REPORT OF THE INTERSESSIONAL APPROVAL PROCESS FOR THE 86TH MEETING

1. The present document consists of the following three Parts:

   I. Procedure for the intersessional approval process (IAP), describing the process agreed by the Executive Committee for conducting its 85th and 86th meetings; and the procedure to be followed by Executive Committee members during the implementation of the IAP for the 86th meeting

   II. Decisions by the Executive Committee, containing a compilation of all the decisions on each of the documents considered under the IAP, presented in the order of the agenda of the 86th meeting

   III. Sub-group on the Production Sector, providing information relating to the virtual meeting of the Sub-group held on 1 December 2020

PART I PROCEDURE FOR THE IAP FOR THE 86TH MEETING

Background

2. In light of the outbreak of the coronavirus in late 2019, characterized as a pandemic as assessed by the World Health Organization on 11 March 2020, the Secretariat developed a contingency plan for conducting the 85th and 86th meetings (“contingency plan”) and sent it to members of the Executive Committee on 16 March 2020 for their consideration. Since then, in consultation with the Chair and Vice-Chair, the Secretariat had modified and adapted the contingency plan on several occasions according to the evolution of the pandemic. Each revised contingency plan, had been considered and approved by all Executive Committee members.

1 Due to coronavirus disease (COVID-19)

2 UNEP/OzL.Pro/ExCom/86/1
3. In the latest communication on meeting arrangements (dated 10 August 2020), the Secretariat informed members on the procedures that the Executive Committee had agreed and are reproduced below:

(a) The extraordinary procedures that are put in place for conducting the 85th and 86th meetings are due to the exceptional circumstances related to the COVID-19 pandemic, and apply as a one-off measure only, without setting a precedent for future operation of the Executive Committee;

(b) The 85th and 86th meetings will be held back-to-back in Montreal, Canada from 8 to 12 March 2021, noting that:

(i) The 85th meeting would be a short meeting (up to two hours) to adopt a revised provisional agenda, to take note of Secretariat activities and the status of contributions and disbursements of the Multilateral Fund (as at 31 May 2020), and to adopt the draft report of the meeting, which will consist of those items approved under the intersessional approval process (IAP) established for the 85th meeting as contained in document UNEP/OzL.Pro/ExCom/85/IAP/3;

(ii) The 86th meeting would commence immediately after the closure of the 85th meeting, and would address the remaining agenda items from the 85th meeting, as well as all agenda items of the 86th meeting;

(iii) All policy documents would be uploaded to the Secretariat’s website as soon as they are available and no later than 14 December 2020; all the remaining documents (except for those addressed through the IAP referred to in sub-paragraph (c) below) would be uploaded in accordance with the relevant decisions of the Executive Committee, i.e., four weeks before the postponed 86th meeting;

(c) An IAP for the 86th meeting will be implemented from 16 to 27 November 2020, on an exceptional basis due to the COVID-19 pandemic and without setting a precedent, and will include the following items, noting that all meeting documents for the IAP would be posted as soon as they are available and no later than 19 October 2020:

(i) Secretariat activities;

(ii) Status of contributions and disbursements;

(iii) Report on balances and availability of resources;

(iv) Final 2019 accounts;

(v) Reconciliation of the 2019 accounts;

(vi) Progress reports as at 31 December 2019;

(vii) Reports on projects with specific requirements;

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3 A request for extension was sent to Executive Committee members on 10 December 2020.
4 The period was extended to 3 December 2020.
5 On 28 October 2020, the Secretariat informed Executive Committee members that it did its utmost to finalize and upload the documents into the meeting portal no later than 19 October 2020. However, not all documents were finalized by that date, as addressing all issues associated with the relevant documents took longer time than expected mainly due to the constraints imposed by the COVID-19 pandemic.
4. Subsequently, the Secretariat prepared document UNEP/OzL.Pro/ExCom/86/IAP/1, Procedures for the intersessional approval process established for the 86th meeting, sent it to Executive Committee members and uploaded it to the password-protected forum that was established at the Secretariat’s meeting portal for the 86th meeting on 10 November 2020. The document described the IAP agreed by the Executive Committee for conducting its 86th meeting and contained a compilation of all the recommendations associated with each of the documents to be considered under the IAP, presented in the order of the agenda of the 86th meeting.

5. Executive Committee members were invited to review document UNEP/OzL.Pro/ExCom/86/IAP/1 and the relevant meeting documents, and were reminded that the submission of decisions should follow approval on a non-objection basis, previously established for the IAP, and that requests for additional information and/or clarification or changes to the Secretariat’s recommendation on any of the documents under consideration should be submitted in writing only by the Heads of Delegations, no later than 20 November 2020.

6. Written requests received, were uploaded to the forum established for the 86th meeting.

7. The Secretariat compiled all the written requests into document UNEP/OzL.Pro/ExCom/86/IAP/2, Consolidated requests and responses - intersessional approval process established for the 86th meeting. In compiling the written requests, the Secretariat noted that several members requested additional information and/or clarification related to specific documents under consideration, while few other members also requested additional information and/or clarification.

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6 On 28 October 2020, the Secretariat sent to members of the Sub-group on the Production Sector the documents related to the updated 2018 verification report for the production sector in China and stage II of the HPPMP for China.

7 That is, reports and projects would be considered approved if an objection is not received.

8 Paragraphs 156.4 and 156.5 of document UNEP/OzL.Pro/ExCom/11/36.
suggested modifications to the Secretariat’s recommendations on several items/documents considered under the IAP.

8. In addressing the requests by Committee members, the Secretariat contacted bilateral and implementing agencies, particularly when the requested information was not available at the Secretariat or the desired clarification required further consultation with the Governments of Article 5 countries. Concurrently, the Secretariat approached a few delegations to clarify some of the additional information they requested, or concerning proposed modifications to the Secretariat’s recommendations relating to a few reports on projects with specific reporting requirements and a few project proposals. Clarifications received from the delegations were incorporated into the document. The document UNEP/OzL.Pro/ExCom/86/IAP/2 was uploaded in the forum on 26 November 2020.

9. Heads of Delegations were invited to submit in writing any disagreements to the recommendations contained in document UNEP/OzL.Pro/ExCom/86/IAP/2 by 3 December 2020. The responses were uploaded to the forum on 10 December 2020. Based on the responses received, the Secretariat prepared the present document which includes all the decisions of the Executive Committee associated with each of the documents that were considered under the IAP.

10. Decisions arising from the IAP established for the 86th meeting would be included under the relevant agenda items in the Report of the 86th meeting of the Executive Committee.

11. As part of the IAP, any matter associated with the meeting documents submitted to the IAP that were not approved would be submitted for consideration at the postponed 86th meeting. The Secretariat would send instructions to the Treasurer on funding allocations to the implementing agencies and on bilateral contributions based on the level of funds for projects approved intersessionally.

Virtual meeting of the Sub-group on the Production Sector

12. As part of the most recently agreed contingency plan and as mentioned in paragraph 3(e) above, the Executive Committee agreed that the Sub-group on the Production Sector (consisting of Australia (facilitator), Bahrain, Chile, India, Suriname, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the United States of America), would have a virtual meeting to allow initial discussions on the updated 2018 verification report for the production sector in China and a new proposal for stage II of the HPPMP for China.

13. The Sub-group on the Production Sector met virtually on 1 December 2020. In line with the message from the Chair to members of the Executive Committee of 11 December 2020, the summary of the initial discussions of the Sub-group on the Production Sector had been included in the present document, so that they could be used by the Sub-group to conclude discussions on the two items of the agenda, once reconstituted in 2021.

PART II DECISIONS BY THE EXECUTIVE COMMITTEE

14. Noting that all decisions made during the IAP were taken on an exceptional basis and without setting a precedent for future Executive Committee decisions, decisions associated with the documents considered under the IAP for the 86th meeting are presented in the order of the agenda of the 86th meeting as follows.

AGENDA ITEM 3: SECRETARIAT ACTIVITIES

15. The Executive Committee considered the report on Secretariat activities contained in document UNEP/OzL.Pro/ExCom/86/2. In response to comments made by one member, the Secretariat provided additional information on the status of recruitment process for vacant positions, and indicated the potential timeline of 1 December 2020 for the completion of the assessment report by the Multilateral
16. Subsequently, the Executive Committee decided:

(a) To note, with appreciation, of the report on Secretariat activities contained in document UNEP/OzL.Pro/ExCom/86/2;

(b) To note that the issue of the recruitment of the Chief Officer of the Secretariat of the Multilateral Fund would be added to the agenda of the 86th meeting, to be held in March 2021;

(c) To request the Secretariat, in line with decisions 67/37 and 68/46:

(i) To update the documentation relating to the recruitment process for the position of Chief Officer of the Secretariat of the Multilateral Fund and to submit it for consideration of the Executive Committee at its 87th meeting; and

(ii) To make the necessary arrangements for the Executive Committee to undertake its usual recruitment procedure in relation to the position of Chief Officer of the Secretariat of the Multilateral Fund.

(Decision 86/xx)

AGENDA ITEM 4: FINANCIAL MATTERS

(a) Status of contributions and disbursements

17. The Executive Committee considered the report by the Treasurer on status of contributions and disbursements contained in document UNEP/OzL.Pro/ExCom/86/3.

18. As at 30 October 2020, the balance of the Fund stood at US $324,044,205, all of it in cash. The percentage of payments against the total pledges for 2020 stood at 97.2 per cent and the loss stemming from the fixed exchange-rate mechanism (FERM) had decreased by US $2,620,802 since the 85th meeting. The cumulative loss owing to the FERM since its inception stood at US $30.2 million.

19. The Executive Committee decided:

(a) To note the report of the Treasurer on the status of contributions and disbursements, 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;

(c) To request the Chief Officer and the Treasurer to continue following up with Parties that had outstanding contributions for one triennium or more, and to report back at the 87th meeting;

(d) To note the adjustments in the bilateral contribution by Czechia, Germany, Japan and Sweden, resulting from a reconciliation exercise between invoices, payments in cash and information contained in the Secretariat’s inventory of approved projects, included in Annex I to the present report; and
(e) To request the Treasurer in cooperation with the Secretariat to finalize the reconciliation exercise for the bilateral contribution by Canada, Finland, France, Portugal and Spain, and to report back at the 87th meeting.

(Decision 86/xx)

(b) Report on balances and availability of resources

20. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/4.

21. One of the fundamental principles of the Multilateral Fund is that project proposals can only be approved if sufficient funding is available under the Fund. As reported in agenda item 4(a), as of 30 October 2020 the funding balance available under the Multilateral Fund amounted to US $324,044,205; an additional US $2,573,517 had been returned by bilateral and implementing agencies, resulting in a total balance of US $326,617,722, which is sufficient to cover the funding requests submitted to the 86th meeting.

22. The Executive Committee decided:

(a) To note:

(i) The report on balances and availability of resources contained in document UNEP/OzL.Pro/ExCom/86/4;

(ii) That the net level of funds being returned at the 86th meeting by the implementing agencies was US $2,573,375, consisting of US $756,229, plus agency support costs of US $55,951 from UNDP; US $686,656, plus agency support costs of US $61,080 from UNEP; US $794,898, plus agency support costs of US $57,619 from UNIDO; and US $108,881, plus agency support cost of US $52,061 from the World Bank;

(iii) That UNIDO held balances of US $38, including agency support costs, for one project completed over two years previously and US $6,637, including agency support costs, for two projects funded using the additional voluntary contributions;

(iv) That the net level of funds being returned at the 86th meeting by the Government of Japan was US $126, plus agency support costs of US $16;

(v) That the Government of Italy held balances of US $5,350, including agency support costs, for one project funded using the additional voluntary contributions;

(b) To request:

(i) Bilateral and implementing agencies to proceed with disbursement or to cancel committed and not-committed funds that were not needed for completed projects and for projects completed “by decision of the Executive Committee” and to return the associated balances to the 87th meeting;

(ii) UNIDO to return to the 87th meeting the balance of two completed projects funded using the additional voluntary contributions;

(iii) UNIDO to proceed with disbursement or to cancel commitments for one project completed over two years previously, and to return balances to the 87th meeting;
(iv) The Government of Italy to return to the 87th meeting the balance of one completed project funded using the additional voluntary contributions; and

(v) The Treasurer to follow up with the Government of Japan, on the return, in cash, of the amount of US $142 referred to in sub-paragraph (a)(iv) above.

(Decision 86/xx)

(c) Accounts of the Multilateral Fund

(i) Final 2019 accounts

23. The Executive Committee considered the final accounts of the Multilateral Fund for the year ending 31 December 2019 contained in document UNEP/OzL.Pro/ExCom/86/5.

24. The Executive Committee decided:

(a) To note the final audited financial statements of the Multilateral Fund as at 31 December 2019 prepared in accordance with the International Public Sector Accounting Standards, contained in document UNEP/OzL.Pro/ExCom/86/5; and

(b) To request the Treasurer to record in the 2020 accounts of the Multilateral Fund the differences between the implementing agencies’ provisional 2019 financial statements and their final 2019 statements reflected in Table 1 of document UNEP/OzL.Pro/ExCom/86/5.

(Decision 86/xx)

(ii) Reconciliation of the 2019 accounts

25. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/6.

