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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Eighty-seventh Meeting
Montreal, 28 June-2 July 2021

**UPDATE ON THE STATUS OF IMPLEMENTATION OF
THE 2021–2023 CONSOLIDATED BUSINESS PLAN OF THE MULTILATERAL FUND**

Introduction

1. This document consists of:

Part I: An update on the status of the implementation of the 2021–2023 business plans

Part II: Resource allocation for the 2018–2020 triennium

Part III: Reports on dialogues concerning qualitative performance indicators

Recommendation

Annex I: HFC-related activities submitted to the 87th meeting

**PART I: UPDATE ON THE STATUS OF THE IMPLEMENTATION OF THE 2021–2023
BUSINESS PLANS**

2. At its 86th meeting, the Executive Committee endorsed the 2021–2023 consolidated business plan of the Multilateral Fund. In response to decision 86/45, the Secretariat adjusted the consolidated 2021–2023 business plan, as shown in Table 1.

Table 1. Resource allocation of the adjusted 2021–2023 consolidated business plans of the Multilateral Fund (US \$)

Description	2021	2022	2023	Total
HCFC activities				
Approved HCFC phase-out management plans (HPMPs)	70,475,821	25,976,975	47,114,077	143,566,873
HCFC production – stage II	0	23,232,000	0	23,232,000
HPMP PRP – stage II	111,700	104,300	0	216,000
HPMP stage II	15,990,112	4,044,477	12,316,504	32,351,093
HPMP PRP – stage III	1,057,040	709,410	32,700	1,799,150
HPMP stage III	3,548,717	18,044,054	37,858,659	59,451,430
HPMP verification	588,600	588,600	588,600	1,765,800
HCFC activities subtotal	91,771,990	72,699,816	97,910,540	262,382,346
HFC activities				
HFC – enabling activities	267,500	214,000	0	481,500
HFC – investment	14,088,690	0	0	14,088,690
HFC phase-down plan – PRP	9,699,078	3,405,003	111,820	13,215,901
HFC phase-down plan	0	22,918,072	2,616,956	25,535,028
HFC activities subtotal	24,055,268	26,537,074	2,728,777	53,321,119
Standard activities				
Institutional strengthening (IS)	14,514,175	6,825,454	14,514,175	35,853,805
Compliance Assistance Programme	11,095,078	11,427,930	11,770,768	34,293,775
Core unit	5,911,238	5,952,617	5,994,285	17,858,141
Secretariat, Executive Committee, and Monitoring and Evaluation costs minus Canadian counterpart	6,431,920	5,698,619	5,822,683	17,953,222
Treasurer	500,000	500,000	500,000	1,500,000
Standard activities subtotal	38,452,412	30,404,620	38,601,911	107,458,943
Grand total	154,279,670	129,641,510	139,241,228	423,162,408
Australia	0	0	0	0
Austria	391,833	0	783,667	1,175,500
France	0	0	671,075	671,075
Germany	4,776,414	1,749,466	1,045,498	7,571,378
Italy	264,840	0	0	264,840
Japan	301,032	0	67,800	368,832
UK	169,500	0	0	169,500
UNDP	34,829,052	44,309,669	60,681,076	139,819,796
UNEP	30,530,888	21,819,781	25,738,174	78,088,843
UNIDO	60,004,206	24,882,245	32,410,386	117,296,837
IBRD	15,491,385	30,093,130	10,932,270	56,516,784
HPMP verification	588,600	588,600	588,600	1,765,800
Secretariat, Executive Committee, and Monitoring and Evaluation costs minus Canadian counterpart	6,431,920	5,698,619	5,822,683	17,953,222
Treasurer	500,000	500,000	500,000	1,500,000

* Funding for the preparation of HPMP verification reports for low-volume-consuming countries is approved by the Executive Committee on an annual basis.

Status of implementation of the 2021 business plans

3. Table 2 sets out the submissions by agency to the 87th meeting (as at 18 June 2021), and the balance of funds from projects in the 2021 business plans.

Table 2. 2021 consolidated business plan, projects recommended to the 87th meeting, and balance (US \$)*

Budget items	Total value in business plan	Activities reviewed/recommended to the 87 th meeting	Balance (above)/below
Bilateral agencies	5,903,619	1,064,543	4,839,076
UNDP	34,829,052	4,542,365	30,286,687
UNEP	30,530,888	6,512,328	24,018,560
UNIDO	60,004,206	5,609,616	54,394,590
World Bank	15,491,385	4,313,445	11,177,940
HPMP verification	588,600	0	588,600
Subtotal (agencies)	147,347,749	22,042,297	125,305,452
Secretariat/Executive Committee/Monitoring and Evaluation (excluding Canadian counterpart)	6,431,920		6,431,920
Treasurer	500,000		500,000
Subtotal (standard costs)	6,931,920		6,931,920
Total	154,279,670	22,042,297	132,237,373

* Including core unit costs.

