



**Программа Организации
Объединенных Наций по
окружающей среде**

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/98/6
4 June 2026

RUSSIAN
ORIGINAL: ENGLISH

ИСПОЛНИТЕЛЬНЫЙ КОМИТЕТ
МНОГОСТОРОННЕГО ФОНДА ДЛЯ
ОСУЩЕСТВЛЕНИЯ МОНРЕАЛЬСКОГО ПРОТОКОЛА
Девяносто восьмое совещание
Монреаль, 22-26 июня 2026 года
Пункт 6 а) предварительной повестки дня¹

**ДОКЛАДЫ О ПОЛОЖЕНИИ ДЕЛ И ДОКЛАДЫ ПО ПРОЕКТАМ, ВКЛЮЧАЮЩИМ
КОНКРЕТНЫЕ ТРЕБОВАНИЯ О ПРЕДСТАВЛЕНИИ ОТЧЕТНОСТИ, БЕЗ
НЕУРЕГУЛИРОВАННЫХ ВОПРОСОВ**

1. Настоящий документ состоит из двух разделов, а именно: i) проекты с задержками реализации и проекты, в отношении которых были запрошены специальные доклады о положении дел, и ii) проекты, включающие конкретные требования о представлении отчетности, без неурегулированных вопросов. Отчетность по этим проектам после рассмотрения Секретариатом не имеет неурегулированных вопросов, и поэтому эти проекты не требуют рассмотрения Исполнительным комитетом в индивидуальном порядке.

**I. Проекты с задержками реализации и проекты, в отношении которых были
запрошены специальные доклады о положении дел**

2. На 97-м совещании Исполнительный комитет отметил, что двусторонние учреждения и учреждения-исполнители представят на 98-м совещании отчетность по 78 проектам с задержками реализации и 14 текущим проектам или траншам в рамках многолетних соглашений (МЛС), по которым рекомендовано представление дополнительных докладов о положении дел (решение 97/9 с)). В этой связи соответствующие двусторонние учреждения и учреждения-исполнители представили запрошенные доклады 98-му совещанию. При рассмотрении докладов Секретариат провел дискуссии с двусторонними учреждениями и учреждениями-исполнителями, в результате которых ряд вопросов был удовлетворительным образом решен. В таблице 1 представлены краткие сведения о проектах с задержками реализации и проектах, по которым рекомендовано представление дополнительных докладов о положении дел, включая уровни их прогресса, рекомендации Секретариата и ссылки на приложения к настоящему документу.

¹ UNEP/OzL.Pro/ExCom/98/1

Таблица 1. Краткие сведения о проектах с задержками реализации и дополнительными докладами о положении дел

Уровень прогресса	Количество проектов	Решение	Рекомендация	Приложение
Задержки реализации				
Прогресс (отдельные проекты и МЛС)	64	32/4	Удалить из будущей отчетности	н.п.
Некоторый прогресс (отдельные проекты и МЛС)	11	32/4	Продолжать мониторинг до окончательного завершения	Приложение I
Впервые прогресс отсутствует (МЛС)	0	84/45	Продолжать мониторинг до окончательного завершения	н.п.
Отмена	3	н.п.	Отменить	н.п.
Итого	78			
Доклады о положении дел				
Нет неурегулированных вопросов	10	51/13	Удалить из будущей отчетности	н.п.
Вопросы, требующие решения	4	51/13	Запросить представление дополнительных докладов о положении дел	Приложение II
Итого	14			

Отмена проектов

3. На 97-м совещании Исполнительный комитет поручил Секретариату направить письмо Афганистану и ЮНИДО, в качестве ведущего учреждения-исполнителя, в отношении возможной отмены плана организационной деятельности по поэтапному отказу от ГХФУ (ПОДПО) для этой страны (этап I, третий транш (AFG/PHA/79/INV/22), этап I, четвертый транш (AFG/PHA/85/INV/28) и этап II, первый транш (AFG/PHA/85/INV/30)) (решение 97/13 d)).

