage I on a yearly basis until completion of the project, verification reports until approval of stage II of the HPMP, and the project completion report no later than the last meeting of the Executive Committee in 2018.

**(Decision 76/10)**

Part IV: HPMP for the Islamic Republic of Iran (stage I) (progress and verification report)

64. The Executive Committee decided to take note of the 2016 progress report on the implementation of the HCFC phase-out management plan for the Islamic Republic of Iran and the verification report on the 2015 HCFC consumption, submitted by UNDP.

**(Decision 76/11)**

Part V: HPMP for Seychelles (verification report)

65. The Executive Committee decided to take note of the verification report on HCFC consumption for 2013, 2014 and 2015 in Seychelles, submitted by the Government of Germany.

**(Decision 76/12)**

Part VI: Promoting low-GWP refrigerants for air-conditioning sectors in high-ambient-temperature countries (PRAHA)

66. The Secretariat introduced part VI of document UNEP/OzL.Pro/ExCom/76/10. Several members thanked the implementing agencies for their work on the project and said that they had a better understanding of the needs of countries with high ambient temperatures. One member pointed out that, although there was need for more work in the area, the report had shown that low-GWP refrigerants would work in countries with high ambient temperatures for all categories of equipment. In addition, the PRAHA project had created a process that had brought all stakeholders together. One member was pleased with the information that had been provided on those alternatives, particularly with the reference to district cooling and the information that its use was expected to double by 2030.

67. The Executive Committee decided:

- (a) To note with appreciation the final report of the project “Promoting low-global warming potential refrigerants for air-conditioning sectors in high-ambient-temperature countries in West Asia (PRAHA)”, submitted by UNEP and UNIDO, contained in document UNEP/OzL.Pro/ExCom/76/10;
- (b) To invite bilateral and implementing agencies to share the final report of the demonstration project mentioned in sub-paragraph (a) above, when preparing projects in air-conditioning sectors in Article 5 countries with high ambient temperatures; and
- (c) To take into account the results contained in the final report of the demonstration project mentioned in sub-paragraph (a) above when considering approval of the demonstration project “Promoting refrigerant alternatives for high-ambient-temperature countries in West Asia (PRAHA-II)”.

**(Decision 76/13)**

**(d) Issues relating to the recording of disbursements and planned completion dates of tranches of a multi-year agreement (decision 75/10(c))**

68. The Secretariat introduced document UNEP/OzL.Pro/ExCom/76/11.

69. Responding to a request from the floor, the implementing agencies addressed how the Secretariat’s recommendation, if approved, would affect their workload. One member did not see the value added by the proposed change in reporting as it would only increase the workload of the implementing agencies. Other members stressed the importance of the Executive Committee’s policy of

achieving the 20 per cent disbursement threshold as it allowed the Committee to better manage its resources. The representatives of UNDP and the World Bank indicated that the systems that they used were generally difficult to change because of the agencies' internal reporting requirements.

70. It was highlighted that the proposed decision would not necessarily oblige the implementing agencies to set up a separate account for each tranche of an HPMP, but would leave them with the flexibility to ensure that an appropriate system was in place for determining whether the 20 per cent disbursement threshold for the tranche had been met.

71. The Executive Committee decided:

- (a) To note the paper on issues relating to the recording of disbursements and planned completion dates of tranches of a multi-year agreement (MYA) (decision 75/10(c)), contained in document UNEP/OzL.Pro/ExCom/76/11;
- (b) To request bilateral and implementing agencies:
  - (i) To establish a system, if one was lacking, to ensure that they were able to confirm whether the 20 per cent disbursement threshold of a tranche had been achieved, in line with decision 72/24(b), for all stage II and subsequent stages of HCFC phase-out management plans (HPMPs);
  - (ii) To report the same funding disbursement data in the tranche requests and the annual progress reports;
  - (iii) To indicate, when submitting the tranche requests of HPMPs, the "planned completion dates" that reflected when the activities in the tranche were expected to be completed, on the understanding that any change would have to be approved by the Executive Committee, and that updates to latest planned completion dates of tranches would continue to be reported in annual progress reports; and
- (c) To further note the deletion of the MYA spreadsheets contained in the annual progress and financial report format because the information on activities and disbursements therein was also provided when reporting on the disbursement of funding tranches of the HPMPs.

**(Decision 76/14)**

## **AGENDA ITEM 7: PROJECT PROPOSALS**

### **(a) Overview of issues identified during project review**

72. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/76/12 and Corr.1.

#### Funding withheld pending specific conditions

73. The Executive Committee decided to urge the Government of Guatemala to sign the agreement between the Division of International Cooperation of the Ministry of Environment and UNEP so that the funding associated with the third tranche of stage I of the HCFC phase-out management plan for Guatemala could be disbursed by the Treasurer in line with decision 75/59(b)(ii).

**(Decision 76/15)**

Requests for multiple delayed or future tranches of stage I of the HPMP

74. The representative of the Secretariat provided additional information on the various reasons for the multiple tranche requests being presented for consideration, and clarified that each one was based on specific circumstances requiring merged tranches. One member suggested that only requests for multiple tranches from LVC countries should be considered, while others argued that consideration of the requests on a case-by-case basis, as proposed, was sufficient, and was in fact the best way to deal with them. Such requests should nevertheless be considered in light of the funds available for the year in which they were made.

75. Following informal discussions, the Executive Committee decided:

- (a) To urge bilateral and implementing agencies and Article 5 countries to implement approved tranches of HCFC phase-out management plans (HPMPs) on time to avoid delays in the submission of future funding tranches;
- (b) To request bilateral and implementing agencies and Article 5 countries to ensure proper planning and distribution of the tranches for stage II of HPMPs to ensure efficient equipment procurement, taking into account relevant decisions of the Executive Committee, in particular the requirement to achieve disbursement of 20 per cent of the previous tranche and to allocation to the last tranche of the stage of the HPMP in question at least 10 per cent of the total funding approved in principle for the refrigeration servicing sector; and
- (c) To consider, on a case-by-case basis, any request for approval, at the same Executive Committee meeting, of two or more tranches of a stage of an HPMP, noting the requirement for revised work and disbursement plans and agreements, and taking into account the availability of resources within the approved resource allocations for the years concerned.

**(Decision 76/16)**

Projects to demonstrate low-GWP technologies pursuant to decision 72/40

76. In his introduction to the issue, the representative of the Secretariat drew the members' attention to Table 2, which, in addition to the two projects approved previously, which had been included for reference, presented fifteen projects for consideration in two groups: Group I projects were recommended for approval, as all technical issues had been resolved and they met the criteria under decision 72/40, while Group II projects had outstanding issues. These included a lack of clear added demonstration value, potential overlaps with other proposals, unbalanced geographical distribution and missing endorsement letters, although endorsement letters for the Saudi Arabia proposal submitted by UNIDO and for the global project in the refrigeration sector submitted by UNEP and UNIDO had since been received. The Group II projects could be considered for approval subject to the availability of funds. The representative of the Secretariat also took the opportunity to provide the additional clarification requested by a number of members regarding the ammonia/CO<sub>2</sub> compressor demonstration project in China, which was intended to manufacture a prototype and test the performance of an ammonia compressor technology; the enterprise that had developed the technology would provide a substantial portion of the funding, and would cover the full cost of the compressor design through co-funding.

77. Members appreciated the high quality of the demonstration projects proposed, noting that they had been substantially refined since the previous meeting, both in terms of content and funding, and responded well to the criteria for funding. Apart from a query regarding intellectual property rights

stemming from the project in China, there was general agreement that the projects in Group I could move forward as proposed.

78. A number of concerns, however, were raised in relation to projects in Group II. Regarding the proposed projects in Saudi Arabia, although one member pointed out that they involved different approaches, modalities and even technologies, there was reluctance to approve two projects in the same sector for one country, and members wondered whether they could be merged. Members also had reservations regarding the global project proposed by UNEP and UNIDO, and, in one case, the PRAHA-II project.

79. The Executive Committee agreed to establish a contact group, convened by Austria, to discuss the issues raised. Subsequently, the convener of the contact group reported that the agreement had been reached on all the demonstration project proposals submitted to the current meeting. The demonstration projects, including project preparation and the two projects approved at the 74<sup>th</sup> and 75<sup>th</sup> meeting, respectively, represented total funding of US \$9,883,076, which was within the US \$10 million envelope allocated in decision 72/40.

80. Following the report of the convener, the Executive Committee considered the demonstration projects individually under agenda item 7(d), Investment projects.

Verification reports of low-LVC countries' compliance with their HPMP agreement

81. The Executive Committee decided to request relevant bilateral and implementing agencies to include in their respective amendments to their work programmes due for submission to the 77<sup>th</sup> meeting, funding for verification reports for stage I of the HPMPs in the amount of US \$30,000, plus agency support costs, for the following 17 Article 5 countries: Benin, Cabo Verde, Chad, Ecuador, El Salvador, Grenada, Guyana, Jamaica, Kyrgyzstan, Liberia, Mozambique, Nepal, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Sierra Leone, Swaziland, and Zambia.

**(Decision 76/17)**

Project and activities submitted for blanket approval

82. Regarding the list of projects submitted for blanket approval, the Executive Committee agreed to remove the request for a survey of ODS alternatives at the national level in Jordan and to consider it individually under agenda item 7(c)(iv), 2016 work programme of the World Bank, as well as the request for the fourth tranche of stage I of the HPMP for Ghana and to consider it individually under agenda item 7(d), Investment projects.

83. The Executive Committee decided:

- (a) To approve the projects and activities submitted for blanket approval at the levels of funding indicated in Annex V 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, and noting that the Agreement between the Government of Madagascar and the Executive Committee, contained in Annex VI to the present report, had been updated to reflect the revised Montreal Protocol limits; and

- (b) That, for projects related to renewal of institutional strengthening, blanket approval included approval of the observations to be communicated to recipient governments, amended in light of discussions under agenda item 6(b), Country programme data and prospects for compliance, and contained in Annex VII to the present report.

**(Decision 76/18)**

**(b) Bilateral cooperation**

84. The Chair introduced document UNEP/OzL.Pro/ExCom/76/13, indicating that it contained the recommendation on bilateral requests.

85. The Executive Committee decided to request the Treasurer to offset the costs of the bilateral projects approved at the 76<sup>th</sup> meeting as follows:

- (a) US \$19,061 (including agency fees) against the balance of France's bilateral contribution for 2016;
- (b) US \$73,450 (including agency fees) against the balance of Italy's bilateral contribution for 2016;
- (c) US \$48,873 (including agency fees) against the balance of Japan's bilateral contribution for 2016; and
- (d) US \$666,676 (including agency fees) against the balance of the Russian Federation's bilateral contribution for 2016.

**(Decision 76/19)**

**(c) Work programmes**

**(i) 2016 work programme of UNDP**

86. Document UNEP/OzL.Pro/ExCom/76/14 contained the work programme of UNDP for 2016, which consisted of five requests for renewal of institutional strengthening that had been approved as part of the list submitted for blanket approval under agenda item 7(a) above.

**(ii) 2016 work programme of UNEP**

87. Document UNEP/OzL.Pro/ExCom/76/15 contained the work programme of UNEP for 2016, which consisted of 16 requests for renewal of institutional strengthening that had been approved as part of the list submitted for blanket approval under agenda item 7(a) above.

**(iii) 2016 work programme of UNIDO**

88. Document UNEP/OzL.Pro/ExCom/76/16 contained the work programme of UNIDO for 2016, which consisted of two requests for renewal of institutional strengthening that had been approved as part of the list submitted for blanket approval under agenda item 7(a) above.

**(iv) 2016 work programme of World Bank**

89. Document UNEP/OzL.Pro/ExCom/76/17 contained two activities submitted by the World Bank, one request for the preparation of a national survey of ODS alternatives for Jordan, which had been

removed from the list of projects recommended for blanket approval, and one request for project preparation for investment activities (foam sector) in stage II of the HPMP for Argentina.

Jordan: Technical assistance for preparation of national survey of ODS alternatives

90. In response to a question raised about funding provided by the Climate and Clean Air Coalition to Reduce Short-Lived Climate Pollutants for Jordan's national survey of ODS alternatives, the representative of the Secretariat said that the funding level in the project proposal would be reduced by 50 per cent, in line with decision 74/53(d). She further explained that the guide developed to conduct the survey covered the methodology and the cooperation mechanisms for conducting the survey of ODS alternatives.

91. The Executive Committee decided to approve the request for technical assistance for the national survey of ODS alternatives for Jordan in the amount of US \$55,000, plus agency support costs of US \$4,950 for the World Bank, noting that the funding had been approved taking into account similar surveys conducted outside the Multilateral Fund, and on the understanding that the final report of the survey would be submitted to the Secretariat no later than 1 January 2017.

**(Decision 76/20)**

Argentina: Preparation for HCFC phase-out investment activities (stage II) (foam sector)

92. With regard to the request for project preparation for investment activities (foam sector) in stage II of the HPMP for Argentina, members expressed support for the recommendation that the request should be presented along with the project preparation request for stage II of the HPMP at a later date, to ensure conformity with decision 71/42. It was pointed out, however, that the overall request for HPMP preparation would be submitted at the end of 2016 only, leaving just three years to prepare stage II of the HPMP and implement it before 2020. It was therefore suggested that informal discussions take place regarding the possibility of approving the project preparation request for the foam sector before approving the preparation for stage II of the HPMP as a whole.

93. Following the informal discussions, one member reported that, despite the clear guidelines for submitting project preparation requests for stage II of HPMPs to the Executive Committee, a lack of coordination between the implementing agencies had placed Argentina in a difficult situation. It was therefore agreed to show flexibility and to solve Argentina's problem on an exceptional basis, while preventing such a situation from affecting other countries in future.

94. The Executive Committee decided:

- (a) To approve the request for project preparation for the HCFC phase-out investment activities for Argentina (stage II) (foam sector) in the amount of US \$137,500, plus agency support costs of US \$9,625 for the World Bank, noting that the approval was being granted on an exceptional basis in light of the limited time remaining to develop stage II of an HCFC phase-out management plan (HPMP) to enable Argentina to meet its 2020 compliance target, and was contingent on receipt by the Secretariat of an endorsement letter from the country stating how responsibilities for stage II of the HPMP had been assigned among the implementing agencies concerned; and
- (b) To reiterate that future funding requests to prepare stages of HPMPs for all countries should be submitted for the purpose of developing the entire stage and include all of the activities and bilateral and implementing agencies involved, in line with decision 71/42.

**(Decision 76/21)**

**(d) Investment projects**

**Projects to demonstrate low-GWP technologies**

*Refrigeration and air-conditioning and assembly sector*

China: Demonstration project for ammonia semi-hermetic frequency-convertible screw refrigeration compression units in the industrial and commercial refrigeration industry at Fujian Snowman Co., Ltd (UNDP)

95. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/25.

96. The Executive Committee decided:

- (a) To approve the demonstration project for ammonia (NH<sub>3</sub>) semi-hermetic frequency-convertible screw refrigeration compression units in the industrial and commercial refrigeration industry at Fujian Snowman Co., Ltd, in the amount of US \$1,026,815, plus agency support costs of US \$71,877 for UNDP, in line with decision 72/40; and
- (b) To request the Government of China and UNDP to complete the project within 18 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/22)**

Costa Rica: Demonstration of the application of an ammonia/carbon dioxide refrigeration system in replacement of HCFC-22 for the medium-sized producer and retail store at Premezclas Industriales S.A. (UNDP)

97. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/28.

98. The Executive Committee decided:

- (a) To approve the demonstration project for the application of an ammonia/carbon dioxide refrigeration system in replacement of HCFC-22 for the medium-sized producer and retail store at Premezclas Industriales S.A., in the amount of US \$524,000, plus agency support costs of US \$36,680 for UNDP, in line with decision 72/40;
- (b) To deduct 0.035 ODP tonnes of HCFC-22 from the remaining HCFC consumption eligible for funding under stage II of the HCFC phase-out management plan for Costa Rica; and
- (c) To request the Government of Costa Rica and UNDP to complete the project within 14 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/23)**

Kuwait: Demonstration project for HCFC-free, low-GWP technology performance in air-conditioning applications (UNDP)

99. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/38.

100. The Executive Committee decided:

- (a) To approve the demonstration project in Kuwait to evaluate the performance of HCFC-free technology with low-global warming potential in air-conditioning applications, in the amount of US \$293,000, plus agency support costs of US \$20,510 for UNDP, in line with decision 72/40; and
- (b) To request the Government of Kuwait and UNDP to complete the project within 36 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/24)**

Saudi Arabia: Demonstration project on promoting HFO-based low-GWP refrigerants for the air-conditioning sector in high ambient temperatures (UNIDO)

101. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/46.

102. The Executive Committee decided:

- (a) To approve the demonstration project in Saudi Arabia on promoting hydrofluoro-olefin-based refrigerants with low-global warming potential for the air-conditioning sector in high ambient temperatures, in the amount of US \$1,300,000, plus agency support costs of US \$91,000 for UNIDO, in line with decision 72/40, on the understanding that the testing of window air-conditioning units with HC-290 could also be conducted despite reduced funding for the project; and
- (b) To request the Government of Saudi Arabia and UNIDO to complete the project within 24 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/25)**

Saudi Arabia: Demonstration project at air-conditioning manufacturers to develop window and packaged air-conditioners using lower GWP refrigerants (World Bank)

103. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/46.

104. The Executive Committee decided:

- (a) To approve the demonstration project at air-conditioning manufacturers in Saudi Arabia to develop window and packaged air-conditioners using refrigerants with lower global warming potential, in the amount of US \$796,400, plus agency support costs of US \$55,748 for the World Bank, in line with decision 72/40, on the understanding that funding provided to the enterprise established after 2007 did not set a precedent and was accorded on an exceptional basis to address performance concerns related to air-

conditioning in high-ambient-temperature conditions, and only within the context of the present demonstration project;

- (b) To deduct 3.59 ODP tonnes of HCFC-22 from the remaining HCFC consumption eligible for funding under stage II of the HCFC phase-out management plan for Saudi Arabia; and
- (c) To request the Government of Saudi Arabia and the World Bank to complete the project within 12 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/26)**

Global: Demonstration project for the introduction of trans-critical CO<sub>2</sub> refrigeration technology for supermarkets (Argentina and Tunisia) (UNIDO)

105. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/56.

106. The Executive Committee decided:

- (a) To approve the demonstration project in Argentina and Tunisia for the introduction of trans-critical CO<sub>2</sub> refrigeration technology for supermarkets, in the amount of US \$846,300, plus agency support costs of US \$59,241 for UNIDO, in line with decision 72/40; and
- (b) To request the Governments of Argentina and Tunisia, and UNIDO, to complete the projects within 30 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/27)**

Regional: West Asia: Promoting refrigerant alternatives for high-ambient-temperature countries (PRAHA-II) (UNEP/UNIDO)

107. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/57.

108. The Executive Committee decided:

- (a) To approve the demonstration project in West Asia on promoting refrigerant alternatives for high-ambient-temperature countries (PRAHA-II), in the amount of US \$771,500, consisting of US \$375,000, plus agency support costs of US \$48,750 for UNEP, and US \$325,000, plus agency support costs of US \$22,750 for UNIDO, in line with decision 72/40; and
- (b) To request UNEP and UNIDO to complete the project within 18 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/28)**

*Foam sector*

Colombia: Demonstration project to validate the use of hydrofluoro-olefins for discontinuous panels in Article 5 Parties through the development of cost-effective formulations (UNDP)

109. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/26.

110. The Executive Committee decided:

- (a) To approve the demonstration project in Colombia to validate the use of hydrofluoro-olefins for discontinuous panels in Article 5 countries through the development of cost-effective formulations, in the amount of US \$248,380, plus agency support costs of US \$22,354 for UNDP, in line with decision 72/40; and
- (b) To request the Government of Colombia and UNDP to complete the project within 12 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/29)**

Egypt: Demonstration of low-cost options for the conversion to non-ODS technologies in polyurethane foams at very small users (UNDP)

111. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/31.

112. The Executive Committee decided:

- (a) To approve the project in Egypt on the demonstration of low-cost options for the conversion to non-ODS technologies in polyurethane foams at very small users, in the amount of US \$295,000, plus agency support costs of US \$20,650 for UNDP, in line with decision 72/40;
- (b) To deduct 4.4 ODP tonnes of HCFC-141b from the remaining HCFC consumption eligible for funding under stage II of the HCFC phase-out management plan for Egypt; and
- (c) To request the Government of Egypt and UNDP to complete the project within 12 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/30)**

Saudi Arabia: Demonstration project for the phase-out of HCFCs by using HFO as foam blowing agent in the spray foam applications in high ambient temperatures (UNIDO)

113. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/46.

114. The Executive Committee decided:

- (a) To approve the demonstration project in Saudi Arabia for the phase-out of HCFCs by using hydrofluoro-olefin as a foam blowing agent in spray foam applications in high

ambient temperatures, in the amount of US \$96,250, plus agency support costs of US \$8,663 for UNIDO, in line with decision 72/40; and

- (b) To request the Government of Saudi Arabia and UNIDO to complete the project within 16 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/31)**

South Africa: Demonstration project on the technical and economic advantages of the vacuum assisted injection in a discontinuous-panel plant retrofitted from HCFC-141b to pentane (UNIDO)

115. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/48.

116. The Executive Committee decided:

- (a) To approve the demonstration project in South Africa on the technical and economic advantages of vacuum-assisted injection in a discontinuous-panel plant retrofitted from HCFC-141b to cyclopentane, in the amount of US \$222,200, plus agency support costs of US \$19,998, in line with decision 72/40; and
- (b) To request the Government of South Africa and UNIDO to complete the project within 16 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/32)**

Thailand: Demonstration project at foam system houses in Thailand to formulate pre-blended polyols for spray polyurethane foam applications using a low-GWP blowing agent (World Bank)

117. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/50.

118. The Executive Committee decided:

- (a) To approve the demonstration project at foam system houses in Thailand to formulate pre-blended polyols for spray polyurethane foam applications using a blowing agent with low-global warming potential, in the amount of US \$352,550, plus agency support costs of US \$24,679 for the World Bank, in line with decision 72/40;
- (b) To deduct 3.88 ODP tonnes of HCFC-141b from the remaining HCFC consumption eligible for funding under stage II of the HCFC phase-out management plan for Thailand; and
- (c) To request the Government of Thailand and the World Bank to complete the project within 12 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/33)**

*Servicing sector*

Maldives: Demonstration project for HCFC-free low-GWP alternatives in refrigeration in the fisheries sector (UNDP)

119. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/40.

120. The Executive Committee decided:

- (a) To approve the demonstration project in Maldives for HCFC-free technologies with low-global warming potential in refrigeration in the fisheries sector, in the amount of US \$141,000, plus agency support costs of US \$12,690 for UNDP, in line with decision 72/40; and
- (b) To request the Government of Maldives and UNDP to complete the project within 24 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/34)**

Regional: Europe and Central Asia: Development of a regional centre of excellence for training and certification and demonstration of low-GWP alternative refrigerants (Russian Federation)

121. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/57.

122. The Executive Committee decided:

- (a) To approve the demonstration project in the Europe and Central Asia region for the development of a regional centre of excellence for training and certification and demonstration of alternative refrigerants with low-global warming potential, in the amount of US \$591,600, plus agency support costs of US \$75,076 for the Government of the Russian Federation, in line with decision 72/40; and
- (b) To request the Government of the Russian Federation to complete the project within 36 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/35)**

Global: Demonstration project on refrigerant quality, containment and introduction of low-GWP refrigerants (UNIDO/UNEP)

123. The Executive Committee considered the proposed demonstration project as described in document UNEP/OzL.Pro/ExCom/76/56.

124. The Executive Committee decided:

- (a) To approve the demonstration project in the Eastern Africa and Caribbean regions on refrigerant quality, containment and introduction of alternatives with low-global warming potential, in the amount of US \$425,650, consisting of US \$50,000, plus agency support costs of US \$6,500 for UNEP, and US \$345,000, plus agency support costs of US \$24,150 for UNIDO, in line with decision 72/40; and

- (b) To request the Governments concerned, and UNEP and UNIDO, to complete the project within 24 months of its approval, and to submit a comprehensive final report soon after project completion.

**(Decision 76/36)**

## **Stage II of HPMPs**

### Chile: HCFC phase-out management plan stage II – first tranche (UNDP/UNEP/UNIDO)

125. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/76/24 and Corr.1

126. Informal discussions were held to clarify issues linked to the harmonization of implementation efforts for stage I and stage II of the HPMP for Chile, the way in which the Agreement between the Government and the Executive Committee might reflect the ambitious reduction commitments in stage II of the HPMP; tranche distribution; and the country's extended commitment for overall phase-out.

127. The representative of the Secretariat reported that the issues had been clarified, with the Government of Chile committing to phase out 45 per cent of HCFCs by 2020, and 65 per cent in 2021. The draft Agreement between the country and the Executive Committee would be adjusted accordingly.

128. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Chile for the period from 2016 to 2021 to reduce HCFC consumption by 65 per cent of its baseline, in the amount of US \$3,644,694, consisting of US \$2,145,047, plus agency support costs of US \$150,153 for UNDP, US \$218,270, plus agency support costs of US \$28,375 for UNEP, and US \$1,030,700, plus agency support costs of US \$72,149 for UNIDO;
- (b) To note:
  - (i) That the Government of Chile had committed to reducing HCFC consumption by 45 per cent of its baseline by 2020, and 65 per cent of its baseline by 2021;
  - (ii) That the Government of Chile would issue, by 1 January 2020, a ban on the import and use of HCFC-141b for the polyurethane foam manufacturing sector and on imports and exports of HCFC-141b contained in pre-blended polyols;
- (c) To deduct 47.1 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To deduct a further 2.42 ODP tonnes of HCFC-141b from the remaining HCFC consumption eligible for funding to account for exports of pre-blended polyols containing HCFC-141b, in line with decision 68/42(b);
- (e) To approve the Agreement between the Government of Chile and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex VIII to the present report; and
- (f) To approve the first tranche of stage II of the HPMP for Chile, and the corresponding tranche implementation plan, in the amount of US \$1,154,871, consisting of US \$700,955, plus agency support costs of US \$49,067 for UNDP, US \$65,481, plus

agency support costs of US \$8,513 for UNEP, and US \$309,210 plus agency support costs of US \$21,645 for UNIDO.

**(Decision 76/37)**

Indonesia: HCFC phase-out management plan stage II – first tranche (UNDP/World Bank)

129. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/76/36 and Add.1.

130. During the discussion, members commended the country's ambitious commitment to achieve a 55 per cent reduction in HCFC consumption by 2023. They noted, however, that 75 per cent of funds in stage II were being requested by 2019, which did not seem necessary for compliance, as Indonesia's consumption for 2015 was already more than 60 per cent below its baseline. Furthermore, the additional reductions to be achieved in stage II would reduce HCFC consumption to 89 per cent below the baseline. Other issues included: the proposal to allow the country to request additional funds for the solvent and firefighting sectors during implementation of stage II of the HPMP; the cost-effectiveness of the strategy in the foam sector; and the need to report the climate impact of all HCFC-reduction activities under the HPMP, including the conversion of enterprises in the refrigeration sector without assistance from the Multilateral Fund. In addition, one member noted that the request for funding linked to equipment for ODS destruction was not eligible, and should not therefore be included in the HPMP. Such a request might be considered in relation to a new funding window for ODS destruction, should one be established by the Executive Committee.

131. Following informal discussions, the representative of the Secretariat reported that the funding associated with equipment for ODS destruction had been removed from the project, resulting in a funding reduction of US \$700,000 for the servicing sector. The tranche distribution and the draft Agreement between the Government and the Executive Committee would also be adjusted accordingly.

132. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Indonesia for the period from 2016 to 2023 to reduce HCFC consumption by 55 per cent of its baseline, in the amount of US \$8,883,314, consisting of US \$4,047,000, plus agency support costs of US \$283,290 for UNDP, and US \$4,255,163, plus agency supports costs of US \$297,861 for the World Bank;
- (b) To note that the Government of Indonesia has committed to reducing HCFC consumption by 37.5 per cent by 2020, and 55 per cent by 2023;
- (c) To note the commitment of the Government of Indonesia to issue a ban on imports of HCFC-141b in bulk and contained in imported pre-blended polyols by 1 January 2021, and to encourage the Government to establish a national system for recording the amounts of HCFC-141b contained in pre-blended polyols to support that ban;
- (d) To further note that no additional funding from the Multilateral Fund would be provided to any systems houses in Indonesia for the phase-out of HCFCs;
- (e) To deduct 84.33 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

- (f) To approve the Agreement between the Government of Indonesia and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex IX to the present report; and
- (g) To approve the first tranche of stage II of the HPMP for Indonesia, and the corresponding tranche implementation plan, in the amount of US \$4,514,177, consisting of US \$2,233,114, plus agency support costs of US \$156,318 for UNDP, and US \$1,985,743, plus agency support costs of US \$139,002 for the World Bank.

**(Decision 76/38)**

Pakistan: HCFC phase-out management plan stage II – first tranche (UNEP/UNIDO)

133. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/42.

134. Several members expressed appreciation of various positive aspects of the project, including the Government of Pakistan's extended commitment to phase out 50 per cent of the HCFC baseline by 2020, the technical assistance and training in alternative technologies for small- and medium-sized enterprises, and the transition to climate-friendly, low-GWP alternatives in the air-conditioning manufacturing sector.

135. One member, noting that the verification report for 2015 HCFC consumption was still outstanding, proposed that disbursement of funds be conditional on its satisfactory completion and review. She also enquired whether tranches might be redistributed to take into account resource availability. Another member requested clarification regarding the exclusion of small spray-foam enterprises from the phase-out of HCFC-141b during the current stage of the project.

136. The representative of the Secretariat responded that disbursement of the first tranche could be made conditional on submission of the verification report, as had been the case for previous projects. She also confirmed that activities in the spray-foam sector would be implemented in stage III of the HPMP, owing to the present lack of commercially available alternatives in the local market. She further confirmed that agreement had been reached with UNIDO and the Government of Pakistan on the redistribution of funding in the tranches, and that would be reflected in the final Agreement on stage II of the HPMP.

137. Following the clarifications, the Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Pakistan for the period 2016 to 2020 to reduce HCFC consumption by 50 per cent of its baseline, in the amount of US \$5,679,476, consisting of US \$4,776,772, plus agency support costs of US \$334,374 for UNIDO, and US \$503,000, plus agency support costs of US \$65,330 for UNEP;
- (b) To note the commitment of the Government of Pakistan to reducing HCFC consumption by 50 per cent by 2020;
- (c) To deduct 72.98 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Pakistan and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex X to the present report;
- (e) To approve the first tranche of stage II of the HPMP for Pakistan, and the corresponding tranche implementation plan, in the amount of US \$2,740,690, consisting of

US \$2,350,200, plus agency support costs of US \$164,514 for UNIDO, and US \$200,000, plus agency support costs of US \$25,976 for UNEP, on the understanding that the approved funds would not be transferred to UNEP and UNIDO until the Secretariat had reviewed the verification report and confirmed that the Government of Pakistan was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee for stage I of the HPMP; and

- (f) To note that during the implementation of stage II of the HPMP, the Government of Pakistan could submit an investment project to phase out the use of HCFC-142b in the extruded polystyrene foam manufacturing sector on the condition that the country's baseline consumption was revised to include HCFC-142b and approved by the Meeting of the Parties to the Montreal Protocol.

**(Decision 76/39)**

Panama: HCFC phase-out management plan stage II – first tranche (UNDP)

138. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/43.

139. A number of members raised concerns about how the presence of the Free Trade Zone in Panama might impact the efficacy and sustainability of the HPMP for Panama, given that the Free Trade Zone operated outside Panama's sovereignty and was not subject to its import and export controls. Of particular concern was the existence of a systems house in the Free Trade Zone, which could still import HCFC-141b and export HCFC-based pre-blended polyols, despite the ban on imports of HCFC-141b into Panama. One member queried why the cost attributed to the project management unit was much higher than for stage I of the HPMP, although the length of time was similar. Another member asked if there was any precedent for a situation where the existence of a free trade zone presented potential challenges to a project. One member requested further information on the steps being taken to ensure Panama's success in meeting its 2020 reduction obligations.

140. The representative of the Secretariat said that he was not aware of any precedent to the current situation with regard to the HPMP for Panama and the Free Trade Zone. He highlighted that the existence of a systems house in the Free Trade Zone might have an impact on the country's efforts to phase out HCFC-141b. The Secretariat had accordingly investigated what policies existed or could be applied. Of relevance was paragraph 3 of decision XIX/12 of the Nineteenth Meeting of the Parties, by which Parties wishing to improve implementation and enforcement of their licensing systems to combat illegal trade might wish to consider, *inter alia*, monitoring transit movements of ODS, including those passing through duty-free zones. Consultation with UNDP had revealed, however, that the Government of Panama had no information on the import and export of ODS passing through the Free Trade Zone, as that had traditionally been considered foreign territory. Data existed only on movement of substances from the Free Trade Zone to Panama, as that had to pass through customs. It was noted, however, that the Government of Panama intended to make efforts to extend the bans on imports and use of HCFCs to the Free Trade Zone in the future. In addition, the Government's plan to ban imports of HCFC-141b contained in pre-blended polyols by 1 January 2020 should help ensure the sustainability of the project.