4. The value of project proposals reviewed/recommended to the 87th meeting of US \$22,042,297 is US \$8,752,659 below its value in the 2021 business plan, and including US \$1,003,880 associated with project proposals not included in the 2021 business plan.¹

5. The value of HFC-related activities submitted to the 87th meeting is US \$8,802,041 of which US \$642,000 is associated with project proposals not included in the 2021 business plan. Annex I to the present document lists HFC-related projects submitted by the implementing agencies to the 87th meeting.

Forward commitments

6. The total amount for existing forward commitments for multi-year agreements (MYAs) for the period 2021 to 2031 is US \$283.38 million, assuming that the funding requests of MYAs submitted to the 87th meeting will be approved in principle, as shown in Table 3.

Table 3. Forward commitments (2021–2031) (US \$000)

Description	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
Approved in principle	70,519	25,977	47,114	9,060	34,504	31,775	2,328	223	754	2,456	57	224,766
Submitted to 87 th meeting	3,435	24,227	1,877	25,493	662	485	1,608	0	70	751	0	58,610
Total	73,954	50,204	48,991	34,554	35,166	32,261	3,936	223	824	3,207	57	283,376

PART II: RESOURCE ALLOCATION FOR THE 2018–2020 TRIENNIUM

7. The resources approved by the Parties to the Montreal Protocol for the 2018–2020 triennium² amount to US \$540,000,000. Taking into account the total funding approvals in 2018, 2019 and 2020, interest accrued, paid contributions from non-Article 5 Parties, the gain/loss of the fixed exchange rate mechanism, and the Secretariat/Executive Committee/Treasurer expenditures, the cash available as of 9 June 2021 is US \$334,427,526.

¹ Project preparation for stage III of the HPMPs for Iran (Islamic Republic of) (Germany and UNEP), Indonesia (UNDP) and India (UNEP); tranches of HPMP for El Salvador (UNDP); and preparation for HFC phase-down plan projects for Bolivia (Plurinational State of) (UNIDO), Colombia (UNDP), the Dominican Republic (UNDP), Eswatini (the Kingdom of) (UNDP), and Nigeria (UNIDO).

² Decision XXIX/1

8. In addition, taking into account the excess of cash over the approvals including the 86th meeting from the World Bank, the advance payment for the 2021–2023 triennium, the projects approved at the extended intersessional approval process established for the 86th meeting (IAP-86ext), the penalty for projects approved at the 86th meeting, the return from the World Bank for the halon sector plan and the balance returns to the 87th meeting, the carry-over for the 2018–2020 triennium would be US \$309,705,337, as shown in Table 4.

Table 4. Resource allocation for the 2018–2020 triennium

Description		Amount (US \$)
Balance available as at 9 June 2021	(a)	334,427,526
World Bank excess of cash over approvals including 86 th meeting	(b)	3,280,455
Advance payment for 2021-2023 triennium	(c)	38,518,658
Projects approved at the IAP-86ext	(d)	548,972
Penalty for project approved at the 86 th meeting	(e)	11,463
Return from the World Bank for halon sector plan	(f)	8,745,165
Balance returns to the 87 th meeting	(g)	2,308,358
Balance	(h= a+b-c-d+e+f+g)	309,705,337

PART III: REPORTS ON DIALOGUES CONCERNING QUALITATIVE PERFORMANCE INDICATORS

9. At the 86th meeting, UNIDO was requested to *inter alia* have an open and constructive discussion with the national ozone unit in Iraq with respect to the assessment of its qualitative performance and to report to the 87th meeting on the outcome of the discussion (decision 86/8(b)).

10. Accordingly, UNIDO has initiated dialogues and consultations with the Government of Iraq and UNEP (lead implementing agency), to focus on issues specific to UNIDO and ways to improve its performance; monitoring and discussing progress of all ongoing projects (national phase-out plan and stage I of the HPMP); and future submission of projects. It has been agreed to have these consultations on a monthly basis with shared responsibility for arranging/conducting meetings between UNEP and UNIDO (each agency responsible for every second meeting).

RECOMMENDATION

11. The Executive Committee may wish to note:
- (a) The update on the status of implementation of the 2021–2023 consolidated business plan of the Multilateral Fund as contained in document UNEP/OzL.Pro/ExCom/87/11;
 - (b) That the total value of activities submitted to the 87th meeting amounts to US \$22,042,297 (including US \$8,802,041 for HFC-related activities), of which US \$1,003,880 is associated with project proposals not included in the 2021 business plan; and
 - (c) With appreciation, the report provided by UNIDO on the outcome of its discussion with the Government of Iraq on the issues raised in the assessment of its qualitative performance, in line with decision 86/8(b).