4. В соответствии с этим решением ЮНИДО проинформировала Секретариат о том, что санкции Совета Безопасности ООН предусматривают целевые меры в отношении Афганистана, в соответствии с которыми все проекты должны проходить официальную проверку на соответствие требованиям перед их реализацией. ЮНИДО добавила, что система ООН в настоящее время воздерживается от действий, которые могут создать впечатление признания де-факто властей в Афганистане, а также от прямой бюджетной поддержки или действий, которые могут быть расценены как легитимизация таких властей. Учитывая, что эта ситуация создала значительные процедурные, правовые и оперативные препятствия для ЮНИДО в продолжении реализации этих проектов, ЮНИДО хотела бы запросить отмену следующих дополнительных проектов в Афганистане: ПОДПО (этап I, четвертый транш) (AFG/PHA/95/TAS/33); ПОДПО (этап II, первый транш) (AFG/PHA/95/TAS/34); продление проекта по укреплению организационной инфраструктуры (этап X: 1/2022-12/2023) (AFG/SEV/95/INS/35); и подготовка национального перечня хранилищ отходов регулируемых веществ и разработка национального плана регулирования этих веществ (решение 91/66) (AFG/DES/94/PRP/32).

5. В таблице 2 приведены данные о положении с расходами по каждому проекту.

Таблица 2. Проекты, рекомендованные к отмене в Афганистане

Код проекта	Название проекта	Утверждено средств (долл. США)	Выделено средств (долл. США)	Неиспользованный остаток (долл. США)
AFG/PHA/79/INV/22	План организационной деятельности по поэтапному отказу от ГХФУ (этап I, третий транш)	83 000	11 914	71 086

Код проекта	Название проекта	Утверждено средств (долл. США)	Выделено средств (долл. США)	Неиспользованный остаток (долл. США)
AFG/PHA/85/INV/28	План организационной деятельности по поэтапному отказу от ГХФУ (этап I, четвертый транш)	28 276	0	28 276
AFG/PHA/85/INV/30	План организационной деятельности по поэтапному отказу от ГХФУ (этап II, первый транш)	90 000	54 580	35 420
AFG/PHA/95/TAS/33	План организационной деятельности по поэтапному отказу от ГХФУ (этап I, четвертый транш)	28 453	0	28 453
AFG/PHA/95/TAS/34	План организационной деятельности по поэтапному отказу от ГХФУ (этап II, первый транш)	180 908	0	180 908
AFG/SEV/95/INS/35	Продление проекта по укреплению организационной инфраструктуры (этап X: 1/2022-12/2023)	192 000	0	192 000
AFG/DES/94/PRP/32	Подготовка национального перечня хранилищ отходов регулируемых веществ и разработка национального плана регулирования этих веществ (решение 91/66)	90 000	0	90 000

6. В консультации с ЮНИДО было решено отменить перечисленные выше проекты и вернуть остатки средств 99-му совещанию. Кроме того, этап II ПОДПО для Афганистана включал два оставшихся транша, утвержденных в принципе и запланированных к представлению в 2025 и 2026 годах соответственно; поскольку они не были представлены, их также рекомендуется отменить. Исполнительный комитет, возможно, пожелает отменить проекты, перечисленные в таблице 2, а также два оставшихся транша, утвержденных в принципе в рамках этапа II ПОДПО для Афганистана.

Доклад о ходе внедрения системы квот на ГФУ на Маврикии

7. На своем 95-м совещании, утверждая этап I плана реализации Кигалийской поправки по ГФУ (ПРК) для Маврикия, Исполнительный комитет отметил, что правительство Германии представит в рамках своего доклада о ходе работы и финансового отчета за 2024 год для рассмотрения на втором совещании в 2025 году, обновленные данные о положении дел с внедрением системы квот на ГФУ на Маврикии (решение 95/67 b) ii)). Правительство Германии сообщило, что система квот на ГФУ действует на Маврикии с января 2025 года и предусматривает распределение импорта между импортерами ГФУ на основе среднего базового уровня импорта ГФУ. Система также включает положение о выделении небольшой части импорта ГФУ для решения чрезвычайных ситуаций и удовлетворения специальных запросов на импорт ГФУ со стороны государственных учреждений. В 2025 году был проведен однодневный семинар с участием соответствующих импортеров и заинтересованных сторон с целью информирования их о положениях Кигалийской поправки, рекомендациях ПРК, а также об основах расчета квот на ГФУ и о том, как они могут эффективно управлять своими квотами.