141. Regarding the project management unit costs, those had been discussed with UNDP, and it had been found that those costs in stage I were lower than they should have been; in addition, further activities were planned for stage II, for example in the polyurethane foam sector, entailing additional responsibilities for the project management unit.

142. Subsequently, the representative of the Secretariat said that agreement had been reached with the Government of Panama on the outstanding issues.

143. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Panama for the period from 2016 to 2020 to reduce HCFC consumption by 35 per cent of its baseline, in the amount of US \$723,654, plus agency support costs of US \$50,656 for UNDP;
- (b) To note the commitment of the Government of Panama:
  - (i) To issue a ban on the use of HCFC-22 as flushing solvent in the refrigeration servicing sector by 1 January 2018;
  - (ii) To issue a ban on imports of HCFC-141b contained in imported pre-blended polyols by 1 January 2020;
  - (iii) To issue a ban on new installations for and on the manufacture of HCFC-based extruded polystyrene foam by 1 January 2018;
  - (iv) To undertake efforts to extend the bans on imports and use of HCFCs to the Free Trade Zone;
  - (v) To introduce measures by 2020 to prevent the import of products being converted under the HPMP that were manufactured with HCFC-141b in the Free Trade Zone;
- (c) To deduct 9.11 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Panama and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XI to the present report;
- (e) To approve the first tranche of stage II of the HPMP for Panama, and the corresponding tranche implementation plan, in the amount of US \$265,100, plus agency support costs of US \$18,557 for UNDP; and
- (f) To request UNDP and the Government of Panama to report in the tranche requests of the stage II of the HPMP on:
  - (i) The status of the Government's efforts to obtain data from the systems house in the Free Trade Zone; and
  - (ii) The status of the Government's efforts to obtain information on HCFCs imported to and exported from the Free Trade Zone.

**(Decision 76/40)**

Venezuela (Bolivarian Republic of): HCFC phase-out management plan stage II – first tranche (UNIDO/UNDP)

144. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/54.

145. One member queried whether there was strong justification for the level of assistance, given the significant decrease in HCFC consumption in Venezuela (Bolivarian Republic of), with a 50 per cent

reduction below the baseline already in 2014, and 75 per cent in 2015. While this was unlikely to be a sustained phase-out, given that the economic situation in the country could change, it was difficult based on current consumption trends and other economic factors to assess the level of assistance the country needed for compliance.

146. The representative of the Secretariat said that those issues had been discussed at length with UNIDO and UNDP, and that activities in the refrigeration sector continued to be implemented. The assistance being requested in the refrigeration sector was in order to maintain the reductions in consumption that had been achieved so far. Although it was not possible to predict the situation in the short term, the assistance envisaged would contribute to the transition to alternative substances and avoid a potential peak in consumption of HCFC-22 when the economy recovered. In addition, the foam enterprises to be converted to non-ODS technology were operating in a financially sound manner, and, by phasing out consumption in those enterprises, all the remaining consumption of HCFC-141b, both eligible and non-eligible, would also be phased out.

147. Following the clarifications, the Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Venezuela (Bolivarian Republic of) for the period 2016 to 2020 to reduce HCFC consumption by 42 per cent of the baseline, in the amount of US \$3,524,113, consisting of US \$1,967,144, plus agency support costs of US \$137,700 for UNIDO, and US \$1,326,420, plus agency support costs of US \$92,849 for UNDP;
- (b) To note the commitment of the Government of Venezuela (Bolivarian Republic of):
  - (i) To reduce HCFC consumption by 42 per cent by 2020;
  - (ii) To issue a ban on imports, exports and use of HCFC-141b pure or contained in pre-blended polyols by 1 January 2020;
  - (iii) To issue a ban on the import of refrigeration and air-conditioning (RAC) equipment operated with HCFC and a ban on manufacturing and new installations of RAC equipment operating with HCFCs by 1 January 2020;
- (c) To deduct 64.41 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Venezuela (Bolivarian Republic of) and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XII to the present report; and
- (e) To approve the first tranche of stage II of the HPMP for Venezuela (Bolivarian Republic of), and the corresponding tranche implementation plan, in the amount of US \$723,769, consisting of US \$600,000, plus agency support costs of US \$42,000 for UNIDO, and US \$76,420, plus agency support costs of US \$5,349 for UNDP.

**(Decision 76/41)**

Viet Nam: HCFC phase-out management plan stage II – first tranche (World Bank/Japan)

148. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/55 and said that the World Bank had made two submissions to the present meeting on behalf of the Government of Viet Nam: a request for funding for the third and final tranche of stage I of the HPMP, which was to be considered under the tranche requests for stage I of HPMPs, and stage II of the HPMP, at a total cost of

US \$20.4 million plus agency support costs for the World Bank and the Government of Japan. He presented the two requests jointly given the intrinsic relation between the proposed modification to the foam sector plan approved in stage I and the proposed sector plan contained in stage II.

149. Several members appreciated the attempt by the Secretariat to treat the two requests together and said that the third tranche of stage I could be approved on an exceptional basis. There was a need, however, to address undefined elements for the refrigeration manufacturing sector, as well as to better understand the actual, and not just the average, costs, the proposal for flexibility in the foam sector for enterprises established after the cut-off date and the increase in the use of HCFC-141b contained in imported pre-blended polyols, in stage II. Several members said that they did not consider an increase in density for the foam sector to be incremental, and raised concerns about the proposed level of funding for project management and technical assistance.

150. Following informal discussions, the Executive Committee decided:

- (a) To approve in principle, stage II of the HCFC phase-out management plan (HPMP) for Viet Nam for the period 2016 to 2022 to reduce HCFC consumption by 35 per cent of its baseline, in the amount of US \$15,683,990, consisting of US \$14,411,204, plus agency support costs of US \$1,008,784 for the World Bank, and US \$233,630, plus agency support costs of US \$30,372 for the Government of Japan;
- (b) To note that the Government of Viet Nam had committed to reducing HCFC consumption by 35 per cent by 2020;
- (c) To further note the commitment of the Government of Viet Nam to issue a ban on:
  - (i) Imports of HCFC-141b contained in pre-blended polyols by 1 January 2022;
  - (ii) Imports and manufacture of HCFC-22 air-conditioning units by 1 January 2022;
- (d) To deduct 130.6 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To approve the Agreement between the Government of Viet Nam and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XIII to the present report; and
- (f) To approve the first tranche of stage II of the HPMP for Viet Nam, and the corresponding tranche implementation plan, in the amount of US \$472,694, consisting of US \$396,095, plus agency support costs of US \$27,727 for the World Bank, and US \$43,250, plus agency support costs of US \$5,623 for the Government of Japan.

**(Decision 76/42)**

China: HCFC phase-out management plan stage II – first tranche (Several)

*Extruded polystyrene foam sector plan (UNIDO/Germany)*

*Polyurethane rigid foam sector plan (World Bank)*

*Industrial and commercial refrigeration and air-conditioning sector plan (UNDP)*

*Room air-conditioner manufacturing sector plan and heat pump water heaters (UNIDO)*

*Solvent sector plan (UNDP)**Refrigeration and air-conditioning servicing sector plan and enabling component (UNEP/Germany/Japan)*

151. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/25 containing the overall strategy for stage II of the HPMP for China. He presented the overarching issues associated with stage II, which included: the overlap of implementation between stages I and II; the HCFC reductions required to meet compliance targets; the duration and scope of stage II given that some sectors had targets up to 2020 only, while others had targets up to 2025 and 2026; options to undertake verification of HCFC consumption during the implementation of stage II; the cost of the project implementation and monitoring unit; and the need to allocate funding tranches for the years 2016 and 2017 at levels that were consistent with the funding allocated in the business plan.

152. Following the presentation, a number of members raised further issues and expressed their desire to discuss certain matters in greater detail given the scope of the project proposal, which was the largest ever submitted to the Executive Committee. Many members praised the emphasis on low-GWP alternatives in stage II of the HPMP, and the significant transition away from HCFCs without funding from the Multilateral Fund. Attention was also drawn to the lessons learned in stage I of the HPMP, which served as building blocks for further progress in stage II.

153. Other issues requiring further discussion included: the lack of specific figures for the actual ODP tonnage phased out in stage I, the ODP tonnes to be addressed in stage II as a whole, and the ODP tonnage to be phased out after 2020; the significant funding provided to the project implementation and monitoring unit in all sector plans; the issue of unspent balances from stage I; the urgency of proceeding with stage II, with funds remaining under stage I; the relationship between stage II and stage III; details about the tonnage associated with self-financing outside of the Multilateral Fund; the issue of increases in foam density; the process for verification of HPMP results; and the means of identifying eligible enterprises, particularly as the HPMP moved to address small- and medium-sized enterprises.

154. In addition to the general issues raised, members desired specific clarification of aspects of the various sector plans, which could also be obtained in contact group discussions.

155. Following the discussion, the Executive Committee agreed to convene a contact group, facilitated by Belgium, to discuss stage II of the HPMP for China and report back to plenary.

156. The facilitator of the contact group reported that agreement had been reached on the solvent sector and the servicing sector. He explained that, for the solvent sector, the project would, by 1 January 2026, lead to the complete phase-out of HCFCs, mostly HCFC-141b, but also some HCFC-225ca. This would involve the phase-out of 455.17 ODP tonnes (4,172 metric tonnes) at a cost of US \$44.8 million, plus agency support costs to be negotiated later. Costs for the project implementation and monitoring unit were to be negotiated separately at a future meeting. For the servicing sector, a total of 734 ODP tonnes (13,345 metric tonnes) of HCFC-22 would be phased out and deducted from the country's remaining eligible consumption at a cost of US \$20,290,000, with support costs to be negotiated at a later date. Exceptionally, the funding amount included the costs of the project implementation and monitoring unit.

157. Approval of two of the sectors for stage II of the HPMP for China was seen by all concerned as considerable progress. Further discussion was required to reach similar outcomes for the four remaining sectors. It was therefore agreed that informal discussions would continue at the 77<sup>th</sup> meeting, beginning on the day before the official start of that meeting, with the assistance of the Secretariat. A number of members who had participated in the contact group discussions expressed their appreciation for the

positive, cooperative exchanges and the information provided, and voiced their conviction that the discussions at the 77<sup>th</sup> meeting would yield similarly successful results.

158. The Executive Committee decided:

- (a) To note, with appreciation, the submission by the Government of China of the overarching strategy for stage II of the country's HCFC phase-out management plan (HPMP) and the accompanying plans for the following sectors: extruded polystyrene foam, polyurethane foam, industrial and commercial refrigeration and air-conditioning, room air-conditioner manufacturing and heat pump water heaters, solvent, and refrigeration and air-conditioning servicing, with the enabling programme component;
- (b) To approve, in principle, the solvent sector plan of stage II of the HPMP for China for the period 2016 to 2026 for the complete phase-out of all HCFCs in that sector, in the amount of US \$44.8 million, plus agency support costs for UNDP to be determined at a future meeting, on the understanding that:
  - (i) Funding for the project implementation and monitoring unit for the sector plan was separate and additional and would be determined at a future meeting;
  - (ii) That no further funding would be provided from the Multilateral Fund for the phase-out of HCFCs in the solvent sector;
- (c) To approve, in principle, the refrigeration and air-conditioning servicing sector and enabling programme component of stage II of the HPMP for China for the period 2016 to 2020 to reduce HCFC consumption by 734.0 ODP tonnes, in the amount of US \$20.29 million, plus agency support costs for UNEP, the Governments of Germany and Japan to be determined at a future meeting, on the understanding that the percentage of funds allocated to the project implementation and monitoring unit did not set a precedent for future approvals;
- (d) To deduct:
  - (i) 454.1 ODP tonnes of HCFC-141b and 1.13 ODP tonnes of HCFC-225ca from the remaining HCFC consumption eligible for funding associated with the solvent sector;
  - (ii) 734.0 ODP tonnes of HCFC-22 from the remaining HCFC consumption eligible for funding associated with the servicing sector;
- (e) To further consider the remaining sector plans and other outstanding issues for stage II of the HPMP for China at its 77<sup>th</sup> meeting; and
- (f) To invite the Government of China and interested members of the Executive Committee to hold intersessional consultations one day before the start of the 77<sup>th</sup> meeting with a view to facilitating discussions of the remaining sector plans of stage II of the HPMP for China at that meeting.

**(Decision 76/43)**

**Tranche request of stage I HPMP**Benin: HCFC phase-out management plan stage I – third tranche (UNEP/UNIDO)

159. The Chair introduced document UNEP/OzL.Pro/ExCom/76/18 and recalled that the issue of the requests for multiple delayed or future tranches for stage I of the HPMP had been resolved by decision 76/16 taken under agenda item 7(a), Overview of issues identified during project review, and that there were no further issues to be addressed.

160. One member asked whether the training programme for refrigeration technicians also addressed natural refrigerants, and the representative of UNEP confirmed that it did. Another member noted the ability of the country to take advantage of lower shipping costs per unit by combining the tranches and supported the recommendation of the Secretariat on an exceptional basis.

161. The Executive Committee decided:

- (a) To note:
  - (i) The progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan (HPMP) for Benin;
  - (ii) That the Fund Secretariat had updated the Agreement between the Government of Benin and the Executive Committee, as contained in Annex XIV to the present report, specifically Appendix 2-A, on the basis of the consolidation of UNIDO's funding for the fourth (US \$35,000 in 2018) and fifth (US \$35,000 in 2020) tranches with the funding for the third tranche (US \$50,000), and paragraph 16, which had been amended to indicate that the updated Agreement superseded that reached at the 70<sup>th</sup> meeting; and
- (b) To approve the third tranche of stage I of the HPMP for Benin, and the corresponding 2016–2018 tranche implementation plan, in the amount of US \$213,750, consisting of US \$75,000, plus agency support costs of US \$9,750 for UNEP, and US \$120,000, plus agency support costs of US \$9,000 for UNIDO.

**(Decision 76/44)**

Chile: HCFC phase-out management plan stage I – fourth and fifth tranche (UNEP/UNDP)

162. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/24 and recalled that the issue of the requests for multiple delayed or future tranches for stage I of the HPMP had been resolved by decision 76/16 taken under agenda item 7(a), Overview of issues identified during project review.

163. One member expressed a concern that, according to Table 2 of the document, no disbursement had been made by UNEP for the third tranche. The representative of the Secretariat said that, following discussions between the member and the representative of UNEP, a condition would be placed on disbursement of UNEP's portion of the fourth and fifth tranches.

164. The Executive Committee decided:

- (a) To note:
  - (i) The progress report on the implementation of the third tranche of stage I of the HCFC phase-out management plan of (HPMP) for Chile;

- (ii) That the Fund Secretariat had updated the Agreement between the Government of Chile and the Executive Committee, as contained in Annex XV to the present report, specifically paragraph 1 and Appendix 2-A, on the basis of the revised funding schedule (combining the fourth (US \$139,562 in 2014) and the fifth (US \$127,860 in 2015) tranches) and the extension of implementation period, and paragraph 16, which had been amended to indicate that the updated Agreement superseded that reached at the 71<sup>st</sup> meeting;
  - (iii) That the Government of Chile was committed to completing implementation of stage I of the HPMP by 31 December 2017; that no further extension of project implementation would be requested; and that any funds remaining at the end of 2017 would be returned to the Multilateral Fund at the first meeting of the Executive Committee in 2019;
- (b) To request the Government of Chile, UNDP and UNEP to submit the 2015 verification report by the 77<sup>th</sup> meeting, progress reports on the implementation of the work programmes associated with stage I on a yearly basis until the completion of the project, verification reports on a yearly basis until the first meeting of 2018, and the project completion report to the last meeting of the Executive Committee in 2018; and
  - (c) To approve the fourth and the fifth (final) tranches of stage I of the HPMP for Chile, and the corresponding 2016–2017 tranche implementation plan, in the amount of US \$291,225, consisting of US \$199,299, plus agency support costs of US \$14,947 for UNDP, and US \$68,123, plus agency support costs of US \$8,856 for UNEP, on the understanding that funding for UNEP would be disbursed only after signature of the agreement between the Government of Chile and UNEP for implementing activities in stage I.

**(Decision 76/45)**

Ghana: HCFC phase-out management plan stage I, fourth tranche (UNDP/Italy)

165. The Chair introduced document UNEP/OzL.Pro/ExCom/76/32 and said that it had been removed from the list of projects recommended for blanket approval.

166. One member recalled that, in decision 72/32(b), the Executive Committee had requested Ghana to establish a regulatory environment for the safe use of hydrocarbon refrigerants before submitting the fourth tranche request to the Committee.

167. The Executive Committee decided:

- (a) To note the progress report on implementation of the third tranche of stage I of the HCFC phase-out management plane (HPMP) for Ghana;
- (b) To approve the fourth tranche of stage I of the HPMP for Ghana, and the corresponding 2016–2018 tranche implementation plan, in the amount of US \$283,075, consisting of US \$195,000, plus agency support costs of US \$14,625 for UNDP, and US \$65,000, plus agency support costs of US \$8,450 for the Government of Italy, on the understanding that the funds would not be transferred to UNDP or the Government of Italy until the Secretariat had:

- (i) Reviewed the verification report and confirmed that the Government of Ghana was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee; and
- (ii) Confirmed that the regulatory environment for the safe use of hydrocarbon refrigerants called for in paragraph (b) of decision 72/32 was in place.

**(Decision 76/46)**

Indonesia: HCFC phase-out management plan stage I – third tranche (UNDP/UNIDO/World Bank/Australia)

168. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/36 and recalled the issue of the requests for multiple delayed or future tranches for stage I of the HPMP had been resolved by decision 76/16 taken under agenda item 7(a), Overview of issues identified during project review.

169. The Executive Committee decided:

- (a) To note:
  - (i) The progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan (HPMP) for Indonesia;
  - (ii) That 12 enterprises in the refrigeration sector and 16 enterprises in the air-conditioning sector had requested to be removed from stage I of the HPMP as they had decided to convert to high-global warming potential (GWP) technology without funding from the Multilateral Fund, and that UNDP would return US \$3,134,216, plus agency support costs of US \$235,066, associated with those enterprises to the 76<sup>th</sup> meeting;
  - (iii) That 15 foam enterprises had decided not to convert to HFC-245fa technology under stage I of the HPMP and that further funding would be provided only to convert to low-GWP alternatives;
- (b) To approve the reallocation of up to US \$603,077 to support two local systems houses in developing low-GWP formulations, as contained in the 2016–2018 tranche implementation plan;
- (c) To further note that the Fund Secretariat had updated the Agreement between the Government of Indonesia and the Executive Committee, as contained in Annex XVI to the present report, specifically Appendix 2-A, on the basis of the combination of the third (US \$591,812 in 2015) and fourth (US \$580,710 in 2018) tranches, and paragraph 17, which had been amended to indicate that the updated Agreement superseded that reached at the 71<sup>st</sup> meeting;
- (d) To request the Government of Indonesia, UNDP, UNIDO, the World Bank and the Government of Australia to submit progress reports on the implementation of the work programmes associated with stage I on a yearly basis until the completion of the project, and the project completion report to the first meeting of the Executive Committee in 2019; and
- (e) To approve the third and final tranche of stage I of the HPMP for Indonesia, and the corresponding 2016–2018 tranche implementation plan, in the amount of US \$1,260,461,

consisting of US \$901,102, plus agency support costs of US \$67,583 for UNDP, and US \$271,420, plus agency support costs of US \$20,356 for the World Bank.

**(Decision 76/47)**

Saint Lucia: HCFC phase-out management plan stage I – third tranche (UNEP/UNIDO)

170. The Chair introduced document UNEP/OzL.Pro/ExCom/76/44, noting that the issue of the requests for multiple delayed or future tranches for stage I of the HPMP had been resolved by decision 76/16 taken under agenda item 7(a), Overview of issues identified during project review. The Chair also informed that the verification report for HCFC consumption had been submitted by the Government of Saint Lucia and that the Secretariat had confirmed that the Government was in compliance with the Montreal Protocol and its Agreement with the Executive Committee.

171. The Executive Committee decided:

- (a) To note:
  - (i) The progress report on the implementation of the second tranche of stage I of the HCFC phase out management plan (HPMP) for Saint Lucia;
  - (ii) That the Fund Secretariat had updated the Agreement between the Government of Saint Lucia and the Executive Committee, as contained in Annex XVII to the present report, specifically paragraph 1 and Appendices 1-A and 2-A, on the basis of the established HCFC baseline for compliance and the revised funding level, as well as the consolidation of UNIDO's funding for the fourth (2018) and fifth (2020) tranches with the funding for the third tranche and paragraph 16, which had been amended to indicate that the updated Agreement superseded that reached at the 68<sup>th</sup> meeting;
  - (iii) That the revised starting point for sustained aggregate reduction in HCFC consumption was 1.09 ODP tonnes, calculated using actual consumption of 1.37 ODP tonnes and 0.81 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol, and that the revised funding level for stage I of the HPMP for Saint Lucia was US \$210,000, plus agency support costs, in accordance with decision 60/44(f)(xii); and
- (b) To approve the third tranche of stage I of the HPMP for Saint Lucia, and the corresponding 2016–2018 tranche implementation plan, in the amount of US \$59,694, consisting of US \$26,300, plus agency support costs of US \$3,419 for UNEP, and US \$27,500, plus agency support costs of US \$2,475 for UNIDO, on the understanding that if Saint Lucia were to decide to proceed with retrofits, and associated servicing, using flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non-flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols.

**(Decision 76/48)**

Viet Nam: HCFC phase-out management plan stage I – third tranche (World Bank)

172. The Chair recalled that the proposal had already been introduced by the representative of the Secretariat (see paragraphs 148 and 149 above).

173. The Executive Committee decided:

- (a) To note the progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan (HPMP) in Viet Nam;
- (b) To further note:
  - (i) That a new foam enterprise, Sanaky, had been included in the foam sector plan replacing the enterprise Glory, which was no longer in business;
  - (ii) That the costs of the conversion and the HCFC consumption of Sanaky had been, on an exceptional basis, calculated on the basis of its 2009 consumption so that the enterprise could be treated in the same manner as the other enterprises included in the foam sector plan under stage I;
  - (iii) That the Fund Secretariat had updated Appendix 2-A of the Agreement between the Government of Viet Nam and the Executive Committee, as contained in Annex XVIII to the present report, on the basis of the addition of the enterprise mentioned in paragraph (b)(i) above, the additional amount of HCFC-141b to be phased out and the revised funding level, and that paragraph 15 of the Agreement had been amended to indicate that the updated Agreement superseded that reached at the 71<sup>st</sup> meeting;
- (c) To deduct 3.1 ODP tonnes of HCFC-141b from the remaining HCFC consumption eligible for funding;
- (d) To approve the third and final tranche of stage I of the HPMP for Viet Nam, and the corresponding 2016 tranche implementation plan, in the amount of US \$407,581, plus agency support costs of US \$30,569 for the World Bank; and
- (e) To request the Government of Viet Nam and the World Bank to submit progress reports on the implementation of the work programmes associated with stage I on a yearly basis until completion of the project, and the project completion report on stage I of the HPMP by the last meeting of the Executive Committee in 2017.

**(Decision 76/49)**

**AGENDA ITEM 8: CALCULATION OF THE INCREMENTAL CAPITAL COSTS AND INCREMENTAL OPERATING COSTS FOR FOAM SECTOR ALTERNATIVES (decision 75/28)**

174. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/58, recalling that the document had been prepared to help address uncertainties identified by the Secretariat during its project review for the 75<sup>th</sup> meeting.

175. In the ensuing discussion, some members expressed their appreciation of: the thoroughness of the document; its transparency in describing the methodology; the use of two independent experts to review the report, thereby increasing confidence in the results; and the additional effort made to send the report to the implementing agencies and produce a revised version that incorporated their comments. The report contained a wealth of information, one member said, that was helpful for identifying alternatives. While some members were satisfied with the report as presented, others felt that additional, more quantitative information was required to make the report truly useful. The importance of practical experience was stressed and thought to be lacking in the document, and it was proposed that additional input be sought from both the Flexible and Rigid Foams Technical Options Committee (FTOC) and the TEAP.

176. Responding to some of the comments, the representative of the Secretariat pointed out that it would be extremely difficult for an expert consultant to quantify maintenance costs as they depended on the local cost of chemicals, labour and other factors. The Chief Officer added that requests to the FTOC and the TEAP were within the purview of the Meeting of the Parties only, not that of the Secretariat. He stressed that, from the Secretariat's perspective, the report fulfilled the purpose for which it had been requested. Furthermore, a more in-depth, quantitative study would be hampered by the fact that the application-specific formulations used with alternative blowing agents were often proprietary and not disclosed, and the related costs were therefore impossible to determine.

177. The Executive Committee decided to take note of document UNEP/OzL.Pro/ExCom/76/58 on the calculation of the incremental capital costs and incremental operating costs for foam sector alternatives (decision 75/28).

**(Decision 76/50)**

**AGENDA ITEM 9: CALCULATION OF THE LEVEL OF INCREMENTAL COSTS FOR THE CONVERSION OF HEAT EXCHANGER MANUFACTURING LINES IN ENTERPRISES CONVERTING TO HC-290 TECHNOLOGY (decision 75/43(f))**

178. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/59, which contained the results of the study undertaken by the Secretariat in response to decision 75/43(f).

179. Several members commented on the importance and value of the contents of the report. One member said that the document needed further improvement and technical input, and it was premature to use it as a basis for guidance on calculating incremental costs. Another member mentioned that there had been insufficient time to review fully the contents since the report became available. Another member, recalling that the report had been written by an expert consultant and peer reviewed, cautioned against a time-consuming review of the technical aspects of the report; rather, discussion needed to focus specifically on those areas that were identified as requiring further work. The process of providing the Secretariat with precise directions on that matter would indicate what further resources might be needed to finalize the study, the required time scale, and who should be consulted. Following further consultations on the matter, the representative of the Secretariat reported that the issues in question had been resolved.

180. The Executive Committee decided:

- (a) To take note of document UNEP/OzL.Pro/ExCom/76/59 on the calculation of the level of incremental costs for the conversion of heat exchanger manufacturing lines in enterprises converting to HC-290 technology (decision 75/43(f));
- (b) To request the Secretariat:
  - (i) To further consider, with regard to the HC-290 technology, the technical and cost implications of reducing the tube diameter of the condenser from 7 mm to 5 mm while maintaining the same evaporator;
  - (ii) To provide further information on the estimated number of units required for each tool/equipment type when reducing the tube diameter, on the basis of a typical level of production by an enterprise in an Article 5 country; and

- (iii) To submit to the 77<sup>th</sup> meeting a revised document that addressed the issues referred to in sub-paragraphs (b)(i) and (ii) above.

**(Decision 76/51)**

**AGENDA ITEM 10: TEMPLATE FOR DRAFT AGREEMENTS FOR STAGE II OF HCFC PHASE-OUT MANAGEMENT PLANS (decision 75/66)**

181. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/60, recalling that the Executive Committee had considered at its 75<sup>th</sup> meeting a template for draft agreements for stage II of HPMPs and had requested the Secretariat to submit an updated version to the present meeting, taking into account both the discussion at the 75<sup>th</sup> meeting and comments received intersessionally from members. The document presented the text of the parts of the agreement about which a comment had been made, the comments submitted by members, and the Secretariat's related comments and recommendations.

182. Following the presentation by the representative of the Secretariat, the Executive Committee considered each of the recommendations in turn, and the text of the template for draft agreements was amended or retained accordingly.

183. In discussing the text of the overall recommendation, some members enquired whether, in the event of total HCFC phase-out, the text of an agreement between a Government and the Executive Committee would be added to or modified. The representative of the Secretariat said that, as it had not been possible to incorporate into the template for draft agreements the particular case of a country proposing complete HCFC phase-out, the concept had been included as part of the recommendation. It was also clarified that total phase-out meant a phase-out of all HCFCs in all sectors.

184. The Executive Committee decided:

- (a) To approve the template for draft Agreements for stage II of HCFC phase-out management plans contained in Annex XIX to the present report; and
- (b) To allow flexibility to modify the Agreement between a Government and the Executive Committee in cases where a country was proposing total HCFC phase-out.

**(Decision 76/52)**

**AGENDA ITEM 11: RECONCILIATION OF THE 2014 ACCOUNTS (decision 75/71(d))**

185. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/61, containing the reconciliation of information from the 2014 accounts with the financial data for UNEP, in light of the revised progress report submitted by UNEP in response to decision 75/71(d).

186. The Executive Committee decided:

- (a) To note the reconciliation of the 2014 accounts (decision 75/71(d)) contained in document UNEP/OzL.Pro/ExCom/76/61;
- (b) To note with appreciation the submission by UNEP of a revision to its progress report as at 31 December 2014;
- (c) To request UNEP to reconcile in the 2015 accounts:

- (i) US \$182,570, representing the differences between the accounts in the United Nations System Accounting Standards and the revised 2014 progress report of UNEP; and
- (ii) US \$39,000, representing more expenditure in the revised 2014 progress report of UNEP than in the International Public Sector Accounting Standards.

**(Decision 76/53)**

**AGENDA ITEM 12: APPROVED 2016, 2017 AND 2018 BUDGETS OF THE FUND SECRETARIAT (decision 75/72(c))**

187. The Secretariat introduced document UNEP/OzL.Pro/ExCom/76/62 containing a request from the Secretariat to allow the review, by a United Nations classification officer, of the jobs performed by officers at the P-3 level within the Fund Secretariat. In response to a question about the necessity and cost implications of the reclassification, the representative of the Secretariat explained that some job descriptions had been drafted many years earlier, and others did not reflect the tasks actually performed by the officers. Any cost implications of reclassification would be presented in the Fund Secretariat's budget at the 77<sup>th</sup> meeting.

188. The Executive Committee decided:

- (a) To note the document on the approved 2016, 2017 and 2018 budgets of the Fund Secretariat (decision 75/72(c)) contained in UNEP/OzL.Pro/ExCom/76/62; and
- (b) To request the Secretariat to revise the 2015, 2016, 2017 and 2018 budgets of the Fund Secretariat and to propose a 2019 budget, taking into consideration the outcome of the review by a United Nations classification officer of the job descriptions currently classified at the P-3 level, and to submit it to the 77<sup>th</sup> meeting.

**(Decision 76/54)**

**AGENDA ITEM 13: REVIEW OF THE OPERATION OF THE EXECUTIVE COMMITTEE (decision 73/70(h))**

189. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/63, containing the main findings and conclusions of the Secretariat's review of the two-meetings-per-year regime in 2014 and 2015, and addressing issues linked to the accountability of implementing agencies raised at the 75<sup>th</sup> meeting in the context of discussions on the operation of the Executive Committee.

190. Several members expressed the view that the regime of two meetings per year had enabled the Executive Committee to perform its duties. It was important, however, to maintain the necessary flexibility to schedule a third meeting a year if necessary. The idea of holding virtual or e-meetings had been rejected by members following discussions at previous meetings, and the trial of a four-day meeting some years earlier had not proved satisfactory. With regard to the timing of the meetings, the representative of the Secretariat had said that having standardized dates for the first and last meetings of the year would greatly facilitate logistical and contractual arrangements for those meetings

191. During the discussion, several members pointed out that the outcome of discussions at the upcoming meeting of the Open-ended Working Group and Meeting of the Parties might have an impact on the workload of the Executive Committee. It might therefore be preferable to wait until after those two meetings to make a decision about the number of Executive Committee meetings per year and their timing.

192. One member raised two issues with respect to the accountability of implementing agencies, relating to the submission of tranche requests and the need to streamline the operating procedures for implementing agencies. It was unclear how a country could raise an issue regarding an implementing agency when the country was prohibited from taking the floor to speak on its own projects at Executive Committee meetings, even when the issue did not regard funding. The representative of the Secretariat explained that the Government could write to the Chief Officer for assistance in resolving the matter. The Chief Officer recalled that the terms of reference of the Secretariat stipulated that the Secretariat should be the liaison between Parties, implementing agencies and other bilateral and multilateral institutions, and further clarified that any written communication from countries about a problem with an implementing agency was taken very seriously. The Secretariat would discuss the issue with the agency in order to understand it better, and then consult with the country before presenting the matter to the policy body.

193. With regard to creation of a standard procedure to be followed by all implementing agencies, the Chief Officer reminded members that the Secretariat had prepared a series of guides for agencies on the submission of project proposals. The guides were available on the Secretariat's website and were updated after each meeting according to the decisions taken by the Executive Committee. He stressed that no project would be reviewed without an endorsement letter. One member suggested that such endorsement letters be attached to the relevant document submitted to the Executive Committee. The Chief Officer also said that, during the project review process, the Secretariat attempted to give the relevant stakeholders sufficient time to reach agreement on projects; when agreement could not be reached, the issues would be presented to the Executive Committee. It was also noted that the Secretariat did not enter into direct discussions with countries regarding project review.

194. With regard to the proposal to bring forward submission deadlines for project proposals by two weeks, it was pointed out that Article 5 countries made a considerable effort to prepare project proposals and that, if the submission deadlines were brought forward, the Secretariat should also make efforts to provide pre-session documents four weeks in advance of the meeting.