26. The Executive Committee decided:

(a) To note the reconciliation of the 2019 accounts contained in document UNEP/OzL.Pro/ExCom/86/6;

(b) To request the Treasurer to deduct from future transfers:

(i) To UNDP, US $1,302,751, on account of income from interest reported in its 2019 final accounts that had yet to be offset against new approvals;

(ii) To UNEP, US $450,092, on account of income from interest earned in 2019; US $1,094,455, on account of income from interest earned in prior years; and US $41, on account of income from exchange rate gain, all reported in its 2019 final accounts that had yet to be offset against new approvals;

(iii) To the World Bank, US $1,930,263 on account of income from investment earned in the fourth quarter of 2018 and in 2019; and US $4,436,475 on account of funds returned from the 83rd and 84th meetings, both reported in its 2019 final accounts that had yet to be offset against new approvals;

(c) To request UNIDO to make adjustments in its 2020 accounts of US $174,682, representing income adjustments that had been recorded in different years; and US $2,098,458 in income that had been recorded in 2019;
(d) To request the World Bank to make adjustments of US $1,060,319 in its 2020 progress report, representing funds returned in relation to a project (PHI/SEV/80/TAS/01);

(e) To note that the following 2019 outstanding reconciling items would be updated prior to the 88th meeting by relevant implementing agencies:
   (i) Differences of US $12,597 in income, and US $61,615 in expenditures between the progress report and the final accounts of UNIDO;
   (ii) Difference of US $115,560, in income between the progress report and the final accounts of the World Bank;

(f) To note the standing reconciling items as follows:
   (i) For UNDP, for unspecified projects, in the amounts of US $68,300 and US $29,054;
   (ii) For the World Bank, for the following projects implemented with other bilateral agencies where applicable:
      b. Bilateral cooperation of the Government of Sweden (THA/HAL/29/TAS/120), in the amount of US $225,985;
      c. Bilateral cooperation of the Government of the United States of America (CPR/PRO/44/INV/425), in the amount of US $5,375,000;
      d. Bilateral cooperation of the Government of the United States of America (CPR/PRO/47/INV/439), in the amount of US $5,375,000; and
      e. The Thailand chiller project (THA/REF/26/INV/104), in the amount of US $1,198,946.

(Decision 86/xx)

AGENDA ITEM 7: PROGRAMME IMPLEMENTATION
(a) Progress reports as at 31 December 2019
   (i) Consolidated progress report

27. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/15.

28. In response to comments from one member, the Secretariat provided additional information and/or clarification on cost-effectiveness of projects; transactional costs associated with programme implementation since the inception of the Fund; enabling activities for HFC phase-down relating to the extent of coverage of HFC data reporting and implementation delays; and matters relating to HFC data submitted as a part of an overall analysis of the results of the surveys of ODS alternatives presented to the 80th meeting. Based on the additional information provided by the Secretariat, the member suggested to consider that an analysis of the production and consumption for all controlled substances by Article 5 countries, including HFCs and HFC-23 production/generation, and the results from the surveys of ODS alternatives carried out in line with decision 79/43, be included when preparing
document UNEP/OzL.Pro/ExCom/86/8, Country programme data and prospects for compliance, to be submitted to the 86th meeting.

29. The Executive Committee decided to note:

   (a) The consolidated progress report of the Multilateral Fund as at 31 December 2019 contained in document UNEP/OzL.Pro/ExCom/86/15;

   (b) With appreciation, the efforts undertaken by bilateral and implementing agencies in reporting their 2019 activities; and

   (c) That the bilateral and implementing agencies would report, at the 87th meeting, on 94 projects with implementation delays and 55 ongoing projects or tranches of multi-year agreements recommended for additional status reports, as contained in Annexes II to VI of the present report.

   (Decision 86/xx)

(ii) Bilateral agencies

30. The Executive Committee considered the progress report of bilateral cooperation contained in document UNEP/OzL.Pro/ExCom/86/16.

31. The Executive Committee decided:

   (a) To note, with appreciation, the progress reports submitted by the Governments of Australia, Canada, France, Germany, Italy, Japan, the Russian Federation and Spain contained in document UNEP/OzL.Pro/ExCom/86/16; and

   (b) To approve the recommendations related to ongoing projects with specific issues contained in Annex II to the present report.

   (Decision 86/xx)

(iii) UNDP

32. The Executive Committee considered the progress report of UNDP contained in document UNEP/OzL.Pro/ExCom/86/17.

33. The Executive Committee decided:

   (a) To note the progress report of UNDP as at 31 December 2019 contained in document UNEP/OzL.Pro/ExCom/86/17; and

   (b) To approve the recommendations related to ongoing projects with specific issues contained in Annex III to the present report.

   (Decision 86/xx)

(iv) UNEP

34. The Executive Committee considered the progress report of UNEP contained in documents UNEP/OzL.Pro/ExCom/86/18 and Corr.1.
35. The Executive Committee decided:

(a) To note the progress report of UNEP as at 31 December 2019 contained in documents UNEP/OzL.Pro/ExCom/86/18 and Corr.1;

(b) To approve the recommendations related to ongoing projects with specific issues contained in Annex IV to the present report;

(c) To request UNEP to return to the 86th meeting the remaining balances amounting to US $30,000 from the institutional strengthening project for Dominica (phase VI: 4/2014-3/2016) (DMI/SEV/72/INS/21) in line with decision 82/11(c)(i);

(d) To approve the extension, to 30 June 2021, of the HCFC phase-out management plan (HPMP) for Iraq (stage I, third tranche) (IRQ/PHA/84/TAS/28), to allow UNEP to complete the remaining servicing sector activities, noting the difficult situation in the country;

(e) To approve the extension, to 30 June 2021, of the HPMP for Serbia (stage I, third and fourth tranches) (YUG/PHA/79/TAS/47 and YUG/PHA/84/TAS/52), to allow UNEP to complete remaining customs and enforcement training activities;

(f) With regard to the HPMP for Saudi Arabia:

(i) To cancel the HPMP for Saudi Arabia (stage I, first tranche) (polyurethane foam sector plan) (SAU/PHA/68/TAS/18), in line with decision 84/45(b) and (c), and request UNEP to return the remaining balances amounting to US $13,576 to the 86th meeting;

(ii) To request UNEP to submit an annual progress report on the implementation of remaining activities of the HPMP for Saudi Arabia (stage I, first and fourth tranches) (refrigeration servicing, custom training and monitoring) (SAU/PHA/68/TAS/16 and SAU/PHA/77/TAS/32) to the last meeting of the Executive Committee of each year until their completion;

(iii) To note that stage II of the HPMP for Saudi Arabia would only be considered after the project completion report of stage I of the HPMP has been submitted, stage I of the HPMP has been financially completed and all funding balances have been returned to the Multilateral Fund; and

(iv) To further note that the amount of US $107,250 transferred under the fourth tranche (SAU/PHA/77/TAS/32) will be deducted from the total funding that will be approved for stage II of the HPMP when submitted.

(Decision 86/xx)

(v) UNIDO

36. The Executive Committee considered the progress report of UNIDO contained in document UNEP/OzL.Pro/ExCom/86/19.

37. The Executive Committee decided:

(a) To note the progress report of UNIDO as at 31 December 2019 contained in document UNEP/OzL.Pro/ExCom/86/19;
(b) To approve the recommendations related to ongoing projects with specific issues contained in Annex V to the present report;

(c) To approve, on an exceptional basis, the extension, to 31 December 2020, of the phase-out of CFC consumption in the manufacture of aerosol metered-dose inhalers (MDIs) for Egypt (EGY/ARS/50/INV/92), to complete final activities relating to registration, noting that there would be no further extensions and to request UNIDO to submit the project completion report (PCR) to the 87th meeting;

(d) To approve the extension, on an exceptional basis, to 30 June 2021, of the national phase-out plan for Iraq (first tranche) (IRQ/PHA/58/INV/09) and the replacement of refrigerant CFC-12 with isobutane and foam blowing agent CFC-11 with cyclopentane in the manufacture of domestic refrigerators and chest freezers at Light Industries Company for Iraq (IRQ/REF/57/INV/07), to complete project activities relating to installation and commissioning of equipment at the beneficiary enterprise;

(e) To approve the extension, to 31 December 2021, of the HCFC phase-out management plan (HPMP) for Iraq (stage I, second and third tranches) (refrigeration servicing sector) (IRQ/PHA/74/INV/23 and IRQ/PHA/84/INV/29), to complete the procurement and delivery of laboratory and service training equipment and related activities;

(f) To approve the extension, to 30 June 2021, of the HPMP for Serbia (stage I, fourth tranche) (YUG/PHA/84/INV/51) to complete the remaining activities;

(g) To approve the extension, to 31 December 2021, of the phase-out of HCFC-22 and HCFC-141b from the manufacture of unitary air-conditioning equipment and rigid polyurethane insulation panels at Al Hafez Group for the Syrian Arab Republic (SYR/REF/62/INV/103), to complete the remaining activities relating to installation and commissioning of equipment;

(h) To approve the extension, to 31 December 2021, of the global chiller replacement project for Argentina (GLO/REF/80/DEM/344), to complete activities relating to beneficiaries;

(i) With regard to the HPMP for Saudi Arabia:

   (i) To cancel the HPMP for Saudi Arabia (stage I, first, second and third tranches) (refrigeration servicing and monitoring) (SAU/PHA/68/INV/17, SAU/PHA/72/INV/20, and SAU/PHA/75/INV/25) and (stage I, third tranche) (polyurethane foam sector plan) (SAU/PHA/75/INV/24), in line with decision 84/45(b) and (c), and request UNIDO to return the remaining balances to the 87th meeting;

   (ii) To request UNIDO to submit an annual progress report on the implementation of remaining activities of the project for phase-out of HCFC-22 and HCFC-142b from the manufacture of extruded polystyrene panel at Al-Watania Plastics (SAU/FOA/62/INV/13) and of the HPMP for Saudi Arabia (stage I, first, second and fourth tranches) (polyurethane foam sector plan) (SAU/PHA/68/INV/19, SAU/PHA/72/INV/21 and SAU/PHA/77/INV/31) to the last meeting of the Executive Committee of each year until their completion; and

   (iii) To note that stage II of the HPMP for Saudi Arabia would only be considered after the PCR of stage I of the HPMP has been submitted, stage I of the HPMP has been
financially completed and all funding balances have been returned to the Multilateral Fund.

*(Decision 86/xx)*

**(vi) World Bank**

38. The Executive Committee considered the progress report of the World Bank contained in document UNEP/OzL.Pro/ExCom/86/20.

39. The Executive Committee decided:

   (a) To note the progress report of the World Bank as at 31 December 2019 contained in document UNEP/OzL.Pro/ExCom/86/20; and

   (b) To approve the recommendations related to ongoing projects with specific issues contained in Annex VI to the present report.

*(Decision 86/xx)*

**(b) Reports on projects with specific reporting requirements**

40. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/21 which consisted of the following two sections:

   **Section I:** Reports on projects with specific reporting requirements for which there are no outstanding policy, cost or other issues, for which the Executive Committee may wish to take decision on the basis of the Secretariat’s recommendations without further discussion (“blanket approval”)

   **Section II:** Reports on projects with specific reporting requirements for individual consideration by the Executive Committee

41. The Executive Committee agreed to consider under the IAP all reports contained in Section I of the document as follows.

   **ODS waste disposal projects**

   *Brazil: Pilot demonstration project on ODS waste management and disposal (progress report) (UNDP)*

42. Information relating to the pilot demonstration project was set out in paragraphs 6 to 11 of document UNEP/OzL.Pro/ExCom/86/21.

43. The Executive Committee took note of the progress report on the pilot demonstration project on ODS waste management and disposal in Brazil, submitted by UNDP, contained in document UNEP/OzL.Pro/ExCom/86/21.

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9 Progress report on implementation of the activities under stage I of the HPMP for the Democratic People’s Republic of Korea. The report is contained in paragraphs 151 to 161 of document UNEP/OzL.Pro/ExCom/86/21.
Cuba: Pilot demonstration project on ODS waste management and disposal (update on amounts of ODS wastes destroyed) (UNDP)

44. Information relating to the pilot demonstration project was set out in paragraphs 12 to 17 of document UNEP/OzL.Pro/ExCom/86/21. One member proposed that monitoring of the operation of the cement kiln and reporting on the project should continue.

45. Subsequently, the Executive Committee decided:

(a) To note the update provided by UNDP on the amounts of ODS wastes destroyed by the pilot demonstration project on ODS waste management and disposal in Cuba, contained in document UNEP/OzL.Pro/ExCom/86/21; and

(b) To request the Government of Cuba and UNDP to continue monitoring the operation of the cement kiln and the amounts of ODS wastes to be destroyed once the constraints imposed by the COVID-19 pandemic allows, and to report back to a future meeting of the Executive Committee.

(Decision 86/xx)

Lebanon: Pilot demonstration project on ODS waste management and disposal (final report) (UNIDO)

46. Information relating to the pilot demonstration project was set out in paragraphs 18 to 30 of document UNEP/OzL.Pro/ExCom/86/21. One member proposed that a further report on various aspects resulting from the pilot project, particularly those related to policy development, should continue.

47. Subsequently, the Executive Committee decided:

(a) To note the final report on the pilot demonstration project on ODS waste management and disposal for Lebanon, submitted by UNIDO, contained in document UNEP/OzL.Pro/ExCom/86/21;

(b) To request the Government of Lebanon and UNIDO to submit a report at a future meeting providing inter alia information concerning the strengthening of the existing legislation related to ODS waste collection and disposal, a way forward to set up an ODS disposal infrastructure in the country, and steps that had been taken to encourage the environmentally-sound collection and disposal of ODS waste in the country; and

(c) To invite bilateral and implementing agencies to take into account the report referred to in sub-paragraph (a), above, when assisting Article 5 countries in preparing similar projects in future.

(Decision 86/xx)

Reports related to HPMPs

Argentina: HCFC phase-out management plan (stage I – annual progress report) (UNIDO and UNDP)

48. Information relating to the HPMP was set out in paragraphs 31 to 44 of document UNEP/OzL.Pro/ExCom/86/21.
49. The Executive Committee decided:

(a) To note the annual progress report on the implementation of stage I of the HCFC phase-out management plan (HPMP) for Argentina submitted by UNIDO, contained in document UNEP/OzL.Pro/ExCom/86/21; and

(b) To approve, on an exceptional basis, the extension of stage I of the HPMP to 31 July 2021, due to the constraints imposed by the COVID-19 pandemic that delayed the completion of the activities to support the phase-out of HCFC-141b used as flushing agent by refrigeration servicing technicians, on the understanding that no further extensions would be approved.

(Decision 86/xx)

Argentina: HCFC phase-out management plan (stage II – update on the financial viability of the enterprise Celpack) (UNIDO)

50. Information relating to the financial viability of the enterprise included in the HPMP was set out in paragraphs 45 to 49 of document UNEP/OzL.Pro/ExCom/86/21.

51. The Executive Committee decided to request the Government of Argentina, through UNIDO, to provide to the 87th meeting the update on the financial viability of the enterprise Celpack and a decision on whether the enterprise would be assisted by the Multilateral Fund under stage II of the HPMP for Argentina, in line with decision 84/64(d)(ii), and to return the funds associated with the conversion to the 87th meeting in the event that the enterprise was removed from the project.

