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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Seventy-seventh Meeting
Montreal, 28 November - 2 December 2016

Addendum

OVERVIEW OF ISSUES IDENTIFIED DURING PROJECT REVIEW

This document is being issued to:

- **Add** paragraph 19(bis):

Subsequent to issuance of document UNEP/OzL.Pro/ExCom/77/26, the Secretariat considered necessary to ensure that RAC manufacturing enterprises would not only start manufacturing equipment based on the approved technology but would also continue to do so. The Secretariat's recommendation has been revised accordingly.

- **Replace** paragraph 20 **with** the following:

The Executive Committee may wish:

- (a) To request the relevant bilateral and implementing agencies:
 - (i) To report to the Executive Committee those cases where enterprise(s) temporarily manufacture refrigeration and air-conditioning (RAC) equipment using high-global warming potential (GWP) refrigerants on a line that received funding from the Multilateral Fund to produce equipment using low-GWP-based refrigerants as soon as such cases were identified, the reasons for such use, the steps to be taken to enable the enterprise(s) to start manufacturing based on the technology for which funding was approved, and a timeline for when such manufacturing is expected to commence;

- (ii) To continue reporting the status of manufacturing at the enterprise(s) identified in sub-paragraph (i) above to each meeting of the Executive Committee until those converted lines manufacture only with the low-GWP technology for which funding was approved or another alternative technology with lower GWP;
 - (iii) To request the enterprise(s) provide a letter stating the commitment that the RAC manufacturing lines funded by the Multilateral Fund would continue manufacturing equipment only using the technology for which funding was approved;
 - (iv) To pay any incremental operating costs approved to the RAC manufacturing enterprise(s) solely based on the technology for which funding was approved after verification that these enterprise(s) were manufacturing equipment based on such technology; and
 - (v) To ensure that verification reports submitted in line with sub-paragraph 5(b) of the Agreement between the Governments of Article 5 countries concerned and the Executive Committee include verification of conversion of RAC manufacturing enterprise(s) covered under the Agreement, including confirmation of the technology adopted by the enterprise(s), in a representative sample of enterprises;
- (b) To encourage Governments of Article 5 countries concerned:
- (i) To monitor whether enterprises that received funding would continue manufacturing RAC equipment using the approved technologies and report their progress to the Executive Committee through the relevant bilateral and implementing agencies; and
 - (ii) With the assistance of relevant bilateral and implementing agencies, to consider implementing, on a voluntary basis, regulatory and/or other measures to help ensure the introduction of the agreed technology in applications covered under the respective sector and/or sub-sector.
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