195. Following the discussion, the Executive Committee decided:

- (a) To note document UNEP/OzL.Pro/ExCom/76/63 on the review of the operation of the Executive Committee, prepared pursuant to decision 73/70(h); and
- (b) To defer a decision on the number, timing and agenda of meetings, and on the deadlines for submission of documents, to the 77<sup>th</sup> meeting.

**(Decision 76/55)**

**AGENDA ITEM 14: DRAFT REPORT OF THE EXECUTIVE COMMITTEE TO THE TWENTY-EIGHTH MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL**

196. The Chief Officer introduced document UNEP/OzL.Pro/ExCom/76/64.

197. The Executive Committee decided to authorize the Secretariat to finalize the report of the Executive Committee to the Twenty-eighth Meeting of the Parties to the Montreal Protocol in the light of the discussions held and decisions taken at the 76<sup>th</sup> meeting, and to submit it to the Ozone Secretariat following clearance by the Chair.

**(Decision 76/56)**

## **AGENDA ITEM 15: REPORT OF THE SUB-GROUP ON THE PRODUCTION SECTOR**

198. The facilitator of the Sub-group on the Production Sector introduced the report of the Sub-group (UNEP/OzL.Pro/ExCom/76/65). He said that the Sub-group had met only once in the margins of the meeting and that it had discussed the draft HCFC production sector guidelines.

199. There had been no agreement to remove the square brackets from paragraphs 1(e) and 1(h), but the square brackets surrounding paragraph 1(j) had been removed, and the words in square brackets within the paragraph, “1 January 2005/21 September 2007/31 December 2008”, had been replaced with the words “1 March 2007/21 September 2007”.

200. There had also been no agreement to remove the square brackets from paragraph 1(k). With respect to the swing plants addressed in the paragraph, one representative had also proposed that the words “loss of profit due to accelerated phase-out schedule of HCFCs per decision XIX/6” be added to the text contained in the first set of square brackets in the paragraph. That suggestion had not, however, resolved the differences between the members of the Sub-group. It had also been suggested that the issue be referred to either the Open-ended Working Group or the Meeting of the Parties, but there had been no agreement on that way forward either.

201. The facilitator said that the Sub-group had effectively agreed to defer consideration of the draft HCFC production sector guidelines until the next meeting.

202. The Executive Committee decided to take note of the report of the Sub-group on the Production Sector contained in document UNEP/OzL.Pro/ExCom/76/65.

**(Decision 76/57)**

## **AGENDA ITEM 16: OTHER MATTERS**

### Dates and venues of the 77<sup>th</sup> and 78<sup>th</sup> meetings of the Executive Committee

203. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/76/Inf.2 containing information on the dates and venues of the 77<sup>th</sup> and 78<sup>th</sup> meetings of the Executive Committee. She recalled that the Executive Committee had previously decided to hold its 77<sup>th</sup> meeting in Montreal from 28 November to 2 December 2016. She further recalled that, at the current meeting, in its discussion under agenda item 13, the Committee had agreed to defer any decision on whether to continue with the regime of two meetings per year until its 77<sup>th</sup> meeting. She stressed that a decision on the date of the Executive Committee’s first meeting of 2017 would enable the Secretariat to make the necessary logistical arrangements for the conference services required.

204. Following a discussion, the Executive Committee agreed to defer until its 77<sup>th</sup> meeting consideration of the dates and venue of the 78<sup>th</sup> meeting.

### Publication of meeting documents on the website of the Secretariat

205. Responding to a request by a member that pre-session documents on the Secretariat’s website be posted in both PDF and Microsoft Word format at least one month prior to the meeting, the Chief Officer noted the heavy workload of the Secretariat in relation to the present meeting, but promised to review the matter and make every effort to upload documents in both formats at least four weeks prior to future meetings.

Reporting of country programme data

206. The Executive Committee agreed that the issue had already been taken into consideration at the present meeting, during the discussion under agenda item 6(b), Country programme data and prospects for compliance.

**AGENDA ITEM 17: ADOPTION OF THE REPORT**

207. The Executive Committee adopted its report on the basis of the draft report contained in documents UNEP/OzL.Pro/ExCom/76/L.1 and Add.1.

**AGENDA ITEM 18: CLOSURE OF THE MEETING**

208. Following the customary exchange of courtesies, the Chair declared the meeting closed at 5.10 p.m. on Friday, 13 May 2016.

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

**TABLE 1 : STATUS OF THE FUND FROM 1991-2016 (IN US DOLLARS)**

As at 6 May 2016

<b>INCOME</b>		
Contributions received:		
- Cash payments including note encashments		3,093,611,833
- Promissory notes held		16,569,818
- Bilateral cooperation		157,527,710
- Interest earned *		213,977,640
- Additional income from loans and other sources		0
- Miscellaneous income		20,226,915
<b>Total Income</b>		<b>3,501,913,917</b>
<b>ALLOCATIONS** AND PROVISIONS</b>		
- UNDP	809,482,695	
- UNEP	285,334,991	
- UNIDO	838,731,664	
- World Bank	1,231,674,245	
Unspecified projects	-	
Less Adjustments	-	
Total allocations to implementing agencies		<b>3,165,223,595</b>
Secretariat and Executive Committee costs (1991-2018)		
- includes provision for staff contracts into 2018		120,088,738
Treasury fees (2003-2018)		8,056,982
Monitoring and Evaluation costs (1999-2016)		3,414,113
Technical Audit costs (1998-2010)		1,699,806
Information Strategy costs (2003-2004)		
- includes provision for Network maintenance costs for 2004		104,750
Bilateral cooperation		157,527,710
Provision for fixed-exchange-rate mechanism's fluctuations		
- losses/(gains) in value		4,944,772
<b>Total allocations and provisions</b>		<b>3,461,060,466</b>
<b>Cash</b>		<b>26,556,642</b>
<b>Promissory Notes:</b>		
<b>2016</b>	6,705,717	
<b>2017</b>	4,704,750	
<b>2018</b>	2,886,342	
<b>Unscheduled</b>	0	
		<b>14,296,809</b>
<b>BALANCE AVAILABLE FOR NEW ALLOCATIONS</b>		<b>40,853,451</b>

\* Includes interest amount earned of US \$526,421 by FECO/MEP/(China).

\*\* Amounts reflect net approvals for which resources are transferred including promissory notes that are not yet encashed by the implementing agencies. The Secretariat budget reflects actual costs as per the final 2014 accounts of the Fund and approved amounts for 2015 - 2018.

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

TABLE 2 : 1991 - 2016 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME (US\$)

BALANCE AVAILABLE FOR NEW ALLOCATIONS

As at 6 May 2016

Description	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	2009-2011	2012-2014	2015-2016	1991-2016
Pledged contributions	234,929,241	424,841,347	472,567,009	440,263,109	474,167,042	368,153,731	399,781,507	397,073,537	291,214,603	3,502,991,126
Cash payments/received	206,511,034	381,555,255	418,689,316	408,354,030	418,085,024	340,125,562	375,344,474	365,800,555	179,146,582	3,093,611,833
Bilateral assistance	4,366,255	11,909,814	21,358,066	21,302,696	47,750,281	19,019,123	13,906,972	12,481,633	5,432,870	157,527,710
Promissory notes	0	-	-	-	0	(0)	(1)	6,467,623	10,102,196	16,569,818
<b>Total payments</b>	<b>210,877,289</b>	<b>393,465,069</b>	<b>440,047,383</b>	<b>429,656,726</b>	<b>465,835,305</b>	<b>359,144,684</b>	<b>389,251,446</b>	<b>384,749,811</b>	<b>194,681,648</b>	<b>3,267,709,362</b>
Disputed contributions	0	8,098,267	0	0	0	32,471,642	405,792	3,477,910	452,064	44,905,675
Outstanding pledges	24,051,952	31,376,278	32,519,626	10,606,383	8,331,737	9,009,047	10,530,062	12,323,726	96,532,954	235,281,764
Payments %age to pledges	89.76%	92.61%	93.12%	97.59%	98.24%	97.55%	97.37%	96.90%	66.85%	93.28%
<b>Interest earned</b>	<b>5,323,644</b>	<b>28,525,733</b>	<b>44,685,516</b>	<b>53,946,601</b>	<b>19,374,449</b>	<b>43,537,814</b>	<b>10,544,631</b>	<b>6,615,053</b>	<b>1,424,199</b>	<b>213,977,640</b>
<b>Miscellaneous income</b>	<b>1,442,103</b>	<b>1,297,366</b>	<b>1,223,598</b>	<b>1,125,282</b>	<b>1,386,177</b>	<b>3,377,184</b>	<b>3,547,653</b>	<b>5,804,410</b>	<b>1,023,142</b>	<b>20,226,915</b>
<b>TOTAL INCOME</b>	<b>217,643,036</b>	<b>423,288,168</b>	<b>485,956,496</b>	<b>484,728,610</b>	<b>486,595,931</b>	<b>406,059,682</b>	<b>403,343,730</b>	<b>397,169,274</b>	<b>197,128,989</b>	<b>3,501,913,917</b>
<b>Accumulated figures</b>	<b>1991-1993</b>	<b>1994-1996</b>	<b>1997-1999</b>	<b>2000-2002</b>	<b>2003-2005</b>	<b>2006-2008</b>	<b>2009-2011</b>	<b>2012-2014</b>	<b>2015-2016</b>	<b>1991-2016</b>
Total pledges	234,929,241	424,841,347	472,567,009	440,263,109	474,167,042	368,153,731	399,781,507	397,073,537	291,214,603	3,502,991,126
Total payments	210,877,289	393,465,069	440,047,383	429,656,726	465,835,305	359,144,684	389,251,446	384,749,811	194,681,648	3,267,709,362
Payments %age to pledges	89.76%	92.61%	93.12%	97.59%	98.24%	97.55%	97.37%	96.90%	66.85%	93.28%
Total income	217,643,036	423,288,168	485,956,496	484,728,610	486,595,931	406,059,682	403,343,730	397,169,274	197,128,989	3,501,913,917
Total outstanding contributions	24,051,952	31,376,278	32,519,626	10,606,383	8,331,737	9,009,047	10,530,062	12,323,726	96,532,954	235,281,764
As % to total pledges	10.24%	7.39%	6.88%	2.41%	1.76%	2.45%	2.63%	3.10%	33.15%	6.72%
Outstanding contributions for certain Countries with Economies in Transition (CEITs)	24,051,952	31,376,278	32,519,626	9,701,251	7,414,001	5,900,104	6,224,911	5,332,417	1,263,102	123,783,642
CEITs' outstandings %age to pledges	10.24%	7.39%	6.88%	2.20%	1.56%	1.60%	1.56%	1.34%	0.43%	3.53%

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 : 1991-2016 Summary Status of Contributions (US\$)

As at 6 May 2016

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions	Exchange (Gain)/Loss. NB:Negative amount = Gain
Andorra	102,819	70,483	0	0	32,336	0
Australia*	72,132,616	70,521,708	1,610,907	0	0	2,154,889
Austria	37,388,821	37,257,031	131,790	0	0	(65,840)
Azerbaijan	1,132,055	311,683	0	0	820,372	0
Belarus	3,198,313	0	0	0	3,198,313	0
Belgium	46,473,126	44,456,204	0	0	2,016,923	1,497,278
Bulgaria	1,633,826	1,538,841	0	0	94,985	0
Canada*	127,737,146	111,950,851	9,755,736	0	6,030,559	(2,327,280)
Croatia	674,013	419,371	0	0	254,642	58,225
Cyprus	982,544	887,559	0	0	94,985	28,627
Czech Republic	11,404,383	11,116,813	287,570	0	0	585,506
Denmark	30,850,411	29,325,207	161,053	0	1,364,151	(419,681)
Estonia	636,652	636,652	0	0	0	52,509
Finland	24,130,394	22,682,355	399,158	0	1,048,881	(372,534)
France	269,014,758	241,663,656	16,313,242	0	11,037,860	(8,281,748)
Germany	383,138,983	304,536,163	60,672,782	5,000,622	12,929,416	5,677,572
Greece	21,582,351	15,557,570	0	0	6,024,781	(1,340,447)
Holy See	9,145	9,145	0	0	0	0
Hungary	7,869,653	7,285,582	46,494	0	537,577	(76,259)
Iceland	1,431,001	1,250,430	0	0	180,571	51,218
Ireland	13,639,868	12,795,105	0	0	844,763	772,655
Israel	15,127,918	3,824,671	152,462	0	11,150,785	0
Italy	212,045,775	186,962,803	16,376,222	0	8,706,751	5,134,377
Japan	664,823,579	630,485,558	19,817,491	0	14,520,530	0
Kazakhstan	1,571,993	617,920	0	0	954,073	0
Kuwait	286,549	286,549	0	0	0	0
Latvia	863,846	863,845	0	0	1	(2,483)
Liechtenstein	356,143	337,954	0	0	18,189	0
Lithuania	1,365,433	724,936	0	0	640,497	0
Luxembourg	3,273,620	3,109,922	0	0	163,698	(47,714)
Malta	332,205	267,535	0	0	64,670	0
Monaco	251,486	251,486	0	0	0	(572)
Netherlands	73,183,777	73,183,776	0	0	0	(0)
New Zealand	10,529,278	10,627,107	0	0	(97,830)	198,809
Norway	29,432,500	27,712,658	0	0	1,719,841	965,168
Panama	16,915	16,915	0	0	0	0
Poland	17,905,736	15,931,427	113,000	0	1,861,309	349,495
Portugal	17,444,088	11,191,959	101,700	0	6,150,430	198,162
Romania	2,256,731	1,799,993	0	0	456,738	0
Russian Federation	123,102,624	10,376,894	0	0	112,725,730	2,499,412
San Marino	39,168	33,105	0	0	6,063	1,380
Singapore	531,221	459,245	71,976	0	0	0
Slovak Republic	3,832,317	3,572,450	16,523	0	243,344	114,856
Slovenia	2,335,180	2,133,084	0	0	202,096	0
South Africa	3,793,691	3,763,691	30,000	0	0	0
Spain	112,472,622	102,386,531	4,077,763	0	6,008,328	2,447,194
Sweden	46,963,672	43,449,193	1,574,353	0	1,940,126	26,722
Switzerland	51,137,783	47,108,603	1,913,230	0	2,115,950	(2,021,096)
Tajikistan	128,836	49,086	0	0	79,750	0
Turkmenistan**	293,245	5,764	0	0	287,481	0
Ukraine	10,061,783	1,303,750	0	0	8,758,033	0
United Arab Emirates	559,639	559,639	0	0	0	0
United Kingdom	244,727,805	233,696,229	565,000	0	10,466,576	(2,913,630)
United States of America	795,978,828	762,056,540	21,567,191	1,467,000	10,888,097	0
Uzbekistan	802,260	188,606	0	0	613,654	0
<b>SUB-TOTAL</b>	<b>3,502,991,126</b>	<b>3,093,611,833</b>	<b>155,755,643</b>	<b>6,467,622</b>	<b>247,156,028</b>	<b>4,944,772</b>
Disputed Contributions***	44,905,675	0	0	0	44,905,675	
<b>TOTAL</b>	<b>3,547,896,801</b>	<b>3,093,611,833</b>	<b>155,755,643</b>	<b>6,467,622</b>	<b>292,061,703</b>	

NB: (\*) The bilateral assistance recorded for Australia and Canada was adjusted following approvals at the 39<sup>th</sup> Meeting and taking into consideration a reconciliation carried out by the Secretariat through the progress reports submitted to the 40<sup>th</sup> 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.

(\*\*\*) Amount netted off from outstanding contributions and are shown here for records only.

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

TABLE 4 : Status of Contributions for 2015-2016 (US\$)

As at 6 May 2016

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	32,336	0	0	0	32,336
Australia	8,382,962	8,382,962	0	0	0
Austria	3,225,460	3,225,460	0	0	0
Azerbaijan	161,678	0	0	0	161,678
Belarus	226,348	0	0	0	226,348
Belgium	4,033,846	2,016,923	0	0	2,016,923
Bulgaria	189,970	94,985	0	0	94,985
Canada	12,061,118	6,030,559	0	0	6,030,559
Croatia	509,284	254,642	0	0	254,642
Cyprus	189,970	94,985	0	0	94,985
Czech Republic	1,560,184	1,560,184	0	0	0
Denmark	2,728,302	1,364,151	0	0	1,364,151
Estonia	161,678	161,678	0	0	0
Finland	2,097,762	1,048,881	0	0	1,048,881
France	22,606,512	11,257,491	311,161	0	11,037,860
Germany	28,863,418	12,988,538	4,658,409	10,102,196	1,114,275
Greece	2,578,752	0	0	0	2,578,752
Holy See	4,042	4,042	0	0	0
Hungary	1,075,154	537,577	0	0	537,577
Iceland	109,132	0	0	0	109,132
Ireland	1,689,526	844,763	0	0	844,763
Israel	1,600,604	0	0	0	1,600,604
Italy	17,978,502	8,989,251	282,500	0	8,706,751
Japan	43,786,222	29,084,889	180,800	0	14,520,533
Kazakhstan	489,074	0	0	0	489,074
Latvia	189,970	189,970	0	0	0
Liechtenstein	36,378	18,189	0	0	18,189
Lithuania	295,060	0	0	0	295,060
Luxembourg	327,396	163,698	0	0	163,698
Malta	64,670	0	0	0	64,670
Monaco	48,504	48,504	0	0	0
Netherlands	6,685,352	6,685,352	0	0	0
New Zealand	1,022,608	1,120,438	0	0	(97,830)
Norway	3,439,682	1,719,841	0	0	1,719,841
Poland	3,722,618	1,861,309	0	0	1,861,309
Portugal	1,915,874	0	0	0	1,915,874
Romania	913,476	456,738	0	0	456,738
Russian Federation	9,854,224	4,927,112	0	0	4,927,112
San Marino	12,126	6,063	0	0	6,063
Slovak Republic	691,170	447,826	0	0	243,344
Slovenia	404,192	202,096	0	0	202,096
Spain	12,016,656	6,008,328	0	0	6,008,328
Sweden	3,880,252	1,940,126	0	0	1,940,126
Switzerland	4,231,900	2,115,950	0	0	2,115,950
Tajikistan	12,126	0	0	0	12,126
Ukraine	400,151	0	0	0	400,151
United Kingdom	20,933,152	10,466,576	0	0	10,466,576
United States of America*	63,714,602	52,826,504	0	0	10,888,098
Uzbekistan	60,628	0	0	0	60,628
<b>TOTAL</b>	<b>291,214,603</b>	<b>179,146,582</b>	<b>5,432,870</b>	<b>10,102,196</b>	<b>96,532,954</b>
Disputed Contributions(*)	452,064	0	0	0	452,064
<b>TOTAL</b>	<b>291,666,667</b>	<b>179,146,582</b>	<b>5,432,870</b>	<b>10,102,196</b>	<b>96,985,018</b>

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

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCO  
**TABLE 5 : Status of Contributions for 2016 (US\$)**  
As at 6 May 2016

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	16,168				16,168
Australia	4,191,481	4,191,481			0
Austria	1,612,730	1,612,730			0
Azerbaijan	80,839				80,839
Belarus	113,174				113,174
Belgium	2,016,923				2,016,923
Bulgaria	94,985				94,985
Canada	6,030,559				6,030,559
Croatia	254,642				254,642
Cyprus	94,985				94,985
Czech Republic	780,092	780,092			0
Denmark	1,364,151				1,364,151
Estonia	80,839	80,839			0
Finland	1,048,881				1,048,881
France	11,303,256				11,303,256
Germany	14,431,709	1,443,171	1,772,067	10,102,196	1,114,275
Greece	1,289,376				1,289,376
Holy See	2,021	2,021			0
Hungary	537,577				537,577
Iceland	54,566				54,566
Ireland	844,763				844,763
Israel	800,302				800,302
Italy	8,989,251				8,989,251
Japan	21,893,111	7,372,578			14,520,533
Kazakhstan	244,537				244,537
Latvia	94,985	94,985			0
Liechtenstein	18,189				18,189
Lithuania	147,530				147,530
Luxembourg	163,698				163,698
Malta	32,335				32,335
Monaco	24,252	24,252			0
Netherlands	3,342,676	3,342,676			0
New Zealand	511,304	609,134			(97,830)
Norway	1,719,841				1,719,841
Poland	1,861,309				1,861,309
Portugal	957,937				957,937
Romania	456,738				456,738
Russian Federation	4,927,112				4,927,112
San Marino	6,063				6,063
Slovak Republic	345,585	102,241			243,344
Slovenia	202,096				202,096
Spain	6,008,328				6,008,328
Sweden	1,940,126				1,940,126
Switzerland	2,115,950				2,115,950
Tajikistan	6,063				6,063
Ukraine	200,076				200,076
United Kingdom	10,466,576				10,466,576
United States of America*	32,083,333	21,195,235			10,888,098
Uzbekistan	30,314				30,314
<b>TOTAL</b>	<b>145,833,333</b>	<b>40,851,434</b>	<b>1,772,067</b>	<b>10,102,196</b>	<b>93,107,636</b>

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

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL  
**TABLE 6 : Status of Contributions for 2015 (US\$)**  
As at 6 May 2016

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	16,168				16,168
Australia	4,191,481	4,191,481.00			0
Austria	1,612,730	1,612,730.00			0
Azerbaijan	80,839				80,839
Belarus	113,174				113,174
Belgium	2,016,923	2,016,923.00			0
Bulgaria	94,985	94,985.00			0
Canada	6,030,559	6,030,558.90			0
Croatia	254,642	254,642.44			(0)
Cyprus	94,985	94,985.00			0
Czech Republic	780,092	780,092.00			0
Denmark	1,364,151	1,364,151.00			0
Estonia	80,839	80,839.00			0
Finland	1,048,881	1,048,881.00			0
France	11,303,256	11,257,491.00	311,161		(265,396)
Germany	14,431,709	11,545,367.09	2,886,342	(0)	(0)
Greece	1,289,376				1,289,376
Holy See	2,021	2,021.00			0
Hungary	537,577	537,577.00			0
Iceland	54,566				54,566
Ireland	844,763	844,763.00			0
Israel	800,302				800,302
Italy	8,989,251	8,989,250.99	282,500		(282,500)
Japan	21,893,111	21,712,311.00	180,800		0
Kazakhstan	244,537				244,537
Latvia	94,985	94,985.00			0
Liechtenstein	18,189	18,189.00			0
Lithuania	147,530				147,530
Luxembourg	163,698	163,698.00			0
Malta	32,335				32,335
Monaco	24,252	24,252.00			0
Netherlands	3,342,676	3,342,676.00			0
New Zealand	511,304	511,304.00			0
Norway	1,719,841	1,719,841.00			0
Poland	1,861,309	1,861,309.40			(0)
Portugal	957,937				957,937
Romania	456,738	456,738.00			0
Russian Federation	4,927,112	4,927,112.49			(0)
San Marino	6,063	6,063.00			0
Slovak Republic	345,585	345,585.18			(0)
Slovenia	202,096	202,096.00			0
Spain	6,008,328	6,008,328.00			0
Sweden	1,940,126	1,940,126.00			0
Switzerland	2,115,950	2,115,950.00			0
Tajikistan	6,063				6,063
Ukraine	200,076				200,076
United Kingdom	10,466,576	10,466,576.00			0
United States of America*	31,631,269	31,631,269.40			(0)
Uzbekistan	30,314				30,314
<b>TOTAL</b>	<b>145,381,269</b>	<b>138,295,148</b>	<b>3,660,803</b>	<b>(0)</b>	<b>3,425,319</b>
Disputed Contributions(*)	452,064				452,064
<b>TOTAL</b>	<b>145,833,333</b>	<b>138,295,148</b>	<b>3,660,803</b>	<b>(0)</b>	<b>3,877,383</b>

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

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

TABLE 7 : Status of Contributions for 2012 - 2014 (US\$)

As at 6 May 2016

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	35,720	35,787	0	0	-67
Australia	9,863,697	9,863,697	0	0	0
Austria	4,342,476	4,342,476	0	0	0
Azerbaijan	76,542	0	0	0	76,542
Belarus	214,317	0	0	0	214,317
Belgium	5,485,501	5,485,501	0	0	0
Bulgaria	193,906	193,906	0	0	0
Canada	16,364,653	16,364,653	0	0	0
Croatia	164,729	164,729	0	0	0
Cyprus	234,728	234,728	0	0	0
Czech Republic	1,780,874	1,780,874	0	0	0
Denmark	3,755,655	3,755,655	0	0	0
Estonia	204,112	204,112	0	0	0
Finland	2,888,180	2,888,180	0	0	0
France	31,244,394	30,205,709	1,038,685	0	0
Germany	40,914,185	27,730,725	8,182,837	5,000,623	0
Greece	3,526,029	80,000	0	0	3,446,029
Holy See	5,103	5,103	0	0	0
Hungary	1,484,912	1,484,912	0	0	0
Iceland	214,317	142,878	0	0	71,439
Ireland	2,541,190	2,541,190	0	0	0
Israel	1,959,472	0	0	0	1,959,472
Italy	25,508,856	24,700,925	807,931	0	0
Japan	63,937,981	62,378,802	1,559,180	0	0
Kazakhstan	386,718	0	0	0	386,718
Latvia	193,906	193,906	0	0	0
Liechtenstein	45,925	45,925	0	0	0
Lithuania	331,681	0	0	0	331,681
Luxembourg	459,251	459,251	0	0	0
Malta	86,747	86,747	0	0	0
Monaco	15,308	15,308	0	0	0
Netherlands	9,465,679	9,465,679	0	0	0
New Zealand	1,393,062	1,393,062	0	0	0
Norway	4,444,532	4,444,532	0	0	0
Poland	4,225,112	4,225,112	0	0	0
Portugal	2,607,527	0	0	0	2,607,527
Romania	903,194	903,194	0	0	0
Russian Federation	8,174,672	5,449,782	0	0	2,724,891
San Marino	15,308	15,308	0	0	0
Slovak Republic	724,596	724,596	0	0	0
Slovenia	525,588	525,588	0	0	0
Spain	16,211,570	15,318,570	893,000	0	0
Sweden	5,429,370	5,429,370	0	0	0
Switzerland	5,766,155	5,766,155	0	0	0
Tajikistan	10,206	0	0	0	10,206
Ukraine	443,943	0	0	0	443,943
United Kingdom	33,698,837	33,698,837	0	0	0
United States of America*	84,522,090	83,055,090	0	1,467,000	0
Uzbekistan	51,028	0	0	0	51,028
<b>TOTAL</b>	<b>397,073,537</b>	<b>365,800,555</b>	<b>12,481,633</b>	<b>6,467,623</b>	<b>12,323,726</b>
Disputed Contributions(*)	3,477,910				3,477,910
<b>TOTAL</b>	<b>400,551,447</b>	<b>365,800,555</b>	<b>12,481,633</b>	<b>6,467,623</b>	<b>15,801,636</b>

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

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

TABLE 8 : Status of Contributions for 2014 (US\$)

As at 6 May 2016

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	11,907	11,907			0
Australia	3,287,899	3,287,899			0
Austria	1,447,492	1,447,492			0
Azerbaijan	25,514				25,514
Belarus	71,439				71,439
Belgium	1,828,500	1,828,500			0
Bulgaria	64,635	64,635			0
Canada	5,454,884	5,454,884			(0)
Croatia	164,729	164,729			0
Cyprus	78,243	78,243			0
Czech Republic	593,625	593,625			0
Denmark	1,251,885	1,251,885			0
Estonia	68,037	68,037			0
Finland	962,727	962,727			0
France	10,414,798	9,755,199	659,599		(0)
Germany	13,638,062	2,727,612	2,688,494	2,727,612	5,494,343
Greece	1,175,343				1,175,343
Holy See	1,701	1,701			0
Hungary	494,971	494,971			0
Iceland	71,439				71,439
Ireland	847,063	847,063			0
Israel	653,157				653,157
Italy	8,502,952	7,762,821	740,131		(0)
Japan	21,312,660	21,193,445	119,215		0
Kazakhstan	128,906				128,906
Latvia	64,635	64,635			0
Liechtenstein	15,308	15,308			0
Lithuania	110,560				110,560
Luxembourg	153,084	153,084			0
Malta	28,916	28,916			0
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			0
Portugal	869,176				869,176
Romania	301,065	301,065			(0)
Russian Federation	2,724,891	2,724,891			0
San Marino	5,103	5,103			0
Slovak Republic	241,532	241,532			0
Slovenia	175,196	175,196			0
Spain	5,403,857	5,403,857			0
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			0
United States of America*	28,619,010	27,152,010		1,467,000	0
Uzbekistan	17,009				17,009
<b>TOTAL</b>	<b>132,912,645</b>	<b>115,742,324</b>	<b>4,207,439</b>	<b>4,194,612</b>	<b>8,768,269</b>
Disputed Contributions(*)	714,323				714,323
<b>TOTAL</b>	<b>133,626,968</b>	<b>115,742,324</b>	<b>4,207,439</b>	<b>4,194,612</b>	<b>9,482,593</b>

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

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

TABLE 9 : Status of Contributions for 2013 (US\$)

As at 6 May 2016

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	11,907	11,907			0
Australia	3,287,899	3,287,899			0
Austria	1,447,492	1,447,492			0
Azerbaijan	25,514				25,514
Belarus	71,439				71,439
Belgium	1,828,500	1,828,500			0
Bulgaria	64,635	64,635			0
Canada	5,454,884	5,454,884			0
Croatia	0				
Cyprus	78,243	78,243			0
Czech Republic	593,625	593,625			0
Denmark	1,251,885	1,251,885			0
Estonia	68,037	68,037			0
Finland	962,727	962,727			0
France	10,414,798	10,324,398	90,400		0
Germany	13,638,062	11,365,051	2,766,731	2,273,010	(2,766,731)
Greece	1,175,343				1,175,343
Holy See	1,701	1,701			0
Hungary	494,971	494,971			0
Iceland	71,439	71,439			0
Ireland	847,063	847,063			0
Israel	653,157				653,157
Italy	8,502,952	8,502,952			0
Japan	21,312,660	21,312,660			0
Kazakhstan	128,906				128,906
Latvia	64,635	64,635			0
Liechtenstein	15,308	15,308			0
Lithuania	110,560				110,560
Luxembourg	153,084	153,084			0
Malta	28,916	28,916			0
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			0
Portugal	869,176				869,176
Romania	301,065	301,065			0
Russian Federation	2,724,891	2,724,891			0
San Marino	5,103	5,103			0
Slovak Republic	241,532	241,532			0
Slovenia	175,196	175,196			0
Spain	5,403,857	5,403,857			0
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			0
United States of America*	28,364,323	28,364,323			0
Uzbekistan	17,009				17,009
<b>TOTAL</b>	<b>132,493,229</b>	<b>126,927,331</b>	<b>2,857,131</b>	<b>2,273,010</b>	<b>435,757</b>
Disputed Contributions(*)	969,010				969,010
<b>TOTAL</b>	<b>133,462,239</b>	<b>126,927,331</b>	<b>2,857,131</b>	<b>2,273,010</b>	<b>1,404,767</b>

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

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL  
**TABLE 10 : Status of Contributions for 2012 (US\$)**  
As at 6 May 2016

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	11,907	11,974			(67)
Australia	3,287,899	3,287,899			0
Austria	1,447,492	1,447,492			0
Azerbaijan	25,514				25,514
Belarus	71,439				71,439
Belgium	1,828,500	1,828,500			0
Bulgaria	64,635	64,635			0
Canada	5,454,884	5,454,884			0
Croatia	0				
Cyprus	78,243	78,243			0
Czech Republic	593,625	593,625			0
Denmark	1,251,885	1,251,885			0
Estonia	68,037	68,037			0
Finland	962,727	962,727			0
France	10,414,798	10,126,112	288,686		0
Germany	13,638,062	13,638,062	2,727,612		(2,727,612)
Greece	1,175,343	80,000			1,095,343
Holy See	1,701	1,701			0
Hungary	494,971	494,971			0
Iceland	71,439	71,439			0
Ireland	847,063	847,063			0
Israel	653,157				653,157
Italy	8,502,952	8,435,152	67,800		(0)
Japan	21,312,660	19,872,696	1,439,965		0
Kazakhstan	128,906				128,906
Latvia	64,635	64,635			0
Liechtenstein	15,308	15,308			0
Lithuania	110,560				110,560
Luxembourg	153,084	153,084			0
Malta	28,916	28,916			0
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			0
Portugal	869,176				869,176
Romania	301,065	301,065			0
Russian Federation	2,724,891				2,724,891
San Marino	5,103	5,103			0
Slovak Republic	241,532	241,532			0
Slovenia	175,196	175,196			0
Spain	5,403,857	4,510,857	893,000		0
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			0
United States of America*	27,538,756	27,538,756		0	0
Uzbekistan	17,009				17,009
<b>TOTAL</b>	<b>131,667,662</b>	<b>123,130,900</b>	<b>5,417,063</b>	<b>0</b>	<b>3,119,700</b>
Disputed Contributions(*)	1,794,577				1,794,577
<b>TOTAL</b>	<b>133,462,239</b>	<b>123,130,900</b>	<b>5,417,063</b>	<b>0</b>	<b>4,914,277</b>