(Decision 86/xx)

Côte d'Ivoire: HCFC phase-out management plan (stage I – report on the adoption of the inter-ministerial decree for regulating import, export, transit, re-export and trade of ODS, and other measures on strengthening monitoring and reporting systems relating to HCFC import and export) (UNEP)

52. Information relating to the report on the adoption of the inter-ministerial decree for regulating import, export, transit, re-export and trade of ODS was set out in paragraphs 50 to 55 of document UNEP/OzL.Pro/ExCom/86/21.

53. The Executive Committee decided:

(a) To note the report on the adoption of the inter-ministerial decree for regulating import, export, transit, re-export and trade of ODS, and other measures on strengthening monitoring and reporting systems relating to HCFC import and export under stage I of the HCFC phase-out management plan for Côte d’Ivoire, submitted by UNEP and contained in document UNEP/OzL.Pro/ExCom/86/21; and

(b) To request the Government of Côte d’Ivoire to provide an update, through UNEP, at the 87th meeting, on the adoption of the inter-ministerial decree for regulating import, export, transit, re-export and trade of ODS.

(Decision 86/xx)
Egypt: HCFC phase-out management plan (stage I – progress report) (UNIDO and UNDP)

54. Information relating to the HPMP was set out in paragraphs 56 to 66 of document UNEP/OzL.Pro/ExCom/86/21.

55. The Executive Committee decided:

(a) To note the progress report on the implementation of the work programme associated with the final tranche of the stage I of the HCFC phase-out management plan (HPMP) for Egypt submitted by UNIDO, contained in document UNEP/OzL.Pro/ExCom/86/21;

(b) To note that the conversion of the polyurethane foam manufacturing sector under stage I had been completed;

(c) To further note that the Government of Egypt had banned the import, use and export of HCFC-141b in bulk and the export of HCFC-141b contained in pre-blended polyols on 1 January 2020;

(d) To approve, on an exceptional basis given the constraints imposed by the COVID-19 pandemic, the extension of stage I of the HPMP to 30 June 2021 to allow the completion of the outstanding enabling activities in the refrigeration and air-conditioning (AC) sector on the understanding that:

(i) UNDP would financially complete its projects by 31 December 2020;

(ii) UNIDO would financially complete its projects and submit the project completion report by 31 December 2021; and

(e) To request the Government of Egypt and UNIDO to submit the final report on the project on the promotion of low-global-warming potential refrigerants for the AC industry (EGYPRA) to the 87th meeting.

(Government Decision 86/xx)

Ghana: HCFC phase-out management plan (stage I - progress report) (UNDP and the Government of Italy)

56. Information relating to the HPMP was set out in paragraphs 67 to 78 of document UNEP/OzL.Pro/ExCom/86/21.

57. The Executive Committee took note of the 2020 progress report on the implementation of stage I of the HCFC phase out management plan (HPMP) for Ghana submitted by UNDP, contained in document UNEP/OzL.Pro/ExCom/86/21.

Jordan: HCFC phase-out management plan (stage II – report on the status of implementation of the activities) (World Bank)

58. Information relating to the HPMP was set out in paragraphs 79 to 94 of document UNEP/OzL.Pro/ExCom/86/21.

59. The Executive Committee decided:

(a) To note the report on the status of implementation of the activities in stage II of the HCFC phase-out management plan (HPMP) for Jordan, submitted by the World Bank and
contained in document UNEP/OzL.Pro/ExCom/86/21; and

(b) To approve the change of technology in the conversion of the enterprise Abu Haltam from HFOs to a cyclopentane foam-blowing agent, on the understanding that any additional costs incurred would be covered by the enterprise.

(Decision 86/xx)

Libya: HCFC phase-out management plan (stage I – progress report) (UNIDO)

60. Information relating to the HPMP was set out in paragraphs 95 to 109 of document UNEP/OzL.Pro/ExCom/86/21.

61. The Executive Committee decided:

(a) To note the progress report on the implementation of stage I of the HCFC phase-out management plan (HPMP) for Libya, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/86/21; and

(b) To further note that the Fund Secretariat has updated the Agreement between the Government of Libya and the Executive Committee, as contained in Annex VII to the present report, specifically: paragraph 1 and Appendix 2-A to extend stage I of the HPMP to 2021; and paragraph 16, added to indicate that the updated Agreement supersedes that reached at the 75th meeting.

(Decision 86/xx)

Malaysia: HCFC phase-out management plan (stage II – change in technology at 11 enterprises) (UNDP)

62. Information relating to the HPMP was set out in paragraphs 110 to 119 of document UNEP/OzL.Pro/ExCom/86/21.

63. The Executive Committee decided:

(a) To note the request submitted by UNDP on behalf of the Government of Malaysia for the change in technology in 11 foam enterprises, from hydrofluoroolefins (HFOs) to pre-blended cyclopentane polyol systems in the context of stage II of the HCFC phase-out management plan contained in document UNEP/OzL.Pro/ExCom/86/21; and

(b) To approve the change in technology for those 11 foam enterprises, from HFOs to pre-blended cyclopentane polyol systems on the understanding that the conversions would not be delayed and any additional costs would be covered by the enterprises.

(Decision 86/xx)

Maldives: HCFC phase-out management plan and demonstration project for HCFC-free low-GWP alternatives in refrigeration in the fisheries sector – progress report (UNEP and UNDP)

64. Information relating to the HPMP including an update on the demonstration project for HCFC-free, low-global-warming potential (GWP) alternatives in refrigeration for the fisheries sector was set out in paragraphs 120 to 129 of document UNEP/OzL.Pro/ExCom/86/21.
65. The Executive Committee decided:

(a) To note the report on the implementation of the HCFC phase-out management plan (HPMP) for Maldives, submitted by UNEP and contained in document UNEP/OzL.Pro/ExCom/86/21;

(b) To further note the project completion report (PCR) for the demonstration project for HCFC-free low-global-warming potential alternatives in refrigeration in the fisheries sector in Maldives submitted by UNDP, in line with decision 84/21; and

(c) To approve, on an exceptional basis due to the delays imposed by the COVID-19 pandemic, the request of the Government of Maldives to extend the completion date of the HPMP from 31 December 2020 to 30 June 2021 and to request UNEP to submit no later than the 89th meeting the PCR for the HPMP.

(Decision 86/xx)

Morocco: HCFC phase-out management plan (stage I – verification report) (UNIDO)

66. Information relating to the verification report was set out in paragraphs 130 to 135 of document UNEP/OzL.Pro/ExCom/86/21.

67. The Executive Committee took note of the verification report on HCFC consumption in 2019 for Morocco, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/86/21.

Qatar: HCFC phase-out management plan (stage I – final progress report) (UNIDO and UNEP)

68. Information relating to the HPMP is contained in document UNEP/OzL.Pro/ExCom/86/70. In response to a comment by one member, it was confirmed that outstanding training activities in the servicing sector would commence on 2 December 2020 and that all planned activities would be completed by 31 December 2020.

69. The Executive Committee decided:

(a) To note the final progress report on the implementation of the work programme associated with the first and final tranche of the stage I of the HCFC phase-out management plan (HPMP) for Qatar submitted by UNIDO, contained in document UNEP/OzL.Pro/ExCom/86/70; and

(b) To approve, on an exceptional basis, the extension of the completion date of stage I of the HPMP for Qatar from 30 June 2020 to 31 December 2020, on the understanding that the project would be financially completed by 1 March 2021 and that an additional 0.41 ODP tonnes of HCFC-22 would be deducted from the country’s remaining HCFC consumption eligible for funding under stage II of the HPMP.

(Decision 86/xx)

Tunisia: HCFC phase-out management plan (stage I – progress report) (UNIDO)

70. Information relating to the HPMP was set out in paragraphs 136 to 144 of document UNEP/OzL.Pro/ExCom/86/21.
71. The Executive Committee decided:
   
   (a) To note the progress report on the implementation of stage I of the HCFC phase-out management plan (HPMP) for Tunisia, submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/86/21;
   
   (b) To request the Government of France to submit a detailed report on the results of the pilot demonstration project for the use of zero-ODP and low-global-warming potential alternative technologies by small and medium users in the servicing sector once it has been completed, to allow the Secretariat to develop fact sheets to inform future projects, in line with 84/84(d); and
   
   (c) To request the Government of Tunisia, UNIDO, UNEP and the Government of France to submit, at the 88th meeting, the final progress report on the implementation of the work programme associated with stage I of the HPMP, and the project completion report to the second meeting of the Executive Committee in 2022.

   (Decision 86/xx)

Methyl bromide (MB)

Argentina: Methyl bromide phase-out plan (UNIDO)

72. Information relating to the MB report was set out in paragraphs 145 to 147 of document UNEP/OzL.Pro/ExCom/86/21.

73. The Executive Committee noted that the reported level of consumption of methyl bromide for Argentina in 2019 was zero, as per the Agreement between the Government and the Executive Committee, except for the critical-use exemptions approved by the Parties to the Montreal Protocol.

Request for extension of enabling activities (UNEP)

74. Information relating to the request for extension of enabling activities was set out in paragraphs 148 to 150 of document UNEP/OzL.Pro/ExCom/86/21.

75. The Executive Committee decided:
   
   (a) To note the request for extension of enabling activities for HFC phase-down submitted by the Government of the Syrian Arab Republic contained in document UNEP/OzL.Pro/ExCom/86/21; and
   
   (b) To extend the completion date of the enabling activities for HFC phase-down for the Syrian Arab Republic to 31 December 2021, on the understanding that no further extension would be requested and that UNEP would submit, within six months of the project completion date, a final report of the enabling activities completed in line with decision 81/32(b).

   (Decision 86/xx)

76. The Executive Committee then considered the reports on projects with specific reporting requirements for China contained in documents UNEP/OzL.Pro/ExCom/86/21/Add.1 and Corr.1. The document is divided into the following parts:
I Stage I of the HCFC phase-out management plan

II Stage II of the HCFC phase-out management plan

III Revised sector plans for stage II of the HPMP for China

IV Report on progress in the implementation of activities listed in decision 83/41

V Study to determine the regulatory, enforcement, policy or market circumstances that might have led to the illegal production and use of CFC-11 and CFC-12 (decision 83/41(d))

VI Financial audit reports for the CFC production, halon, PU foam, process agent II, refrigeration servicing and solvent sectors

VII Sector plan for the phase-out of methyl bromide (MB) production

77. The Executive Committee agreed to consider under the IAP all parts except for parts IV and V which would be considered during the postponed 86th meeting.

Part I: Stage I of the HCFC phase-out management plan

78. An overview of stage I including a summary of the status of implementation of the six sector plans was presented in paragraphs 3 to 14 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

79. The Executive Committee decided to request the Treasurer to offset the interest accrued by the Government of China up to 31 December 2019 from funds previously transferred for the implementation of sector plans under stages I and II of the HCFC phase-out management plan (HPMP), as per decisions 69/24 and 77/49(b)(iii), as follows:

(a) To request the Treasurer to offset future transfers to UNIDO by US $5,665 representing interest accrued by the Government of China up to 31 December 2019 from funds previously transferred for the implementation of the extruded polystyrene foam sector plan under stages I and II of the HCFC phase-out management plan (HPMP), as per decisions 69/24 and 77/49(b)(iii);

(b) To request the Treasurer to offset future transfers to the World Bank by US $3,879, representing interest accrued by the Government of China up to 31 December 2019 from funds previously transferred for the implementation of the polyurethane foam sector plan under stages I and II of the HPMP, as decisions 69/24 and 77/49(b)(iii);

(c) To request the Treasurer to offset future transfers to UNDP by US $86,874, representing interest accrued by the Government of China up to 31 December 2019 from funds previously transferred for the implementation of the industrial and commercial refrigeration sector plan under stages I and II of the HPMP as per decisions 69/24 and 77/49(b)(iii);

(d) To request the Treasurer to offset future transfers to UNIDO by US $26,213, representing interest accrued by the Government of China up to 31 December 2019 from funds previously transferred for the implementation of the room air-conditioning sector plan under stage I and room air-conditioning manufacturing and heat pump water heaters sector plan under stage II of the HPMP, as per decisions 69/24 and 77/49(b)(iii);

(e) To request the Treasurer to offset future transfers to UNEP by US $7,472, representing interest accrued by the Government of China up to 31 December 2019 from funds
previously transferred for the implementation of the refrigeration servicing sector plan and the national enabling programme under stages I and II of the HPMP, as per decisions 69/24 and 77/49(b)(iii); and

(f) To request the Treasurer to offset future transfers to UNDP by US $891, representing interest accrued by the Government of China up to 31 December 2019 from funds previously transferred for the implementation of the solvent sector plan under stage II of the HPMP, as per decisions 69/24 and 77/49(b)(iii).

(Decision 86/xx)

Progress report on stage I of the room air-conditioning (RAC) sector plan (UNIDO)

80. Information relating to stage I of the RAC sector plan was set out in paragraphs 16 to 27 of document UNEP/OzL.Pro/ExCom/86/21/Add.1. Upon a comment by one member, UNIDO informed of the activities to enhance the market penetration of R-290 technology, including a research project initiated in October 2020 to review the supply chain and analyse the market situation, continued incremental costs subsidies, and additional focussed technical assistance activities during the implementation of stage II of the HPMP. Regarding remaining balances from other sectors under stage I, another member noted that the completion of stage I of the HPMP and the return of balances had already been included in the Agreement between the Government of China and the Executive Committee, and decisions for individual sector plans; subsequent to further consultations, UNIDO indicated that the Government of China agreed to retain the Secretariat’s recommendation as originally proposed.