Рекомендация

8. Исполнительный комитет, возможно, пожелает:

а) принять к сведению:

i) доклады о задержках реализации и доклады о положении дел, представленные двусторонними учреждениями и учреждениями-исполнителями, которые содержатся в документе UNEP/OzL.Pro/ExCom/98/6;

- ii) что двусторонние учреждения и учреждения-исполнители представят Исполнительному комитету на 99-м совещании отчетность по 11 проектам с задержками реализации, как указано в приложении I к настоящему документу, и по четырем проектам, по которым рекомендовано представление дополнительных докладов о положении дел, как указано в приложении II к настоящему документу, в рамках годового доклада о ходе работы и финансового отчета за 2025 год, представляемых двусторонними учреждениями и учреждениями-исполнителями;
- b) утвердить рекомендации в отношении текущих проектов с конкретными вопросами, перечисленными в последнем столбце таблицы в приложении II к настоящему документу;
- c) отменить следующие проекты для Афганистана и предложить ЮНИДО вернуть остаток средств на 99-м совещании: план организационной деятельности по поэтапному отказу от ГХФУ (ПОДПО) (этап I, третий транш) (AFG/PHA/79/INV/22); ПОДПО (этап I, четвертый транш) (AFG/PHA/85/INV/28); ПОДПО (этап I, четвертый транш) (AFG/PHA/95/TAS/33); ПОДПО (этап II, первый транш) (AFG/PHA/85/INV/30); ПОДПО (этап II, первый транш) (AFG/PHA/95/TAS/34); продление проекта по укреплению организационной инфраструктуры (этап X: 1/2022-12/2023) (AFG/SEV/95/INS/35); и подготовка национального перечня хранилищ отходов регулируемых веществ и разработка национального плана регулирования этих веществ (решение 91/66) (AFG/DES/94/PRP/32); и
- d) аннулировать невыплаченные транши, утвержденные в принципе в рамках этапа II ПОДПО для Афганистана.

II. Проекты, включающие конкретные требования о представлении отчетности, без неурегулированных вопросов

Обзор

9. В таблице 3 перечислены доклады по проектам, включающим конкретные требования о представлении отчетности, без неурегулированных вопросов.

Таблица 3. Доклады по проектам, включающим конкретные требования о представлении отчетности, без неурегулированных вопросов

Страна	Название проекта	Пункты
A. Доклады, связанные с планами организационной деятельности по поэтапному отказу от ГХФУ		
Аргентина	План организационной деятельности по поэтапному отказу от ГХФУ (Этап II. Доступность альтернатив с низким потенциалом глобального потепления для ГХФУ-141b в секторе пеноматериалов и временное использование альтернатив с высоким потенциалом глобального потепления)	10-21
Бангладеш	План организационной деятельности по поэтапному отказу от ГХФУ (Этап II. Доклад о количестве кондиционеров, работающих на R-290/ГФУ-32, в рамках проекта по конверсии в секторе кондиционирования воздуха)	22-29
Бутан	План организационной деятельности по поэтапному отказу от ГХФУ и дополнительные мероприятия по поддержанию энергоэффективности в секторе обслуживания холодильного оборудования в соответствии с решением 89/6 (запрос на продление сроков завершения проекта)	30-35
Ирак	План организационной деятельности по поэтапному отказу от ГХФУ (Этап II. Завершение этапа I, национальный план поэтапного отказа и	36-41