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

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL  
**TABLE 11 : Summary Status of Contributions for 2009-2011 (US\$)**  
As at 6 May 2016

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	34,764	34,697	0	0	67
Australia	8,678,133	8,339,133	339,000	0	0
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	14,028,245	428,835	0	0
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	29,546,764	1,052,517	0	(0)
Germany	41,652,124	33,321,699	8,330,424	(1)	2
Greece	2,894,330	2,894,330	0	0	(0)
Hungary	1,184,927	1,184,927	0	0	0
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	23,856,984	807,950	0	0
Japan	80,730,431	78,896,665	1,833,766	0	0
Kazakhstan	140,801	62,520	0	0	78,281
Latvia	87,413	87,413	0	0	0
Liechtenstein	48,563	48,563	0	0	0
Lithuania	150,544	136,788	0	0	13,756
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	2,432,985	0	0	0
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	12,955,373	893,000	0	565,000
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	87,594,208	0	0	(0)
Uzbekistan	38,850	0	0	0	38,850
<b>SUB-TOTAL</b>	<b>399,781,507</b>	<b>375,344,474</b>	<b>13,906,972</b>	<b>(1)</b>	<b>10,530,062</b>
Disputed Contributions(*)	405,792	0	0	0	405,792
<b>TOTAL</b>	<b>400,187,299</b>	<b>375,344,474</b>	<b>13,906,972</b>	<b>-1</b>	<b>10,935,854</b>

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

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

TABLE 12 : Status of Contributions for 2011 (US\$)

As at 6 May 2016

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	12,948	12,881			67
Australia	2,892,711	2,553,711	339,000		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	4,819,027			0
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	5,553,617	2,776,808	(1)	5,553,618
Greece	964,777	964,777			0
Hungary	394,976	394,976			0.00
Iceland	59,894	59,894			0
Ireland	720,345	720,345			0
Israel	678,257				678,257
Italy	8,221,645	8,221,645			(0)
Japan	26,910,144	26,440,498	469,646		0
Kazakhstan	46,934				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			0
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	4,804,458			(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	29,333,333	29,333,333			0
Uzbekistan	12,950				12,950
<b>TOTAL</b>	<b>133,398,070</b>	<b>119,955,543</b>	<b>4,190,004</b>	<b>(1)</b>	<b>9,205,591</b>

**Table 13: Status of Promissory Notes as at 6 May 2016 (US\$)**

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	-	-	-	-	-	-	-	-	-
France	-	-	0	-	-	-	-	0	0
Germany	-	12,829,809	12,829,809	-	-	-	-	12,829,809	12,829,809
The Netherlands	-	-	-	-	-	-	-	-	-
United Kingdom	-	-	-	-	-	-	-	-	-
United States of America	-	1,467,000	1,467,000	-	-	-	-	1,467,000	1,467,000
<b>TOTAL</b>	-	<b>14,296,809</b>	<b>14,296,809</b>	-	-	-	-	<b>14,296,809</b>	<b>14,296,809</b>

Table 14: 2004-2016 Ledger of Promissory Notes as at 6 May 2016

Table 14: 2004-2016 Ledger of Promissory Notes as at 6 May 2016													
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)	
	2004 - 2012	Canada		Can\$	37,801,368.39	31,377,892.52			37,822,572.11	2005 - 2012	34,479,816.33	3,101,923.81	
	2004 - 2012	France		Euro	70,874,367.37	87,584,779.29			70,874,367.37	2006 - 2013	93,273,116.31	5,688,337.02	
Dec.2013	2013	France		Euro	7,436,663.95	10,324,398.10		TREASURER	7,436,663.95	9/17/2015	8,384,678.22	1,939,719.88	
	2014	France		Euro	7,026,669.91	9,755,199.00		TREASURER	7,026,669.91	9/17/2015	7,922,730.75	1,832,468.25	
						20,079,597.10							
						-							
8/9/2004	2004	Germany	BU 104 1006 01	US\$	18,914,439.57	18,914,439.57							
							8/3/2005	TREASURER	6,304,813.19	8/3/2005	6,304,813.19	-	
							8/11/2006	TREASURER	6,304,813.19	8/11/2006	6,304,813.19	-	
							2/16/2007	TREASURER	3,152,406.60	2/16/2007	3,152,406.60	-	
							8/10/2007	TREASURER	3,152,406.60	8/10/2007	3,152,406.60	-	
									18,914,439.57		18,914,439.58		
7/8/2005	2005	Germany	BU 105 1003 01	US\$	7,565,775.83	7,565,775.83							
							4/18/2006	TREASURER	1,260,962.64	4/18/2006	1,260,962.64	-	
							8/11/2006	TREASURER	1,260,962.64	8/11/2006	1,260,962.64	-	
							2/16/2007	TREASURER	1,260,962.64	2/16/2007	1,260,962.64	-	
							8/10/2007	TREASURER	1,260,962.64	8/10/2007	1,260,962.64	-	
							2/12/2008	TREASURER	1,260,962.64	2/12/2008	1,260,962.64	-	
							8/12/2008	TREASURER	1,260,962.63	8/12/2008	1,260,962.64	-	
									7,565,775.83		7,565,775.83		
5/10/2006	2006	Germany	BU 106 1004 01	Euro	11,662,922.38	14,473,718.52							
						2,412,286.41	2/28/2007	TREASURER	1,943,820.40	2/28/2007	2,558,067.65	145,781.24	
						2,412,286.41	8/10/2007	TREASURER	1,943,820.40	8/10/2007	2,681,305.85	269,019.44	
						2,412,286.42	2/12/2008	TREASURER	1,943,820.40	2/12/2008	2,821,066.54	408,780.12	
						2,412,286.42	8/12/2008	TREASURER	1,943,820.40	8/12/2008	2,930,114.87	517,828.45	
						2,412,286.42	2/17/2009	TREASURER	1,943,820.40	2/17/2009	2,492,560.89	80,274.47	
						2,412,286.44	8/12/2009	TREASURER	1,943,820.38	8/12/2009	2,760,613.72	348,327.28	
									11,662,922.38		11,662,922.38		
7/23/2007	2007	Germany	BU 107 1006 01	Euro	11,662,922.38	14,473,718.52							
						2,412,286.42	2/12/2008	TREASURER	1,943,820.40	2/12/2008	2,821,066.54	408,780.12	
						2,412,286.41	8/12/2008	TREASURER	1,943,820.39	8/12/2008	2,930,114.87	517,828.46	
						2,412,286.42	2/17/2009	TREASURER	1,943,820.40	2/17/2009	2,492,560.89	80,274.47	
						2,412,286.42	8/12/2009	TREASURER	1,943,820.38	8/12/2009	2,760,613.72	348,327.30	
						2,412,286.42	2/11/2010	TREASURER	1,943,820.40	2/11/2010	3,179,312.65	767,026.23	
						2,412,286.43	8/10/2010	TREASURER	1,943,820.41	8/10/2010	2,561,178.36	148,891.93	
									11,662,922.38		11,662,922.38		
8/15/2008	2008	Germany	BU 108 1004 01	Euro	4,665,168.96	5,789,487.42							
						964,914.57	2/17/2009	TREASURER	777,528.16	2/17/2009	997,024.36	32,109.79	
						964,914.57	8/12/2009	TREASURER	777,528.16	8/12/2009	1,104,245.49	139,330.92	
						964,914.57	2/11/2010	TREASURER	777,528.16	2/11/2010	529,107.91	(435,806.66)	
						964,914.57	8/10/2010	TREASURER	777,528.16	8/10/2010	1,024,470.50	59,555.93	
						964,914.60	2/10/2011	TREASURER	777,528.16	2/10/2011	1,060,159.65	95,245.05	
						964,914.54	6/20/2011	TREASURER	777,528.16	6/20/2011	1,095,381.67	130,467.13	
									4,665,168.96		4,665,168.96		
12/18/2009	2009	Germany	BU 109 1007 01	Euro	9,121,815.12	13,884,041.00							
						2,314,006.88	2/11/2010	TREASURER	1,520,302.52	2/11/2010			
						2,314,006.88	8/10/2010	TREASURER	1,520,302.52	8/10/2010	2,003,150.60	(310,856.28)	
						2,314,006.88	2/10/2011	TREASURER	1,520,302.52	2/10/2011	2,072,932.49	(241,074.39)	
						2,314,006.88	6/20/2011	TREASURER	1,520,302.52	6/20/2011	2,141,802.19	(172,204.69)	
						2,314,006.88	2/3/2012	TREASURER	1,520,302.52	2/3/2012	2,002,998.57	(311,008.31)	
						2,314,006.60	8/8/2012	TREASURER	1,520,302.52	8/8/2012	1,881,982.56	(432,024.04)	
									9,121,815.12		9,121,815.12		

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)
4/14/2010	2010	Germany	BU 110 1002 01	Euro	9,121,815.12	13,884,041.00						
						2,314,006.88	2/10/2011	TREASURER	1,520,302.52	2/10/2011	2,072,932.48	(241,074.40)
						2,314,006.88	6/20/2011	TREASURER	1,520,302.52	6/20/2011	2,141,802.19	(172,204.69)
						2,314,006.88	2/3/2012	TREASURER	1,520,302.52	2/3/2012	2,002,998.57	(311,008.31)
						2,314,006.88	8/8/2012	TREASURER	1,520,302.52	8/8/2012	1,881,982.56	(432,024.32)
						2,314,006.88	2/12/2013	TREASURER	1,520,302.52	2/12/2013	2,037,357.39	(276,649.49)
						2,314,006.60	8/12/2013	TREASURER	1,520,302.52	8/12/2013	2,028,843.72	(285,162.88)
									<b>9,121,815.12</b>		<b>9,121,815.12</b>	
4/27/2011	2011	Germany	BU 111 1001 01	Euro	3,648,726.05	5,553,616.51						
						925,602.75	2/3/2012	TREASURER	608,121.01	2/3/2012	801,199.43	(124,403.32)
						925,602.75	8/8/2012	TREASURER	608,121.00	8/8/2012	752,792.86	(172,809.89)
						925,602.75	2/12/2013	TREASURER	608,121.01	2/12/2013	814,942.98	(110,659.77)
						925,602.75	8/12/2013	TREASURER	608,121.01	8/12/2013	811,537.48	(114,065.27)
						925,602.75	2/11/2014	TREASURER	608,121.01	2/11/2014	824,186.40	(101,416.35)
						925,602.76	8/12/2014	TREASURER	608,121.00	8/12/2014	814,152.39	(111,450.37)
									<b>3,648,726.04</b>		<b>4,818,811.54</b>	
1/24/2013	2012	Germany	BU 113 1001 01	Euro	9,823,495.77	13,638,061.59						
						2,273,010.27	2/12/2013	TREASURER	1,637,249.30	2/12/2013	2,194,077.79	(78,932.48)
						2,273,010.26	8/12/2013	TREASURER	1,637,249.30	8/12/2013	2,184,909.18	(88,101.08)
						2,273,010.27	2/11/2014	TREASURER	1,637,249.30	2/11/2014	2,220,601.22	(52,409.05)
						2,273,010.27	8/12/2014	TREASURER	1,637,249.30	8/12/2014	2,191,949.36	(81,060.92)
						909,204.10	2/10/2015	TREASURER	654,899.72	2/10/2015	749,663.71	(159,540.39)
						3,636,816.42	8/5/2015	TREASURER	2,619,598.67	8/5/2015	2,868,722.72	(768,093.70)
						-	<b>BALANCE</b>	<b>TREASURER</b>				
3/25/2013	2013	Germany	BU 113 1004 01	Euro	9,823,495.77	<b>13,638,061.59</b>			<b>0.7203</b>			
						2,273,010.27	2/11/2014	TREASURER	1,637,249.30	2/11/2014	2,220,601.22	(52,409.05)
						2,273,010.27	8/12/2014	TREASURER	1,637,249.30	8/12/2014	2,191,949.36	(81,060.92)
						2,273,010.27	8/12/2014	TREASURER	1,637,249.30	8/12/2014	2,191,949.36	(81,060.92)
						2,273,010.27	2/10/2015	TREASURER	1,637,249.30	2/10/2015	1,874,159.27	(398,851.00)
						2,273,010.24	8/12/2015	TREASURER	1,637,249.30	8/12/2015	1,874,159.27	(398,850.97)
						2,273,010.27	2/10/2016	TREASURER	1,637,249.30	2/10/2016	1,874,159.27	(398,851.00)
						-	<b>BALANCE</b>	<b>TREASURER</b>				
						-						
10/2/2014	2014	Germany	BU 114 1003 01	Euro	3,929,398.32	<b>5,455,224.66</b>						
						1,818,408.22	8/5/2015	TREASURER	1,309,799.44	8/5/2015	1,434,361.37	(384,046.85)
						909,204.11	2/10/2016	TREASURER	654,899.72	2/10/2016	727,004.18	(182,199.93)
									<b>2,727,612.33</b>	<b>BALANCE</b>	<b>TREASURER</b>	
1/19/2015	2015	Germany	BU 115 1001 01	Euro	8,424,308.00	<b>11,545,367.08</b>						
						4,329,512.66	2/10/2015	TREASURER	3,159,115.50	2/10/2015	3,616,239.51	(713,273.15)
						4,329,512.66	8/5/2015	TREASURER	3,159,115.50	8/5/2015	3,459,547.38	(869,965.28)
						2,886,341.77	2/10/2016	TREASURER	2,106,077.00	2/10/2016	2,337,956.08	(548,385.69)
						<b>0.00</b>	<b>BALANCE</b>	<b>TREASURER</b>				
1/12/2016	2016	Germany	BU 116 1000 01	Euro	8,424,308.00	<b>11,545,367.08</b>						
						1,443,170.89	2/10/2016	TREASURER				
						<b>10,102,196.19</b>	<b>BALANCE</b>	<b>TREASURER</b>	1,053,038.50	2/10/2016	1,168,978.04	(8,933,218.15)
12/8/2003	2004	Netherlands	D 11	US\$	3,364,061.32	3,364,061.32	11/17/2004	TREASURER	3,364,061.32	11/17/2004	3,364,061.32	-
12/8/2003	2005	Netherlands	D 11	US\$	3,364,061.32	3,364,061.32	12/5/2005	TREASURER	3,364,061.32	12/5/2005	3,364,061.32	-
5/18/2004	2004	UK		GBP	7,243,564.08	10,718,502.63						
						1,786,417.11	8/23/2005	TREASURER	1,207,260.68	8/23/2005	2,166,550.02	380,132.91
						5,359,251.32	Feb. 2006	TREASURER	3,621,782.04	Feb. 2006	6,303,711.64	944,460.32

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)
						3,572,834.20	7/24/2006	TREASURER	3,621,782.04	7/24/2006	4,473,383.73	900,549.53
									<b>7,243,564.08</b>		<b>12,943,645.39</b>	2,225,142.76
6/1/2005	2005	UK		GBP	7,243,564.08	10,718,502.63						
						1,786,417.11	7/24/2006	TREASURER	1,207,260.68	7/24/2006	2,236,691.86	450,274.75
						4,681,386.55	8/9/2006	TREASURER	3,163,681.03	8/9/2006	6,036,303.40	1,354,916.85
						4,250,698.97	8/16/2006	TREASURER	2,872,622.37	8/16/2006	5,429,236.28	1,178,537.31
									<b>7,243,564.08</b>		<b>13,702,231.54</b>	2,983,728.91
5/13/2005	2004	USA		US\$	4,920,000.00	4,920,000.00	10/27/2005	TREASURER	2,000,000.00	10/27/2005	2,000,000.00	-
							11/2/2006	TREASURER	2,000,000.00	11/2/2006	2,000,000.00	-
							10/25/2007	TREASURER	920,000.00	10/25/2007	920,000.00	-
									<b>4,920,000.00</b>		<b>4,920,000.00</b>	
3/1/2006	2005	USA		US\$	3,159,700.00	3,159,700.00	11/2/2006	TREASURER	2,000,000.00	11/2/2006	2,000,000.00	-
							10/25/2007	TREASURER	1,159,700.00	10/25/2007	1,159,700.00	-
									<b>3,159,700.00</b>		<b>3,159,700.00</b>	
4/25/2007	2006	USA		US\$	7,315,000.00	7,315,000.00	10/25/2007	TREASURER	2,500,000.00	10/25/2007	2,500,000.00	-
							11/19/2008	TREASURER	2,500,000.00	11/19/2008	2,500,000.00	-
							5/11/2009	TREASURER	2,315,000.00	5/11/2009	2,315,000.00	-
									<b>7,315,000.00</b>		<b>7,315,000.00</b>	
2/21/2008	2008	USA		US\$	4,683,000.00	4,683,000.00	11/19/2008	TREASURER	2,341,500.00	11/19/2008	2,341,500.00	-
							5/11/2009	TREASURER	2,341,500.00	5/11/2009	2,341,500.00	-
									<b>4,683,000.00</b>		<b>4,683,000.00</b>	
4/21/2009	2009	USA		US\$	5,697,000.00	5,697,000.00						
							5/11/2009	TREASURER	1,900,000.00	5/11/2009	1,900,000.00	-
							11/4/2010	TREASURER	1,900,000.00	11/4/2010	1,900,000.00	-
							11/3/2011	TREASURER	1,897,000.00	11/3/2011	1,897,000.00	-

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

**TABLE 15: OUTSTANDING PROMISSORY NOTES SCHEDULE OF ENCASHMENT AS AT 6 MAY 2016  
 (IN US\$)**

	<b>Due in 2015</b>	<b>Due in 2016</b>	<b>Due in 2017</b>	<b>Due in 2018</b>	<b>Unscheduled</b>	<b>TOTAL</b>
<b><u>FRANCE:</u></b>						0
<b><u>GERMANY:</u></b>						
2014		909,204	1,818,408			2,727,612
2015		0				0
2016		4,329,513	2,886,342	2,886,342		10,102,196
<b><u>USA</u></b>						
2014		1,467,000				1,467,000
	<b>0</b>	<b>6,705,717</b>	<b>4,704,750</b>	<b>2,886,342</b>	<b>0</b>	<b>14,296,809</b>

**NOTE:**

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

**LIST OF COUNTRIES WHICH HAVE EITHER CONFIRMED TO THE TREASURER  
IN WRITING THAT THEY WOULD BE USING  
THE FIXED-EXCHANGE-RATE MECHANISM DURING  
THE 2015 – 2017 REPLENISHMENT PERIOD OR PAID IN NATIONAL CURRENCIES  
WITHOUT FORMALLY WRITING TO THE TREASURER  
(AS AT 6 MAY 2016)**

1. Australia
2. Austria
3. Belgium
4. Canada
5. Croatia
6. Cyprus
7. Czech Republic (the)
8. Denmark
9. Estonia
10. Finland
11. France
12. Germany
13. Ireland
14. Italy
15. Luxembourg
16. New Zealand
17. Norway
18. Poland
19. Russian Federation (the)
20. San Marino
21. Slovak Republic
22. Spain
23. Sweden
24. Switzerland
25. United Kingdom of Great Britain and Northern Ireland (the)

**Annex II**

**LETTERS TO BE SENT TO THE RELEVANT GOVERNMENTS  
ON TRANCHE SUBMISSION DELAYS**

<b>Country</b>	<b>Views expressed by the Executive Committee</b>
Antigua and Barbuda	Noting that the second (2015) tranche of the HPMP was withdrawn, and urging the Government of Antigua and Barbuda to work with UNEP so that the second tranche together with the endorsement letter could be submitted to the 77 <sup>th</sup> meeting.
Barbados	Noting that the draft project document is expected to be signed by the Government in May 2016, urging the Government of Barbados to work with UNDP to expedite the signing of the project document and accelerate implementation of approved activities, so that the second (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.
Belize	Noting that UNEP will be training the new National Ozone Officer (NOO), and urging the Government of Belize to work with UNEP to expedite the completion of activities associated with the first tranche so that the second (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.
Burkina Faso	Noting that the third (2016) tranche submitted to the 76 <sup>th</sup> meeting was withdrawn by the relevant implementing, and urging the Government of Burkina Faso to work with UNEP and UNIDO to address all relevant issues with HCFC consumption data, so that the third (2016) tranche could be re-submitted to the 77 <sup>th</sup> meeting.
Comoros (the)	Noting that there have been delays in implementation of activities due to difficulties in finalizing payments by UNEP, urging UNEP to immediately expedite overdue payments and requesting the Government of the Comoros to work with UNEP to complete the activities so that the third (2016) tranche could be submitted to the 77 <sup>th</sup> meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Cote d'Ivoire	Noting that there have been delays in implementation of activities due to difficulties in finalizing payments by UNEP, urging UNEP to immediately expedite overdue payments and requesting the Government of Cote d'Ivoire to work with UNEP to complete the activities so that the third (2016) tranche could be submitted to the 77 <sup>th</sup> meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Cuba	Noting that the implementation of activities is progressing with funds available from previous tranches and, therefore, the Government had decided to delay the submission of the tranche, and urging the Government of Cuba to work with UNDP to expedite the completion of activities so that the fourth (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.
Democratic People's Republic of Korea (the)	Noting external difficulties in implementing the activities so far under the first two tranches of the HPMP, and urging the Government of the Democratic People's Republic Korea to work with UNIDO to expedite completion of planned activities so that the third (2016) tranche could be submitted to the 77 <sup>th</sup> meeting, on the understanding that the 20 per cent disbursement threshold could be achieved.
Democratic Republic of the Congo (the)	Noting that there have been changes in the national ozone unit (NOU) and that the third tranche was due for submission to the 74 <sup>th</sup> meeting in early 2015, and urging the Government of the Democratic Republic of the Congo to work with UNDP and UNEP to expedite the completion of activities so that the third (2015) tranche could be submitted to the 77 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2015 and subsequent tranches.

Country	Views expressed by the Executive Committee
Dominica	Noting that UNEP had planned a mission for late April 2016 to address issues related to ODS data submission, staffing of the National Ozone Office, issues related with the implementation of approved activities and preparation of the plan of action of the next tranche, and urging the Government of Dominica to work with UNEP to sign the relevant agreement and expedite implementation so that the second (2016) tranche could be submitted to the 77 <sup>th</sup> meeting, with the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Eritrea	Noting that there have been delays in implementation of activities due to difficulties in finalizing payments by UNEP, urging UNEP to immediately expedite overdue payments and requesting the Government of Eritrea to work with UNEP to complete the activities so that the second (2016) tranche could be submitted to the 77 <sup>th</sup> meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Ethiopia	Noting that the mandatory verification report on HCFC consumption targets is due and decisions are required by the Government on bidding for the procurement of equipment by UNIDO, and urging the Government of Ethiopia to work with UNEP and UNIDO to submit the required verification report and address bidding issues, so that the second (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.
Gabon	Noting that the Government decided to delay the submission of the third (2016) tranche to provide additional time to prepare the reports required by UNEP as well as the preparation of the third (2016) tranche, and urging the Government of Gabon to work with UNEP to prepare the required reports so that the third (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.
Grenada	Noting that the Government was in the process of selecting a cooperating agency for the HPMP and had decided to delay the submission the second (2016) tranche since sufficient funds are available to continue implementing activities, and urging the Government of Grenada to work with UNEP so that the second (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.
Guinea	Noting that the mandatory verification report on HCFC consumption targets had not been completed, and urging the Government of Guinea to work with UNEP to submit the required verification report so that the third (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.
Guinea-Bissau	Noting that there have been delays in implementation of activities due to difficulties in finalizing payments by UNEP, urging UNEP to immediately expedite overdue payments and requesting the Government of Guinea-Bissau to work with UNEP to complete the activities so that the third (2016) tranche can be submitted to the 77 <sup>th</sup> meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Kenya	Noting that the mandatory verification report on HCFC consumption targets had not been completed, and urging the Government of Kenya to work with the Government of France to submit the required verification report so that the fourth (2016) tranche could be submitted to the 77 <sup>th</sup> meeting, on the understanding that the 20 per cent disbursement threshold could be achieved.
Kuwait	Noting that the overall disbursement rate of the second tranche of the HPMP was below the 20 per cent disbursement threshold, and urging the Government of Kuwait to work with UNIDO to expedite the completion of planned activities so that the third (2016) tranche can be submitted to the 77 <sup>th</sup> or 78 <sup>th</sup> meeting, on the understanding that the 20 per cent disbursement threshold could be achieved.
Malawi	Noting that the mandatory verification report on HCFC consumption targets had not been completed, and urging the Government of Malawi to work with UNEP to submit the required verification report so that the third (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.

Country	Views expressed by the Executive Committee
Mozambique	Noting that there have been delays in implementation of activities due to difficulties in finalizing payments by UNEP, urging UNEP to immediately expedite overdue payments and requesting the Government of Mozambique to work with UNEP and UNIDO to complete the activities so that the third (2016) tranche could be submitted to the 77 <sup>th</sup> meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Myanmar	Noting that although procurement of equipment approved in the first tranche has been initiated but not funding has been disbursed, and urging the Government of Myanmar to work with UNEP to expedite the implementation of activities so that the second (2015) tranche can be submitted to the 77 <sup>th</sup> or 78 <sup>th</sup> meeting, with a revised plan of action to take into account the reallocation of the 2015 and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Niger	Noting that the mandatory verification report on HCFC consumption targets had not been completed, and urging the Government of Niger to work with UNEP to submit the required verification report so that the second (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.
Philippines (the)	Noting that the mandatory verification report on HCFC consumption targets had not been completed, and urging the Government of the Philippines to work with UNEP to submit the required verification report and to complete the required progress and financial reports so that the second (2015) tranche can be submitted to the 77 <sup>th</sup> or 78 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2015 and subsequent tranches.
Qatar	Noting that a new action plan was under discussion and that the National Ozone Officer (NOO) has not yet been appointed by the relevant authorities, and inviting the Government of Qatar to appoint a new NOO, and urging the Government to work with UNEP to sign the relevant agreement to provide an endorsement letter so that the second (2013) tranche could be submitted to the 77 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2013 and subsequent tranches.
Rwanda	Noting that the mandatory verification report on HCFC consumption targets had not been completed, and urging the Government of Rwanda to work with UNEP to submit the required verification report so that the third (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.
Saudi Arabia	Noting that the third tranche was approved at the 75 <sup>th</sup> meeting due to delays in submission of previous tranches, and urging the Government of Saudi Arabia to work with UNEP and UNIDO to expedite project implementation so that the fourth (2015) tranche could be submitted to the 77 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the fourth (2015) and subsequent tranches, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.
Senegal	Noting that the second (2014) tranche submitted to the 76 <sup>th</sup> meeting was withdrawn by the relevant implementing agency, and urging the Government of Senegal to work with UNEP and UNIDO to submit the 2013, 2014 and 2015 verification reports of HCFC consumption targets and to address all relevant issues with HCFC consumption data, so that the second (2014) tranche could be re-submitted to the 77 <sup>th</sup> meeting, with a revised plan of action to take into account the reallocation of the 2015 and subsequent tranches.
Somalia	Noting that the second (2016) tranche submitted to the 76 <sup>th</sup> meeting was withdrawn by the relevant implementing agency, and urging the Government of Somalia to work with UNIDO to submit the 2014 and 2015 Article 7 and country programme data and to resolve all issues with respect to consumption data, so that the second (2016) tranche could be submitted to the 77 <sup>th</sup> meeting, on the understanding that the 20 per cent disbursement threshold for funding of the previous tranche had been achieved.

<b>Country</b>	<b>Views expressed by the Executive Committee</b>
Swaziland	Noting that there have been delays in implementation of activities due to difficulties in finalizing payments by UNEP, urging UNEP to immediately expedite overdue payments and requesting the Government of Swaziland to work with UNEP to complete the activities so that the third (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.
Thailand	Noting that sub-projects have been prepared, sub-grant agreements are scheduled for signing and outstanding verification reports of HCFC consumption targets had been submitted but that the third tranche was due for submission in 2015, and urging the Government of Thailand to expedite the completion of activities and work with the World Bank so that the third (2014) tranche could be submitted to the 77 <sup>th</sup> meeting with a revised plan of action to take into account the reallocation of the 2014 and subsequent tranches on the understanding that the 20 per cent disbursement threshold will be achieved.
Timor-Leste	Noting that there were sufficient funds from the first two tranches to implement activities through December 2016 but the progress and financial reports on the implementation of the second tranche had not been prepared, and urging the Government of Timor-Leste to submit the required progress and financial report to UNEP and work with UNDP and UNEP to expedite implementation of the HPMP so that the third (2015) tranche could be submitted to the 77 <sup>th</sup> meeting.
Togo	Noting that the required progress and financial reports on the implementation of the second tranche had not been submitted to UNEP, and urging the Government of Togo to work with UNEP and expedite the submission of the required progress and financial reports so that the third (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.
Uganda	Noting that the mandatory verification report on HCFC consumption targets had not been completed, and urging the Government of Uganda to work with UNEP to submit the required verification report so that the second (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.
Yemen	Noting that there had been difficulty in completing the verification report of national consumption targets and the current internal difficulties in the country, and urging the Government of Yemen to work with UNEP to complete the verification report and expedite project implementation so that the second (2014) tranche can be submitted to the 77 <sup>th</sup> or 78 <sup>th</sup> meeting, with a revised plan of action to take into account the reallocation of the 2014 and subsequent tranches, accordingly.
Zambia	Noting that there have been delays in implementation of activities due to difficulties in finalizing payments by UNEP, urging UNEP to immediately expedite overdue payments and requesting the Government of Zambia to work with UNEP to complete the activities so that the third (2016) tranche could be submitted to the 77 <sup>th</sup> meeting.

**Annex III**

**PROJECTS FOR WHICH ADDITIONAL STATUS REPORTS WERE REQUESTED**

<b>Code</b>	<b>Agency</b>	<b>Project title</b>	<b>Reasons</b>
ALG/DES/72/DEM/78	France	Pilot demonstration project on ODS waste management and disposal	To monitor project implementation progress and the low rate of disbursement of approved funds.
ARG/REF/61/INV/163	Italy	Phase-out of HCFC-22 in the room and unitary air-conditioning equipment manufacturing sector	To monitor the planned achievement of project completion.
MEX/PHA/73/INV/171	Italy	HCFC phase-out management plan (stage II, first tranche) (reclamation of HCFC refrigerants)	To monitor the low rate of disbursement of approved funds.
STK/PHA/64/TAS/16	UNDP	HCFC phase-out plan (stage I)	To monitor project implementation progress and the low rate of disbursement of approved funds.
AFG/PHA/72/TAS/16	UNEP	HCFC phase-out management plan	To confirm that the bank account was opened to facilitate the transfer of funds.
BHA/PHA/71/TAS/21	UNEP	HCFC phase-out management plan	To monitor the signing of the Agreement and low disbursement of approved funds.
CHI/FUM/60/TAS/172	UNEP	National phase-out of methyl bromide, terminal project (first tranche)	To submit the progress and financial reports and to return fund balances to the 77 <sup>th</sup> meeting.
EUR/DES/69/DEM/13	UNEP	Demonstration of a regional strategy for ODS waste management and disposal in the Europe and Central Asia region	To provide a final report to the 77 <sup>th</sup> meeting.
GUI/PHA/72/TAS/29	UNEP	HCFC phase-out management plan	To monitor the low rate of disbursement of approved funds.
IRQ/PHA/65/TAS/17	UNEP	HCFC phase-out management plan	To monitor the low rate of disbursement of approved funds.
MAU/PHA/55/PRP/20	UNEP	Preparation of a HCFC phase-out management plan	To monitor the submission of the HCFC phase-out management plan.
MYA/PHA/68/TAS/14	UNEP	HCFC phase-out management plan	To monitor project implementation progress and the low rate of disbursement of approved funds.
NEP/DES/59/TAS/27	UNEP	Destruction of confiscated ODS	To provide a final report to the 77 <sup>th</sup> meeting noting that the National ozone officer had agreed to provide the report by June 2016.
PER/SEV/68/INS/45	UNEP	Renewal of institutional strengthening project (phase IV: 1/2013-12/2014)	To monitor the low rate of disbursement of approved funds.
QAT/PHA/65/TAS/17	UNEP	HCFC phase-out management plan	To monitor the signing of the Agreement and low disbursement of approved funds.
SSD/PHA/70/PRP/02	UNEP	Preparation of a HCFC phase-out management plan	To monitor the submission of the HCFC phase-out management plan.
TOG/PHA/71/TAS/25	UNEP	HCFC phase-out management plan	To monitor project implementation progress and the low rate of disbursement of approved funds.
YEM/PHA/68/TAS/40	UNEP	HCFC phase-out management plan	To follow-up the ability of the implementing agency to work in the country due to current internal difficulties.