81. The Executive Committee decided:

(a) To note the progress report on the implementation of the room air-conditioning (RAC) sector plan of stage I of the HCFC phase-out management plan (HPMP), including the progress on the effect of the incremental-operating-cost (IOC) incentive scheme on the market uptake of R-290 split air-conditioning units in China submitted by UNIDO in line with decision 84/68;

(b) To note the revision to the IOC incentive scheme for the RAC sector plan, as reflected in document UNEP/OzL.Pro/ExCom/86/21/Add.1;

(c) To approve the extension of implementation of the RAC sector plan of stage I of the HPMP to 31 December 2021, on an exceptional basis noting that the COVID-19 pandemic affected the manufacturing and marketing of R-290 RAC equipment, and on the understanding that no further extension would be requested, and that any remaining balances from other sectors under stage I that have been completed would be returned in line with the financial completion of those sectors; and

(d) To request the Government of China and UNIDO to submit progress reports on the implementation of the work programme associated with the final tranche of the RAC sector plan on a yearly basis through the completion of the project, the project completion report by 30 June 2022, and to return any remaining balances by 31 December 2022.

(Decision 86/xx)

Part II: Stage II of the HCFC phase-out management plan

82. Information relating to stage II of the HPMP was set out in paragraphs 28 to 51 of document UNEP/OzL.Pro/ExCom/86/21/Add.1. Several members raised questions on different aspects of the proposal.
83. Given the substantial reduction in funding for stage II of the HPMP for China, one member proposed to modify the Secretariat’s recommendation (b) to change the definition of a major change to 30 per cent of the last approved tranche in paragraph 7(a)(iv) of the draft revised Agreement between the Government, as proposed by the Government of China. Conversely, several members raised questions on the rationale, scope and consistency with decision 84/69 of changing the definition of a major change. UNDP as lead agency explained that the Government of China noted this change was consistent with the approved template of stage II of the HPMP for Article 5 countries, and additional flexibility was required to implement the six revised sector plans for stage II of the HPMP with a substantial funding reduction and a larger workload, including additional HCFC tonnage to be phase-out by the RAC, industrial and commercial refrigeration (ICR) and refrigeration and air-conditioning servicing sectors and enabling programme.

84. The Government of China also considered that the proposed definition of a major change was consistent with decision 84/69(a)(vii) requesting the submission of a draft revised Agreement reflecting only the relevant outcomes approved at the 84th meeting. Its understanding from decision 84/69(a)(iii) was that the submission of a draft revised Agreement was not limited to changes to Appendix 2-A given the substantial reduction of funding and the additional HCFC phase-out to be achieved during the 2021-2026 period. The Government of China also clarified that the 30 per cent threshold defining the major change would be applied to each tranche under each sector plan rather than to an entire tranche of the HPMP containing all sector tranches.

85. Upon further consultations, the Government of China reaffirmed that based on the revised sector plans for stage II of HPMP of China, China considered that there may be a need for more flexibility in implementation, particularly for the sector plans with a relatively smaller amount of funding in one tranche in light of the strict schedule of HCFC phase-out and challenges associated with promoting environmentally friendly alternatives. However, in view of the comments and concerns raised by a number of Executive Committee members on this issue, and in the spirit of compromise, China agreed to maintain the definition of a major change in paragraph 7(a)(iv) in the Agreement approved at the 79th meeting. Accordingly, paragraph 51(b) of the recommendation in document UNEP/OzL.Pro/ExCom/86/21/Add.1 requesting the Executive Committee “whether to change the definition of a major change to 30 per cent of the last approved tranche in paragraph 7(a)(iv) of the draft revised Agreement”, was deleted.

86. Regarding the penalty specified in Appendix 7-A of the Agreement, one member proposed that the penalty be adjusted to US $40.32/ODP kg, given that the actual phase-out amount of HCFC-141b in the revised stage II of the HPMP for China would be 4,903.7 ODP tonnes. The Secretariat clarified that the same methodology was used to calculate the penalty as for stage I (67th meeting) and stage II (79th meeting), and for other non-low-volume-consuming (LVC) countries, using the HCFC tonnage to be phased out during the stage, as reflected in rows 4.1.1, 4.2.1, 4.3.1, 4.4.1, 4.5.1 and 4.6.1 of Appendix 2-A of the Agreement. Noting that there were no changes between stage II and the adjusted stage II in the tonnage of HCFC-141b to be phased out, the Secretariat used as reference the same value for HCFC-141b in line 4.4.1 of the Agreement (4,187.18 ODP tonnes), obtaining a penalty of US $42.82/ODP kg. Subsequent to further consultations, UNDP informed that while the Government of China expressed a different understanding on the calculation of the penalty clause, it could agree to the Secretariat’s calculation of the penalty clause at US $42.82/ODP kg.

87. The representative of Japan expressed support for the revised plan and recommendations for stage II of the HPMP for China and agreed with the revised sector plan for bilateral cooperation contributed by Japan, on the understanding that the agreed contribution by Japan to the 2021 tranche was US $240,000, plus US $31,200 agency support costs, and would never be increased for any reason.

88. In response to a query from one member, the Secretariat clarified that the reason for the difference in phase-out in the production and consumption sectors was due to the production of HCFCs for export. China’s HCFC production for controlled uses is intended for both China’s domestic market and export markets; accordingly, the strategy used to develop stage II of the HPMP has taken into account future
demand for HCFCs in China and importing countries. In responding to a question about how the phase-out strategy envisaged to synchronise production and consumption sectors and addressed a smooth parallel HCFC phase-out, UNDP explained that in the HPPMP, HCFCs will be phased out through total and domestic production quota reductions and the closure of production lines. The domestic production quota is used to control total HCFC quantities produced and sold in the domestic market and is synchronized with the HCFC reduction target in the consumption sectors. In the consumption sectors, actions including manufacturing line conversions and policy measures will be taken to phase out HCFCs in line with the consumption sector targets specified in the Agreement.

89. Noting that in 2019 the servicing sector appeared to consume 20-25 per cent of the HCFC production in the country, and additional leakage accruing from industrial and solvent processes, one member asked for additional information on the strategy to address those issues. UNEP explained that the revised extended action plan for the refrigeration servicing sector will reduce HCFC consumption through reduction of refrigerant leakage during operation of the equipment by improving equipment installation, maintenance and servicing quality; reduction of the use and emission of HCFCs during equipment servicing and maintenance by implementing good practices, and recovering and reusing refrigerant during the process; and prohibition of direct release of refrigerant by establishing strict regulations and standards, and reduction of direct emission of refrigerant from end-of-life equipment by building HCFC refrigerant reclamation and disposal systems. These approaches will be supported with the policies, regulations, standards, qualification certification, training, refrigerant life-cycle management systems, and outreach activities that will be carried out in stage II, as well as capacity-building activities at the national and local level.

90. Regarding the proposal by a member of introducing building standards (such as Building Research Establishment Environmental Assessment Method (BREEAM)), UNEP informed that the Government of China appreciated the idea of linking to the building codes under stage II of the HPMP, and informed it will take building standards into consideration during implementation. China’s Green Building Standard currently includes consideration of the energy efficiency of cooling equipment, but does not yet include the refrigerant choice. However, China has already been conducting “Dual Certification” of the China Green Building Label with UK BREEAM, German Sustainable Building Council (DGNB) and French High Quality Environmental (HQE) standard, respectively.

91. The same member also asked about the strategy and action plan in the manufacturing sector to address a promotion of energy efficient and less leakage-prone alternatives, such as introduction of zero to low-GWP alternative technologies and processes, including not-in-kind technologies, and welcomed updates on the activities taken in relation to not-in-kind technologies in upcoming tranche requests. UNDP explained that in the revised sector plans of the manufacturing sectors, various low-GWP alternatives have been chosen to replace HCFCs based on the specific situation of each sector. China is open to the selection of alternative technologies and welcomes low-GWP alternative technologies and processes, including not-in-kind technologies. Activities in relation to not-in-kind technologies will be further developed in the tranche requests for the relevant sectors.

92. Subsequently, the Executive Committee decided:

(a) To note:

(i) The revised extended plans of action for the industrial and commercial refrigeration, room air-conditioning manufacturing and heat pump water heaters and refrigeration servicing sectors and national enabling programme submitted in line with decision 84/69(a)(iii) and the revised plans of action for the extruded polystyrene foam, polyurethane foam and solvent sectors submitted in line with decision 84/69(a)(iv);
(ii) The draft revised Agreement between the Government of China and the Executive
Committee reflecting only the relevant outcomes approved at the 84th meeting or
those relevant to decision 84/69(a)(iii), (iv) and (vii); and

(b) To approve the revised Agreement between the Government of China and the Executive
Committee for the implementation of stage II of the HCFC phase-out management plan
contained in Annex VIII to the present report.

(Decision 86/xx)

Part III: Revised sector plans for stage II of the HPMP for China

Revised extended industrial and commercial refrigeration sector plan (UNDP)

93. Information relating to stage II of the ICR sector plan was set out in paragraphs 54 to 100 of
document UNEP/OzL.Pro/ExCom/86/21/Add.1.

94. The Executive Committee decided:

(a) To approve the revised plan of action to extend through 2026 stage II of the industrial and
commercial refrigeration and air-conditioning (ICR) sector plan, and the maximum
allowable sectoral consumption levels of HCFCs as described in
document UNEP/OzL.Pro/ExCom/86/21/Add.1; and

(b) To note that under stage II of the ICR sector plan, the Government of China agreed:

(i) That a maximum quantity of 1,463 metric tonnes (mt) in the unitary
air-conditioning (UAC) sub-sector could be converted to HFC-32;

(ii) That China would have flexibility to convert to alternatives with a lower
global-warming potential (GWP) than HFC-32 as long as the cost and tonnage to
be phased out remained the same;

(iii) That China would have flexibility to convert industrial and commercial heat pump
water heater (HPWH) lines to HFC-32 on the understanding that UAC, water
chiller (heat pump) and industrial and commercial HPWH conversions to HFC-32
combined would not exceed 1,463 mt;

(iv) That at least 30 per cent of the total phase-out of HCFC-22 from 2021-2026 funded
by the Multilateral Fund in the ICR sector would be from the conversion of
small- and medium-sized enterprises (i.e. those consuming 50 mt or less); and

(v) That, in sectors other than the UAC sub-sector, China would have flexibility to
select from among the low-GWP technologies identified in Table 3 of
paragraph 71 of document UNEP/OzL.Pro/ExCom/86/21/Add.1, excluding
HFC-32, and would make best efforts to ensure that the tonnage remained within
30 per cent of the amount specified for each technology in that table, at no
additional cost to the Multilateral Fund, and that any deviation from that range
would be reported to the Executive Committee for its consideration.

(Decision 86/xx)
Revised extended room air-conditioning manufacturing and heat pump water heaters sector plan (RAC sector plan) (UNIDO, Governments of Austria and Italy)

95. Information relating to stage II of the RAC sector plan was set out in paragraphs 101 to 138 of document UNEP/OzL.Pro/ExCom/86/21/Add.1. One member suggested deleting the recommendation related to the non-Article 5 ownership of any RAC manufacturing lines wishing to participate under the extended RAC sector plan since funding should be in accordance with policies of the Multilateral Fund. Subsequent to further consultations, the Government of China through UNDP expressed its flexibility to maintain the paragraph. Another member suggested maintaining the same cost-effectiveness of the conversions in the RAC sector plan for funded conversions as in the previous plan, which would imply a commitment to convert approximately 13 lines under stage II. While noting that stage II of the HPMP would likely entail the conversion of manufacturing lines with smaller capacity, which were less cost-effective; that the conversion cost per line was lower than under stage I; and that the focus of stage II had shifted to promoting the commercialization and market acceptance of RAC using R-290; the Government of China through UNIDO expressed its willingness to convert 12 manufacturing lines to R-290.

96. Subsequently, the Executive Committee decided:

(a) To approve the revised plan of action to extend through 2026 stage II of the room air-conditioning manufacturing (RAC) and heat pump water heaters (HPWH) sector plan (RAC sector plan), and the maximum allowable sectoral consumption levels of HCFC as described in document UNEP/OzL.Pro/ExCom/86/21/Add.1;

(b) To note that under stage II of the RAC sector plan, the Government of China agreed to convert at least:

(i) Twelve manufacturing lines for the production of RAC equipment to R-290;

(ii) Four compressor manufacturing lines to R-290; and

(iii) Three residential HPWH manufacturing lines to R-290;

(c) To request UNIDO to include in the request for the third tranche of the extended RAC sector plan to be submitted to the last meeting of 2021 information on the level of sales of R-290 RAC split units; and

(d) To note that the Government of China, through UNIDO, would inform the Executive Committee of the non-Article 5 ownership of any RAC manufacturing lines wishing to participate under the extended RAC sector plan, and to propose either a reallocation of those funds associated with the non-Article 5 ownership for other activities under the extended RAC sector plan, or to return the funds to the Multilateral Fund.

(Decision 86/xx)

Revised extended refrigeration servicing sector plan and national enabling programme (UNEP, the Governments of Germany and Japan)

97. Information relating to stage II of the refrigeration servicing sector plan and national enabling programme was set out in paragraphs 139 to 157 of documents UNEP/OzL.Pro/ExCom/86/21/Add.1. and Corr.1.

98. The Executive Committee decided to approve the revised plan of action to extend through 2026 stage II of the refrigeration servicing sector and national enabling programme sector plan submitted by
UNEP in line with decision 84/69(a)(iii), as described in documents UNEP/OzL.Pro/ExCom/86/21/Add.1 and Corr.1.

(Decision 86/xx)

Revised extruded polystyrene (XPS) foam sector plan (UNIDO, Germany)

99. Information relating to stage II of the XPS foam sector plan was set out in paragraphs 158 to 186 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

100. The Executive Committee decided to approve the revised plan of action for stage II of the extruded polystyrene foam sector plan submitted by UNIDO in line with decision 84/69(a)(iv)b and (v) as described in document UNEP/OzL.Pro/ExCom/86/21/Add.1.

(Decision 86/xx)

Revised polyurethane (PU) foam sector plan (World Bank)

101. Information relating to stage II of the PU foam sector plan was set out in paragraphs 187 to 227 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

102. The Executive Committee decided to approve the revised plan of action for stage II of the polyurethane foam sector plan submitted by the World Bank in line with decision 84/69(a)(iv)b and (v), as described in document UNEP/OzL.Pro/ExCom/86/21/Add.1.

(Decision 86/xx)

Revised solvent sector plan (UNDP)

103. Information relating to stage II of the solvent sector plan was set out in paragraphs 228 to 250 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

104. The Executive Committee decided to approve the revised plan of action for stage II of the solvent sector plan submitted by UNDP in line with decision 84/69(a)(iv)b and (v) as described in document UNEP/OzL.Pro/ExCom/86/21/Add.1.