Страна	Название проекта	Пункты
	проект замены ХФУ-12 на изобутан и ХФУ-11 на циклопентан в производстве бытовых холодильников на предприятии «Light Industries»)	
Кувейт	План организационной деятельности по поэтапному отказу от ГХФУ (Этап II. Запрос на продление сроков завершения проекта)	42-47
Мавритания	План организационной деятельности по поэтапному отказу от ГХФУ (Этап I. Доклад о ходе выполнения рабочей программы, связанной с третьим и последним траншем)	48-56
Турция	План организационной деятельности по поэтапному отказу от ГХФУ (Этап I. Доклад о ходе выполнения рабочей программы, связанной с пятым и последним траншем)	57-67
В. Доклад, связанный с соглашениями в рамках плана реализации Кигалийской поправки по ГФУ		
Несколько	Соглашения о сокращении потребления ГФУ в соответствии с этапом I планов реализации Кигалийской поправки по ГФУ	68-72
С. Доклад, связанный с дополнительными мероприятиями по поддержанию энергоэффективности в секторе обслуживания холодильного оборудования (решение 89/6)		
Мальдивские Острова	Дополнительные мероприятия по поддержанию энергоэффективности в секторе обслуживания холодильного оборудования в соответствии с решением 89/6 b) (итоговый доклад о ходе работы) (ЮНЕП)	73-81
Д. Доклад, связанный с экспериментальным проектом по сохранению и/или повышению энергоэффективности замещающих технологий и оборудования при поэтапном сокращении потребления ГФУ (решение 91/65)		
Камерун	Экспериментальный проект по сохранению и/или повышению энергоэффективности замещающих технологий и оборудования при поэтапном сокращении потребления ГФУ (неинвестиционная деятельность) (запрос на продление сроков завершения проекта)	82-86
Е. Доклад, связанный с подготовкой проекта по повышению энергоэффективности при поэтапном сокращении потребления ГФУ в секторе производства холодильного оборудования и систем кондиционирования воздуха (решение 94/60)		
Турция	Ход подготовки проекта по повышению энергоэффективности и конверсии 29 предприятий по производству холодильного оборудования и систем кондиционирования воздуха в переводе от использования гидрофторуглеродов на технологии с низким потенциалом глобального потепления	87-91
Ф. Доклад, связанный с подготовкой национального перечня хранилищ отработанных или нежелательных регулируемых веществ и плана сбора, транспортировки и утилизации таких веществ (решение 91/66)		
Маврикий	Подготовка национального перечня хранилищ отходов регулируемых веществ и разработка национального плана регулирования этих веществ (решение 91/66) (запрос на продление сроков завершения проекта)	92-96

А. Доклады, связанные с планами организационной деятельности по поэтапному отказу от ГХФУ

Аргентина: План организационной деятельности по поэтапному отказу от ГХФУ (Этап II. Доступность альтернатив с низким потенциалом глобального потепления для ГХФУ-141b в секторе пеноматериалов и временное использование альтернатив с высоким потенциалом глобального потепления) (ЮНИДО и правительство Италии)

История вопроса

10. На своем 92-м совещании, утверждая третий транш этапа II плана организационной деятельности по поэтапному отказу от ГХФУ (ПОДПО) для Аргентины (решение 92/31), Исполнительный комитет, в частности, отметил:

- a) проблемы, связанные с отсутствием предложения альтернатив с низким потенциалом глобального потепления (ПГП) для ГХФУ-141b в секторе пеноматериалов, что задержало реализацию мероприятий этапа II в секторе пенополиуретана (ППУ), которые позволили бы правительству Аргентины вывести из употребления 85,92 тонны ОРС ГХФУ; и
- b) что в случае отсутствия альтернатив на местном рынке альтернативы с высоким ПГП могут использоваться исключительно на временной основе и что правительство Аргентины будет докладывать на каждом совещании Исполнительного комитета о прогрессе в обеспечении коммерческой доступности выбранных технологий, включая связанные с ними компоненты, в стране при условии, что дополнительные эксплуатационные расходы (ДЭР) не будут финансироваться до завершения перехода к согласованным альтернативам.

11. ЮНИДО представляла доклады по данному вопросу на последовательных совещаниях Исполнительного комитета², в том числе на самом последнем 97-м совещании, отметив, что к августу 2025 года три системотехнические предприятия получили ГФО и начали выводить новые составы на местный рынок. Хотя поставщики и системотехнические предприятия работали над совершенствованием процесса, и общая доступность ГФО увеличилась, неопределенность в цепочке поставок сохранялась, поскольку на данный момент только один поставщик приступил к поставкам, а неравномерный переход на ГФО в качестве вспенивающих агентов в регионе еще не был полностью устойчивым. Несмотря на заметный прогресс, проблемы, связанные с доступностью и ценообразованием, стабильностью цепочки поставок и ограниченной базой поставщиков, остались нерешенными, что привело к продолжению временного использования веществ с высоким ПГП. ЮНИДО также подчеркнула готовность местных системотехнических предприятий перейти на ГФО, как только будут устранены проблемы с ценами и поставками.

12. Соответственно, на 97-м совещании Исполнительный комитет поручил правительству Аргентины и ЮНИДО в соответствии с решением 92/31 с) ii) представить на 98-м совещании обновленную информацию о доступности на местном рынке альтернатив с низким ПГП для ГХФУ-141b в секторе пеноматериалов и о временном использовании альтернатив с высоким ПГП (решение 97/35)³.