<b>Code</b>	<b>Agency</b>	<b>Project title</b>	<b>Reasons</b>
AFR/FUM/54/DEM/40	UNIDO	Regional demonstration project on alternatives to the use of methyl bromide for treatment of high moisture dates (Algeria and Tunisia)	To monitor the Government's selection of a local expert for the Algeria component.
ALG/PHA/66/INV/76	UNIDO	HCFC phase-out management plan (stage I)	To monitor the low rate of disbursement of approved funds.
ALG/PHA/66/INV/77	UNIDO	HCFC phase-out management plan (stage I)	To monitor the low rate of disbursement of approved funds.
ETH/PHA/68/INV/22	UNIDO	HCFC phase-out management plan (stage I)	To monitor the low rate of disbursement of approved funds.
EUR/DES/69/DEM/14	UNIDO	Demonstration of a regional strategy for ODS waste management and disposal in the Europe and Central Asia region	To provide a final report to the 77 <sup>th</sup> meeting.
IRA/HAL/63/TAS/198	UNIDO	Halon management programme	To monitor the planned achievement of project completion.
IRA/PHA/68/INV/209	UNIDO	HCFC phase-out management plan (stage I, second tranche) (foam sector plan)	To monitor the planned achievement of project completion.
KUW/PHA/66/INV/18	UNIDO	HCFC phase-out management plan (stage I)	To monitor the low rate of disbursement of approved funds for the second consecutive meeting.
KUW/PHA/66/INV/20	UNIDO	HCFC phase-out management plan (stage I)	To monitor the low rate of disbursement of approved funds for the second consecutive meeting.
KUW/PHA/66/INV/21	UNIDO	HCFC phase-out management plan (stage I)	To monitor the low rate of disbursement of approved funds for the second consecutive meeting.
LEB/DES/73/DEM/83	UNIDO	Pilot demonstration project on ODS waste management and disposal	To monitor project implementation progress and the low rate of disbursement of approved funds.
MOR/PHA/65/INV/68	UNIDO	HCFC phase-out management plan (stage I, first tranche) (refrigeration servicing sector)	To monitor the status of project implementation with respect to customs training.
MOZ/PHA/66/INV/23	UNIDO	HCFC phase-out management plan (stage I)	To monitor the low rate of disbursement of approved funds.

## Annex IV

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF DOMINICAN REPUBLIC 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 Dominican Republic (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 46.08 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 and 4.4.3.
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 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 68<sup>th</sup> 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. UNDP 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.

16. This updated Agreement supersedes the Agreement reached between the Government of the Dominican Republic and the Executive Committee at the 65<sup>th</sup> 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	50.41
HCFC-141b	C	I	0.60
HCFC-123	C	I	0.19
Subtotal	C	I	51.20
HCFC-141b in imported polyol			19.51
Total			70.71

### APPENDIX 2-A: THE TARGETS, AND FUNDING

	2010	2011	2012	2013	2014	2015	2016	2017	2018	Total
1.1 Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	51.20	51.20	46.08	46.08	46.08	46.08	n/a
1.2 Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	51.20	51.20	46.08	46.08	46.08	46.08	n/a
2.1 Lead IA (UNDP) agreed funding (US \$)	332,775	680,000	0	463,450	0	170,000	0	0	0	1,646,225
2.2 Support costs for Lead IA (US \$)	24,958	51,000	0	34,759	0	12,750	0	0	0	123,467
2.3 Cooperating IA (UNEP) agreed funding (US \$)	0	25,000	0	25,000	0	0	0	0	0	50,000
2.4 Support costs for Cooperating IA (US \$)	0	3,250	0	3,250	0	0	0	0	0	6,500
3.1 Total agreed funding (US \$)	332,775	705,000	0	488,450	0	170,000	0	0	0	1,696,225
3.2 Total support cost (US \$)	24,958	54,250	0	38,009	0	12,750	0	0	0	129,967
3.3 Total agreed costs (US \$)	357,733*	759,250	0	526,459	0	182,750	0	0	0	1,826,192
4.1.1 Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										7.03
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)										43.38
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)										0.00
4.2.3 Remaining eligible consumption for HCFC-141b (ODP tonnes)										0.00
4.3.1 Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.3.2 Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)										0.00
4.3.3 Remaining eligible consumption for HCFC-123 (ODP tonnes)										0.19
4.4.1 Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)										15.77
4.4.2 Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in previously approved projects (ODP tonnes)										3.74*
4.4.3 Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)										0.00

(\*) Approved at the 61<sup>st</sup> meeting for FARCO 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 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 Ministry of Environment and Natural Resources is responsible for the overall coordination of activities to be undertaken in the HCFC Phase-Out Management Plan. The National Ozone Program (PRONAOZ) under this Ministry acts as National Ozone Unit and represents the enforcement institution. PRONAOZ is responsible for carrying out national policies and legislations regarding the control of ozone depleting substances and monitors at managerial level the consumption of all ozone depleting substances (ODS). PRONAOZ controls, through the licensing system, the ODS consumption (import and export) and end-user level. The lead and cooperating agencies will be responsible for implementing and monitoring the activities under their responsibility. The Government has offered continuity of activities and endorsement for the projects through the institutional support over the next years.

2. Close monitoring of all activities and coordination between stakeholders is an essential element of the HPMP and key to reach compliance. There will be regular coordination meetings with industry stakeholders, HCFC importers, relevant Government stakeholders, various industrial associations, and all sectors involved, in order to enact the necessary agreements and measures to carry out the investment and non-investment activities in time and in a coordinated manner. In the manufacturing sector the implementation process and the achievement of the phase-out will be monitored through site visits at enterprise level. Yearly monitoring will be carried out by PRONAOZ through the ODS licensing and quota system. Verification site visits will be undertaken by independent international experts.

#### **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 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 \$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.

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)		C.E. (US\$/kg)
			Project	Support	
<b>ALBANIA</b>					
<b>SEVERAL</b>					
<b>Ozone unit support</b>					
Renewal of institutional strengthening project (phase VII: 7/2016-6/2018)	UNEP		\$139,776	\$0	\$139,776
<b>Total for Albania</b>			<b>\$139,776</b>		<b>\$139,776</b>
<b>ARGENTINA</b>					
<b>FOAM</b>					
<b>Preparation of project proposal</b>					
Preparation for HCFC phase-out investment activities (stage II) (foam sector)	IBRD		\$137,500	\$9,625	\$147,125
<i>Noted that the approval was being granted on an exceptional basis in light of the limited time remaining to develop stage II of HPMP to enable Argentina to meet its 2020 compliance target, and was contingent on receipt by the Secretariat of an endorsement letter from the country stating how responsibilities for stage II of the HPMP had been assigned among the implementing agencies concerned; and reiterated that future funding requests to prepare stages of HPMPs for all countries should be submitted for the purpose of developing the entire stage and include all of the activities and bilateral and implementing agencies involved, in line with decision 71/42.</i>					
<b>SEVERAL</b>					
<b>Ozone unit support</b>					
Extension for institutional strengthening project (phase IX: 7/2016-6/2018)	UNDP		\$398,806	\$27,916	\$426,722
<b>Total for Argentina</b>			<b>\$536,306</b>	<b>\$37,541</b>	<b>\$573,847</b>
<b>ARMENIA</b>					
<b>SEVERAL</b>					
<b>Ozone unit support</b>					
Extension of institutional strengthening project (phase V: 4/2017-3/2019)	UNIDO		\$153,600	\$10,752	\$164,352
<b>Total for Armenia</b>			<b>\$153,600</b>	<b>\$10,752</b>	<b>\$164,352</b>
<b>BAHRAIN</b>					
<b>SEVERAL</b>					
<b>Ozone unit support</b>					
Extension of institutional strengthening project (phase VIII: 5/2016-4/2018)	UNEP		\$85,000	\$0	\$85,000
<b>Total for Bahrain</b>			<b>\$85,000</b>		<b>\$85,000</b>

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>BELIZE</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Renewal of institutional strengthening project (phase VIII: 4/2016-3/2018)	UNEP		\$98,176	\$0	\$98,176	
<b>Total for Belize</b>			<b>\$98,176</b>		<b>\$98,176</b>	
<b>BENIN</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche)	UNEP		\$75,000	\$9,750	\$84,750	
<i>Noted that the Agreement between the Government and the Executive Committee had been updated on the basis of the consolidation of UNIDO's funding for the fourth (US\$35,000 in 2018) and fifth (US\$35,000 in 2020) tranches with the funding for the third tranche (US\$50,000).</i>						
HCFC phase-out management plan (stage I, third tranche)	UNIDO	2.4	\$120,000	\$9,000	\$129,000	
<i>Noted that the Agreement between the Government and the Executive Committee had been updated on the basis of the consolidation of UNIDO's funding for the fourth (US\$35,000 in 2018) and fifth (US\$35,000 in 2020) tranches with the funding for the third tranche (US\$50,000).</i>						
<b>Total for Benin</b>		<b>2.4</b>	<b>\$195,000</b>	<b>\$18,750</b>	<b>\$213,750</b>	
<b>BHUTAN</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (third tranche)	UNDP	0.1	\$57,000	\$5,130	\$62,130	
<i>Approved on the understanding that the approved funds would not be transferred to UNEP and UNDP until the Secretariat had reviewed the verification report and confirmed that the Government of Bhutan was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>						
HCFC phase-out management plan (third tranche)	UNEP	0.2	\$84,000	\$10,920	\$94,920	
<i>Approved on the understanding that the approved funds would not be transferred to UNEP and UNDP until the Secretariat had reviewed the verification report and confirmed that the Government of Bhutan was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>						
<b>Total for Bhutan</b>		<b>0.3</b>	<b>\$141,000</b>	<b>\$16,050</b>	<b>\$157,050</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>BOSNIA AND HERZEGOVINA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche) (activities in the refrigeration servicing sector including policy actions)	UNIDO		\$117,692	\$8,238	\$125,930	
<b>Total for Bosnia and Herzegovina</b>			<b>\$117,692</b>	<b>\$8,238</b>	<b>\$125,930</b>	
<b>BOTSWANA</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase V: 6/2016-7/2018)	UNEP		\$100,061	\$0	\$100,061	
<b>Total for Botswana</b>			<b>\$100,061</b>		<b>\$100,061</b>	
<b>BRUNEI DARUSSALAM</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Renewal of the institutional strengthening project (phase V: 1/2017-12/2018)	UNEP		\$89,600	\$0	\$89,600	
<b>Total for Brunei Darussalam</b>			<b>\$89,600</b>		<b>\$89,600</b>	
<b>CAMBODIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (third tranche)	UNEP		\$150,000	\$19,500	\$169,500	
<i>Approved on the understanding that the approved funds would not be transferred to UNEP and UNDP until the Secretariat had reviewed the verification report and confirmed that the Government of Cambodia was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>						
HCFC phase-out management plan (third tranche)	UNDP		\$100,000	\$7,500	\$107,500	
<i>Approved on the understanding that the approved funds would not be transferred to UNEP and UNDP until the Secretariat had reviewed the verification report and confirmed that the Government of Cambodia was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>						
<b>Total for Cambodia</b>			<b>\$250,000</b>	<b>\$27,000</b>	<b>\$277,000</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>CAMEROON</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (refrigeration servicing sector plan) (stage I, third tranche)	UNIDO		\$59,136	\$4,435	\$63,571	
<b>Total for Cameroon</b>			<b>\$59,136</b>	<b>\$4,435</b>	<b>\$63,571</b>	
<b>CHAD</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche)	UNIDO	2.4	\$100,000	\$7,500	\$107,500	
<i>Approved on the understanding that if Chad were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non-flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols; and that the approved funds would not be transferred to UNEP and UNIDO until the Secretariat had reviewed the verification report and confirmed that the Government of Chad was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>						
HCFC phase-out management plan (stage I, third tranche)	UNEP		\$45,000	\$5,850	\$50,850	
<i>Approved on the understanding that if Chad were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non-flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols; and that the approved funds would not be transferred to UNEP and UNIDO until the Secretariat had reviewed the verification report and confirmed that the Government of Chad was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>						
<b>Total for Chad</b>		<b>2.4</b>	<b>\$145,000</b>	<b>\$13,350</b>	<b>\$158,350</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

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

## CHILE

### PHASE-OUT PLAN

#### HCFC phase out plan

HCFC phase-out management plan (stage I, fourth and fifth tranches)	UNEP		\$68,123	\$8,856	\$76,979	
---	------	--	----------	---------	----------	--

*Noted that Agreement between the Government and the Executive Committee had been updated on the basis of the revised funding schedule (combining the fourth (US\$139,562 in 2014) and the fifth (US\$127,860 in 2015) tranches) and the extension of implementation period; that the Government is committed to complete implementation of stage I of the HPMP by 31 December 2017; that no further extension of project implementation would be requested; and that any funds remaining at the end of 2017 would be returned to the Multilateral Fund at the first meeting of the Executive Committee in 2019. The Government, UNDP and UNEP were requested to submit the 2015 verification report by the 77th meeting; submit progress reports on a yearly basis on the implementation of the work programmes associated with stage I until the completion of the project and verification reports until the first meeting of 2018, and the project completion report to the last meeting of the Executive Committee in 2018. Approved on the understanding that funding for UNEP would be disbursed only after signature of the agreement between the Government and UNEP for implementing activities in stage I.*

HCFC phase-out management plan (stage I, fourth and fifth tranches)	UNDP	5.9	\$199,299	\$14,947	\$214,246	
---	------	-----	-----------	----------	-----------	--

*Noted that Agreement between the Government and the Executive Committee had been updated on the basis of the revised funding schedule (combining the fourth (US\$139,562 in 2014) and the fifth (US\$127,860 in 2015) tranches) and the extension of implementation period; that the Government is committed to complete implementation of stage I of the HPMP by 31 December 2017; that no further extension of project implementation would be requested; and that any funds remaining at the end of 2017 would be returned to the Multilateral Fund at the first meeting of the Executive Committee in 2019. The Government, UNDP and UNEP were requested to submit the 2015 verification report by the 77th meeting; submit progress reports on a yearly basis on the implementation of the work programmes associated with stage I until the completion of the project and verification reports until the first meeting of 2018, and the project completion report to the last meeting of the Executive Committee in 2018. Approved on the understanding that funding for UNEP would be disbursed only after signature of the agreement between the Government and UNEP for implementing activities in stage I.*

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2021 to reduce HCFC consumption by 65 per cent of its baseline. Noted that the Government had committed to reducing HCFC consumption by 45 per cent of its baseline by 2020 and 65 per cent of its baseline by 2021 and would issue by 1 January 2020 a ban on import and use of HCFC-141b for the polyurethane foam manufacturing sector and on imports and exports of HCFC-141b contained in pre-blended polyols ; the Government and UNDP, UNEP and UNIDO were requested to deduct 47.1 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding and to deduct a further 2.42 ODP tonnes of HCFC-141b to account for exports of pre-blended polyols containing HCFC-141b, in line with decision 68/42(b).</i></p>	UNIDO		\$309,210	\$21,645	\$330,855	4.80
<p>HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2021 to reduce HCFC consumption by 65 per cent of its baseline. Noted that the Government had committed to reducing HCFC consumption by 45 per cent of its baseline by 2020 and 65 per cent of its baseline by 2021 and would issue by 1 January 2020 a ban on import and use of HCFC-141b for the polyurethane foam manufacturing sector and on imports and exports of HCFC-141b contained in pre-blended polyols ; the Government and UNDP, UNEP and UNIDO were requested to deduct 47.1 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding and to deduct a further 2.42 ODP tonnes of HCFC-141b to account for exports of pre-blended polyols containing HCFC-141b, in line with decision 68/42(b).</i></p>	UNEP		\$65,481	\$8,513	\$73,994	4.80
<p>HCFC phase-out management plan (stage II, first tranche) (foam sector )</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2021 to reduce HCFC consumption by 65 per cent of its baseline. Noted that the Government had committed to reducing HCFC consumption by 45 per cent of its baseline by 2020 and 65 per cent of its baseline by 2021 and would issue by 1 January 2020 a ban on import and use of HCFC-141b for the polyurethane foam manufacturing sector and on imports and exports of HCFC-141b contained in pre-blended polyols ; the Government and UNDP, UNEP and UNIDO were requested to deduct 47.1 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding and to deduct a further 2.42 ODP tonnes of HCFC-141b to account for exports of pre-blended polyols containing HCFC-141b, in line with decision 68/42(b).</i></p>	UNDP	12.0	\$700,955	\$49,067	\$750,022	5.88
	<b>Total for Chile</b>	<b>17.8</b>	<b>\$1,343,068</b>	<b>\$103,028</b>	<b>\$1,446,096</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>CHINA</b>						
<b>REFRIGERATION</b>						
<b>Multiple-subsectors</b>						
Demonstration project for ammonia semi-hermetic frequency convertible screw refrigeration compression unit in the industrial and commercial refrigeration industry at Fujian Snowman Co. Ltd.	UNDP		\$1,026,815	\$71,877	\$1,098,692	
<i>Approved in line with decision 72/40. The Government and UNDP were requested to complete the project within 18 months of its approval, and to submit a comprehensive final report soon after project completion.</i>						
<b>Total for China</b>			<b>\$1,026,815</b>	<b>\$71,877</b>	<b>\$1,098,692</b>	
<b>COLOMBIA</b>						
<b>FOAM</b>						
<b>Rigid</b>						
Demonstration project to validate the use of hydrofluoro-olefins for discontinuous panels in Article 5 parties through the development of cost-effective formulations	UNDP		\$248,380	\$22,354	\$270,734	
<i>Approved in line with decision 72/40. The Government and UNDP were requested to complete the project within 12 months of its approval, and to submit a comprehensive final report soon after project completion.</i>						
<b>Total for Colombia</b>			<b>\$248,380</b>	<b>\$22,354</b>	<b>\$270,734</b>	
<b>CONGO</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche)	UNIDO	1.8	\$75,000	\$6,750	\$81,750	
<i>Approved on the understanding that the approved funds would not be transferred to UNEP and UNIDO until the Secretariat had reviewed the verification report and confirmed that the Government of the Congo was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>						
HCFC phase-out management plan (stage I, third tranche)	UNEP		\$40,000	\$5,200	\$45,200	
<i>Approved on the understanding that the approved funds would not be transferred to UNEP and UNIDO until the Secretariat had reviewed the verification report and confirmed that the Government of the Congo was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>						
<b>Total for Congo</b>			<b>1.8</b>	<b>\$115,000</b>	<b>\$11,950</b>	<b>\$126,950</b>

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>COSTA RICA</b>						
<b>REFRIGERATION</b>						
<b>Commercial</b>						
Demonstration of the application of an ammonia/carbon dioxide refrigeration system in replacement of HCFC-22 for the medium-sized producer and retail store of Premezclas Industriales S.A.	UNDP		\$524,000	\$36,680	\$560,680	
<i>Approved in line with decision 72/40. The Government and UNDP were requested to deduct 0.035 ODP tonnes of HCFC-22 from the remaining HCFC consumption eligible for funding under stage II of the HCFC phase-out management plan; and to complete the project within 14 months of its approval, and to submit a comprehensive final report soon after project completion.</i>						
<b>Total for Costa Rica</b>			<b>\$524,000</b>	<b>\$36,680</b>	<b>\$560,680</b>	
<b>DJIBOUTI</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche)	UNEP		\$18,500	\$2,405	\$20,905	
<b>Total for Djibouti</b>			<b>\$18,500</b>	<b>\$2,405</b>	<b>\$20,905</b>	
<b>ECUADOR</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche)	UNIDO		\$86,500	\$6,488	\$92,988	
HCFC phase-out management plan (stage I, third tranche)	UNEP		\$30,000	\$3,900	\$33,900	
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase VI: 5/2016-4/2018)	UNEP		\$226,305	\$0	\$226,305	
<b>Total for Ecuador</b>			<b>\$342,805</b>	<b>\$10,388</b>	<b>\$353,193</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>EGYPT</b>						
<b>FOAM</b>						
<b>Multiple-subsectors</b>						
Demonstration of low-cost options for the conversion to non-UNDP ODS technologies in polyurethane foams at very small users		4.4	\$295,000	\$20,650	\$315,650	
<i>Approved in line with decision 72/40. The Government and UNDP were requested to deduct 4.40 ODP tonnes of HCFC-141b from the remaining HCFC consumption eligible for funding under stage II of the HPMP; and to complete the project within 12 months of its approval, and to submit a comprehensive final report soon after project completion.</i>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase XI: 1/2017-12/2018)	UNIDO		\$292,253	\$20,458	\$312,711	
<b>Total for Egypt</b>		<b>4.4</b>	<b>\$587,253</b>	<b>\$41,108</b>	<b>\$628,361</b>	
<b>GHANA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, fourth tranche)	Italy		\$65,000	\$8,450	\$73,450	
<i>Approved on the understanding that the approved funds will not be transferred to UNDP and the Government of Italy until the Secretariat had: reviewed the verification report and confirmed that the Government of Ghana is in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee; and confirmed that the regulatory environment for the safe use of hydrocarbon refrigerants called for in paragraph (b) of decision 72/32 was in place.</i>						
HCFC phase-out management plan (stage I, fourth tranche)	UNDP		\$195,000	\$14,625	\$209,625	
<i>Approved on the understanding that the approved funds will not be transferred to UNDP and the Government of Italy until the Secretariat had: reviewed the verification report and confirmed that the Government of Ghana is in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee; and confirmed that the regulatory environment for the safe use of hydrocarbon refrigerants called for in paragraph (b) of decision 72/32 was in place.</i>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase XII: 1/2017-12/2018)	UNDP		\$178,048	\$12,463	\$190,511	
<b>Total for Ghana</b>			<b>\$438,048</b>	<b>\$35,538</b>	<b>\$473,586</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>HAITI</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche)	UNEP		\$30,000	\$3,900	\$33,900	
<i>Approved on the understanding that if Haiti were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols; and that the approved funds would not be transferred to UNEP and UNDP until the Secretariat had reviewed the verification report and confirmed that the Government of Haiti was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>						
HCFC phase-out management plan (stage I, second tranche)	UNDP	0.4	\$97,119	\$8,741	\$105,860	
<i>Approved on the understanding that if Haiti were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols; and that the approved funds would not be transferred to UNEP and UNDP until the Secretariat had reviewed the verification report and confirmed that the Government of Haiti was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>						
<b>Total for Haiti</b>		<b>0.4</b>	<b>\$127,119</b>	<b>\$12,641</b>	<b>\$139,760</b>	

## HONDURAS

### PHASE-OUT PLAN

#### HCFC phase out plan

HCFC phase-out management plan (stage I, third tranche)	UNEP		\$50,000	\$6,500	\$56,500	
---	------	--	----------	---------	----------	--

*Approved on the understanding that if Honduras were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air conditioning equipment originally designed for non flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols; that the Treasurer will not disburse the funding for UNEP until confirmation was received at the Secretariat that the agreement between the Government of Honduras and UNEP related to the second tranche of stage I of the HPMP had been signed and implementation progress under the second tranche has been reported; and that UNIDO will assist the Government to address the issues identified in the verification report and to report back to the Executive Committee when the fourth tranche of the HPMP is submitted.*

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage I, third tranche) <i>Approved on the understanding that if Honduras were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air conditioning equipment originally designed for non flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols; that the Treasurer will not disburse the funding for UNEP until confirmation was received at the Secretariat that the agreement between the Government of Honduras and UNEP related to the second tranche of stage I of the HPMP had been signed and implementation progress under the second tranche has been reported; and that UNIDO will assist the Government to address the issues identified in the verification report and to report back to the Executive Committee when the fourth tranche of the HPMP is submitted.</i>	UNIDO		\$90,000	\$6,750	\$96,750	
<b>Total for Honduras</b>			<b>\$140,000</b>	<b>\$13,250</b>	<b>\$153,250</b>	
<b>INDIA</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase X: 4/2016-3/2018)	UNDP		\$477,734	\$33,441	\$511,175	
<b>Total for India</b>			<b>\$477,734</b>	<b>\$33,441</b>	<b>\$511,175</b>	
<b>INDONESIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche) (refrigeration and air-conditioning sector) <i>Noted that the Agreement between the Government and the Executive Committee had been updated on the basis of the combination of the third (US\$591,812 in 2015) and fourth (US\$580,710 in 2018) tranches; that 12 enterprises in the refrigeration sector and 16 enterprises in the air conditioning sector requested to be removed from stage I of the HPMP as they had decided to convert to high-GWP technology without funding from the Multilateral Fund and that UNDP would return US \$3,134,216, plus agency support costs of US \$235,066 associated with these enterprises to the 76th meeting; that 15 foam enterprises decided not to convert to HFC-245fa technology under stage I and that further funding would only be provided to convert to low-GWP alternatives; and that up to US \$603,077 would be reallocated to support two local systems houses to develop low-GWP formulations as contained in the 2016-2018 tranche implementation plan. The Government, UNDP, UNIDO, World Bank and the Government of Australia were requested to submit progress reports on the implementation of the work programmes associated with stage I on a yearly basis until the completion of the project, and the project completion report to the first meeting of the Executive Committee in 2019.</i>	UNDP	9.0	\$901,102	\$67,583	\$968,685	

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage II, first tranche) (fire fighting sector)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2023 to reduce HCFC consumption by 55 per cent of its baseline. Noted that the Government had committed to reducing HCFC consumption by 37.5 per cent by 2020, and 55 per cent by 2023; the commitment of the Government to issue a ban on imports of HCFC-141b in bulk and contained in imported pre-blended polyols by 1 January 2021, and encouraged the Government to establish a national system for recording the amounts of HCFC-141b contained in pre-blended polyols to support that ban; that no further funding would be provided from the Multilateral Fund to any systems houses in Indonesia for the phase-out of HCFCs. UNDP and the World Bank were requested to deduct 84.33 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i></p>	UNDP		\$30,000	\$2,100	\$32,100	
<p>HCFC phase-out management plan (stage I, third tranche) (foam sector)</p> <p><i>Noted that the Agreement between the Government and the Executive Committee had been updated on the basis of the combination of the third (US\$591,812 in 2015) and fourth (US\$580,710 in 2018) tranches; that 12 enterprises in the refrigeration sector and 16 enterprises in the air conditioning sector requested to be removed from stage I of the HPMP as they had decided to convert to high-GWP technology without funding from the Multilateral Fund and that UNDP would return US \$3,134,216, plus agency support costs of US \$235,066 associated with these enterprises to the 76th meeting; that 15 foam enterprises decided not to convert to HFC-245fa technology under stage I and that further funding would only be provided to convert to low-GWP alternatives; and that up to US \$603,077 would be reallocated to support two local systems houses to develop low-GWP formulations as contained in the 2016-2018 tranche implementation plan. The Government, UNDP, UNIDO, World Bank and the Government of Australia were requested to submit progress reports on the implementation of the work programmes associated with stage I on a yearly basis until the completion of the project, and the project completion report to the first meeting of the Executive Committee in 2019.</i></p>	IBRD	3.3	\$271,420	\$20,356	\$291,776	
<p>HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2023 to reduce HCFC consumption by 55 per cent of its baseline. Noted that the Government had committed to reducing HCFC consumption by 37.5 per cent by 2020, and 55 per cent by 2023; the commitment of the Government to issue a ban on imports of HCFC-141b in bulk and contained in imported pre-blended polyols by 1 January 2021, and encouraged the Government to establish a national system for recording the amounts of HCFC-141b contained in pre-blended polyols to support that ban; that no further funding would be provided from the Multilateral Fund to any systems houses in Indonesia for the phase-out of HCFCs. UNDP and the World Bank were requested to deduct 84.33 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i></p>	UNDP		\$2,203,114	\$154,218	\$2,357,332	4.80

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, first tranche) (foam sector)	IBRD	19.9	\$1,985,743	\$139,002	\$2,124,745	10.95
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2023 to reduce HCFC consumption by 55 per cent of its baseline. Noted that the Government had committed to reducing HCFC consumption by 37.5 per cent by 2020, and 55 per cent by 2023; the commitment of the Government to issue a ban on imports of HCFC-141b in bulk and contained in imported pre-blended polyols by 1 January 2021, and encouraged the Government to establish a national system for recording the amounts of HCFC-141b contained in pre-blended polyols to support that ban; that no further funding would be provided from the Multilateral Fund to any systems houses in Indonesia for the phase-out of HCFCs. UNDP and the World Bank were requested to deduct 84.33 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i></p>						
<b>Total for Indonesia</b>		<b>32.2</b>	<b>\$5,391,379</b>	<b>\$383,259</b>	<b>\$5,774,638</b>	
<b>IRAQ</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase III: 5/2016-4/2018)	UNEP		\$307,200	\$0	\$307,200	
<b>Total for Iraq</b>			<b>\$307,200</b>		<b>\$307,200</b>	
<b>JAMAICA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche)	UNEP	0.4	\$31,000	\$4,030	\$35,030	
<p><i>Approved on the understanding that if Jamaica were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols.</i></p>						
HCFC phase-out management plan (stage I, third tranche)	UNDP		\$183,000	\$13,725	\$196,725	
<p><i>Approved on the understanding that if Jamaica were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols.</i></p>						
<b>Total for Jamaica</b>		<b>0.4</b>	<b>\$214,000</b>	<b>\$17,755</b>	<b>\$231,755</b>	

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>JORDAN</b>						
<b>SEVERAL</b>						
<b>Technical assistance/support</b>						
Survey of ODS alternatives at the national level	IBRD		\$55,000	\$4,950	\$59,950	
<i>Noted that the funding had been approved taking into account similar surveys conducted outside the Multilateral Fund. Approved on the understanding that the final report of the survey would be submitted to the Secretariat no later than 1 January 2017.</i>						
<b>Total for Jordan</b>			<b>\$55,000</b>	<b>\$4,950</b>	<b>\$59,950</b>	
<b>KIRIBATI</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Renewal of institutional strengthening project (phase VI: 12/2016-11/2018)	UNEP		\$85,000	\$0	\$85,000	
<b>Total for Kiribati</b>			<b>\$85,000</b>		<b>\$85,000</b>	
<b>KUWAIT</b>						
<b>REFRIGERATION</b>						
<b>Air conditioning</b>						
Demonstration project for HCFC-free low-global warming potential technology performance in air-conditioning applications (capacity above 8TR)	UNDP		\$293,000	\$20,510	\$313,510	
<i>Approved in line with decision 72/40. The Government and UNDP were requested to complete the project within 36 months of its approval, and to submit a comprehensive final report soon after project completion.</i>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase VI: 5/2016-4/2018)	UNEP		\$134,810	\$0	\$134,810	
<b>Total for Kuwait</b>			<b>\$427,810</b>	<b>\$20,510</b>	<b>\$448,320</b>	
<b>LAO, PDR</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Renewal of the institutional strengthening project (phase VIII: 12/2016-11/2018)	UNEP		\$85,000	\$0	\$85,000	
<b>Total for Lao, PDR</b>			<b>\$85,000</b>		<b>\$85,000</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>MADAGASCAR</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche)	UNEP		\$60,000	\$7,800	\$67,800	
<i>Noted that the Agreement between the Government and the Executive Committee had been updated based on the revised Montreal Protocol limits only. Approved on the understanding that if Madagascar were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air conditioning equipment originally designed for non-flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols.</i>						
HCFC phase-out management plan (stage I, third tranche)	UNIDO	2.8	\$120,000	\$9,000	\$129,000	
<i>Noted that the Agreement between the Government and the Executive Committee had been updated based on the revised Montreal Protocol limits only. Approved on the understanding that if Madagascar were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air conditioning equipment originally designed for non-flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols.</i>						
<b>Total for Madagascar</b>			<b>2.8</b>	<b>\$180,000</b>	<b>\$16,800</b>	<b>\$196,800</b>
<b>MALAWI</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening project (phase X: 4/2016-3/2018)	UNEP		\$85,418	\$0	\$85,418	
<b>Total for Malawi</b>			<b>\$85,418</b>		<b>\$85,418</b>	
<b>MALDIVES</b>						
<b>REFRIGERATION</b>						
<b>Commercial</b>						
Demonstration project for HCFC-free low-global warming potential alternatives in refrigeration in fisheries sector	UNDP		\$141,000	\$12,690	\$153,690	
<i>Approved in line with decision 72/40. The Government and UNDP were requested to complete the project within 24 months of its approval, and to submit a comprehensive final report soon after project completion.</i>						
<b>Total for Maldives</b>			<b>\$141,000</b>	<b>\$12,690</b>	<b>\$153,690</b>	

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>MALI</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche)	UNDP	2.6	\$92,000	\$6,900	\$98,900	
<i>Approved on the understanding that if Mali were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols; and that the approved funds would not be transferred to UNEP and UNDP until the Secretariat had reviewed the verification report and confirmed that the Government of Mali was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>						
HCFC phase-out management plan (stage I, third tranche)	UNEP		\$80,000	\$10,400	\$90,400	
<i>Approved on the understanding that if Mali were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols; and that the approved funds would not be transferred to UNEP and UNDP until the Secretariat had reviewed the verification report and confirmed that the Government of Mali was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>						
<b>Total for Mali</b>		<b>2.6</b>	<b>\$172,000</b>	<b>\$17,300</b>	<b>\$189,300</b>	
<b>MOZAMBIQUE</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase VII: 4/2016-3/2018)	UNEP		\$103,424	\$0	\$103,424	
<b>Total for Mozambique</b>			<b>\$103,424</b>		<b>\$103,424</b>	
<b>NIGERIA</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase X: 12/2016-11/2018)	UNDP		\$332,800	\$23,296	\$356,096	
<b>Total for Nigeria</b>			<b>\$332,800</b>	<b>\$23,296</b>	<b>\$356,096</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