(Decision 86/xx)

Part VI: Financial audit reports for the CFC production, halon, PU foam, process agent II, refrigeration servicing and solvent sectors

105. Information relating to the financial audit reports for the CFC production, halon, PU foam, process agent II, refrigeration servicing and solvent sectors was set out in paragraphs 257 to 264 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

106. The Executive Committee decided:

(a) To note:

(i) The financial audit reports for the CFC production, halon, polyurethane (PU) foam, process agent II, solvent and servicing sectors in China, contained in document UNEP/OzL.Pro/ExCom/86/21/Add.1;
(ii) That the World Bank will return the remaining balances in the CFC production and PU foam sectors of US $314,015, and accumulated interest of US $22,119, to the 86th meeting;

(iii) That UNIDO will return the remaining balances in the refrigeration servicing sector plan of US $752, plus accumulated interest of US $99,178 to the 86th meeting;

(iv) That UNDP will return US $356,151, the accumulated interest from the solvent sector plan to the 86th meeting;

(b) To request the World Bank to submit the financial audit reports for the halon and process agent II sector plans that would be completed by 31 December 2020, in line with decision 84/39(b) to the 87th meeting together with the corresponding project completion reports (PCRs) and any remaining balances as at 31 December 2020; and

(c) To request the Senior Monitoring and Evaluation Officer to work with the relevant implementing agency to ensure that the PCRs submitted for the CFC production, PU foam, refrigeration servicing, and solvent sector plans reflect disbursements to final beneficiaries, consistent with the information provided in the financial audit reports submitted to the 86th meeting.

(Decision 86/xx)

Part VII: Sector plan for the phase-out of methyl bromide (MB) production

107. Information relating to the phase-out plan for MB production was set out in paragraphs 265 to 273 of document UNEP/OzL.Pro/ExCom/86/21/Add.1.

108. One member sought additional information on the 2014 case of illegal production of MB production and UNIDO informed that the illegal MB production facility had been dismantled and the MB illegally produced had been disposed, and that the case had been closed with the people involved prosecuted.

109. Upon comments made by another member, UNIDO provided additional information on the monitoring, reporting, and verification system in place to avoid the risk of illegal MB production, including the recording and management of MB production data, which is incorporated in the ODS monitoring and enforcement programme; and the ongoing establishment of an MB labelling and traceability system. With regard to atmospheric monitoring of MB, the Government of China was establishing an ODS atmospheric monitoring network in phases.

110. In view of the new information provided, one member felt the need to further discuss the matter when the next progress report on the phase-out plan for MB production would be submitted to the last meeting of 2021. In particular, the member would like to better understand the quantity of MB produced at the facility between 2011 and 2014 or a best estimate, the amount of MB that was destroyed to offset such production, whether MB was produced for controlled uses or other uses, whether the amounts produced and any amount subsequently destroyed were reported under Article 7 of the Protocol, and how these amounts related to the maximum allowable level of consumption under the Agreement with the Executive Committee. He further mentioned, that this was an example for why the Executive Committee should consider updating its monitoring, reporting, verification and enforcement procedures to ensure that the right framework and incentives are in place to prevent production and consumption of controlled substances that do not conform to active and completed agreements with the Executive Committee. Another member noted the information provided, and expressed his delegation’s wish for an opportunity for further discussions on
monitoring, reporting, and verification during the discussions of the Sub-group on the Production Sector, and referred to the importance of pertinent Executive Committee decisions on the matter.

111. The Executive Committee took note of the report on the status of implementation of the sector plan for the phase-out of methyl bromide (MB) production in China, and the update regarding the MB labelling and traceability system submitted by UNIDO, contained in document UNEP/OzL.Pro/ExCom/86/21/Add.1.

(c) 2020 consolidated project completion report

112. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/22.

113. The Executive Committee decided:

(a) To note the 2020 consolidated project completion report (PCR) contained in document UNEP/OzL.Pro/ExCom/86/22;

(b) To urge bilateral and implementing agencies to submit to the 87th meeting outstanding PCRs for multi-year agreements (MYAs) and individual projects, or to provide reasons for failing to submit such reports;

(c) To urge lead and cooperating agencies to coordinate their work closely in finalizing their portion of PCRs to allow the lead implementing agency to submit the completed PCRs on schedule;

(d) To urge bilateral and implementing agencies to enter clear, well-written and thorough lessons when submitting their PCRs; and

(e) To invite all those involved in the preparation and implementation of MYAs and individual projects to take into consideration the lessons learned from PCRs, if relevant, when preparing and implementing future projects.

(Decision 86/xx)

AGENDA ITEM 8: BUSINESS PLANNING

(b) Tranche submission delays

114. The Executive Committee considered the report on tranche submission delays contained in document UNEP/OzL.Pro/ExCom/86/24.

115. In response to a comment by one member, the Secretariat indicated that the rate of non-submission of tranches to the 86th meeting was 52.8 per cent. Another member drew attention of the Executive Committee to the need to consider flexibility in the tranche submissions of Article 5 countries as the uncertainties arising from the COVID-19 pandemic continue and countries did not have full knowledge about its consequences in the coming year.

116. The Executive Committee decided:

(a) To note:

(i) The report on tranche submission delays contained in document UNEP/OzL.Pro/ExCom/86/24;
(ii) The information on tranche submission delays under HCFC phase-out management plans (HPMPs) submitted by the Governments of Italy and Japan, and UNDP, UNEP, UNIDO and the World Bank;

(iii) That 42 out of 89 activities (29 out of 66 countries) related to tranches of HPMPs due for submission at the 86th meeting had been submitted on time;

(iv) That relevant bilateral and implementing agencies had indicated that the late submission of the tranches of HPMPs due for submission at the second meeting of 2020 would have no impact, or was unlikely to have an impact, on compliance with the Montreal Protocol, and that there was no indication that any of the countries concerned were in non-compliance with the Montreal Protocol control measures; and

(b) To request the Secretariat to send letters to the relevant Governments regarding the decisions on tranche submission delays contained in Annex IX to the present report.

(Decision 86/xx)

AGENDA ITEM 9: PROJECT PROPOSALS

(a) Overview of issues identified during project review

117. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/31.

118. With regard to the World Bank’s work programme amendments submitted but not issued, as presented in paragraphs 7 to 9 of document UNEP/OzL.Pro/ExCom/86/31, one member noted that funding preparation of an HFC phase-down plan for Malaysia was included in Table 1 of document UNEP/OzL.Pro/ExCom/86/31, which would allow its approval at the time when the policy for funding HFC preparation was approved. The member, noting that the preliminary data and request for authorization to carry out the technical audit of the HCFC production sector in India would be discussed during the meeting of the Sub-group on the Production Sector to be held at the postponed 86th meeting, urged the Sub-group to consider at the same time the funding for project preparation for the HPPMP for India, if and when an agreement on funding the technical audit was reached to allow both activities to be undertaken at the same time.

119. With regard to the requests for preparatory funding for HFC phase-down plans, presented in paragraphs 19 to 23 of document UNEP/OzL.Pro/ExCom/86/31, one member suggested that these requests be approved in principle prior to the approval of the relevant guidelines in order for Article 5 countries to start the preparation of their HFC phase-down plans as soon as possible; however, it was pointed out that these requests should only be considered in accordance with decision 84/54. In response to comments made by another member, the Secretariat confirmed that the requests presented for consideration contained sufficient information to enable their approval at the same meeting when the Executive Committee agreed on the funding structure for the preparation of HFC phase-down plans, in view of the past experience of approving project preparation for HPMPs.

120. Subsequently, the Executive Committee agreed to consider all issues presented in the document except for the requests for project preparation for HFC phase-down plans submitted as part of the work programme amendments of UNDP, UNEP and UNIDO for 2020 and for Malaysia submitted by the World Bank, which would be forwarded to the postponed 86th meeting for further consideration.

Potential delay in the implementation of time-sensitive HFC related activities

121. The issue was presented in paragraphs 24 to 27 of document UNEP/OzL.Pro/ExCom/86/31.
122. The Executive Committee decided to advise bilateral and implementing agencies to continue assisting all Article 5 countries in implementing the ongoing activities considering the constraints imposed by the COVID-19 pandemic, irrespective of their completion dates, and report back to the 87th meeting on those specific activities that require an extension of their completion dates.

(Decision 86/xx)

Consideration of the servicing tail in the context of the HPMP for the total phase-out of HCFCs

123. The issue was presented in paragraphs 28 to 33 of document UNEP/OzL.Pro/ExCom/86/31.

124. One member recalled that currently leakages indicated emissions in the order of 25 per cent; and that reliable monitoring, verification and reporting for both production and consumption would be necessary for ensuring compliance with paragraph 8 ter(e)(i) of Article 5 of the Protocol for the 2030 to 2040 period and beyond with restrictions to servicing refrigeration and air-conditioning equipment and fire suppression/protection equipment, solvent applications in rocket engine manufacturing and medical aerosol applications for the treatment of burns. The member further noted that all Article 5 countries would need to take into account the relevant paragraphs of decision XXX/2 in planning and implementing their HPMPs.

125. Another member noted that the recommendation for approval of new stages of HPMPs as drafted, did not include a plan of action to manage the servicing tail, and that those for non-LVC countries, would allow for completion of the Agreements prior to consumption being completely phased out. The member proposed modifications to the recommendation.

126. Subsequently, the Executive Committee decided:

(a) For all low-volume consuming countries that request funding for complete phase-out of HCFCs, to allow for consideration of the final tranche of its HPMP, that the relevant Government should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and

(ii) The expected annual HCFC consumption in the country for the 2030-2040 period;

(b) For all other countries that request funding for complete phase-out of HCFCs, to allow for consideration of the final tranche of its HPMP, that the relevant Government should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period; and

(ii) If the country intends to have consumption in the period 2030-2040 in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030.

(Decision 86/xx)
Deadline for submission of projects (decisions 81/30(c)(ii) and 84/52)

127. The issue was presented in paragraphs 34 to 37 of document UNEP/OzL.Pro/ExCom/86/31.

128. The Executive Committee decided to review the submission deadlines agreed in decision 81/30 at a future meeting, instead of the 86th meeting, based on the analysis of how the revised submission deadlines were applied and whether they affected project submissions, to be prepared by the Secretariat in consultation with the bilateral and implementing agencies.

(Decision 86/xx)

Projects and activities submitted for blanket approval

129. Upon a comment by a member, the Secretariat provided additional information on the tranche requests for the HPMPs for Fiji (UNEP/OzL.Pro/ExCom/86/50), Kenya (UNEP/OzL.Pro/ExCom/86/57) and Mauritius (UNEP/OzL.Pro/ExCom/86/60), in particular the components relating to the end-user incentive schemes and confirmed that a detailed analysis of the information based on decision 84/84(c) had been undertaken.

130. The Executive Committee decided:

(a) To approve the projects and activities submitted for blanket approval at the levels of funding indicated in Annex X 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 following agreements had been updated:

(i) The Agreement between the Government of Fiji and the Executive Committee, based on the revised HCFC baseline for compliance, as contained in Annex XI to the present report;

(ii) The Agreement between the Government of North Macedonia and the Executive Committee, based on the extension of stage I of the established HCFC baseline for compliance, as contained in Annex XII to the present report;

(b) That, for projects related to renewal of institutional strengthening, blanket approval included approval of the observations to be communicated to recipient governments as contained in Annex XIII to the present report.

(Decision 86/xx)

(b) Bilateral cooperation

131. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/32, which contained requests from four bilateral agencies for HCFC-related projects for seven countries and one regional HPMP, and preparation of HFC phase-down plans for two countries.

132. Upon a comment by one member, the Government of Germany indicated that it would split the funding tranche approval for stage II of the HPMP for India without any implication on the implementation and would allocate the over-programming (amounting to US $117,742) to the triennium for 2021-2023 (see decision 86/xx below).
133. The Executive Committee decided to request the Treasurer to offset the costs of the bilateral projects approved at the 86th meeting as follows:

(a) US $423,603 (including agency support costs) against the balance of the bilateral contribution of the Government of Australia for 2020;
(b) US $687,810 (including agency support costs) against the balance of the bilateral contribution of the Government of France for 2020;
(c) US $3,227,427 (including agency support costs) against the balance of the bilateral contribution of the Government of Germany for 2018-2020; and
(d) US $124,300 (including agency support costs) against the balance of the bilateral contribution of the Government of Japan for 2020.

(Decision 86/xx)

(c) Amendments to work programmes

(i) UNDP’s work programme amendments for 2020

134. The Executive Committee considered documents UNEP/OzLt.Pro/ExCom/86/33 and Corr.1, which set out 18 activities, comprising six requests for renewal of institutional strengthening projects; one request for preparation of a verification report on HCFC consumption; and 11 requests for preparation of HFC phase-down management plans including three proposals submitted to the 85th meeting and deferred to the 86th meeting. All the requests, with the exception of the 11 requests for project preparation for HFC phase-down management plans, had been included in, and approved as part of, the list of projects submitted for blanket approval under agenda item 9(a), Overview of issues identified during project review.

(ii) UNEP’s work programme amendments for 2020

135. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/34, which set out 42 activities, comprising 13 requests for renewal of institutional strengthening projects; 13 requests for preparation of a verification report on HCFC consumption; five requests for preparation of stage II or stage III of HPMPs; and 11 requests for preparation of HFC phase-down management plans including one proposal submitted to the 85th meeting and deferred to the 86th meeting. All the requests, with the exception of the 11 requests for project preparation for HFC phase-down management plans, had been included in, and approved as part of, the list of projects submitted for blanket approval under agenda item 9(a), Overview of issues identified during project review.