Annex I

HFC-RELATED ACTIVITIES SUBMITTED TO THE 87TH MEETING

Country	Agency	Type	Sector	Project title	Amount recommended (US\$)	Support costs recommended (US\$)
Albania	UNEP	PRP	PHA	Preparation of an HFC phase-down plan	31,500	4,095
Albania	UNIDO	PRP	PHA	Preparation of an HFC phase-down plan	63,500	4,445
Argentina	UNIDO	INV	PRO	Control and phase-out of HFC-23 emissions in production of HCFC-22 at FIASA	1,700,838	119,059
Armenia	UNEP	PRP	PHA	Preparation of an HFC phase-down plan	150,000	19,500
Bhutan	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	10,000	700
Bhutan	UNEP	PRP	PHA	Preparation of an HFC phase-down plan	75,000	9,750
Bolivia (Plurinational State of)	UNIDO	PRP	PHA	Preparation of an HFC phase-down plan	170,000	11,900
Burkina Faso	Germany	PRP	PHA	Preparation of an HFC phase-down plan	150,000	19,500
Colombia	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	205,000	14,350
Costa Rica	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	150,000	10,500
Cuba	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	150,000	10,500
Dominican Republic (the)	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	170,000	11,900
Ecuador	UNIDO	PRP	PHA	Preparation of an HFC phase-down plan	190,000	13,300
Egypt	UNIDO	INV	REF	Conversion of refrigeration compressor manufacturing facility from HFC-134a-based compressors to R-600a-based compressors at Misr Compressor Manufacturing Co. (MCMC)	1,305,536	91,388
Eswatini	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	30,000	2,100
Eswatini	UNEP	PRP	PHA	Preparation of an HFC phase-down plan	100,000	13,000
Ghana	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	105,000	7,350
Ghana	UNEP	PRP	PHA	Preparation of an HFC phase-down plan	45,000	5,850
Jordan	UNIDO	PRP	PHA	Preparation of an HFC phase-down plan	150,000	10,500
Kyrgyzstan	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	60,000	4,200
Kyrgyzstan	UNEP	PRP	PHA	Preparation of an HFC phase-down plan	25,000	3,250
Lao People's Democratic Republic (the)	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	10,000	700
Lao People's Democratic Republic (the)	UNEP	PRP	PHA	Preparation of an HFC phase-down plan	75,000	9,750
Lebanon	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	150,000	10,500
Liberia	Germany	PRP	PHA	Preparation of an HFC phase-down plan	130,000	16,900
Malaysia	IBRD	PRP	PHA	Preparation of an HFC phase-down plan	250,000	17,500
Maldives	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	10,000	700
Maldives	UNEP	PRP	PHA	Preparation of an HFC phase-down plan	75,000	9,750
Mauritius	Germany	PRP	PHA	Preparation of an HFC phase-down plan	150,000	19,500
Mexico	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	90,000	6,300
Mexico	UNEP	PRP	PHA	Preparation of an HFC phase-down plan	35,000	4,550
Mexico	UNIDO	PRP	PHA	Preparation of an HFC phase-down plan	125,000	8,750

Country	Agency	Type	Sector	Project title	Amount recommended (US\$)	Support costs recommended (US\$)
Montenegro	UNIDO	PRP	PHA	Preparation of an HFC phase-down plan	85,000	5,950
Nicaragua	UNIDO	PRP	PHA	Preparation of an HFC phase-down plan	170,000	11,900
Niger (the)	UNIDO	PRP	PHA	Preparation of an HFC phase-down plan	150,000	10,500
Nigeria	UNIDO	PRP	PHA	Preparation of an HFC phase-down plan	25,000	1,750
Nigeria	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	137,000	9,590
Nigeria	UNEP	PRP	PHA	Preparation of an HFC phase-down plan	58,000	7,540
North Macedonia	UNIDO	PRP	PHA	Preparation of an HFC phase-down plan	85,000	5,950
Panama	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	190,000	13,300
Paraguay	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	170,000	11,900
Peru	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	150,000	10,500
Senegal	UNEP	PRP	PHA	Preparation of an HFC phase-down plan	60,000	7,800
Senegal	UNIDO	PRP	PHA	Preparation of an HFC phase-down plan	25,000	1,750
South Africa	UNIDO	PRP	PHA	Preparation of an HFC phase-down plan	100,000	7,000
Sri Lanka	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	135,000	9,450
Sri Lanka	UNEP	PRP	PHA	Preparation of an HFC phase-down plan	25,000	3,250
Trinidad and Tobago	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	150,000	10,500
Turkmenistan	UNEP	PRP	PHA	Preparation of an HFC phase-down plan	150,000	19,500
Uruguay	UNDP	PRP	PHA	Preparation of an HFC phase-down plan	150,000	10,500