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

## PAKISTAN

### PHASE-OUT PLAN

#### HCFC phase out plan

HCFC phase-out management plan (stage II, first tranche) (polyurethane foam sector)	UNIDO	57.3	\$2,160,200	\$151,214	\$2,311,414	
--	-------	------	-------------	-----------	-------------	--

*Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2020 to reduce HCFC consumption by 50 per cent of its baseline and on the understanding that the approved funds would not be transferred to UNEP and UNIDO until the Secretariat had reviewed the verification report and confirmed that the Government was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee for stage I of the HPMP. Noted that the Government had committed to reducing HCFC consumption by 50 per cent by 2020; and that during stage II, the Government could submit an investment project to phase out the use of HCFC-142b in the extruded polystyrene foam manufacturing sector on the condition that the country's baseline consumption was revised to include HCFC-142b and approved by the Meeting of the Parties to the Montreal Protocol. The Government, UNIDO and UNEP are requested to deduct 72.98 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.*

HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	UNIDO		\$190,000	\$13,300	\$203,300	
--	-------	--	-----------	----------	-----------	--

*Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2020 to reduce HCFC consumption by 50 per cent of its baseline and on the understanding that the approved funds would not be transferred to UNEP and UNIDO until the Secretariat had reviewed the verification report and confirmed that the Government was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee for stage I of the HPMP. Noted that the Government had committed to reducing HCFC consumption by 50 per cent by 2020; and that during stage II, the Government could submit an investment project to phase out the use of HCFC-142b in the extruded polystyrene foam manufacturing sector on the condition that the country's baseline consumption was revised to include HCFC-142b and approved by the Meeting of the Parties to the Montreal Protocol. The Government, UNIDO and UNEP are requested to deduct 72.98 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.*

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	UNEP		\$200,000	\$25,976	\$225,976	4.80
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2020 to reduce HCFC consumption by 50 per cent of its baseline and on the understanding that the approved funds would not be transferred to UNEP and UNIDO until the Secretariat had reviewed the verification report and confirmed that the Government was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee for stage I of the HPMP. Noted that the Government had committed to reducing HCFC consumption by 50 per cent by 2020; and that during stage II, the Government could submit an investment project to phase out the use of HCFC-142b in the extruded polystyrene foam manufacturing sector on the condition that the country's baseline consumption was revised to include HCFC-142b and approved by the Meeting of the Parties to the Montreal Protocol. The Government, UNIDO and UNEP are requested to deduct 72.98 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i>						
<b>Total for Pakistan</b>		<b>57.3</b>	<b>\$2,550,200</b>	<b>\$190,490</b>	<b>\$2,740,690</b>	

## PANAMA

### PHASE-OUT PLAN

#### HCFC phase out plan

HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	UNDP		\$147,100	\$10,297	\$157,397	4.80
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2020 to reduce HCFC consumption by 35 per cent of its baseline. Noted the commitment of the Government to issue a ban on the use of HCFC-22 as flushing solvent in the refrigeration servicing sector by 1 January 2018; a ban on imports of HCFC-141b contained in imported pre blended polyols by 1 January 2020; a ban on new installations and on the manufacturing for extruded polystyrene foam by 1 January 2018; to undertake efforts to extend the bans on imports and use of HCFCs to the Free Trade Zone; and to introduce measures by 2020 to prevent the import of products being converted under the HPMP that were manufactured with HCFC-141b in the Free Trade Zone. The Government and UNDP were requested to deduct 9.11 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding; and to report in the stage II tranche requests on the status of the Government's efforts to obtain data from the systems house in the Free Trade Zone, and the status of the Government's efforts to obtain information on HCFCs imported to and exported from the Free Trade Zone.</i>						

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage II, first tranche) (foam sector)</p> <p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2020 to reduce HCFC consumption by 35 per cent of its baseline. Noted the commitment of the Government to issue a ban on the use of HCFC-22 as flushing solvent in the refrigeration servicing sector by 1 January 2018; a ban on imports of HCFC-141b contained in imported pre blended polyols by 1 January 2020; a ban on new installations and on the manufacturing for extruded polystyrene foam by 1 January 2018; to undertake efforts to extend the bans on imports and use of HCFCs to the Free Trade Zone; and to introduce measures by 2020 to prevent the import of products being converted under the HPMP that were manufactured with HCFC-141b in the Free Trade Zone. The Government and UNDP were requested to deduct 9.11 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding; and to report in the stage II tranche requests on the status of the Government's efforts to obtain data from the systems house in the Free Trade Zone, and the status of the Government's efforts to obtain information on HCFCs imported to and exported from the Free Trade Zone.</i></p>	UNDP	2.5	\$118,000	\$8,260	\$126,260	10.95
<b>Total for Panama</b>		<b>2.5</b>	<b>\$265,100</b>	<b>\$18,557</b>	<b>\$283,657</b>	

## SAINT LUCIA

### PHASE-OUT PLAN

#### HCFC phase out plan

<p>HCFC phase-out management plan (stage I, third tranche)</p> <p><i>Noted that the Agreement between the Government and the Executive Committee had been updated on the basis of the established HCFC baseline for compliance and the revised funding level, as well as the consolidation of UNIDO's funding for the fourth (2018) and fifth (2020) tranches with the funding for the third tranche; that the revised starting point for sustained aggregate reduction in HCFC consumption was 1.09 ODP tonnes, calculated using actual consumption of 1.37 ODP tonnes and 0.81 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol; and that the revised funding level for stage I was US \$210,000 plus agency support costs, in accordance with decision 60/44(f)(xii). Approved on the understanding that if Saint Lucia were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non-flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols.</i></p>	UNEP		\$26,300	\$3,419	\$29,719	
---	------	--	----------	---------	----------	--

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<p>HCFC phase-out management plan (stage I, third tranche)</p> <p><i>Noted that the Agreement between the Government and the Executive Committee had been updated on the basis of the established HCFC baseline for compliance and the revised funding level, as well as the consolidation of UNIDO's funding for the fourth (2018) and fifth (2020) tranches with the funding for the third tranche; that the revised starting point for sustained aggregate reduction in HCFC consumption was 1.09 ODP tonnes, calculated using actual consumption of 1.37 ODP tonnes and 0.81 ODP tonnes reported for 2009 and 2010, respectively, under Article 7 of the Montreal Protocol; and that the revised funding level for stage I was US \$210,000 plus agency support costs, in accordance with decision 60/44(f)(xii). Approved on the understanding that if Saint Lucia were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non-flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols.</i></p>	UNIDO	0.1	\$27,500	\$2,475	\$29,975	
<b>Total for Saint Lucia</b>		<b>0.1</b>	<b>\$53,800</b>	<b>\$5,894</b>	<b>\$59,694</b>	
<b>SAO TOME AND PRINCIPE</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
<p>HCFC phase-out management plan (stage I, third tranche)</p> <p><i>Approved on the understanding that if Sao Tome and Principe were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols; and that the approved funds would not be transferred to UNEP until the Secretariat had reviewed the verification report and confirmed that the Government of Sao Tome and Principe was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i></p>	UNEP		\$35,000	\$4,550	\$39,550	
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
<p>Extension of the institutional strengthening project (phase V: 7/2016-6/2018)</p>	UNEP		\$85,000	\$0	\$85,000	
<b>Total for Sao Tome and Principe</b>			<b>\$120,000</b>	<b>\$4,550</b>	<b>\$124,550</b>	
<b>SAUDI ARABIA</b>						
<b>FOAM</b>						
<b>Rigid</b>						
<p>Demonstration project for the phase-out of HCFCs by using HFO as foam blowing agent in the spray foam applications in high ambient temperatures</p> <p><i>Approved in line with decision 72/40. The Government and UNIDO were requested to complete the project within 16 months of its approval, and to submit a comprehensive final report soon after project completion.</i></p>	UNIDO		\$96,250	\$8,663	\$104,913	

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>REFRIGERATION</b>						
<b>Air conditioning</b>						
Demonstration project on promoting HFO-based low-global warming potential refrigerants for air-conditioning sector in high ambient temperatures <i>Approved in line with decision 72/40 and on the understanding that the testing of window air-conditioning units with HC-290 could also be conducted despite reduced funding for the project. The Government and UNIDO were requested to complete the project within 24 months of its approval, and to submit a comprehensive final report soon after project completion.</i>	UNIDO		\$1,300,000	\$91,000	\$1,391,000	
Demonstration project at air-conditioning manufacturers to develop window and packaged air-conditioners using low-global warming potential refrigerants <i>Approved in line with decision 72/40 and on the understanding that funding provided to the enterprise established after 2007 did not set a precedent and was done on an exceptional basis to address performance concerns related to air-conditioning in high ambient temperature conditions, and only within the context of the present demonstration project. The Government and the World Bank were requested to deduct 3.59 ODP tonnes of HCFC-22 from the remaining HCFC consumption eligible for funding under stage II of the HCFC phase-out management plan; and to complete the project within 12 months of its approval, and to submit a comprehensive final report soon after project completion.</i>	IBRD	3.6	\$796,400	\$55,748	\$852,148	
<b>Total for Saudi Arabia</b>		<b>3.6</b>	<b>\$2,192,650</b>	<b>\$155,411</b>	<b>\$2,348,061</b>	
<b>SIERRA LEONE</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche) <i>Approved on the understanding that if the country were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air conditioning equipment originally designed for non flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols.</i>	UNIDO	0.2	\$50,000	\$4,500	\$54,500	
HCFC phase-out management plan (stage I, third tranche) <i>Approved on the understanding that if the country were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air conditioning equipment originally designed for non flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols.</i>	UNEP		\$20,000	\$2,600	\$22,600	
<b>Total for Sierra Leone</b>		<b>0.2</b>	<b>\$70,000</b>	<b>\$7,100</b>	<b>\$77,100</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>SOUTH AFRICA</b>						
<b>FOAM</b>						
<b>Rigid (insulation refrigeration)</b>						
Demonstration project on the technical and economic advantages of the vacuum assisted injection in discontinuous panels plant retrofitted from HCFC-141b to pentane <i>Approved in line with decision 72/40. The Government and UNIDO were requested to complete the project within 16 months if its approval, and to submit a comprehensive final report soon after project completion.</i>	UNIDO		\$222,200	\$19,998	\$242,198	
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche) (refrigeration servicing, custom training and monitoring) <i>Approved on the understanding that the approved funds would not be transferred to UNIDO until the Secretariat had reviewed the verification report and confirmed that the Government of South Africa was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>	UNIDO	6.4	\$679,898	\$47,593	\$727,491	
HCFC phase-out management plan (stage I, third tranche) (polyurethane foam sector plan) <i>Approved on the understanding that the approved funds would not be transferred to UNIDO until the Secretariat had reviewed the verification report and confirmed that the Government of South Africa was in compliance with the Montreal Protocol and the Agreement between the Government and the Executive Committee.</i>	UNIDO	21.0	\$622,437	\$43,571	\$666,008	
	<b>Total for South Africa</b>	<b>27.4</b>	<b>\$1,524,535</b>	<b>\$111,162</b>	<b>\$1,635,697</b>	
<b>SOUTH SUDAN</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Institutional strengthening project (phase I: 5/2016-4/2018)	UNEP		\$85,000	\$0	\$85,000	
	<b>Total for South Sudan</b>		<b>\$85,000</b>		<b>\$85,000</b>	
<b>SRI LANKA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche)	UNEP	1.3	\$75,100	\$9,763	\$84,863	
HCFC phase-out management plan (stage I, third tranche)	UNDP	2.1	\$127,766	\$9,582	\$137,348	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase XI: 1/2017-12/2018)	UNDP		\$171,592	\$12,011	\$183,603	
<b>Total for Sri Lanka</b>		<b>3.4</b>	<b>\$374,458</b>	<b>\$31,356</b>	<b>\$405,814</b>	
<b>TANZANIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche) <i>Approved on the understanding that if the United Republic of Tanzania were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols.</i>	UNIDO	0.2	\$50,000	\$4,500	\$54,500	
HCFC phase-out management plan (stage I, second tranche) <i>Approved on the understanding that if the United Republic of Tanzania were to decide to proceed with retrofits and associated servicing to flammable and toxic refrigerants in refrigeration and air-conditioning equipment originally designed for non flammable substances, it would do so assuming all associated responsibilities and risks and only in accordance with the relevant standards and protocols.</i>	UNEP	0.2	\$33,000	\$4,290	\$37,290	
<b>Total for Tanzania</b>		<b>0.4</b>	<b>\$83,000</b>	<b>\$8,790</b>	<b>\$91,790</b>	
<b>THAILAND</b>						
<b>FOAM</b>						
<b>Rigid</b>						
Demonstration project at foam system houses to formulate pre-blended polyol for spray polyurethane foam applications using low-global warming potential blowing agent <i>Approved in line with decision 72/40. The Government and the World Bank were requested to deduct 3.88 ODP tonnes of HCFC-141b from the remaining HCFC consumption eligible for funding under stage II of the HCFC phase-out management plan; and to complete the project within 12 months of its approval, and to submit a comprehensive final report soon after project completion.</i>	IBRD	3.9	\$352,550	\$24,679	\$377,229	
<b>Total for Thailand</b>		<b>3.9</b>	<b>\$352,550</b>	<b>\$24,679</b>	<b>\$377,229</b>	
<b>TIMOR LESTE</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of institutional strengthening (phase IV: 1/2017-12/2018)	UNEP		\$85,000	\$0	\$85,000	
<b>Total for Timor Leste</b>			<b>\$85,000</b>		<b>\$85,000</b>	

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>TUNISIA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	France	0.5	\$38,000	\$4,813	\$42,813	
HCFC phase-out management plan (stage I, second tranche) (residential air-conditioning manufacturing sector plan)	France	1.5	\$356,397	\$45,144	\$401,541	
HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector, project management and audit)	UNIDO	0.8	\$122,500	\$8,575	\$131,075	
HCFC phase-out management plan (stage I, second tranche) (residential air-conditioning manufacturing sector plan)	UNIDO	1.5	\$356,396	\$24,948	\$381,344	
HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	UNEP	0.7	\$55,000	\$7,150	\$62,150	
	<b>Total for Tunisia</b>	<b>5.0</b>	<b>\$928,293</b>	<b>\$90,630</b>	<b>\$1,018,923</b>	
<b>TURKMENISTAN</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche)	UNIDO	1.7	\$215,250	\$16,144	\$231,394	
	<b>Total for Turkmenistan</b>	<b>1.7</b>	<b>\$215,250</b>	<b>\$16,144</b>	<b>\$231,394</b>	
<b>TUVALU</b>						
<b>SEVERAL</b>						
<b>Ozone unit support</b>						
Extension of the institutional strengthening project (phase VI: 1/2017-12/2018)	UNEP		\$85,000	\$0	\$85,000	
	<b>Total for Tuvalu</b>		<b>\$85,000</b>		<b>\$85,000</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>VENEZUELA</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage II, first tranche) (technical assistance in refrigeration and air-conditioning manufacturing sector)	UNIDO	3.2	\$245,000	\$17,150	\$262,150	4.19
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2020 to reduce HCFC consumption by 42 per cent of the baseline. Noted the commitment of the Government to reduce HCFC consumption by 42 per cent by 2020; issue a ban on imports, exports and use of HCFC-141b pure or contained in pre- blended polyols by 1 January 2020; issue a ban on import of refrigeration and air-conditioning (RAC) equipment operated with HCFCs and a ban on manufacturing and new installations of RAC equipment operating with HCFCs by 1 January 2020. The Government, UNIDO and UNDP were requested to deduct 64.41 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i>						
HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	UNIDO		\$355,000	\$24,850	\$379,850	4.80
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2020 to reduce HCFC consumption by 42 per cent of the baseline. Noted the commitment of the Government to reduce HCFC consumption by 42 per cent by 2020; issue a ban on imports, exports and use of HCFC-141b pure or contained in pre- blended polyols by 1 January 2020; issue a ban on import of refrigeration and air-conditioning (RAC) equipment operated with HCFCs and a ban on manufacturing and new installations of RAC equipment operating with HCFCs by 1 January 2020. The Government, UNIDO and UNDP were requested to deduct 64.41 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i>						
HCFC phase-out management plan (stage II, first tranche) (foam sector)	UNDP	2.4	\$76,420	\$5,349	\$81,769	9.47
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2020 to reduce HCFC consumption by 42 per cent of the baseline. Noted the commitment of the Government to reduce HCFC consumption by 42 per cent by 2020; issue a ban on imports, exports and use of HCFC-141b pure or contained in pre- blended polyols by 1 January 2020; issue a ban on import of refrigeration and air-conditioning (RAC) equipment operated with HCFCs and a ban on manufacturing and new installations of RAC equipment operating with HCFCs by 1 January 2020. The Government, UNIDO and UNDP were requested to deduct 64.41 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i>						
<b>Total for Venezuela</b>		<b>5.6</b>	<b>\$676,420</b>	<b>\$47,349</b>	<b>\$723,769</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>VIETNAM</b>						
<b>PHASE-OUT PLAN</b>						
<b>HCFC phase out plan</b>						
HCFC phase-out management plan (stage I, third tranche) (foam sector plan)	IBRD	9.1	\$407,581	\$30,569	\$438,150	
<p><i>Noted that the Agreement between the Government and the Executive Committee had been updated on the basis of the addition of an enterprise, the additional amount of HCFC-141b to be phased-out and the revised funding level; that a new foam enterprise Sanaky had been included in the foam sector plan replacing the enterprise Glory which was no longer in business; and that the costs of the conversion and consumption of Sanaky had been, on an exceptional basis, calculated based on its 2009 consumption so that the enterprise could be treated in the same manner as the other enterprises included in the foam sector plan under stage I. The Government and the World Bank were requested to deduct 3.1 ODP tonnes of HCFC-141b from the remaining eligible HCFC consumption for funding; and to submit progress reports on the implementation of the work programmes associated with stage I on a yearly basis until completion of the project, and the project completion report of stage I by the last meeting of the Executive Committee in 2017.</i></p>						
HCFC phase-out management plan (stage II, first tranche) (polyurethane rigid foam sector)	IBRD	5.4	\$396,095	\$27,727	\$423,822	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2022 to reduce HCFC consumption by 35 per cent of its baseline. Noted that the Government had committed to reducing HCFC consumption by 35 per cent in 2020. Noted the commitment of the Government to issue a ban on imports of HCFC-141b contained in pre-blended polyols by 1 January 2022; on imports and manufacture of HCFC-22 air-conditioning units by 1 January 2022. The Government and the World Bank and the Government of Japan were requested to deduct 130.6 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i></p>						
HCFC phase-out management plan (stage II, first tranche) (refrigeration servicing sector)	Japan		\$43,250	\$5,623	\$48,873	
<p><i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period 2016 to 2022 to reduce HCFC consumption by 35 per cent of its baseline. Noted that the Government had committed to reducing HCFC consumption by 35 per cent in 2020. Noted the commitment of the Government to issue a ban on imports of HCFC-141b contained in pre-blended polyols by 1 January 2022; on imports and manufacture of HCFC-22 air-conditioning units by 1 January 2022. The Government and the World Bank and the Government of Japan were requested to deduct 130.6 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding.</i></p>						
<b>Total for Vietnam</b>		<b>14.5</b>	<b>\$846,926</b>	<b>\$63,919</b>	<b>\$910,845</b>	

# List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>REGION: ASP</b>						
<b>REFRIGERATION</b>						
<b>Air conditioning</b>						
Promoting alternative refrigerants in air-conditioning for high ambient countries in West Asia (PRAHA-II)	UNIDO		\$325,000	\$22,750	\$347,750	
<i>Approved in line with decision 72/40. UNEP and UNIDO were requested to complete the project within 18 months of its approval, and to submit a comprehensive final report soon after project completion.</i>						
Promoting alternative refrigerants in air-conditioning for high ambient countries in West Asia (PRAHA-II)	UNEP		\$375,000	\$48,750	\$423,750	
<i>Approved in line with decision 72/40. UNEP and UNIDO were requested to complete the project within 18 months of its approval, and to submit a comprehensive final report soon after project completion.</i>						
<b>Total for Region: ASP</b>			<b>\$700,000</b>	<b>\$71,500</b>	<b>\$771,500</b>	
<b>REGION: EUR</b>						
<b>REFRIGERATION</b>						
<b>Multiple-subsectors</b>						
Development of a regional centre of excellence for training and certification and demonstration of low-global warming potential alternative refrigerants	Russian Fe		\$591,600	\$75,076	\$666,676	
<i>Approved in line with decision 72/40. The Government of Russian Federation was requested to complete the project within 36 months of its approval, and to submit a comprehensive final report soon after project completion.</i>						
<b>Total for Region: EUR</b>			<b>\$591,600</b>	<b>\$75,076</b>	<b>\$666,676</b>	
<b>GLOBAL</b>						
<b>REFRIGERATION</b>						
<b>Multiple-subsectors</b>						
Demonstration project on refrigerant quality, containment and introduction of low-global warming potential alternatives (Eastern Africa and Caribbean regions)	UNIDO		\$345,000	\$24,150	\$369,150	
<i>Approved in line with decision 72/40. The Governments concerned, UNEP and UNIDO were requested to complete the project within 24 months of its approval, and to submit a comprehensive final report soon after project completion.</i>						
Demonstration project on refrigerant quality, containment and introduction of low-global warming potential alternatives (Eastern Africa and Caribbean regions)	UNEP		\$50,000	\$6,500	\$56,500	
<i>Approved in line with decision 72/40. The Governments concerned, UNEP and UNIDO were requested to complete the project within 24 months of its approval, and to submit a comprehensive final report soon after project completion.</i>						

## List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Project Title	Agency	ODP (tonnes)	Funds approved (US\$)			C.E. (US\$/kg)
			Project	Support	Total	
<b>Commercial</b>						
Demonstration project for the introduction of trans-critical CO2 refrigeration technology for supermarkets (Argentina and Tunisia)	UNIDO		\$846,300	\$59,241	\$905,541	
<i>Approved in line with decision 72/40. The Governments of Argentina and Tunisia and UNIDO were requested to complete the projects within 30 months of its approval, and to submit a comprehensive final report soon after project completion.</i>						
	<b>Total for Global</b>		<b>\$1,241,300</b>	<b>\$89,891</b>	<b>\$1,331,191</b>	
	<b>GRAND TOTAL</b>	<b>193.1</b>	<b>\$28,120,182</b>	<b>\$2,039,834</b>	<b>\$30,160,016</b>	

## Summary

UNEP/OzL.Pro/ExCom/76/66  
Annex V

Sector	Tonnes (ODP)	Funds approved (US\$)		
		Project	Support	Total
<b>BILATERAL COOPERATION</b>				
Refrigeration		\$591,600	\$75,076	\$666,676
Phase-out plan	2.0	\$502,647	\$64,030	\$566,677
<b>TOTAL:</b>	2.0	\$1,094,247	\$139,106	\$1,233,353
<b>INVESTMENT PROJECT</b>				
Foam	8.3	\$1,214,380	\$96,344	\$1,310,724
Refrigeration	3.6	\$6,022,515	\$449,896	\$6,472,411
Phase-out plan	179.2	\$15,711,937	\$1,199,576	\$16,911,513
<b>TOTAL:</b>	191.1	\$22,948,832	\$1,745,816	\$24,694,648
<b>WORK PROGRAMME AMENDMENT</b>				
Foam		\$137,500	\$9,625	\$147,125
Several		\$3,939,603	\$145,287	\$4,084,890
<b>TOTAL:</b>		\$4,077,103	\$154,912	\$4,232,015
<b>Summary by Parties and Implementing Agencies</b>				
France	2.0	\$394,397	\$49,957	\$444,354
Italy		\$65,000	\$8,450	\$73,450
Japan		\$43,250	\$5,623	\$48,873
Russian Federation		\$591,600	\$75,076	\$666,676
IBRD	45.2	\$4,402,289	\$312,656	\$4,714,945
UNDP	41.4	\$9,315,050	\$671,912	\$9,986,962
UNEP	2.8	\$3,576,274	\$220,522	\$3,796,796
UNIDO	101.7	\$9,732,322	\$695,638	\$10,427,960
<b>GRAND TOTAL</b>	193.1	\$28,120,182	\$2,039,834	\$30,160,016

**Balances on projects returned at the 76<sup>th</sup> meeting**

<b>Agency</b>	<b>Project costs (US\$)</b>	<b>Support costs (US\$)</b>	<b>Total (US\$)</b>
France (per decision 76/2(a)(iv))*	378,985	46,308	425,293
Israel (per decision 76/2(c)(i)**	68,853	13,156	82,009
Portugal (per decision 76/2(c)(ii)**	42,087	11,678	53,765
UNDP (per decision 76/2(a)(ii) and 76/47(a)(ii))	3,377,463	253,304	3,630,767
UNEP (per decision 76/2(a)(ii))	6,113	1,403	7,516
UNIDO (per decision 76/2(a)(ii))	73,462	6,907	80,369
World Bank (per decision 76/2(a)(ii))	481,628	36,122	517,750
<b>Total</b>	<b>4,428,590</b>	<b>368,879</b>	<b>4,797,468</b>

\*Offset against bilateral projects approved the 76<sup>th</sup> meeting

\*\*Cash transfer

**Net allocations based on decisions of the 76<sup>th</sup> meeting**

<b>Agency</b>	<b>Project costs (US\$)</b>	<b>Support costs (US\$)</b>	<b>Total (US\$)</b>
France	15,412	3,649	19,061
Italy	65,000	8,450	73,450
Japan	43,250	5,623	48,873
Russian Federation	591,600	75,076	666,676
UNDP	5,937,587	418,608	6,356,195
UNEP	3,570,161	219,119	3,789,280
UNIDO	9,658,860	688,731	10,347,591
World Bank	3,920,661	276,534	4,197,195
<b>Total</b>	<b>23,802,532</b>	<b>1,695,789</b>	<b>25,498,321</b>

## Annex VI

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF MADAGASCAR 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 Madagascar (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 11.1 ODP tonnes prior to 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 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 row 4.1.3.
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 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. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO 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 and 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. This updated Agreement supersedes the Agreement reached between the Government of the Madagascar and the Executive Committee at the 62<sup>nd</sup> 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	17.1

## APPENDIX 2-A: THE TARGETS, AND FUNDING

		2010	2011	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	n/a	n/a	24.9	24.9	22.41	22.41	22.41	22.41	22.41	16.18	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	n/a	17.1	17.1	15.4	15.4	15.4	15.4	15.4	11.1	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	70,000	0	0	70,000	0	0	60,000	0	44,000	0	56,000	300,000
2.2	Support costs for Lead IA (US \$)	9,100	0	0	9,100	0	0	7,800	0	5,720	0	7,280	39,000
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	140,000	0	0	0	0	0	120,000	0	0	0	0	260,000
2.4	Support costs for Cooperating IA (US \$)	10,500	0	0	0	0	0	9,000	0	0	0	0	19,500
3.1	Total agreed funding (US \$)	210,000	0	0	70,000	0	0	180,000	0	44,000	0	56,000	560,000
3.2	Total support costs (US \$)	19,600	0	0	9,100	0	0	16,800	0	5,720	0	7,280	58,500
3.3	Total agreed costs (US \$)	229,600	0	0	79,100	0	0	196,800	0	49,720	0	63,280	618,500
4.1.1	Total phase-out of HCFC-22 under this agreement (ODP tonnes)												6.00
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)												0.0
4.1.3	Remaining eligible consumption for HCFC-22												11.1

## 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 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 NOU will submit annual progress reports of status of implementation of the HPMP to UNEP.
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 UNEP.

#### **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.

## Annex VII

### VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWAL OF INSTITUTIONAL STRENGTHENING PROJECTS APPROVED AT THE 76<sup>th</sup> MEETING

#### **Albania**

1. The Executive Committee reviewed the report presented with the request for the institutional strengthening (IS) project for Albania (phase VII) and noted with appreciation that Albania is in compliance with its Article 7 data reporting and HCFC phase-out obligations and that an operational ODS import/export licensing and HCFC quota system is in place. The Executive Committee is pleased that Albania has carried out training for refrigeration technicians and customs officers, and public awareness activities. The Executive Committee is therefore confident that Albania will continue implementing its HCFC phase-out management plan (HPMP) and IS project in a timely and effective manner in order to prepare the country to meet the 35 per cent HCFC reduction step by 1 January 2020.

#### **Argentina**

2. The Executive Committee reviewed the report presented with the request for the institutional strengthening (IS) project for Argentina (phase IX) and noted with appreciation that the country is taking the necessary steps to meet the Montreal Protocol HCFC reduction targets. The Executive Committee commended the effective licensing and quota system, the good communication between HCFC importers and customs authorities, and the public awareness activities implemented. The Executive Committee further noted with appreciation the training on new technology and alternatives in refrigeration and air-conditioning and the permanent phase-out of HCFC-22 in the manufacturing of unitary air-conditioning equipment. The Executive Committee is therefore hopeful that Argentina will continue to implement its ODS phase-out activities with success in order to achieve compliance with the future Montreal Protocol control measures.

#### **Armenia**

3. The Executive Committee reviewed the report presented with the request for the institutional strengthening (IS) project for Armenia (phase V) and noted that Armenia has taken significant steps to phase out its HCFCs consumption and that Article 7 data indicates the country is in compliance with the Montreal Protocol. The Executive Committee took note that the national regulations aiming at controlling imports and the transport of ODS had been updated taking into account the regional approach of the Eurasian Economic Community. It further noted that the recent verification of HCFC consumption indicated that the licensing system is fully operational, and expected that Armenia will consider any recommendations in the verification report for making further improvements to the licensing system. The Executive Committee recognized that Armenia is an active member of the Regional Ozone Network for Europe and Central Asia, and is hopeful that, in the next two years, Armenia will continue to implement IS activities, complete stage I of the HCFC phase-out management plan (HPMP) and submit stage II of the HPMP, in order to continue its efforts to achieve the Montreal Protocol's HCFC reduction targets.

#### **Bahrain**

4. The Executive Committee reviewed the report presented with the request for the IS project for Bahrain (phase VIII) and noted with appreciation that Bahrain reported Article 7 data indicating that the country is in compliance with Montreal Protocol in 2014. The Executive Committee is pleased that Bahrain has taken steps to phase out its consumption of ODS including the implementation of ODS imports controls through a licensing and quota system. The Executive Committee appreciates the efforts of Bahrain to reduce HCFC consumption and is hopeful that, within the next two years, Bahrain will

continue the implementation of its HPMP and IS project with success to prepare the country to meet the 35 per cent HCFC reduction step by 1 January 2020.

### **Belize**

5. The Executive Committee reviewed the report presented with the request for the IS project for Belize (phase VIII) and noted with appreciation that Belize reported Article 7 data indicating that the country is in compliance with the Montreal Protocol in 2014. The Executive Committee acknowledged that Belize has an informal operational ODS licensing and HCFC quota system in place, and the relevant legislation to formalize the system is underway. The Executive Committee expressed some concern regarding the high turnover of national ozone unit (NOU) staff but is pleased to note that there is a new national ozone officer (NOO) who will be undertaking training organized by UNEP. The Executive Committee is confident that Belize will implement its ODS phase-out activities in a timely and effective manner to prepare the country to achieve the 35 per cent reduction in HCFC consumption required by 1 January 2020.

### **Botswana**

6. The Executive Committee reviewed the report presented with the request for the IS project for Botswana (phase V) and noted with appreciation that Botswana reported Article 7 data indicating that the country is in compliance with the Montreal Protocol in 2014. The Executive Committee noted with appreciation the implementation of the licensing and quota system, public awareness, information dissemination, training of customs officers and refrigeration technicians, which have been instrumental in curbing HCFC consumption since 2009. The Executive Committee expressed the expectation that, in the next two years, Botswana will continue to implement the first tranche of the HPMP with close cooperation between the NOU and stakeholders in order to prepare the country to achieve the 35 per cent reduction in HCFC consumption required by 1 January 2020.

### **Brunei Darussalam**

7. The Executive Committee reviewed the report presented with the request for the IS project for Brunei Darussalam (phase V) and noted that the country reported Article 7 data indicating that the country is in compliance with the Montreal Protocol in 2014. The Executive Committee expressed appreciation that a well-structured licensing and quota system is in place and noted that stage I of the HPMP is being implemented in efficient and timely manner. The Executive Committee is therefore confident that Brunei Darussalam will continue the implementation of its HPMP and IS project with success in order to prepare the country for the 35 per cent reduction in HCFC consumption by 1 January 2020.

### **Ecuador**

8. The Executive Committee reviewed the report presented with the request for the IS project for Ecuador (phase VI) and noted with appreciation that the country reported Article 7 data indicating that the country is in compliance with the Montreal Protocol in 2015. The Executive Committee acknowledged with appreciation that Ecuador has maintained zero imports of methyl bromide and noted that the second tranche of the HPMP has been implemented satisfactorily. The Executive Committee is therefore confident that Ecuador will continue the activities both at the project and policy levels to enable the country to sustain the phase-out of methyl bromide and the 10 per cent reduction in consumption of HCFCs.