(iii) UNIDO’s work programme amendments for 2020

136. The Executive Committee considered documents UNEP/OzL.Pro/ExCom/86/35 and Corr.1, which set out 21 activities, comprising five requests for renewal of institutional strengthening projects; two requests for preparation of a verification report on HCFC consumption; five requests for preparation of stage II or stage III of HPMPs; eight requests for preparation of HFC phase-down management plans including two proposals submitted to the 85th meeting and deferred to the 86th meeting; and one request for project preparation for conversion of HFC-134a (or R-410A) to R-290 in the manufacture of air-conditioning units at J.M. Group/Mina factory in Sudan, which was deferred to the 86th meeting. All the requests, with the exception of the eight requests for project preparation for HFC phase-down management plans, and the request for project preparation for HFC investment project in Sudan had been included in, and approved as part of, the list of projects submitted for blanket approval under agenda item 9(a), Overview of issues identified during project review.
137. One member referred to the project preparation request for an HFC investment project in Sudan, which was submitted to the IAP for the 85th meeting but was deferred for its consideration at the 86th meeting, anticipated to be held on November 2020. She proposed that the request be approved under the IAP established for the 86th meeting noting that the 86th meeting was delayed to March 2021 and that the funding request was consistent with all the decisions relevant for the preparation of HFC investment projects and would address the air-conditioning manufacturing sector, which had not yet been well represented in approved HFC investment projects. However, another member noted that the project preparation request was not included for consideration during the IAP and, therefore, would need to be considered individually.

(d) UNEP’s Compliance Assistance Programme budget for 2021

138. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/36.

139. The Executive Committee decided:

(a) To note the proposed three-year strategy for 2021-2023 and the 2021 work plan and budget for UNEP Compliance Assistance Programme (CAP) contained in document UNEP/OzL.Pro/ExCom/86/36;

(b) To note with appreciation that UNEP, recognizing that Article 5 and non-Article 5 countries are facing health, financial and social challenges because of the COVID-19 pandemic, and that CAP activities during 2020 were affected by this unprecedented crisis, will return to the 86th meeting, in advance of the completion of the 2020 work plan, on an exceptional basis and without setting a precedent, the uncommitted funding balance of US $1,074,023, plus agency support costs of US $85,922;

(c) To approve the CAP activities and budget for 2021 in the amount of US $9,974,000, plus agency support costs of 8 per cent amounting to US $797,920, as contained in Annex XIV to the present report, noting the adjustments proposed therein; and

(d) To further request UNEP, in future submissions of the CAP budget, to continue:

(i) Providing detailed information on the activities for which the global funds would be used;

(ii) Extending the prioritization of funding between CAP budget lines so as to accommodate changing priorities, and to provide details, pursuant to decisions 47/24 and 50/26, on the reallocations made;

(iii) Reporting on the current post levels of staff and informing the Executive Committee of any changes thereto, particularly with respect to any increased budget allocations; and

(iv) Providing a budget for the year in question, and a report on the costs incurred in the year prior to the last year, noting sub-paragraphs (c)(ii) and (c)(iii) above.

(Decision 86/xx)
(e) **2021 core unit costs for UNDP, UNIDO and the World Bank**

140. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/37.

141. The Executive Committee decided:

(a) To note:

(i) The report on the 2021 core unit costs for UNDP, UNIDO and the World Bank as contained in document UNEP/OzL.Pro/ExCom/86/37;

(ii) With appreciation, that the core unit operation of the World Bank was again below its budgeted level and that the Bank would be returning unused balances of US $43,894 to the Multilateral Fund at the 86th meeting;

(b) To approve the requested 2021 core unit budgets for:

(i) UNDP in the amount of US $2,113,148;

(ii) UNIDO in the amount of US $2,022,000; and

(iii) The World Bank in the amount of US $1,735,000; and

(c) To note that the levels for the 2021 core unit budgets indicated in sub-paragraph (b) above could be adjusted based on the outcomes of discussion of the Analysis of the administrative cost regime and core unit funding (decision 84/61(c)), at the 86th meeting in March 2021.

(Decision 86/xx)

(f) **Investment projects**

142. Executive Committee members agreed to consider during the IAP the investment projects submitted for individual consideration with all outstanding issues resolved.

143. The Executive Committee took note of the application of decision 86/xx on the servicing tail in requests for a new stage of HPMP with a complete phase-out of HCFCs.

**Stage I of HPMPs**

Syrian Arab Republic (the): HCFC phase-out management plan (stage I – first tranche) (UNEP and UNIDO)

144. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/76.

145. One member proposed to include an understanding of allowing the submission of investment projects during stage I of the HPMP on the eligibility of consumption to be phased out by the investment project.

146. Subsequently, the Executive Committee decided:

(a) To approve, in principle, stage I of the HCFC phase-out management plan (HPMP) for the Syrian Arab Republic for the period from 2020 to 2025 to reduce HCFC consumption by 67.5 per cent of the country’s baseline, in the amount of US $1,728,517, consisting of US $1,209,276, plus agency support costs of US $143,020 for UNEP, and US $351,608,
plus agency support costs of US $24,613 for UNIDO, noting that stage I of the HPMP also included US $1,465,361, plus agency support costs of US $109,902 for UNIDO, for an investment project for the phase-out of 12.88 ODP tonnes of HCFCs from the manufacture of unitary air-conditioning equipment and rigid polyurethane insulation panels, approved at the 62nd meeting;

(b) To note:

(i) That, with the amounts referred to in sub-paragraph (a) above, the total funding for stage I of the HPMP for the Syrian Arab Republic amounted to US $3,026,245, plus agency support costs of US $277,535;

(ii) That the revised starting point for sustained aggregate reduction in HCFC consumption was 135.03 ODP tonnes, calculated using actual consumption of 147.22 ODP tonnes and 122.83 ODP tonnes reported under Article 7 of the Montreal Protocol for 2009 and 2010, respectively;

(c) To note the deduction of 12.88 ODP tonnes of HCFCs from the starting point for sustained aggregate reduction in HCFC consumption for the investment project referred to in sub-paragraph (a) above, and deducting a further 16.98 ODP tonnes of HCFCs for the implementation of stage I of the HPMP;

(d) To approve the Agreement between the Government of the Syrian Arab Republic and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage I of the HPMP, contained in Annex XV to the present report;

(e) To allow the submission of investment projects during the implementation of stage I of the HPMP to phase out consumption in the manufacturing sector prior to 31 December 2023, on the understanding that the eligibility of the consumption associated with the investment projects would be reviewed upon the submission and the remaining consumption eligible for funding would be adjusted accordingly; and

(f) To approve the first tranche of stage I of the HPMP for the Syrian Arab Republic, and the corresponding tranche implementation plans, in the amount of US $642,848, consisting of US $238,428, plus agency support costs of US $28,199 for UNEP, and US $351,608, plus agency support costs of US $24,613 for UNIDO.

(Decision 86/xx)

Stage II of HPMPs

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

147. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/40, paragraphs 21 to 43.

148. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Botswana for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $1,148,400, consisting of US $640,000, plus agency support costs of US $80,400 for UNEP, and US $400,000, plus agency support costs of US $28,000 for UNIDO, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;
(b) To note the commitment of the Government of Botswana:

(i) To completely phase out HCFCs by 1 January 2030, and have no HCFC imports after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(ii) To impose a ban on the import and use of HCFC-141b for flushing by 1 January 2021 and a ban on imports of HCFC-based equipment by 1 January 2024;

(c) To deduct 7.15 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of Botswana and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XVI to the present report; and

(e) To allow for consideration of the final tranche of its HPMP, the Government of Botswana should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Botswana for the 2030-2040 period; and

(f) To approve the first tranche of stage II of the HPMP for Botswana, and the corresponding tranche implementation plan, in the amount of US $275,844, consisting of US $150,000, plus agency support costs of US $18,844 for UNEP, and US $100,000, plus agency support costs of US $7,000 for UNIDO.

(Decision 86/xx)

Brunei Darussalam: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNDP)

149. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/42.

150. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Brunei Darussalam for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $651,690, consisting of US $351,000, plus agency support costs of US $45,630 for UNEP, and US $234,000, plus agency support costs of US $21,060 for UNDP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Brunei Darussalam:

(i) To establish regulatory measures to ban the import of all types of HCFC-based refrigeration and air-conditioning equipment by 1 January 2026;
(ii) To completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) To deduct 3.96 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of Brunei Darussalam and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XVII to the present report;

(e) To allow for consideration of the final tranche of its HPMP, the Government of Brunei Darussalam should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Brunei Darussalam for the 2030-2040 period; and

(f) To approve the first tranche of stage II of the HPMP for Brunei Darussalam, and the corresponding tranche implementation plans, in the amount of US $180,473, consisting of US $149,100, plus agency support costs of US $19,383 for UNEP, and US $11,000, plus agency support costs of US $990 for UNDP.

(Decision 86/xx)

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

151. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/45.

152. The Executive Committee decided:

(a) To note with appreciation, the report provided by UNDP and the efforts made by the Government of Cuba and UNDP to discontinue the temporary use of a technology with high global-warming potential (GWP) and to introduce the approved low-GWP technology at the polyurethane foam enterprises Friarc and IDA, under stage I of the HCFC phase-out management plan (HPMP) for Cuba;

(b) To approve, in principle, stage II of the HPMP for Cuba for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $1,040,000, plus agency support costs of US $72,800 for UNDP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(c) To note the commitment of the Government of Cuba to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030 and 2040 where required, and consistent with the provisions of the Montreal Protocol;

(d) To deduct 10.97 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
To approve the Agreement between the Government of Cuba and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XVIII to the present report;

(f) To allow for consideration of the final tranche of its HPMP, the Government of Cuba should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Cuba for the 2030-2040 period; and

(g) Approve the first tranche of stage II of the HPMP for Cuba, and the corresponding tranche implementation plan, in the amount of US $260,000, plus agency support costs of US $18,200 for UNDP.

(Decision 86/xx)

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

153. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/47.

154. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Ecuador for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $1,257,600, consisting of US $1,075,000, plus agency support costs of US $75,250 for UNIDO, and US $95,000, plus agency support costs of US $12,350 for UNEP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Ecuador:

(i) To establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2023;

(ii) Not to issue any import quota for HCFC-141b contained in pre-blended polyols, except for a maximum of 0.86 ODP tonnes (7.78 metric tonnes) for spray foam for each year between 2021 and 2023;

(iii) To completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030 and 2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) To deduct 16.13 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To request the Government of Ecuador to submit, as part of stage II of the HPMP, a project proposal for the phase-out of HCFC-141b contained in imported pre-blended polyols for spray foam, in line with decision 81/47(c)(iii), noting that the Government of Ecuador has
deferred the enforcement of the import ban on HCFC-141b for spray foam from 1 January 2022 to 1 January 2024, in order to allow for the conversion of enterprises;

(e) To approve the Agreement between the Government of Ecuador and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XIX to the present report;

(f) To allow for consideration of the final tranche of its HPMP, the Government of Ecuador should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) Recognizing that the Government of Ecuador has requested funding commensurate with a low-volume consuming country, the expected annual HCFC consumption in Ecuador for the 2030-2040 period; and

(g) To approve the first tranche of stage II of the HPMP for Ecuador, and the corresponding tranche implementation plans, in the amount of US $314,683, consisting of US $268,750, plus agency support costs of US $18,813 for UNIDO, and US $24,000, plus agency support costs of US $3,120 for UNEP.

(Decision 86/xx)

Eswatini: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNDP)

155. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/49.

156. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Eswatini for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $602,600, consisting of US $350,000, plus agency support costs of US $45,500 for UNEP, and US $190,000, plus agency support costs of US $17,100 for UNDP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Eswatini to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) To deduct 1.11 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of Eswatini and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XX to the present report;
To allow for consideration of the final tranche of its HPMP, the Government of Eswatini should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Eswatini for the 2030-2040 period;

To approve the first tranche of stage II of the HPMP for Eswatini, and the corresponding tranche implementation plans, in the amount of US $133,600, consisting of US $70,000, plus agency support costs of US $9,100 for UNEP, and US $50,000, plus agency support costs of US $4,500 for UNDP.

(Decision 86/xx)

Gambia (the): HCFC phase-out management plan (stage II – first tranche) (UNEP and UNIDO)

The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/51, paragraphs 20 to 40.

The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for the Gambia for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $602,600, consisting of US $350,000, plus agency support costs of US $45,500 for UNEP, and US $190,000, plus agency support costs of US $17,100 for UNIDO, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of the Gambia to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) To deduct 0.98 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of the Gambia and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXI to the present report;

(e) To allow for consideration of the final tranche of its HPMP, the Government of the Gambia should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in the Gambia for the 2030-2040 period; and
(f) To approve the first tranche of stage II of the HPMP for the Gambia, and the corresponding tranche implementation plans, in the amount of US $211,100, consisting of US $100,000, plus agency support costs of US $13,000 for UNEP, and US $90,000, plus agency support costs of US $8,100 for UNIDO.

(Decision 86/xx)

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

159. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/52.

160. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Guatemala for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $670,025, consisting of US $462,500, plus agency support costs of US $32,375 for UNIDO, and US $155,000, plus agency support costs of US $20,150 for UNEP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Guatemala:

(i) To reduce HCFC consumption by 45 per cent of the country’s baseline by 2022, 67.5 per cent by 2025 and 85 per cent by 2028 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(ii) To issue a ban on the import of HCFC-141b for flushing from 1 January 2021; and

(iii) To establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024;

(c) To deduct 5.4 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of Guatemala and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXII to the present report;

(e) To allow for consideration of the final tranche of its HPMP, the Government of Guatemala should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Guatemala for the 2030-2040 period; and

(f) To approve the first tranche of stage II of the HPMP for Guatemala, and the corresponding tranche implementation plans, in the amount of US $187,262, consisting of US $129,600,
plus agency support costs of US $9,072 for UNIDO, and US $43,000, plus agency support costs of US $5,590 for UNEP.

(Decision 86/xx)

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

161. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/53, paragraphs 29 to 58.

162. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Honduras for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $1,262,430, consisting of US $994,500, plus agency support costs of US $69,615 for UNIDO, and US $175,500, plus agency support costs of US $22,815 for UNEP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Honduras:

(i) To reduce HCFC consumption by 50.2 per cent by 2022, 67.5 per cent by 2025, 86.4 per cent by 2028 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; and

(ii) To establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024;

(c) To deduct 11.71 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of Honduras and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXIII to the present report;

(e) To allow for consideration of the final tranche of its HPMP, the Government of Honduras should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Honduras for the 2030-2040 period; and

(f) To approve the first tranche of stage II of the HPMP for Honduras, and the corresponding tranche implementation plans, in the amount of US $240,735, consisting of US $197,000, plus agency support costs of US $13,790 for UNIDO, and US $26,500, plus agency support costs of US $3,445 for UNEP.