Доклад о ходе работы

13. От имени правительства Аргентины ЮНИДО представила доклад, содержащий обновленную информацию о положении дел с доступностью, поставками и ценами на ГФО для сектора ППУ на основе дополнительных консультаций, проведенных с ключевыми поставщиками и местными системотехническими предприятиями.

14. Что касается доступности, то в Аргентине поставки ГФО-1233zd(E) в настоящее время переходят от экспериментальной фазы к более регулярному режиму поставок. Местные системотехнические предприятия сообщили о поддержании достаточных операционных запасов для

² Пункты 2-9 документа UNEP/OzL.Pro/ExCom/93/20, пункты 5-14 документа UNEP/OzL.Pro/ExCom/94/9, пункты 5-18 документа UNEP/OzL.Pro/ExCom/96/11 и пункты 10-15 и 31-32 документа UNEP/OzL.Pro/ExCom/97/36.

³ Общее утверждение четвертого транша этапа II ПОДПО для Аргентины.

предотвращения перебоев с поставками во втором квартале 2025 года. Единственный поставщик также изучает альтернативные схемы организации цепочки поставок с целью снижения зависимости от тоннажных цистерн и обеспечения непрерывности поставок в среднесрочной перспективе.

15. Распределение ГФО в небольших объемах по-прежнему в основном осуществляется с использованием тоннажных цистерн, и сохраняются логистические проблемы, связанные с возвратом и ротацией этих контейнеров. Ведутся обсуждения по поводу создания местной схемы фракционирования, которая могла бы улучшить ситуацию с доступностью в краткосрочной перспективе. Представители сектора выразили обеспокоенность тем, что в условиях наличия единственного поставщика такая схема может не обеспечить конкурентоспособные цены и привести к дополнительным затратам на посредничество.

16. ЮНИДО также сообщила, что растущая неопределенность в отношении международных нормативных требований может повлиять на внедрение ГФО в Аргентине в долгосрочной перспективе. Хотя в настоящее время ГФО является основной альтернативой ГХФУ-141b с низким ПГП для определенных видов использования, опасения по поводу фторированных веществ и возможные ограничения на пер- и полифторалкильные вещества (ПФАВ) на некоторых рынках создают риск будущих изменений в нормативных требованиях, что потенциально может потребовать дополнительных переходных мер. Это особенно важно для применения распыляемой пены, где в настоящее время нет других жизнеспособных альтернатив с низким ПГП.

Комментарии Секретариата

17. Информирова Секретариат о текущих ценах на ГФО-1233zd(E) в Аргентине, ЮНИДО указала, что они варьируются в зависимости от ряда факторов, в том числе от того, может ли определенное системотехническое предприятие закупать контейнеры-цистерны международного стандарта вместо тоннажных цистерн, от объема закупок, наличия долгосрочных контрактов на поставку, а также от возможности закупок через представительства в Бразилии. Судя по результатам обсуждений с поставщиком технологии, ожидается, что приблизительная цена не превысит 18 долл. США за кг, оставаясь при этом значительно выше, чем у альтернативных вариантов.

18. Учитывая растущую доступность ГФО и продолжающуюся координацию действий по предотвращению перебоев с поставками, Секретариат поинтересовался, прекратилось ли к настоящему моменту временное использование ГФУ системотехническими предприятиями. ЮНИДО сообщила, что единственное предприятие, использующее ГФУ, является не системотехническим предприятием, а торговым посредником, который по-прежнему сталкивается с трудностями при закупке и импорте систем на основе ГФО без потери большей части их стабильности при транспортировке.

19. Секретариат с удовлетворением отмечает, что правительство Аргентины продолжило переговоры с поставщиком ГФО и системотехническими предприятиями, достигнув дальнейшего прогресса в повышении доступности и снижении цен. Учитывая, что вопрос доступности альтернатив для производства ППУ будет рассмотрен в рамках пункта 9 повестки дня 98-го совещания, Секретариат включил обновленную информацию по проекту ППУ в Аргентине в документ UNEP/OzL.Pro/ExCom/98/56.

20. Несмотря на значительный прогресс, вопросы доступности и ценообразования альтернатив с низким ПГП до сих пор полностью не решены, а альтернативы с высоким ПГП продолжают использоваться временно. В связи с этим, в соответствии с решением 92/31 с) ii), Секретариат рекомендует правительству Аргентины продолжать информировать Исполнительный комитет по данному вопросу.