## **Egypt**

9. The Executive Committee reviewed the report presented with the request for the IS project for Egypt (phase XI) and noted with appreciation that the country complied with the data reporting obligations under the Montreal Protocol during the reporting period. In particular, the Executive Committee noted the efforts to electronically link the ODS data system of the national ozone unit with that of the customs, and the significant steps taken to address the HCFC phase-out consumption to comply with the 10 per cent reduction step in 2015 including the completion of a number of investment projects, and preparatory activities for stage II of the HPMP. The Executive Committee is confident that in the next two years, the Government of Egypt will continue its activities, both at the project and policy levels, to enable it to work towards the achievement of the next Montreal Protocol control measure in 2020.

## **Ghana**

10. The Executive Committee reviewed the report presented with the request for the IS project for Ghana (phase XII) and noted that the country had submitted Article 7 data indicating compliance with the Montreal Protocol. The Executive Committee noted with appreciation the smooth and coordinated implementation of stage I of the HPMP and the ODS disposal project, and that the national ozone unit (NOU) had successfully engaged all the relevant stakeholders in phase-out activities. The Executive Committee expects that Ghana will soon confirm achievement of the 10 per cent reduction in HCFC consumption in 2015 and expressed the hope that in the next two years, the country will continue action to meet the future Montreal Protocol control measures.

## **India**

11. The Executive Committee reviewed the report presented with the IS renewal request for India (phase XI) and noted with appreciation that India has continued its ODS phase-out activities successfully. The Executive Committee further noted with appreciation that India had reported 2014 Article 7 data indicating that the country is in compliance with the Montreal Protocol and has achieved more than 10 per cent reduction in HCFC consumption and production. The Executive Committee congratulated India on the publication of the ODS Regulation and Control Amendment Rules as an important step to facilitate the phase-out of HCFCs and the country's side-event at the 27<sup>th</sup> Meeting of the Parties that provided an opportunity to share India's experience and knowledge of HCFC-free technologies for the refrigeration and air-conditioning sector. In the next phase of the IS project the Executive Committee expects that India will sustain its ODS phase-out activities and will complete stage I of the HPMP, submit its strategy for stage II of the HPMP, and work towards achieving the HCFC control measures required by 1 January 2020.

## **Iraq**

12. The Executive Committee reviewed the report presented with the request for the IS project for Iraq (phase III) and noted with appreciation that Iraq had reported Article 7 data indicating that the country is in compliance with the Montreal Protocol in 2014. The Executive Committee acknowledged that Iraq has taken significant steps to phase out its HCFC consumption in the period covered for its IS project and is therefore hopeful that, within the next two years, the Government of Iraq will continue the implementation of its HPMP and IS project with success in order to prepare the country for 35 per cent reduction in HCFC consumption by 1 January 2020.

### **Kiribati**

13. The Executive Committee reviewed the report presented with the request for the IS project for Kiribati (phase VI) and noted with appreciation that Kiribati reported Article 7 data indicating that the country is in compliance with the Montreal Protocol in 2014. The Executive Committee further noted that Kiribati has taken significant steps to phase out its consumption of HCFCs in the period covered by the IS project including the implementation of HCFC imports controls through a licensing and quota system and training of customs officers. The Executive Committee appreciates the efforts of Kiribati and is therefore hopeful that, within the next two years, Kiribati will continue the implementation of its HPMP and IS project with success in order to prepare the country to achieve the 35 per cent reduction in HCFC consumption required by 1 January 2020.

### **Kuwait**

14. The Executive Committee reviewed the report presented with the request for the IS project for Kuwait (phase VI) and noted with appreciation that Kuwait reported Article 7 data indicating that the country is in compliance with the Montreal Protocol in 2014. The Executive Committee expects that the on-going regulatory efforts will be further enhanced by the implementation of monitoring system put in place to ensure full compliance and effective control of HCFCs consumption. The Executive Committee appreciates the efforts of Kuwait to reduce the consumption of HCFCs and is hopeful that, within the next two years, Kuwait will continue the implementation of its HPMP and IS project with success in order to prepare the country for the 35 per cent reduction in HCFC consumption by 1 January 2020.

### **Lao People's Democratic Republic**

15. The Executive Committee reviewed the report presented with the request for the IS project for the Lao People's Democratic Republic (phase VIII) and noted with appreciation that the country reported Article 7 data indicating that the country is in compliance with the Montreal Protocol in 2014. The Executive Committee acknowledged with appreciation that the Lao People's Democratic Republic has a well-structured licensing and quota system and noted that stage I of the HPMP is being implemented in an efficient and timely manner. The Executive Committee is therefore confident that the Lao People's Democratic Republic will continue the implementation of its HPMP and IS project with success in order to prepare the country for the 35 per cent reduction in HCFC consumption by 1 January 2020.

### **Malawi**

16. The Executive Committee reviewed the report presented with the request for the IS project for Malawi (phase X) and noted with appreciation the fact that Malawi reported Article 7 data indicating that the country is in compliance with Montreal Protocol in 2014. The Executive Committee is pleased that Malawi took significant steps to phase out its ODS consumption including the implementation of ODS imports controls through a licensing and quota system, training of customs officers and refrigeration technicians. The Executive Committee appreciates the efforts of Malawi to reduce the consumption of HCFCs and is therefore confident that is hopeful that, within the next two years, Malawi will continue the implementation of its HPMP and IS project with success in order to prepare the country for the 35 per cent reduction in HCFC consumption by 1 January 2020.

### **Mozambique**

17. The Executive Committee reviewed the report presented with the request for the IS project for Mozambique (phase VII) and noted with appreciation that Mozambique reported Article 7 data indicating that the country is in compliance with Montreal Protocol in 2014. The Executive Committee acknowledged that Mozambique took significant steps to phase out its consumption of ODS including the

implementation of ODS imports controls through a licensing and quota system, and training of customs officers and refrigeration technicians. The Executive Committee appreciates the efforts of Mozambique to reduce the consumption of HCFCs and is hopeful that, within the next two years, Mozambique will continue the implementation of its HPMP and IS project with success in order to prepare the country for the 35 per cent reduction in HCFC consumption by 1 January 2020.

### **Nigeria**

18. The Executive Committee reviewed the report presented with the IS renewal request for Nigeria (phase IX) and noted that the country had reported Article 7 data consumption indicating the country is in compliance with the Montreal Protocol in 2014. The Executive Committee noted with appreciation the coordinated implementation of stage I of the HPMP and other projects despite the change of national ozone officer, and further noted that Nigeria has an effective control system at its borders as confirmed by seizures of illegal imports of CFCs. The Executive Committee expressed appreciation that Nigeria had used the web system for the submission of 2014 country programme data for the first time and was encouraged that Nigeria has overcome the data reporting challenges so that it can submit future country programme data reports on time. The Executive Committee expects that Nigeria will soon confirm achievement of the 10 per cent reduction in HCFC consumption in 2015 and expressed the hope that in the next two years, the country will continue actions to meet the future Montreal Protocol control measures.

### **Sao Tome and Principe**

19. The Executive Committee reviewed the report presented with the request for the IS project for Sao Tome and Principe (phase V) and noted with appreciation that Sao Tome and Principe reported Article 7 data indicating that the country is in compliance with Montreal Protocol in 2015. The Executive Committee acknowledged that Sao Tome and Principe took significant steps to phase out its consumption of ODS including the implementation of ODS imports controls through a licensing and quota system, and training of customs officers and refrigeration technicians. The Executive Committee appreciates the efforts of Sao Tome and Principe to reduce the consumption of HCFCs and is hopeful that, in the next two years, Sao Tome and Principe will continue the implementation of its HPMP and IS activities with success in order to prepare the country to achieve the 35 per cent reduction in HCFC consumption by 1 January 2020.

### **South Sudan**

20. The Executive Committee reviewed the report presented with the request for the IS project for South Sudan (phase I) and noted with appreciation that South Sudan reported Article 7 data indicating that the country is in compliance with Montreal Protocol in 2014. The Executive Committee acknowledged that South Sudan took significant steps to phase out its consumption of ODS in the period covered by the IS start-up project including drafting regulations to establish ODS imports controls through a licensing and quota system, public awareness activities, and preparation of stage I of the HPMP. The Executive Committee appreciates the efforts of South Sudan to reduce the consumption of HCFCs and hopes that, within the next two years, South Sudan will start the implementation of stage I of the HPMP and continue to implement IS project activities with success in order to prepare the country to achieve the 35 per cent reduction in HCFC consumption required by 1 January 2020.

### **Sri Lanka**

21. The Executive Committee reviewed the report presented with the IS renewal request for Sri Lanka (phase XI) and noted with appreciation that the country had sustained the complete phase-out of all ODS except HCFC through effective legislative measures and cooperation amongst the various

stakeholders. The Executive Committee commended Sri Lanka's commitment with regard to incorporation of the NOU's action plan into the national development agenda and noted that the inclusion of ODS educational materials into the school science curriculum as an example of multidisciplinary cooperation between the Ministries of Education and Environment. The Executive Committee is therefore hopeful that in the next phase of the IS project, Sri Lanka will continue to successfully phase out HCFCs in order to achieve the future Montreal Protocol control measures.

#### **Timor-Leste**

22. The Executive Committee reviewed the report presented with the request for the IS project for Timor-Leste (phase IV) and noted with appreciation that the country reported Article 7 data indicating that the country has maintained compliance with the Montreal Protocol in 2014. The Executive Committee acknowledged with appreciation that Timor-Leste enforced its HCFC licensing and quota system and noted the ongoing implementation of stage I of the HPMP and preparation of stage II of the HPMP. The Executive Committee hopes that Timor-Leste will continue implementing its HCFC phase-out activities and IS project in a timely and effective manner to prepare the country for the 35 per cent reduction in HCFC consumption by 1 January 2020.

#### **Tuvalu**

23. The Executive Committee reviewed the report presented with the request for the IS project for Tuvalu (phase VI) and noted with appreciation that Tuvalu reported Article 7 data to the Ozone Secretariat indicating that the country is in compliance with Montreal Protocol in 2014. The Executive Committee acknowledge that Tuvalu took significant steps to phase out its consumption of HCFC including the implementation of import controls through a licensing and quota system, strengthening of the national refrigeration industry association, training and capacity building for law enforcement officials including customs, and training of servicing technicians. The Executive Committee appreciates the efforts of Tuvalu and is hopeful that, within the next two years, Tuvalu will continue the implementation of its HPMP and IS project with success in order to prepare the country for the 35 per cent reduction in HCFC consumption by 1 January 2020.

## Annex VIII

### **AGREEMENT BETWEEN THE GOVERNMENT OF CHILE AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN**

1. This Agreement represents the understanding of the Government of Chile (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 30.62 ODP tonnes by 1 January 2021 in compliance with Montreal Protocol 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 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 consumption eligible for funding).
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 stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). 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 has 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 there are no due country programme implementation reports 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 a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche 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; and

- (d) That the Country has submitted a Tranche 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.

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 Tranche 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 part or all of the approved 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 a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche 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 Tranche Implementation Plan, or removal of an activity in the Tranche 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 Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- (c) Should the Country decide during implementation of the Agreement to introduce an alternative technology other than that proposed in the Plan, this would require approval by the Executive Committee as part of a Tranche 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 Plan 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 Tranche 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; and
- (f) Any remaining funds held by the bilateral or implementing agencies or the country under the Plan 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 included in the Plan, 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 relevant bilateral and/or implementing agencies will take into consideration decision 72/41 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 and UNEP 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 the Lead IA and/or Cooperating IAs 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 will reach consensus on the arrangements regarding inter-agency planning including regular co-ordination meetings, reporting and responsibilities under this Agreement in order to facilitate a co-ordinated implementation of the Plan. 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 kilogram 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 of not compliance will not be an impediment for the provision of funding 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 the Plan 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 at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan 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 of the Plan 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	47.30
HCFC-123	C	I	0.00
HCFC-124	C	I	0.00
HCFC-141b	C	I	39.30
HCFC-142b	C	I	0.60
HCFC-225			0.30
Total			87.50

**APPENDIX 2-A: THE TARGETS, AND FUNDING**

Row	Particulars	2016	2017	2018	2019	2020	2021	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	78.75	78.75	78.75	78.75	56.88	56.88	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	78.75	78.75	78.75	78.75	48.12	30.62	n/a	
2.1	Lead IA (UNDP) agreed funding (US \$)	700,955	0	1,401,911	0	42,181	0	2,145,047	
2.2	Support costs for Lead IA (US \$)	49,067	0	98,134	0	2,952	0	150,153	
2.3	Cooperating IA (UNEP) agreed funding (US \$)	65,481	0	130,962	0	21,827	0	218,270	
2.4	Support costs for Cooperating IA (US \$)	8,513	0	17,025	0	2,837	0	28,375	
2.5	Cooperating IA (UNIDO) agreed funding (US \$)	309,210	0	618,420	0	103,070	0	1,030,700	
2.6	Support costs for Cooperating IA (US \$)	21,645	0	43,289	0	7,215	0	72,149	
3.1	Total agreed funding (US \$)	1,075,646	0	2,151,293	0	167,078	0	3,394,017	
3.2	Total support costs (US \$)	79,225	0	158,448	0	13,004	0	250,677	
3.3	Total agreed costs (US \$)	1,154,871	0	2,309,741	0	180,082	0	3,644,694	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								13.24
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)								18.98
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								15.08
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)								0.00
4.3.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)								0.00
4.3.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)								0.00
4.3.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)								0.00
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)								36.28
4.4.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)								3.02
4.4.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								0.00
4.5.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)								0.00
4.5.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)								0.00
4.5.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)								0.60
4.6.1	Total phase-out of HCFC-225 agreed to be achieved under this Agreement (ODP tonnes)								0.00
4.6.2	Phase-out of HCFC-225 to be achieved in previously approved projects (ODP tonnes)								0.00
4.6.3	Remaining eligible consumption for HCFC-225 (ODP tonnes)								0.30

**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 TRANCHE IMPLEMENTATION REPORTS AND PLANS**

1. The submission of the Tranche Implementation Report and Plans 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 Tranche 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) An independent verification report of the Plan 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 Tranche Implementation Reports and 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 Tranche 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).

2. In the event that in a particular year more than one stage of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets in a particular year, the lower HCFC consumption target will be used as reference for compliance with the HPMP Agreements and for the independent verification.

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The national ozone unit (NOU) of the Ministry of Environment shall be responsible for coordinating the actions associated with each Strategic Line through collaborating with various areas of the Ministry such as Air Quality and Climate Change Division, Legal Division, Studies and Environmental Economics Division, and Communications Division, among others; as well as with other Government agencies such as National Customs Service and Ministry of Health, between others.

2. To support the implementation of projects in different sectors, national and/or international consultants will be hired, if necessary, to implement the various activities and offer support to the NOU in coordination with key actors, including other Ministries, Agencies and the private sector.

3. The NOU will have the full support of the Government. The Ministry of Environment has ensured the adoption of the laws and the implementation of necessary national regulations to guarantee the country's compliance with the Montreal Protocol agreements.

4. For the implementation of these projects, it is essential to continue to have the active participation of relevant public sector counterparts, such as the National Customs Service, which actively participates in the definition and implementation of import and export control processes of HCFC.

5. The Government of Chile has appointed UNDP to be the Lead IA to spearhead the implementation of HPMP, and has appointed UNIDO and UNEP as Cooperating IAs. The Lead IA shall also have the overall responsibility of reporting to the Executive Committee, and of supporting the Country in the implementation of the investment and non-investment components that are not implemented by Cooperating IAs.

6. Before each Executive Committee meeting is held to discuss a tranche to receive funding, the NOU will prepare a report on the status of activities and progress together with the Lead IA and with the help of the Cooperating IAs, including the milestones and other key performance indicators, as well as any other information of interest for the implementation of HPMP. This report will be reviewed and verified by the Lead IA and will then be sent to the Executive Committee through the Secretariat of the Multilateral Fund.

## **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 Tranche Implementation Reports and Plans as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche 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 Tranche Implementation Reports and 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 Tranche 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 the Lead IA and each Cooperating IA;
  - (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 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 \$137 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. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors related to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

## Annex IX

### **AGREEMENT BETWEEN THE GOVERNMENT OF INDONESIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN**

1. This Agreement represents the understanding of the Government of Indonesia (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 181.76 ODP tonnes by 1 January 2023 in compliance with Montreal Protocol 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 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 and 4.4.3 (remaining consumption eligible for funding).
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 stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). 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 has 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 there are no due country programme implementation reports 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 a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche 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; and

- (d) That the Country has submitted a Tranche 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.

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 Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved 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 a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche 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 Tranche Implementation Plan, or removal of an activity in the Tranche 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 Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- (c) Should the Country decide during implementation of the Agreement to introduce an alternative technology other than that proposed in the Plan, this would require approval by the Executive Committee as part of a Tranche 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 Plan 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 Tranche 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; and

- (f) Any remaining funds held by the bilateral or implementing agencies or the country under the Plan 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 included in the Plan, 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 relevant bilateral and/or implementing agencies will take into consideration decision 72/41 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 the World Bank 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 the Lead IA and/or Cooperating IA 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 will reach consensus on the arrangements regarding inter-agency planning including regular co-ordination meetings, reporting and responsibilities under this Agreement in order to facilitate a co-ordinated implementation of the Plan. 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 kilogram 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 decisions are taken, the specific case of not compliance with this Agreement, will not be an impediment for the provision of funding 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 the Plan 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 at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan 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 of the Plan 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	267.40
HCFC-123	C	I	3.90
HCFC-141b	C	I	132.60
HCFC-225	C	I	0.00*
Total	C	I	403.90

\*The actual consumption for HCFC-225 is 0.02 ODP tonnes.

**APPENDIX 2-A: THE TARGETS, AND FUNDING**

Row	Particulars	2016	2017	2018	2019	2020	2021	2022	2023	Total	
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	363.51	363.51	363.51	363.51	262.54	262.54	262.54	262.54	n/a	
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	363.51	363.51	323.12	323.12	252.44	252.44	252.44	181.76	n/a	
2.1	Lead IA (UNDP) agreed funding (US \$)	2,233,114	0	753,500	0	0	627,086	0	433,300	4,047,000	
2.2	Support costs for Lead IA (US \$)	156,318	0	52,745	0	0	43,896	0	30,331	283,290	
2.3	Cooperating IA (World Bank) agreed funding (US \$)	1,985,743	0	1,276,549	0	0	992,871	0	0	4,255,163	
2.4	Support costs for Cooperating IA (US \$)	139,002	0	89,358	0	0	69,501	0	0	297,861	
3.1	Total agreed funding (US \$)	4,218,857	0	2,030,049	0	0	1,619,957	0	433,300	8,302,163	
3.2	Total support cost (US \$)	295,320	0	142,103	0	0	113,397	0	30,331	581,151	
3.3	Total agreed costs (US \$)	4,514,177	0	2,172,152	0	0	1,733,354	0	463,631	8,883,314	
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										41.63
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)										45.10
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										180.67
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)										0
4.2.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)										0
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)										3.90
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)										42.70
4.3.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)										89.90
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)										0.00
4.4.1	Total phase-out of HCFC-225 agreed to be achieved under this Agreement (ODP tonnes)										0
4.4.2	Phase-out of HCFC-225 to be achieved in previously approved projects (ODP tonnes)										0
4.4.3	Remaining eligible consumption for HCFC-225 (ODP tonnes)										0.02

**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 TRANCHE IMPLEMENTATION REPORTS AND PLANS**

1. The submission of the Tranche Implementation Report and Plans 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 Tranche 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) An independent verification report of the Plan results and the consumption of the Substances, 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 Tranche Implementation Reports and 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 Tranche 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).

2. In the event that in a particular year more than one stage of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets in a particular year, the lower HCFC consumption target will be used as reference for compliance with the HPMP Agreements and for the independent verification.

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The monitoring process will be managed by the Indonesia Ministry of Environment and Forestry (Kementerian Lingkungan Hidup dan Kehutanan – KLHK) through the National Ozone Unit (NOU) 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 NOU 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 to be submitted to the Executive Committee of the Multilateral Fund.

4. The Ministry of Environment and Forestry and the Lead IA will engage an independent and qualified entity to carry out a qualitative and quantitative performance evaluation of the HPMP implementation.

5. The evaluating entity shall have full access to relevant technical and financial information related to implementation of the HPMP.

6. The evaluating entity shall prepare and submit to the Ministry of Environment and Forestry and the Lead IA, a consolidated draft report at the end of each Tranche Implementation Plan, comprising of the findings of the evaluation and recommendations for improvements or adjustments, if any. The draft report shall include the status of the Country's compliance with the provisions of this Agreement.

7. Upon incorporating the comments and explanations as may be applicable, from Ministry of Environment and Forestry, Lead IA and the cooperating agencies, the evaluating entity shall finalize the report and submit to the Ministry of Environment and Forestry and Lead IA.

8. The Ministry of Environment and Forestry shall endorse the final report and the Lead IA shall submit the same to the relevant meeting of the Executive Committee along with the Tranche 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 Tranche Implementation Reports and Plans as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche 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 Tranche Implementation Reports and 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 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 Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
  - (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 IA will be responsible for a range of activities. These activities are specified in the 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 \$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. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors related to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

## Annex X

### **AGREEMENT BETWEEN THE GOVERNMENT OF PAKISTAN AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN**

1. This Agreement represents the understanding of the Government of Pakistan (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 123.7 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol 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 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 consumption eligible for funding).
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 stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). 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 has 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 there are no due country programme implementation reports 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 a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche 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; and

- (d) That the Country has submitted a Tranche 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.

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 Tranche 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 part or all of the approved 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 a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche 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 Tranche Implementation Plan, or removal of an activity in the Tranche 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 Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- (c) Should the Country decide during implementation of the Agreement to introduce an alternative technology other than that proposed in the Plan, this would require approval by the Executive Committee as part of a Tranche 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 Plan 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 Tranche Implementation Plan; and

- (e) Any remaining funds held by the bilateral or implementing agencies or the country under the Plan 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 included in the Plan, 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 relevant bilateral and/or implementing agencies will take into consideration decision 72/41 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 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 the Lead IA and Cooperating IA 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 will reach consensus on the arrangements regarding inter-agency planning including regular co-ordination meetings, reporting and responsibilities under this Agreement in order to facilitate a co-ordinated implementation of the Plan. 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 kilogram 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 decisions are taken, the specific case of not compliance with this Agreement, will not be an impediment for the provision of funding 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 the Plan 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 at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan 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 of the Plan 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	108.90
HCFC-141b	C	I	138.50
Total	C	I	247.40

### APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	222.66	222.66	222.66	222.66	160.88	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	222.66	222.66	222.66	222.66	123.70	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	2,350,200	0	1,979,852	0	446,720	4,776,772
2.2	Support costs for Lead IA (US \$)	164,514	0	138,590	0	31,270	334,374
2.3	Cooperating IA (UNEP) agreed funding (US \$)	200,000	0	200,000	0	103,000	503,000
2.4	Support costs for Cooperating IA (US \$)	25,976	0	25,976	0	13,378	65,330
3.1	Total agreed funding (US \$)	2,550,200	0	2,179,852	0	549,720	5,279,772
3.2	Total support costs (US \$)	190,490	0	164,566	0	44,648	399,704
3.3	Total agreed costs (US \$)	2,740,690	0	2,344,418	0	594,368	5,679,476
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)						14.29
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						7.40
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						87.21
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)						58.69
4.2.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)						71.70
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)						8.11

### **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 TRANCHE IMPLEMENTATION REPORTS AND PLANS**

1. The submission of the Tranche Implementation Report and Plans 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 Tranche 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) An independent verification report of the Plan 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 Tranche Implementation Reports and 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 Tranche 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).
2. In the event that in a particular year more than one stage of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
  - (b) If the stages under implementation have different HCFC consumption targets in a particular year, the lower HCFC consumption target will be used as reference for compliance with the HPMP Agreements and for the independent verification.

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. Ministry of Environment, Government of Pakistan, and the national ozone cell is responsible for the overall project controlling, coordination, assessment and monitoring.
2. Project management unit (PMU) officer will coordinate daily work of the project implementation and also to assist the enterprises, as well as Government and non-Government offices and organizations, to streamline their activities for smooth implementation of the projects. The PMU will help the Government of Pakistan with monitoring the progress on implementation, and reporting to the Executive Committee.
3. An independent and certified auditor will audit and verify the consumption of ODS reported by the Government through Article 7 data and country programme progress 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 Tranche Implementation Reports and Plans as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche 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 Tranche Implementation Reports and 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 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 Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- (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 IA will be responsible for a range of activities. These activities are specified in the 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 \$144 per ODP 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. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors related to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

## Annex XI

### **AGREEMENT BETWEEN THE GOVERNMENT OF PANAMA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN**

1. This Agreement represents the understanding of the Government of Panama (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 16.11 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol 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 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 consumption eligible for funding).
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 stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). 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 has 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 there are no due country programme implementation reports 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 a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche 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; and

- (d) That the Country has submitted a Tranche 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.

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 Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved 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 a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche 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 Tranche Implementation Plan, or removal of an activity in the Tranche 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 Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- (c) Should the Country decide during implementation of the Agreement to introduce an alternative technology other than that proposed in the Plan, this would require approval by the Executive Committee as part of a Tranche 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 Plan 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 Tranche Implementation Plan; and

- (e) Any remaining funds held by the bilateral or implementing agencies or the country under the Plan 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 included in the Plan, 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 relevant bilateral and/or implementing agencies will take into consideration decision 72/41 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”) 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 the Lead IA 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 kilogram 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 decisions are taken, the specific case of not compliance with this Agreement, will not be an impediment for the provision of funding 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 the Plan 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 at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan 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 of the Plan 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	22.24
HCFC-123	C	I	0.05
HCFC-124	C	I	0.01
HCFC-141b	C	I	2.3
HCFC-142b	C	I	0.18
Sub-total			24.78
HCFC-141b contained in imported pre-blended polyols	C	I	2.5
Total	C	I	27.28

## APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	22.30	22.30	22.30	22.30	16.11	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	22.30	22.30	22.30	22.30	16.11	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	265,100	0	385,800	0	72,754	723,654
2.2	Support costs for Lead IA (US \$)	18,557	0	27,006	0	5,093	50,656
3.1	Total agreed funding (US \$)	265,100	0	385,800	0	72,754	723,654
3.2	Total support costs (US \$)	18,557	0	27,006	0	5,093	50,656
3.3	Total agreed costs (US \$)	283,657	0	412,806	0	77,847	774,310
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)						6.61
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						2.48
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						13.15
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)						0.05
4.3.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)						0.00
4.3.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)						0.00
4.3.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)						0.01
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)						0.00
4.4.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)						2.30
4.4.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)						0.00
4.5.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)						0.00
4.5.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)						0.00
4.5.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)						0.18
4.6.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)						2.50
4.6.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in previously approved projects (ODP tonnes)						0.00
4.6.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)						0.00

## 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 TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans 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 Tranche 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) An independent verification report of the Plan results and the consumption of the Substances, 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 Tranche Implementation Reports and 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 Tranche 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).

2. In the event that in a particular year more than one stage of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets in a particular year, the lower HCFC consumption target will be used as reference for compliance with the HPMP Agreements and for the independent verification.

## **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The higher monitoring function will be discharged by the Ministry of Health through its General Direction of Health and the Sub-direction of Environmental Health supervised by the National Ozone Unit.
2. The operational monitoring activities will be carried out within the HPMP implementation, monitoring and control project, and will include the implementation of all the projects within the HPMP; the regular monitoring of the project implementation and results; the production of periodic reports on project results in order to facilitate corrective actions; the production of timely project progress reports to the Executive Committee; and the regular monitoring of market developments and trends at the national and international levels.

## **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 Tranche Implementation Reports and Plans as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche 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 Tranche Implementation Reports and 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 Tranche 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 the Lead IA and each Cooperating IA;
  - (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 \$166 (including non-eligible enterprises consistent with Brazil) 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. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors related to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

## Annex XII

### **AGREEMENT BETWEEN THE GOVERNMENT OF VENEZUELA (BOLIVARIAN REPUBLIC OF) AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN**

1. This Agreement represents the understanding of the Government of Venezuela (Bolivarian Republic of) (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 120.03 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol 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 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 consumption eligible for funding).
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 stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). 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 has 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 there are no due country programme implementation reports 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 a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche 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; and

- (d) That the Country has submitted a Tranche 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.

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 Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix. 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 part or all of the approved 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 a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche 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 Tranche Implementation Plan, or removal of an activity in the Tranche 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 Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- (c) Should the Country decide during implementation of the Agreement to introduce an alternative technology other than that proposed in the Plan, this would require approval by the Executive Committee as part of a Tranche 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 Plan 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 Tranche Implementation Plan; and

- (e) Any remaining funds held by the bilateral or implementing agencies or the country under the Plan 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 included in the Plan, 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 relevant bilateral and/or implementing agencies will take into consideration decision 72/41 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 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 the Lead IA and/or Cooperating IA 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 will reach consensus on the arrangements regarding inter-agency planning including regular co-ordination meetings, reporting and responsibilities under this Agreement in order to facilitate a co-ordinated implementation of the Plan. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IAs 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 kilogram 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 decisions are taken, the specific case of not compliance with this Agreement, will not be an impediment for the provision of funding 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 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 the Plan 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 at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan 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 of the Plan 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	161.63
HCFC-123	C	I	0.07
HCFC-124	C	I	0.00
HCFC-141b	C	I	39.56
HCFC-142b	C	I	5.68
Sub-total			206.94
HCFC-141b contained in imported pre-blended polyols	C	I	1.91
Total	C	I	208.86

## APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	186.25	186.25	186.25	186.25	134.55	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	186.25	186.25	186.25	186.25	120.03	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	600,000	575,000	596,000	0	196,144	1,967,144
2.2	Support costs for Lead IA (US \$)	42,000	40,250	41,720	0	13,730	137,700
2.3	Cooperating IA (UNDP) agreed funding (US \$)	76,420	200,000	200,000	800,000	50,000	1,326,420
2.4	Support costs for Cooperating IA (US \$)	5,349	14,000	14,000	56,000	3,500	92,849
3.1	Total agreed funding (US \$)	676,420	775,000	796,000	800,000	246,144	3,293,564
3.2	Total support costs (US \$)	47,349	54,250	55,720	56,000	17,230	230,549
3.3	Total agreed costs (US \$)	723,769	829,250	851,720	856,000	263,374	3,524,113
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)						22.94
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						23.16
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						115.53
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)						0.07
4.3.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)						0.00
4.3.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)						0.00
4.3.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)						0.00
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)						39.56
4.4.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)						0.00
4.4.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)						0.00
4.5.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)						0.00
4.5.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)						0.00
4.5.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)						5.68
4.6.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)						1.91
4.6.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in previously approved projects (ODP tonnes)						0.00
4.6.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)						0.00

## 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 TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans 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 Tranche 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) An independent verification report of the Plan results and the consumption of the Substances, 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 Tranche Implementation Reports and 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 Tranche 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).

2. In the event that in a particular year more than one stage of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets in a particular year, the lower HCFC consumption target will be used as reference for compliance with the HPMP Agreements and for the independent verification.

## APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The monitoring activities will be carried out within the HPMP Implementation, Monitoring and Control project, and will include the implementation of all the projects within the HPMP; regular monitoring of the project implementation and results; production of periodic reports on project results in order to facilitate corrective actions; production of timely project progress reports to the Executive Committee; and regular monitoring of market developments and trends at the national and international levels.

2. Specific responsibilities of different stakeholders are detailed below:

(a) National Ozone Office:

- (i) General and day-to-day coordination of the project;
- (ii) Establishment of strategic lines;
- (iii) Implementation of the technical, institutional, social and legal components of the HPMP;
- (iv) Close follow up of implementation of all the components of the HPMP; and
- (v) Main channel of communication with key stakeholders and implementing agencies.

(b) Strategic partners:

- (i) The Ministry of Popular Power for Industry and Commerce (MPPIC), as the mother organization where Fondoin is located, but also as the main official source of information for the private industry sector, as well as possible channel for some actions;
- (ii) The Ministry of Popular Power for Eco-socialism and Waters (MPPEW), which manages the direct liaison with the Montreal Protocol regime, the reporting obligations under the Montreal Protocol, the ODS import licensing system, monitoring and enforcement of compliance with Montreal Protocol related obligations at the national level through the 23 state representations of MPPEW (one in each state);
- (iii) The Ministry of Popular Power for Productive Economy (MPPEP), through Customs (SENIAT), for the verification of the ODS Import Quota System;
- (iv) The Ministry of Popular Power for Foreign Affairs (MPPRE), and the Ministry of Popular Power for Education (MPPE) for coordination of activities related to their areas of responsibility, through periodic and regular meetings;
- (v) The academic sector through the different organizations involved in the training programmes, in particular the National Institution of Socialist Education (INCES);
- (vi) The Chamber of Commerce, the Chamber of Industry, the ODS producer, the main ODS importers, and a representative from the refrigeration servicing workshops for coordination of related activities;

- (vii) UNIDO as lead implementing agency and UNDP as cooperating agency; and
  - (viii) The mass communication media as the main channel for general information programmes.
- (c) Implementation and monitoring unit
- (i) Day-to-day implementation of all project activities within the HPMP, including detailed design of the activities, engagement of stakeholders, local contracting of goods and services;
  - (ii) Design, organization and implementation (on a quarterly basis) of project monitoring activities, including design of data collection and analysis instruments;
  - (iii) Analysis and report of monitoring results on a quarterly basis, including design and implementation of corrective measures and / or technical assistance activities, and organization of the corresponding monitoring review meetings with the National Ozone Office; and
  - (iv) Preparation of annual progress reports for internal use, HPMP Annual Implementation Report and HPMP Annual Implementation Plan for the Executive Committee, as per the formats indicated in Appendix 4-A. It will also include the preparation of any other reports that may prove necessary for the proper functioning of the HPMP project.