(Decision 86/xx)
Jamaica: HCFC phase-out management plan (stage II – first tranche) (UNDP)

163. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/56.

164. The Executive Committee decided:

(a) To note that the revised starting point for sustained aggregate reduction in HCFC consumption for Jamaica was 10.58 ODP tonnes, based on the best estimates of consumption in the country in 2009 and 2010; and that the maximum remaining funding for which the country was eligible for the total phase-out of HCFCs was US $390,000, based on the difference between the maximum level of funding eligible for the complete phase-out of US $950,000 in line with decision 74/50(c)(xii) and the funding approved under stage I of US $560,000;

(b) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Jamaica for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $390,000, plus agency support costs of US $27,300 for UNDP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(c) To note the commitment of the Government of Jamaica:

(i) To completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(ii) To prohibit import of HCFC-based equipment by 1 January 2026;

(d) To deduct 2.48 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(e) To request the Government of Jamaica and UNDP to provide, to the 87th meeting, an update on the status of implementation of the measures for strengthening the licensing and quota system and monitoring and reporting of HCFC consumption recommended in the verification report submitted to the 85th meeting;

(f) To approve the Agreement between the Government of Jamaica and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXIV to the present report;

(g) To allow for consideration of the final tranche of its HPMP, the Government of Jamaica should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Jamaica for the 2030-2040 period; and
To approve the first tranche of stage II of the HPMP for Jamaica, and the corresponding tranche implementation plan, in the amount of US $117,000, plus agency support costs of US $8,190 for UNDP.

(Decision 86/xx)

Lao People’s Democratic Republic (the): HCFC phase-out management plan (stage II – first tranche) (UNEP and UNDP)

165. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/58.

166. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for the Lao People’s Democratic Republic for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $580,096, consisting of US $332,400, plus agency support costs of US $43,212 for UNEP, and US $187,600, plus agency support costs of US $16,884 for UNDP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of the Lao People’s Democratic Republic:

(i) To completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(ii) To ban the import of all types of HCFC-based equipment from 1 January 2023;

(c) To deduct 1.50 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding, and 3.24 ODP tonnes of HCFC-141b contained in the imported pre-blended polyols phased out without assistance from the Multilateral Fund, as there has not been any consumption of this substance since 2014;

(d) To approve the Agreement between the Government of the Lao People’s Democratic Republic and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXV to the present report;

(e) To allow for consideration of the final tranche of its HPMP, the Government of the Lao People’s Democratic Republic should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Lao People’s Democratic Republic for the 2030-2040 period; and

(f) To approve the first tranche of stage II of the HPMP for the Lao People’s Democratic Republic, and the corresponding tranche implementation plans, in the amount of US $236,862, consisting of US $106,400, plus agency support costs of US $13,832 for UNEP, and US $107,000, plus agency support costs of US $9,630 for UNDP.

(Decision 86/xx)
Mongolia: HCFC phase-out management plan (stage II – first tranche) (UNEP and the Government of Japan)

167. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/61.

168. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Mongolia for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $610,200, consisting of US $370,000, plus agency support costs of US $48,100 for UNEP, and US $170,000, plus agency support cost of US $22,100 for the Government of Japan, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Mongolia:

(i) To reduce HCFC consumption by 78.6 per cent of the country’s baseline by 1 January 2025 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; and

(ii) To ban the import of HCFC-based refrigeration and air-conditioning equipment by 1 January 2022;

(c) To deduct 0.40 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of Mongolia and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXVI to the present report;

(e) To allow for consideration of the final tranche of its HPMP, the Government of Mongolia should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Mongolia for the 2030-2040 period; and

(f) To approve the first tranche of stage II of the HPMP for Mongolia, and the corresponding tranche implementation plans, in the amount of US $255,380, consisting of US $116,000, plus agency support costs of US $15,080 for UNEP, and US $110,000, plus agency support costs of US $14,300 for the Government of Japan.

(Decision 86/xx)

Nepal: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNDP)

169. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/63, paragraphs 28 to 49.
The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Nepal for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $601,560, consisting of US $324,000, plus agency support costs of US $42,120 for UNEP, and US $216,000, plus agency support costs of US $19,440 for UNDP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Nepal to reduce HCFC consumption by 43 per cent of the country’s baseline by 1 January 2021, 67.5 per cent by 1 January 2025 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) To deduct 0.63 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of Nepal and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXVII to the present report;

(e) To allow for consideration of the final tranche of its HPMP, the Government of Nepal should submit:

   (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

   (ii) The expected annual HCFC consumption in Nepal for the 2030-2040 period; and

(f) To approve the first tranche of stage II of the HPMP for Nepal, and the corresponding tranche implementation plans, in the amount of US $242,740, consisting of US $128,000, plus agency support costs of US $16,640 for UNEP, and US $90,000, plus agency support costs of US $8,100 for UNDP.

(Decision 86/xx)

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

The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/64, paragraphs 25 to 47.

The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Nicaragua for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $636,926, consisting of US $182,931, plus agency support costs of US $23,781 for UNEP, and US $402,069, plus agency support costs of US $8,100 for UNIDO, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;
(b) To note the commitment of the Government of Nicaragua:

(i) To ban the import of HCFC-based refrigeration and air-conditioning (RAC) equipment by 30 June 2022;

(ii) To implement a regulation requiring the recovery of HCFC-22 during the servicing of RAC equipment, and a prohibition to vent HCFC-22 during installation, servicing and decommissioning of end-of-life equipment by 30 June 2022;

(iii) To implement the RAC technician certification scheme by 30 June 2022, and to train and certify 1,400 RAC technicians by 30 June 2023;

(iv) To implement a regulation to only allow the sale of HCFCs to certified technicians by 31 December 2023;

(v) To reduce HCFC consumption by 41 per cent by 1 January 2022, 44 per cent by 1 January 2023, 67.5 per cent by 1 January 2025, 72 per cent by 1 January 2026, and 85 per cent by 1 January 2028; and

(vi) To completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) To deduct 4.36 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of Nicaragua and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXVIII to the present report;

(e) To allow for consideration of the final tranche of its HPMP, the Government of Nicaragua should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Nicaragua for the 2030-2040 period; and

(f) To approve the first tranche of stage II of the HPMP for Nicaragua, and the corresponding tranche implementation plans, in the amount of US $159,257, consisting of US $46,158, plus agency support costs of US $6,001 for UNEP, and US $100,092, plus agency support costs of US $7,006 for UNIDO.

(Decision 86/xx)

Pacific Island countries (Cook Islands, Kiribati, Marshall Islands, Micronesia (Federated States of), Nauru, Niue, Palau, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu) (HCFC phase-out management plan (stage II – first tranche) (UNEP and the Government of Australia)

173. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/67.
174. Upon comments by one member, the Secretariat provided clarification on the application of the Agreement between the 12 countries and the Executive Committee, in particular the legal aspects relating to non-compliance, penalty, and monitoring, verification and reporting, and confirmed that the reporting requirement pursuant to decision 57/9(e) had been met when stage I of the HPMP was submitted.

175. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for the Pacific Island Countries (PICs) for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $5,404,992, consisting of US $4,278,400, plus agency support costs of US $550,492 for UNEP, and US $510,000, plus agency support costs of US $66,100 for the Government of Australia, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of each of the Governments of the 12 PICs to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) To deduct 2.17 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of the PICs and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXIX to the present report;

(e) To allow for consideration of the final tranche of its HPMP, the Governments of the 12 PICs should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in each of the 12 PICs for the 2030-2040 period; and

(f) To approve the first tranche of stage II of the HPMP for the PICs, and the corresponding tranche implementation plans, in the amount of US $2,868,472, consisting of US $2,165,400, plus agency support costs of US $279,469 for UNEP, and US $375,000, plus agency support costs of US $48,603 for the Government of Australia.

(Question 86/xx)

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

176. Information relating to the HPMP was presented in document UNEP/OzL.Pro/ExCom/86/70 in paragraphs 21 to 45.

177. One member had a number of questions about the project proposal that would require further discussions with the Executive Committee and the implementing agency.
178. Another member noted that the Government of Qatar has committed to implement a ban on disposable refrigerant cylinders, an e-licensing system, a certification scheme for service technicians in the refrigeration and air-conditioning sector, and good servicing practices in the refrigeration and air-conditioning sector by 1 January 2023. Noting also the growth in HCFC consumption, the member suggested that the Government of Qatar do its utmost to curb that growth as early as possible, and also suggested that UNEP and UNIDO assist the Government to do so.

179. Subsequently, stage II of the HPMP for Qatar would be submitted to the postponed 86th meeting for individual consideration.

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

180. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/72.

181. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Rwanda for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $580,800, consisting of US $350,000, plus agency support costs of US $45,500 for UNEP, and US $170,000, plus agency support costs of US $15,300 for UNIDO, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Rwanda to reduce HCFC consumption by 51 per cent of the country’s baseline by 1 January 2021, 67.5 per cent by 1 January 2025 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) Further to note the commitment of the Government of Rwanda to implement regulations for the national product registration and certification of refrigeration service technicians by 1 January 2024;

(d) To deduct 2.66 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(e) To approve the Agreement between the Government of Rwanda and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXX to the present report;

(f) To allow for consideration of the final tranche of its HPMP, the Government of Rwanda should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Rwanda for the 2030-2040 period; and

(g) To approve the first tranche of stage II of the HPMP for Rwanda, and the corresponding tranche implementation plans, in the amount of US $178,000, consisting of US $90,000,
plus agency support costs of US $11,700 for UNEP, and US $70,000, plus agency support costs of US $6,300 for UNIDO.

(Decision 86/xx)

Sri Lanka: HCFC phase-out management plan (stage II – first tranche) (UNDP and UNEP)

182. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/74.

183. One member requested additional information on the submission of the updated verification report, based on which the member recognised the urgent need for providing further assistance to avoid disruption in implementation of further activities and revised the recommendation.

184. Subsequently, the Executive Committee decided:

(a) To approve in principle stage II of the HCFC phase-out management plan (HPMP) for Sri Lanka for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $1,137,700, consisting of US $625,000 plus agency support costs of US $43,750 for UNDP, and US $415,000 plus agency support costs of US $53,950 for UNEP, on the understanding that no more funding would be provided by the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Sri Lanka to completely phase out HCFCs by 1 January 2030, and that HCFC would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) To deduct 9.14 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To request UNDP to submit the revised verification report on the HCFC consumption for Sri Lanka for 2016-2019 to the Secretariat no later than 15 January 2021;

(e) To approve the draft Agreement between the Government of Sri Lanka and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXI to the present report; and

(f) To allow for consideration of the final tranche of its HPMP, the Government of Sri Lanka should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Sri Lanka for the 2030-2040 period; and

(g) To approve the first tranche of stage II of the HPMP for Sri Lanka, and the corresponding tranche implementation plans, in the amount of US $458,238, consisting of US $216,200 plus agency support costs of US $15,134 for UNDP, and US $200,800 plus agency support costs of US $26,104 for UNEP on the understanding that the approved funds would not be transferred to UNDP and UNEP until the Secretariat had reviewed the revised verification report of HCFC consumption for 2016-2019 and confirmed that the Government of Sri Lanka was in compliance with the Montreal Protocol and the Agreement between the
Government and the Executive Committee for stage I of the HPMP, and in the event of non-compliance, relevant actions would be taken by the Executive Committee at its postponed 86th meeting.

(Decision 86/xx)

Trinidad and Tobago: HCFC phase-out management plan (stage II – first tranche) (UNDP)

The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/77, paragraphs 22 to 51.

The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Trinidad and Tobago for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $1,662,520, plus agency support costs of US $116,376 for UNDP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Trinidad and Tobago to reduce HCFC consumption by 38 per cent of the country’s baseline by 1 January 2021, 67.5 per cent by 1 January 2025, 97.5 per cent by 2028 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030–2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) Further to note that the Government of Trinidad and Tobago would implement regulations to prohibit import of components for HCFC-based equipment by 1 January 2025, after necessary national consultations;

(d) To deduct 28.30 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(e) To approve the Agreement between the Government of Trinidad and Tobago and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXII to the present report;

(f) To allow for consideration of the final tranche of its HPMP, the Government of Trinidad and Tobago should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) If Trinidad and Tobago intended to have consumption in the period 2030-2040 in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to the Agreement referred to in sub-paragraph (e) above covering the period beyond 2030; and

(g) To approve the first tranche of stage II of the HPMP for Trinidad and Tobago, and the corresponding tranche implementation plan, in the amount of US $498,756, plus agency support costs of US $34,913 for UNDP.

(Decision 86/xx)
Turkmenistan: HCFC phase-out management plan (stage II – first tranche) (UNIDO)

187. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/78.

188. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Turkmenistan for the period from 2020 to 2025 to reduce HCFC consumption by 67.5 per cent of the country’s baseline, in the amount of US $308,500, plus agency support costs of US $21,595 for UNIDO;

(b) To deduct 2.21 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(c) To approve the Agreement between the Government of Turkmenistan and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXIII to the present report; and

(d) To approve the first tranche of stage II of the HPMP for Turkmenistan, and the corresponding tranche implementation plan, in the amount of US $165,000, plus agency support costs of US $11,550 for UNIDO.

(Decision 86/xx)

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

189. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/79.

190. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Uganda for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $471,470, consisting of US $260,000, plus agency support costs of US $33,800 for UNEP, and US $163,000, plus agency support costs of US $14,670 for UNIDO, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Uganda to reduce HCFC consumption by 50 per cent of the country’s baseline by 1 January 2021, 67.5 per cent by 1 January 2025 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030–2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) Further to note that the Government of Uganda would implement regulations to prohibit import and sale of HCFC-based equipment by 1 January 2024 and enforce national standards for refrigeration and air-conditioning equipment using energy efficient low-global-warming potential technologies from 1 January 2024, after necessary national consultations;

(d) To deduct 0.13 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
To approve the Agreement between the Government of Uganda and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXIV to the present report;

To allow for consideration of the final tranche of its HPMP, the Government of Uganda should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Uganda for the 2030-2040 period; and

To approve the first tranche of stage II of the HPMP for Uganda, and the corresponding tranche implementation plans, in the amount of US $136,470, consisting of US $60,000, plus agency support costs of US $7,800 for UNEP, and US $63,000, plus agency support costs of US $5,670 for UNIDO.