Рекомендация

21. Исполнительный комитет, возможно, пожелает:

- a) принять к сведению доклад о текущем положении дел с доступностью альтернатив с низким потенциалом глобального потепления (ПГП) для ГХФУ-141b в секторе пеноматериалов и о временном использовании альтернатив с высоким ПГП в рамках этапа II плана организационной деятельности по поэтапному отказу от ГХФУ (ПОДПО) для Аргентины, представленный ЮНИДО и содержащийся в документе UNEP/OzL.Pro/ExCom/98/6; и
- b) предложить правительству Аргентины и ЮНИДО в соответствии с решением 92/31 c) ii) предоставить в рамках ежегодного доклада о ходе работы по реализации последнего транша этапа II ПОДПО, который должен быть представлен на 99-м совещании, обновленную информацию о доступности на местном рынке альтернатив с низким ПГП для ГХФУ-141b в секторе пеноматериалов и о временном использовании альтернатив с высоким ПГП.

Бангладеш: План организационной деятельности по поэтапному отказу от ГХФУ (Этап II. Доклад о количестве кондиционеров, работающих на R-290/ГФУ-32, в рамках проекта по конверсии в секторе кондиционирования воздуха) (ПРООН)

История вопроса

22. На 94-м совещании Исполнительный комитет утвердил третий и последний транш этапа II плана организационной деятельности по поэтапному отказу от ГХФУ (ПОДПО) для Бангладеш, отметив, что правительство через ПРООН будет представлять доклады о количестве кондиционеров, в которых в качестве хладагента используется R-290/ГФУ-32, за исключением предприятия «Unitech Products», которые были изготовлены ежегодно в период 2025–2027 гг. каждым из предприятий, получающим финансирование в рамках проекта по конверсии предприятий сектора кондиционирования воздуха, и будет представлять эту информацию на первом совещании каждого последующего года (решение 94/32 b) ii)).

23. В соответствии с этим решением правительство Бангладеш через ПРООН представило доклад о пяти предприятиях, получающих финансирование в рамках проекта по конверсии в секторе КВ.

Доклад о ходе работы

24. В таблице 4 ниже приведены данные о количестве систем КВ, произведенных каждым из предприятий в период с января по декабрь 2025 года.

Таблица 4. Системы КВ, произведенные в период с 1 января по 31 декабря 2025 года

Предприятие		Сплит-системы (бытовые)	Все системы (коммерческие)
«Walton Hi-Tech Industries»	R-290	547	0
	ГФУ-32	298 521	3 800
«Cooling Point Engineering Services»	R-290	0	0
	ГФУ-32	0	20
«Elite Hi-Tech»	R-290	688	292
	ГФУ-32	11 517	0
«AC Bazar Industries Ltd.»	R-290	400	0
	ГФУ-32	900	383
«Supreme Air Conditioning Co.»	R-290	1 682	0

Предприятие		Сплит-системы (бытовые)	Все системы (коммерческие)
	ГФУ-32	14 921 ⁴	6 758
Итого	R-290	3 317	292
	ГФУ-32	325 859	10 961

25. В докладе указывается, что по состоянию на декабрь 2025 года предприятия «Walton Hi-Tech Industries» и «Elite Hi-Tech» в операционном отношении завершили конверсию своих предприятий, начав с третьего квартала 2025 года поставки на местный рынок моделей комнатных кондиционеров на основе R-290 и мощностью менее 1,5 ТО⁵. Остальные три предприятия выполнили все этапы конверсии и прошли проверку эксплуатационной безопасности. Маркетинг новых систем КВ с использованием альтернативных технологий начался с четвертого квартала 2025 года. Кроме того, с 1 января 2026 года вступил в силу и применяется запрет на местное производство и импорт комнатных кондиционеров на основе ГХФУ-22 мощностью до 1,5 ТО.

26. ПРООН также сообщила, что, хотя внедрение технологии R-290 постепенно расширяется на пяти предприятиях благодаря ее высокой энергоэффективности и низкому потенциалу глобального потепления, ее более широкое применение сдерживается более высокими затратами, проблемами безопасности и ограниченными возможностями технических специалистов. Технология ГФУ-32 остается предпочтительным вариантом благодаря налаженной инфраструктуре обслуживания и более низким затратам.