#### **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 Tranche Implementation Reports and Plans as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche 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 Tranche Implementation Reports and 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 Tranche 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 the Lead IA and each Cooperating IA;
- (j) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (k) Providing assistance with policy, management and technical support when required; and
- (l) Reaching consensus with the Cooperating IA on the any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

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 IA will be responsible for a range of activities. These activities are specified in the 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;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on the any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

#### **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 \$102 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. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors related to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

## Annex XIII

### AGREEMENT BETWEEN THE GOVERNMENT OF VIET NAM AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

#### Purpose

1. This Agreement represents the understanding of the Government of Viet Nam (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 143.78 ODP tonnes by 1 January 2020 in compliance with Montreal Protocol 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 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 and 4.4.3 (remaining consumption eligible for funding).
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 stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). 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.

#### Conditions for funding release

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when 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 has 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 there are no due country programme implementation reports 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 for all relevant years, unless the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche 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; and
- (d) That the Country has submitted a Tranche 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.

### **Monitoring**

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 Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

### **Flexibility in the reallocation of funds**

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved 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 a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche 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;
  - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
  - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) 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 subsequent Tranche Implementation Report;

- (c) Any enterprise to be converted to non-HCFC technology included in the Plan and that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment post the 21 September 2007 cut-off date), would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan;
- (d) The Country commits to examining the possibility of using pre-blended systems with low-global warming potential blowing agents instead of blending them in-house, for those foam enterprises covered under the Plan, should this be technically viable, economically feasible and acceptable to the enterprises;
- (e) The Country agrees, in cases where HFC technologies have been chosen as an alternative to HCFCs, and taking into account national circumstances related to health and safety: to monitor the availability of substitutes and alternatives that further minimize impacts on the climate; to consider, in the review of regulations, standards and incentives, adequate provisions that encourage introduction of such alternatives; and to consider the potential for adoption of cost-effective alternatives that minimize the climate impact in the implementation of the HPMP, as appropriate, and inform the Executive Committee on the progress accordingly in tranche implementation reports; and
- (f) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

#### **Considerations for the refrigeration servicing sector**

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, 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 relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

#### **Bilateral and implementing agencies**

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 World Bank has agreed to be the lead implementing agency (the “Lead IA”) and the Government of Japan 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 the Lead IA and/or Cooperating IA 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 Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in

Appendix 6-A and Appendix 6-B, respectively. 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.

### **Non-compliance with the Agreement**

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 decisions are taken, the specific case of non-compliance with this Agreement, will not be an impediment for the provision of funding 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 decisions 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.

### **Date of completion**

14. The completion of the Plan 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 at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan 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 of the Plan unless otherwise specified by the Executive Committee.

### **Validity**

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.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	167.15
HCFC-123	C	I	0.16
HCFC-141b	C	I	53.90
Sub-total			221.21
HCFC-141b contained in imported pre-blended polyols	C	I	164.56
Total			385.77

### APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2016	2017	2018	2019	2020	2021	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	199.08	199.08	199.08	199.08	143.78	143.78	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	199.08	199.08	199.08	199.08	143.78	143.78	n/a
2.1	Lead IA (World Bank) agreed funding (US \$)	396,095	2,179,193	3,781,257	4,393,450	2,928,967	732,242	14,411,204
2.2	Support costs for Lead IA (US \$)	27,727	152,544	264,688	307,542	205,028	51,257	1,008,784
2.3	Cooperating IA (Japan) agreed funding (US \$)	43,250	163,980	26,400	0	0	0	233,630
2.4	Support costs for Cooperating IA (US \$)	5,623	21,317	3,432	0	0	0	30,372
3.1	Total agreed funding (US \$)	439,345	2,343,173	3,807,657	4,393,450	2,928,967	732,242	14,644,834
3.2	Total support costs (US \$)	33,349	173,861	268,120	307,542	205,028	51,257	1,039,156
3.3	Total agreed costs (US \$)	472,694	2,517,034	4,075,777	4,700,992	3,133,994	783,499	15,683,990
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)							55.31
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)							0
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							111.84
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)							0
4.2.2	Phase-out of HCFC-123 to be achieved in the previous stage (ODP tonnes)							0
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)							0.16
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)							0
4.3.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)							53.90
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)							0
4.4.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)							75.26
4.4.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)							89.30
4.4.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)							0

\*Date of completion of stage I as per stage I Agreement: 1 June 2017.

### **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 TRANCHE IMPLEMENTATION REPORTS AND PLANS**

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since 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 the amount of ODS phased 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 Tranche 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;
- (b) An independent verification report of the Plan results and the consumption of the Substances, 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 during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and 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 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 Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. The Viet Nam National Focal Point for the Implementation of the Montreal Protocol (the National Ozone Unit (NOU)) of the Ministry of Natural Resources and Environment (MONRE) is responsible for managing and co-ordinating Viet Nam's overall ODS phase-out programme, including all phase-out activities and measures controlling Annex C, Group I substances (HCFCs). The management and implementation of this Agreement will be undertaken by the HPMP Project Management Unit (PMU) which falls under the direct authority of the NOU.

2. MONRE, through its HPMP PMU and the NOU, will collaborate and co-ordinate with the Ministry of Industry and Trade (MOIT) and the General Department of Viet Nam Customs (GDC) to implement the import/control system for HCFCs; review annual HCFC import/export license applications; and establish and publish the annual import quotas for HCFCs for the period 2016 through 2021.

3. In order assist MONRE in monitoring and evaluating the progress of Agreement implementation, the PMU and NOU will:

- (a) Update the HCFC management information system (MIS) that captures and tracks all relevant and required data on the importation of Annex C, Group I substances (HCFCs) on an annual basis;
- (b) Update the data on the actual amount of imported HCFCs;
- (c) Monitor and report, in cooperation with GDC, any incidents of illegal import of HCFCs;
- (d) Monitor progress of HCFC phase-out on the demand side by direct oversight of sub-project implementation;
- (e) Maintain the HCFC phase-out project MIS on HCFC-consuming enterprises and sub-projects;
- (f) Compile periodic progress reports of HPMP implementation and HCFC phase-out achievements for sharing with MONRE, MOIT, the GDC and the Ministry of Planning and Investment;
- (g) Prepare Tranche Implementation Reports and Plans according to the schedule set forth in Appendix 2-A;

- (h) Prepare other monitoring reports as required by MONRE or other Government authorities and by MLF Executive Committee decision, in co-ordination with the Lead Agency; and
  - (i) Carry out safety and technical review of all relevant activities undertaken under this plan.
4. MONRE along with its government partner agencies (MOIT, the GDC and Ministry of Planning and Investment) will be responsible for reviewing PMU reports and data and instituting control and policy measures which facilitate HCFC control and reductions according to the Agreement.

#### **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 Tranche Implementation Reports and Plans as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche 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 Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee and should include the activities implemented by the Cooperating IA;
  - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
  - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
  - (h) Carrying out required supervision missions;
  - (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
  - (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
  - (k) 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 the Lead IA and each Cooperating IA;

- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the country/participating enterprises for completing the activities related to the project.

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 IA will be responsible for a range of activities. These activities are specified in the 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;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan.

#### **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 \$112 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, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

**Annex XIV**

**UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF BENIN  
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 Benin (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 15.47 ODP tonnes prior to 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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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 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 (“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 (“Funding Approval Schedule”).
4. The Country will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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 (“Format of Tranche 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 a tranche implementation plan in the form of Appendix 4-A (“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; and
- (e) That, for all submissions from the 68<sup>th</sup> 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 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. 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 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. This updated Agreement supersedes the Agreement reached between the Government of Benin and the Executive Committee at the 70<sup>th</sup> meeting of the Executive Committee.

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	23.80

### APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2011	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	n/a	23.80	23.80	21.42	21.42	21.42	21.42	21.42	15.47	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	23.80	23.80	21.42	21.42	21.42	21.42	21.42	15.47	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	85,000	0	85,000	0	0	75,000	0	65,000	0	60,000	370,000
2.2	Support costs for Lead IA (US \$)	11,050	0	11,050	0	0	9,750	0	8,450	0	7,800	48,100
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	100,000	0	40,000	0	0	120,000	0	0	0	0	260,000
2.4	Support costs for Cooperating IA (US \$)	7,500	0	3,000	0	0	9,000	0	0	0	0	19,500
3.1	Total agreed funding (US \$)	185,000	0	125,000	0	0	195,000	0	65,000	0	60,000	630,000
3.2	Total support costs (US \$)	18,550	0	14,050	0	0	18,750	0	8,450	0	7,800	67,600
3.3	Total agreed costs (US \$)	203,550	0	139,050	0	0	213,750	0	73,450	0	67,800	697,600
4.1.1	Total phase-out of HCFC-22 under this agreement (ODP tonnes)											8.33
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)											0
4.1.3	Remaining eligible consumption for HCFC-22											15.47

### 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 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 the Lead IA; 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 National Ozone Unit (NOU) will submit annual progress reports of status of implementation of the HPMP to UNEP.
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 UNEP.

#### **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 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 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 \$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 XV

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF CHILE 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 Chile (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 78.75 ODP tonnes prior to 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 which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) 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, 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 (“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 (“Funding Approval Schedule”).
4. The Country will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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 (“Format of Tranche 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 a tranche implementation plan in the form of Appendix 4-A (“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; and
- (e) That, for all submissions from the 68<sup>th</sup> 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 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 agencies 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. This updated Agreement supersedes the Agreement reached between the Government of Chile and the Executive Committee at the 71<sup>st</sup> meeting of the Executive Committee.

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	47.3
HCFC-141b	C	I	39.3
HCFC-142b	C	I	0.6
HCFC-123	C	I	0.0
HCFC-124	C	I	0.0
HCFC-225	C	I	0.3
Total			87.5

### APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	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	87.50	87.50	78.75	78.75	78.75	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	87.50	87.50	78.75	78.75	78.75	n/a
2.1	Lead IA UNDP agreed funding(US \$)	465,566	537,357	295,744	0	0	199,299	0	1,497,966
2.2	Support costs for Lead IA(US \$)	34,917	40,302	22,181	0	0	14,947	0	112,347
2.3	Cooperating IA UNEP agreed funding (US \$)	153,217	40,127	27,022	0	0	68,123	0	288,489
2.4	Support costs for Cooperating IA (US \$)	19,918	5,217	3,513	0	0	8,856	0	37,504
3.1	Total agreed funding (US \$)	618,783	577,484	322,766	0	0	267,422	0	1,786,455
3.2	Total support cost (US \$)	54,835	45,519	25,694	0	0	23,803	0	149,851
3.3	Total agreed costs (US \$)	673,618	623,003	348,460	0	0	291,225	0	1,936,306
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)								18.98
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)								28.32
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 of HCFC-123 (ODP tonnes)								0.00
4.3.1	Total phase-out of HCFC-124 agreed to be achieved under this agreement (ODP tonnes)								0.00
4.3.2	Phase-out of HCFC-124 to be achieved in previously approved projects (ODP tonnes)								0.00
4.3.3	Remaining eligible consumption of HCFC-124 (ODP tonnes)								0.00
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this agreement (ODP tonnes)								3.02
4.4.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)								0.00
4.4.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)								36.28
4.5.1	Total phase-out of HCFC-142b agreed to be achieved under this agreement (ODP tonnes)								0.00
4.5.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)								0.00
4.5.3	Remaining eligible consumption of HCFC-142b (ODP tonnes)								0.60
4.6.1	Total phase-out of HCFC-225 agreed to be achieved under this agreement (ODP tonnes)								0.00
4.6.2	Phase-out of HCFC-225 to be achieved in previously approved projects (ODP tonnes)								0.00
4.6.3	Remaining eligible consumption of HCFC-225 (ODP tonnes)								0.30

### 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 the Lead IA; 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 National Ozone Unit (NOU) of the Ministry of Environment shall be responsible for coordinating the various actions associated with each strategic line. In order to carry this out, the NOU will coordinate with the different areas of the institution, such as regulation and policy, pollution control, legal and communications, among others.
2. To support the implementation of projects within the different sectors, national and international consultants will be hired, if necessary, to implement the identified activities and give support to the NOU in liaison with key stakeholders including other Ministries or Agencies, and private sector.
3. Within the foam sector, the consultants will assist in the selection of the more convenient technological and economical conversion options.
4. Within the refrigeration sector, they will assist with the implementation of training projects, demonstrative conversions, Recovering and Recycling Centre, among other actions to be carried out in the refrigeration sector.
5. The Government is fully supportive of the NOU. The Ministry of Environment has ensured -and will assure in the future- passage of all necessary national laws and regulations, including establishing an import licensing system which allows to establish annual maximum admissible import quantities for Chile of substances that are regulated under the Montreal Protocol, its amendments and its annexes and set the basis for control of HCFCs into the country.
6. For proper implementation of these projects, it is essential to have the active participation from the relevant Public Service Offices as well as the National Customs Service who will have an active involvement in defining and implementing procedures for HCFCs control.
7. It is also important to count on the different companies, technicians and technical services involved in each activity of this project. These actors will have to take responsibility for implementing good practices in refrigeration and promote behavioural change in their peers. Relevant actors within the foam sector will include the HCFC-141b users in foams and the suppliers of alternative technologies, as well as system houses.

### 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.

### Frequency of verification and reporting

9. 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 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 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 \$180 per ODP 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.

**Annex XVI**

**UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF INDONESIA AND  
THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION  
IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding between the Government of Indonesia (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 323.1 ODP tonnes prior to 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 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 and 4.4.3.

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 accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement 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;

- (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; and
- (e) That, for all submissions from the 68<sup>th</sup> 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 (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 Country agrees, in cases where HFC technologies have been chosen as an alternative HCFC, and taking into account national circumstances related to health and safety:

- (a) To monitor the availability of substitutes and alternatives that further minimize impacts on the climate;
- (b) To consider, in the review of regulations standards and incentives adequate provisions that encourage introduction of such alternatives; and
- (c) To consider the potential for adoption of cost-effective alternatives that minimize the climate impact in the implementation of the HPMP, as appropriate, and inform the Executive Committee on the progress accordingly.

8. 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 and approved by the Executive Committee as described in sub-paragraph 5(d) above. Major changes would relate to issues potentially concerning the rules and policies of the Multilateral Fund; changes which would modify any clause of this Agreement; changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and 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 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 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.

9. 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.

10. 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 the Government of Australia, UNIDO and the World Bank have agreed to be the cooperating agencies 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.

11. 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 agencies to ensure appropriate timing and sequence of activities in the implementation. The cooperating agencies 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 agencies 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 coordination meetings. The Executive Committee agrees, in principle, to provide the Lead IA and the cooperating agencies with the fees set out in rows 2.2, 2.4, 2.6 and 2.8 of Appendix 2-A.

12. 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.

13. 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.

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

15. 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 8, 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.

16. 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.

17. This updated Agreement supersedes the Agreement reached between the Government of Indonesia and the Executive Committee at the 71<sup>st</sup> 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	267.40
HCFC-141b	C	I	132.60
HCFC-123	C	I	3.90
HCFC-225	C	I	0.00*
Total			403.90

\*The actual consumption for HCFC-225 is 0.02 ODP tonnes.

## APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2011	2012	2013	2014	2015	2016	2017	2018	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	403.90	403.90	363.51	363.51	363.51	363.51	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	403.90	403.90	363.51	363.51	363.51	323.12	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	4,000,000	0	4,000,000	0	0	901,102	0	0	8,901,102
2.2	Support costs for Lead IA (US \$)	300,000	0	300,000	0	0	67,583	0	0	667,583
2.3	Cooperating IA (Australia) agreed funding (US \$)	300,000	0	0	0	0	0	0	0	300,000
2.4	Support costs for Cooperating IA (US \$)	39,000	0	0	0	0	0	0	0	39,000
2.5	Cooperating IA (World Bank) agreed funding (US \$)	1,500,000	0	942,767	0	0	271,420	0	0	2,714,187
2.6	Support costs for Cooperating IA (US \$)	112,500	0	70,708	0	0	20,356	0	0	203,564
2.7	Cooperating IA (UNIDO) agreed funding (US \$)	777,395	0	0	0	0	0	0	0	777,395
2.8	Support costs for Cooperating IA (US \$)	58,305	0	0	0	0	0	0	0	58,305
3.1	Total agreed funding (US \$)	6,577,395	0	4,942,767	0	0	1,172,522	0	0	12,692,684
3.2	Total support cost (US \$)	509,805	0	370,708	0	0	87,939	0	0	968,452
3.3	Total agreed costs (US \$)	7,087,200	0	5,313,475	0	0	1,260,461	0	0	13,661,136
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)									45.10
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)									222.30
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)									89.90
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)									42.73
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)									3.85
4.4.1	Total phase-out of HCFC-225 agreed to be achieved under this Agreement (ODP tonnes)									0
4.4.2	Phase-out of HCFC-225 to be achieved in previously approved projects (ODP tonnes)									0
4.4.3	Remaining eligible consumption for HCFC-225 (ODP tonnes)									0.02

## 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: 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 8 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 monitoring process will be managed by the Indonesia Ministry of Environment (Kementerian Lingkungan Hidup – KLH) through the National Ozone Unit (NOU) 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 NOU 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 to be submitted to the Executive Committee of the Multilateral Fund.
4. The Ministry of Environment and the Lead IA will engage an independent and qualified entity to carry out a qualitative and quantitative performance evaluation of the HPMP implementation.
5. The evaluating entity shall have full access to relevant technical and financial information related to implementation of the HPMP.
6. The evaluating entity shall prepare and submit to the Ministry of Environment and the Lead IA, a consolidated draft report at the end of each Tranche Implementation Plan, comprising of the findings of the evaluation and recommendations for improvements or adjustments, if any. The draft report shall include the status of the Country's compliance with the provisions of this Agreement.
7. Upon incorporating the comments and explanations as may be applicable, from Ministry of Environment, Lead IA and the cooperating agencies, the evaluating entity shall finalize the report and submit to the Ministry of Environment and Lead IA.
8. The Ministry of Environment shall endorse the final report and the Lead IA shall submit the same to the relevant meeting of the Executive Committee along with the Tranche Implementation plan and reports.

#### **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for 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 agencies;
  - (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) Coordinating the activities of the cooperating agencies, and ensuring appropriate sequence of activities;
- (j) Co-ordinating implementing agencies are defined as cooperating agencies with the role of a lead agency for one or several sectors, as specified in the formal agreement between lead and cooperating agencies specified in paragraph 11 of this agreement;
- (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), sub-paragraph 1(b) of Appendix 4-A and Appendix 5-A.

#### **APPENDIX 6-B: ROLE OF COOPERATING AGENCIES**

1. The cooperating agencies will be responsible for the following:
  - (a) Assisting the Country in the implementation and assessment of the activities funded by the cooperating agencies, and refer to the Lead IA to ensure a coordinated sequence in the activities; and
  - (b) 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 12 of the Agreement, the amount of funding provided may be reduced by US \$189 per ODP 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.

## Annex XVII

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF SAINT LUCIA 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 Saint Lucia (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 0.71 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 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 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 (“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 (“Funding Approval Schedule”).
4. 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 (“The Targets, and Funding”) 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 (“Format of 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; and
- (e) That, for all submissions from the 68<sup>th</sup> 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 and approved by the Executive Committee as described in sub-paragraph 5(d) above. Major changes would relate to issues potentially concerning the rules and policies of the Multilateral Fund; changes which would modify any clause of this Agreement; changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and 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 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 annual implementation report; and
- (c) 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. 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 carrying out the activities of the overall plan with the changes approved as part of the subsequent 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 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 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 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 sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A continue until the time of the completion if not specified by the Executive Committee otherwise.

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.

16. This updated Agreement supersedes the Agreement reached between the Government of Saint Lucia and the Executive Committee at the 68<sup>th</sup> 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	1.09

### APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2011	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	n/a	1.09	0.98	0.98	0.98	0.98	0.71	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	1.09	0.98	0.98	0.98	0.98	0.71	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	13,000	13,150	0	26,300	0	9,200	0	21,000	82,650
2.2	Support costs for Lead IA (US \$)	1,690	1,710	0	3,419	0	1,196	0	2,730	10,745
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	88,850	11,000	0	27,500	0	0	0	0	127,350
2.4	Support costs for Cooperating IA (US \$)	7,997	990	0	2,475	0	0	0	0	11,462
3.1	Total agreed funding (US \$)	101,850	24,150	0	53,800	0	9,200	0	21,000	210,000
3.2	Total support costs (US \$)	9,687	2,700	0	5,894	0	1,196	0	2,730	22,207
3.3	Total agreed costs (US \$)	111,537	26,850	0	59,694	0	10,396	0	23,730	232,207
4.1.1	Total phase-out of HCFC-22 under this agreement (ODP tonnes)									0.38
4.1.2	Phase-out of HCFC-22 in previously approved projects (ODP tonnes)									0
4.1.3	Remaining eligible consumption for HCFC-22									0.71

### 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 regarding the progress since the approval of 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 until the planned submission of the next tranche request, 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 the Lead IA; 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 National Ozone Unit (NOU), which is located within the Sustainable Development and Environment Division of the Ministry of Physical Development and the Environment, will be responsible for the day to day execution of project activities. As such, primary responsibility will reside with the Permanent Secretary of that Ministry. The NOU, through his/her supervisor (the Chief Sustainable Development and Environment Officer) , will be responsible for ensuring that the Multilateral Fund Secretariat and the Ministry's policies and procedures for project management, including procurement guidelines and reporting requirements are adhered to. In this regard, the highest policy responsibility rests with the Minister of Physical Development and the Environment while at the technical level, responsibility resides with the Chief Sustainable Development and Environment Officer.

2. In addition to the formal government structure described above, the services of an independent monitoring and evaluation consultant will be engaged from time to time to provide independent verification of projects completed and targets achieved. This consultant will also support the preparation of end of project reporting.

3. Periodically the government, in collaboration with the Lead IA may convene monitoring missions to provide independent verification project outputs, achievement of targets and financial management, as considered necessary to ensure a second level of oversight.

#### **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. 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 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 THE COOPERATING IMPLEMENTING AGENCY**

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the overall plan 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 \$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

### **UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF VIET NAM 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 Viet Nam (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 100 per cent of the baseline consumption level and 90 per cent of the baseline consumption level by 1 January 2013 and 1 January 2015, respectively. In this context, the baseline consumption level is defined as the average consumption level of Annex C, Group I chemicals in 2009 and 2010.
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”; the Target) 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 the Substances which exceed the level defined in rows 4.1.3, 4.2.3, 4.3.3 and 4.4.3 (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 2.1 of Appendix 2-A (“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 (“Funding Approval Schedule”).
4. The Country will meet the consumption limit as indicated in row 1.2 of Appendix 2-A. It will also accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of this consumption limit 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 (“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;

- (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 (“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; and
- (e) That, for all submissions from the 68<sup>th</sup> 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 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. 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 World Bank 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 the Lead IA.

9. 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). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

10. 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 kilogramme (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.

11. 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.

12. 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.

13. 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.

14. 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.

15. This updated Agreement supersedes the Agreement reached between the Government of Viet Nam and the Executive Committee at the 71<sup>st</sup> 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	167.15
HCFC-123	C	I	0.16
HCFC-141b	C	I	53.90
Sub-total			221.21
HCFC-141b contained in imported pre-blended polyols	C	I	164.56
Total starting point			385.77

## APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2011	2012	2013	2014	2015	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	n/a	221.2	221.2	199.08	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	n/a	221.2	221.2	199.08	n/a
2.1	Lead IA (World Bank) agreed funding (US \$)	3,054,423	0	5,663,016	0	407,581*	9,125,020
2.2	Support costs for Lead IA(US \$)	229,082	0	424,726	0	30,569	684,377
3.1	Total agreed funding (US \$)	3,054,423	0	5,663,016	0	407,581	9,125,020
3.2	Total support cost (US \$)	229,082	0	424,726	0	30,569	684,377
3.3	Total agreed costs (US \$)	3,283,505	0	6,087,742	0	438,150	9,809,397
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)						0
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)						167.15
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)						0
4.2.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)						0
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)						0.16
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)						53.9
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)						0
4.4.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)						89.30
4.4.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in previously approved projects (ODP tonnes)						0
4.4.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)						75.26

\* Funds associated with Glory withdrawn from stage I.

## 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 IA; 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 National Ozone Office (NOO) of the Ministry of Natural Resources and Environment (MONRE) is responsible for managing and co-ordinating Viet Nam's overall ODS phase-out programme, including all phase-out activities and measures controlling Annex C, Group I substances (HCFCs). The management and implementation of this Agreement will be undertaken by the HPMP Project Management Unit (PMU) which falls under the direct authority of the NOO.

2. The HPMP PMU and the NOO will collaborate and co-ordinate with the Ministry of Industry and Trade (MOIT) and the Customs Bureau to institute and implement the import/control system for HCFCs; review annual HCFC import/export license applications to ensure that the list of end-users are provided by importers/exporters; and establish and publish the annual import quotas for HCFCs for the period 2012 through 2015.

3. In order to monitor and evaluate the progress of Agreement implementation, the PMU will assist the NOO to:

- (a) Develop a management information system that captures and tracks all relevant and required data on the importation of Annex C, Group I substances (HCFCs) on an annual basis;
- (b) Update the data on the actual amount of imported HCFCs in cooperation with the Customs Bureau on a quarterly basis;
- (c) Monitor and report any incidents of illegal import of HCFCs;
- (d) Monitor progress of HCFC phase-out on the demand side by direct oversight of sub-project implementation;
- (e) compile periodic progress reports of HPMP implementation and HCFC phase-out achievements for sharing with MONRE, MOIT, the Customs Bureau and the Ministry of Planning and Investment and its local bureaus; and
- (f) Prepare Tranche Implementation Reports and Plans according to the schedule set forth in Appendix 2-A.

4. MONRE along with its government partner agencies (MOIT, the Customs Bureau and Ministry of Planning and Investment) will be responsible for reviewing PMU reports and data and instituting control and policy measures which facilitate HCFC control and reductions according to the Agreement.

#### **APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY**

1. The Lead IA will be responsible for a range of activities including:

- (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;
- (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) In case of reductions in funding for failure to comply in accordance with paragraph 10 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items;
- (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 party 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 10 of the Agreement, the amount of funding provided may be reduced by US \$139 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

### TEMPLATE FOR DRAFT AGREEMENTS FOR STAGE II OF HCFC PHASE-OUT MANAGEMENT PLANS

#### DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF [COUNTRY NAME] AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

##### **Purpose**

1. This Agreement represents the understanding of the Government of [Country name] (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 [figure] ODP tonnes by 1 January [year] in compliance with Montreal Protocol 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 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[s] 4.1.3 [, 4.2.3, ...] (remaining consumption eligible for funding).
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 stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). 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.

##### **Conditions for funding release**

5. The Executive Committee will only provide the Funding in accordance with the Funding Approval Schedule when 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 has 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 there are no due country programme implementation reports 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 for all relevant years, unless the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted a Tranche Implementation Report in the form of Appendix 4-A (“Format of Tranche 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; and
- (d) That the Country has submitted a Tranche 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.

### **Monitoring**

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 Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

### **Flexibility in the reallocation of funds**

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved 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 a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche 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;
  - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
  - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) 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 subsequent Tranche Implementation Report;

- (c) Any enterprise to be converted to non-HCFC technology included in the Plan and that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment post the 21 September 2007 cut-off date), would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan;
- (d) The Country commits to examining the possibility of using pre-blended systems with low-global warming potential blowing agents instead of blending them in-house, for those foam enterprises covered under the Plan, should this be technically viable, economically feasible and acceptable to the enterprises;
- (e) The Country agrees, in cases where HFC technologies have been chosen as an alternative to HCFCs, and taking into account national circumstances related to health and safety: to monitor the availability of substitutes and alternatives that further minimize impacts on the climate; to consider, in the review of regulations standards and incentives adequate provisions that encourage introduction of such alternatives; and to consider the potential for adoption of cost-effective alternatives that minimize the climate impact in the implementation of the HPMP, as appropriate, and inform the Executive Committee on the progress accordingly in tranche implementation reports; and
- (f) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

#### **Considerations for the refrigeration servicing sector**

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, 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 relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

#### **Bilateral and implementing agencies**

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. [Lead agency name] has agreed to be the lead implementing agency (the “Lead IA”) [and [Cooperating agency name/names] has/have agreed to be the cooperating implementing agency/agencies (the “Cooperating IA[s]”) 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 the Lead IA [and/or Cooperating IA[s]] 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 Cooperating IA[s] will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The roles of the Lead IA and Cooperating IA[s] are contained in

Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA [and the Cooperating IA[s]] with the fees set out in row[s] 2.2 [and 2.4...] of Appendix 2-A.

### **Non-compliance with the Agreement**

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 decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding 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 decisions 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 IA[s]] to facilitate implementation of this Agreement. In particular, it will provide the Lead IA [and the Cooperating IA[s]] with access to the information necessary to verify compliance with this Agreement.

### **Date of completion**

14. The completion of the Plan 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 at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion of the Plan 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 of the Plan unless otherwise specified by the Executive Committee.

### **Validity**

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.

16. This Agreement may be modified or terminated only by mutual written agreement of the Country and the Executive Committee of the Multilateral Fund.

## APPENDICES

### APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	
HCFC-123	C	I	
HCFC-124	C	I	
HCFC-141b	C	I	
HCFC-142b	C	I	
HCFC-225			
Sub-total			
HCFC-141b contained in imported pre-blended polyols	C	I	
Total	C	I	

### APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)						
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)						
2.1	Lead IA ([Lead agency name]) agreed funding (US \$)						
2.2	Support costs for Lead IA (US \$)						
2.3	Cooperating IA ([Cooperating agency name]) agreed funding (US \$)						
2.4	Support costs for Cooperating IA (US \$)						
3.1	Total agreed funding (US \$)						
3.2	Total support costs (US \$)						
3.3	Total agreed costs (US \$)						
4.1.1	Total phase-out of [substance 1] agreed to be achieved under this Agreement (ODP tonnes)						
4.1.2	Phase-out of [substance 1] to be achieved in the previous stage (ODP tonnes)						
4.1.3	Remaining eligible consumption for [substance 1] (ODP tonnes)						
4.2.1	Total phase-out of [substance 2] agreed to be achieved under this Agreement (ODP tonnes)						
4.2.2	Phase-out of [substance 2] to be achieved in the previous stage (ODP tonnes)						
4.2.3	Remaining eligible consumption for [substance 2] (ODP tonnes)						
4.3.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)						
4.3.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)						
4.3.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)						

\*Date of completion of stage I as per stage I Agreement: [day/month/year]

### APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval at the [first/second] 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 Plans for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by tranche, describing the progress achieved since 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 the amount of ODS phased 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 Tranche 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;
- (b) An independent verification report of the Plan results and the consumption of the Substances, 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 during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and 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 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 Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and

- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

#### **APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES**

1. [THIS SECTION MUST BE COMPLETED BY THE COUNTRY AND THE LEAD AGENCY. It must provide a detailed and credible indication of how progress is to be monitored and which organizations will be responsible for the activities. Experience gained from implementing stage I of the HPMP should be taken into account, introducing the relevant updates and improvements.]

#### **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 Tranche Implementation Reports and Plans as per Appendix 4-A;
  - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche 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 Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA[s];
  - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
  - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
  - (h) Carrying out required supervision missions;
  - (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
  - (j) [Co-ordinating the activities of the Cooperating IA[s], and ensuring appropriate sequence of activities;]

- (k) 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[s]], the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA[s] on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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 IA[s] will be responsible for a range of activities. These activities are specified in the 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[s], and refer to the Lead IA to ensure a co-ordinated sequence in the activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan.]

#### **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 \$[figure [for non-LVC countries the figure would be 2 times the cost-effectiveness of the project in US \$/ODP kg; for LVC countries the amount would be 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, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific

sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

#### **[APPENDIX 8-A: SECTOR SPECIFIC ARRANGEMENTS**

1. Appendix 8-A is foreseen for situations where the Country and/or the Lead IA/Cooperating IA[s] wish to include in the Agreement any sector specific arrangements. This will be mostly the case for non LVC's. Specifically, this Appendix can be used in cases where there have been sector plans or sector phase-out projects prior to the submission of the HPMP, which are subsumed into the HPMP and where the related conditions require reflection in this Agreement. The Appendix can also be used if the Country requests to extend the provisions of Appendix 2-A by adding sector-specific funding, phase-out schedules or additional responsibilities for the Lead IA/Cooperating IA[s]. In cases where Appendix 8-A is needed, a reference should be included at an appropriate point of the Agreement. If only minor arrangements are to be included, the reference could be included in one of the Appendices, in particular Appendix 6.

2. The heading for this Appendix 8-A should be deleted if no such additional arrangements are necessary.]