(Decision 86/xx)

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

191. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/81.

192. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Zambia for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $653,490, consisting of US $396,000, plus agency support costs of US $51,480 for UNEP, and US $189,000, plus agency support costs of US $17,010 for UNIDO, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Zambia:

(i) To establish regulatory measures to ban the import of all types of HCFC-based refrigeration and air-conditioning equipment by 1 January 2025;

(ii) To reduce HCFC consumption by 50 per cent of the country’s baseline by 1 January 2021, 67.5 per cent by 1 January 2025, and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) To deduct 3.25 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of Zambia and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXV to the present report;

(e) To allow for consideration of the final tranche of its HPMP, the Government of Zambia should submit:
(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Zambia for the 2030-2040 period; and

(f) To approve the first tranche of stage II of the HPMP for Zambia, and the corresponding tranche implementation plans, in the amount of US $167,500, consisting of US $100,000, plus agency support costs of US $13,000 for UNEP, and US $50,000, plus agency support costs of US $4,500 for UNIDO.

(Decision 86/xx)

Zimbabwe: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNDP)

193. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/82, paragraphs 20 to 43.

194. The Executive Committee decided:

(a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Zimbabwe for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $1,148,400, consisting of US $640,000, plus agency support costs of US $80,400 for UNEP, and US $400,000, plus agency support costs of US $28,000 for UNDP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Zimbabwe to completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) To deduct 11.57 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of Zimbabwe and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in Annex XXXVI to the present report;

(e) To allow for consideration of the final tranche of its HPMP, the Government of Zimbabwe should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) The expected annual HCFC consumption in Zimbabwe for the 2030-2040 period; and

(f) To approve the first tranche of stage II of the HPMP for Zimbabwe, and the corresponding tranche implementation plans, in the amount of US $150,000,
plus agency support costs of US $18,844 for UNEP, and US $100,000, plus agency support costs of US $7,000 for UNDP.

(Decision 86/xx)

Stage III of HPMPs

Dominican Republic (the): HCFC phase-out management plan (stage III – first tranche) (UNDP and UNEP)

195. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/46, paragraphs 23 to 50.

196. The Executive Committee decided:

(a) To approve, in principle, stage III of the HCFC phase-out management plan (HPMP) for the Dominican Republic for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $2,894,888, consisting of US $2,412,020, plus agency support costs of US $168,841 for UNDP, and US $277,900, plus agency support costs of US $36,127 for UNEP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of the Dominican Republic:

(i) To reduce HCFC consumption by 97.5 per cent of the country’s baseline by 1 January 2028 and completely phase out HCFCs by 1 January 2030, and that HCFCs would not be imported after that date, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol; and

(ii) To establish a mandatory certification system for service technicians by 2025;

(c) To deduct 28.02 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of the Dominican Republic and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage III of the HPMP, contained in Annex XXXVII to the present report;

(e) To allow for consideration of the final tranche of its HPMP, the Government of the Dominican Republic should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) If the Dominican Republic intended to have consumption in the period 2030-2040 in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to the Agreement referred to in sub paragraph (d) above covering the period beyond 2030; and

(f) To approve the first tranche of stage III of the HPMP for the Dominican Republic, and the corresponding tranche implementation plans, in the amount of US $723,722, consisting of
US $603,005, plus agency support costs of US $42,210 for UNDP, and US $69,475, plus agency support costs of US $9,032 for UNEP.

(Decision 86/xx)

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

197. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/68.

198. The Executive Committee decided:

(a) To approve, in principle, stage III of the HCFC phase-out management plan (HPMP) for Panama for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $1,292,500, plus agency support costs of US $90,475 for UNDP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Panama:

(i) To reduce HCFC consumption by 97.5 per cent of the country’s baseline by 2028 and completely phase out HCFCs by 1 January 2030, after which date HCFCs would not be imported, except for the allowance for a servicing tail between 2030 and 2040 where required, and consistent with the provisions of the Montreal Protocol;

(ii) To establish regulatory measures to control intended emissions of refrigerant during installation, servicing and decommissioning by 1 January 2024;

(c) Further to note that the second tranche of stage III of the HPMP for Panama would only be considered upon completion of stage II of the HPMP and submission of the project completion report;

(d) To deduct 13.39 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(e) To approve the Agreement between the Government of Panama and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage III of the HPMP, contained in Annex XXXVIII to the present report;

(f) To allow for consideration of the final tranche of its HPMP, the Government of Panama should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) If Panama intended to have consumption in the period 2030-2040 in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to the Agreement referred to in sub-paragraph (e) above covering the period beyond 2030; and
(g) To approve the first tranche of stage III of the HPMP for Panama, and the corresponding tranche implementation plan, in the amount of US $206,800, plus agency support costs of US $14,476 for UNDP.

(Decision 86/xx)

Uruguay: HCFC phase-out management plan (stage III – first tranche) (UNDP)

199. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/80.

200. The Executive Committee decided:

(a) To approve, in principle, stage III of the HCFC phase-out management plan (HPMP) for Uruguay for the period from 2020 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $1,289,170, plus agency support costs of US $90,242 for UNDP, on the understanding that no more funding would be provided from the Multilateral Fund for the phase-out of HCFCs;

(b) To note the commitment of the Government of Uruguay to reduce HCFC consumption by 97.5 per cent of the country’s baseline by 1 January 2028 and completely phase out HCFCs by 1 January 2030, after which date HCFCs would not be imported, except for the allowance for a servicing tail between 2030-2040 where required, and consistent with the provisions of the Montreal Protocol;

(c) To deduct 13.43 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) To approve the Agreement between the Government of Uruguay and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage III of the HPMP, contained in Annex XXXIX to the present report;

(e) To allow for consideration of the final tranche of its HPMP, the Government of Uruguay should submit:

(i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the 2030-2040 period;

(ii) If Uruguay intended to have consumption in the period 2030-2040 in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to the Agreement referred to in sub-paragraph (d) above covering the period beyond 2030; and

(f) To approve the first tranche of stage III of the HPMP for Uruguay, and the corresponding tranche implementation plan, in the amount of US $350,601, plus agency support costs of US $24,542 for UNDP.

(Decision 86/xx)
Tranche requests of stage II of HPMPs

Brazil: HCFC phase-out management plan (stage II – fourth tranche) (UNDP, UNIDO and the Governments of Germany and Italy)

201. The Executive Committee considered documents UNEP/OzL.Pro/ExCom/86/41 and Corr.1.

202. The Executive Committee decided:

(a) To note:

(i) The progress report on the implementation of the third tranche of stage II of the HCFC phase-out management plan (HPMP) for Brazil;

(ii) That US $3,895,000, plus agency support costs of US $272,650 for UNDP, associated with the funding tranche for 2020 would be requested in 2021;

(iii) That the three enterprises Climazon, Elgin and Gree that were included in the room air-conditioning (AC) manufacturing sector, had converted with their own resources to R-410A technology, resulting in the phase-out of 823.80 mt (45.31 ODP tonnes) of HCFC-22;

(iv) That the funding balance of US $7,147,469, plus agency support costs of US $500,323 for UNIDO, associated with the conversion of the enterprises referred to in sub-paragraph (a)(iii) above, would be deducted from stage II of the HPMP as follows:
   a. US $744,104, plus agency support cost of US $52,087 for UNIDO, had been returned to the 86th meeting;
   b. US $3,619,365, plus agency support cost of US $253,356 for UNIDO would be deducted from the funding tranche for 2020;
   c. US $1,784,000, plus agency support cost of US $124,880 for UNIDO would be deducted from the funding tranche for 2021;
   d. US $1,000,000, plus agency support cost of US $70,000 for UNIDO would be deducted from the funding tranche for 2022;

(v) That US $100,000, plus agency support cost of US $7,000 for UNIDO, associated with the adjustment to the project management unit due to the adjustment in the room AC manufacturing sector referred to in sub-paragraph (a)(iii) above, would be deducted from the funding tranche for 2021;

(vi) That the Fund Secretariat has updated the Agreement between the Government of Brazil and the Executive Committee, as contained in Annex XL to the present report, specifically: Appendix 2-A, based on the postponement of the funding tranche for 2020 to 2021 referred to in sub-paragraph (a)(ii) above, and the reduction of UNIDO’s component due to the removal of the three room AC enterprises referred to in sub-paragraphs (a)(iii), (iv) and (v) above, and paragraph 16, modified to indicate that the updated Agreement supersedes that reached at the 82nd meeting;
(b) To request UNDP to continue assisting the Government of Brazil in securing the supply of alternative technologies with low-global-warming potential (GWP) to the systems house U-Tech, on the understanding that any incremental operating costs related to the conversion of froth system applications would not be paid under stage II until the technology originally selected or another technology with low GWP had been fully introduced, and to provide, at each meeting until the technology originally selected or another technology with low GWP had been fully introduced, a report on the status of the conversion, along with an update from the suppliers on the progress made towards ensuring that the selected technologies, including associated components, were available on a commercial basis in the country; and

(c) To approve the fourth tranche of stage II of the HPMP for Brazil, and the corresponding 2021-2022 tranche implementation plan, at the amount of US $1,004,545, plus agency support costs of US $111,800 for the Government of Germany.

(Decision 86/xx)

India: HCFC phase-out management plan (stage II – third tranche) (UNDP, UNEP and the Government of Germany)

203. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/54.

204. Upon comments by one member, additional information was provided on actual and expected fund disbursements as of 20 November 2020, reasons for the low disbursements and delays in implementation, activities in the manufacturing sectors to be implemented until the end of 2020 and a detailed implementation plan from January to March 2021.

205. The Executive Committee decided:

(a) To note the progress report on the implementation of the second tranche of stage II of the HCFC phase-out management plan (HPMP) for India;

(b) To note:

(i) That as part of the submission for the fourth and final tranche of stage II of the HPMP, the Government of India would either return US $709,493, plus agency support costs for UNDP associated with the non-Article-5 ownership of Subros Ltd, or propose to switch that enterprise with an alternate enterprise, at which time any adjustments to the funding level and remaining HCFC consumption eligible for phase-out would be made;

(ii) That the Government determined that the continuous-panel-manufacturing production lines of three enterprises initially included in stage II of the HPMP were not in compliance with the 1 January 2015 ban, excluded the conversion of these lines from the HPMP, and will return the disbursed amount of US $283,856 to the project, in line with decision 82/74(c);

(iii) That US $4,062,046, plus agency support costs of US $284,343, would be deducted from the approval for UNDP, in line with decision 77/43(d)(ii); and

(c) To approve the third tranche of stage II of the HPMP for India and the corresponding 2021-2022 tranche implementation plan in the amount of US $14,792,059, consisting of US $12,045,500, plus agency support costs of US $843,185 for UNDP, US $210,000, plus agency support costs of US $25,433 for UNEP and US $1,500,000, plus agency support
costs of US $167,941 for the Government of Germany, noting that for the amount approved for Germany, US $1,394,113, plus agency support costs of US $156,086, would be allocated to the 86th meeting, and US $105,887, plus agency support costs of US $11,855, to the 87th meeting.

(Decision 86/xx)

Lebanon: HCFC phase-out management plan (stage II – third tranche) (UNDP)

206. The Executive Committee considered document UNEP/OzL.Pro/ExCom/86/59.

207. One member noted with appreciation the implementation of stage II of the HPMP for Lebanon given its relatively fast implementation, and the successful conversion to lower-GWP alternatives of almost all the HCFC manufacturing sector, and that an enterprise that had been reported over several meetings to be temporarily using a high-GWP HFC was able to complete its conversion to HFOs.

208. The Executive Committee decided:

(a) To note the progress report on the implementation of the second tranche of stage II of the HCFC phase-out management plan (HPMP) for Lebanon;

(b) To note with appreciation, the report provided by UNDP and the efforts made by the Government of Lebanon and UNDP to discontinue the temporary use of a technology with high global-warming potential (GWP) and to introduce the approved low-GWP technology in both foam and room air-conditioning manufacturing sectors;

(c) To note that the ban on imports of HCFC-141b in bulk and contained in imported pre-blended polyols is postponed to 1 January 2021;

(d) To note the request of the Government of Lebanon to accelerate completion of stage II of its HPMP from 2025 to 2024;

(e) To note the commitment of the Government of Lebanon to reduce HCFC consumption by 62.5 per cent by 2022 and 75 per cent by 2024;

(f) To approve the revised duration of stage II of the HPMP from 2015 to 2024;

(g) To note that the Fund Secretariat has revised the Agreement between the Government of Lebanon and the Executive Committee, as contained in Annex XLI to the present report, specifically: paragraph 1 to revise the target consumption to be met by Lebanon in 2024, and Appendix 2-A to reflect the change of the duration of stage II, the change of the targets referred to in sub-paragraph (e) and the revised funding schedule to advance the funding tranche for 2021 to 2020 and 2024 to 2023, and paragraph 16 was added, to indicate that the revised updated Agreement superseded that reached at the 75th meeting; and

(h) To approve the third tranche of stage II of the HPMP for Lebanon and the corresponding 2020-2022 tranche implementation plan, at the amount of US $420,462, plus agency support costs of US $29,432, noting that recommendations from the verification of HCFC consumption will be implemented during the implementation of the third tranche of the HPMP.

(Decision 86/xx)
PART III SUB-GROUP ON THE PRODUCTION SECTOR

209. The Sub-group on the Production Sector met virtually on 1 December 2020 and had initial discussion on the updated 2018 verification report for the production sector for China, and the proposal for stage II of the HPPMP for China.

210. Subsequently, the facilitator of the Sub-group on the Production Sector submitted a summary of the initial discussion, as contained in Annex XLII to the present report, to the Chair of the Executive Committee, who then shared it with Executive Committee members on 11 December 2020, so that it could be used by the Sub-group on the Production Sector to conclude its discussions on the two items of the agenda, once reconstituted in 2021.