Комментарии Секретариата

27. Секретариат отмечает, что в рамках проекта на пяти участвующих предприятиях были успешно созданы первоначальные производственные мощности по выпуску кондиционеров без использования ГХФУ. В рамках их производственных портфелей ГФУ-32 стал доминирующей переходной технологией, в то время как R-290 позиционируется в качестве потенциального варианта, который в будущем может быть расширен четырьмя из этих предприятий, производящими комнатные кондиционеры мощностью менее 1,5 ТО. Сочетание завершенных конверсий, первоначальных объемов производства и обеспечения соблюдения мер регулирования, ограничивающих использование ГХФУ-22, создает благоприятную отправную точку для устойчивой трансформации рынка после 2025 года.

28. В контексте внедрения кондиционеров на основе R-290 остается ряд рисков, требующих решения. К ним относятся, прежде всего, восприятие вопросов безопасности в связи с воспламеняемостью, ограниченное число обученных и сертифицированных технических специалистов, способных работать с технологиями на основе углеводородов, а также рыночные факторы, приводящие к более высокой стоимости ключевых компонентов для такого оборудования. Ожидается, что некоторые из этих проблем, в частности те, которые связаны с возможностями сектора обслуживания по работе с установками на R-290, их монтажу и обслуживанию, будут решены на этапе III ПОДПО, который должен быть завершен к 2030 году. Ожидается, что дополнительные меры по содействию более быстрому внедрению альтернативных технологий и безопасному обращению с углеводородами будут рассмотрены на этапе I плана реализации Кигалийской поправки по ГФУ, который будет представлен в будущем.

Рекомендация

⁴ Вследствие непреднамеренной опечатки ПРООН представила на 97-м совещании неверные данные о количестве в размере 136 480 единиц. По состоянию на октябрь 2025 года правильный показатель составлял 13 648 единиц, а по состоянию на 31 декабря 2025 года обновленный уровень производства составляет 14 921 единицу.

⁵ Тонны охлаждения

29. Исполнительный комитет, возможно, пожелает принять к сведению доклад о количестве кондиционеров, в которых в качестве хладагента используется R-290/ГФУ-32, изготовленных в 2025 году каждым из предприятий, получающим финансирование в рамках проекта по конверсии предприятий сектора кондиционирования воздуха этапа II плана организационной деятельности по поэтапному отказу от ГХФУ для Бангладеш, представленный ПРООН и содержащийся в документе UNEP/OzL.Pro/ExCom/98/6.

Бутан: План организационной деятельности по поэтапному отказу от ГХФУ и дополнительные мероприятия по поддержанию энергоэффективности в секторе обслуживания холодильного оборудования в соответствии с решением 89/6 (запрос на продление сроков завершения проекта) (ЮНЕП и ПРООН)

История вопроса

30. На своем 95-м совещании Исполнительный комитет утвердил четвертый и последний транш плана организационной деятельности по поэтапному отказу от ГХФУ (ПОДПО) для Бутана на сумму 147 000 долл. США плюс вспомогательные расходы учреждения в размере 18 350 долл. США, включая 100 000 долл. США плюс вспомогательные расходы учреждения в размере 13 000 долл. США для ЮНЕП, на дополнительные мероприятия по поддержанию энергоэффективности (решение 89/6)⁶. Дата завершения реализации проекта в соответствии с Соглашением по ПОДПО — 31 декабря 2026 года.

Запрос на продление

31. ЮНЕП сообщила, что для завершения проекта по дополнительным мероприятиям по поддержанию энергоэффективности в секторе обслуживания холодильного оборудования требуется дополнительное время, в частности для реализации мероприятий по совершенствованию программы поощрения использования бытовой техники с низким потенциалом глобального потепления и укреплению процесса регистрации бытовой техники, которые изначально сталкивались с задержками, но в настоящее время эти проблемы устранены.

32. Соответственно, от имени страны ЮНЕП в качестве ведущего учреждения-исполнителя подала запрос на продление срока осуществления ПОДПО до 31 декабря 2027 года для обеспечения возможности завершения вышеупомянутых мероприятий.

Комментарии Секретариата

33. Секретариат отметил, что в 2025 году страна потребляла 122 кг, или 0,007 тонны ОРС, ГХФУ-22, что соответствует целевому показателю, указанному в Соглашении между страной и Исполнительным комитетом. Секретариат также отметил, что мероприятия по повышению энергоэффективности, связанные с обучением, и другие мероприятия в рамках ПОДПО, как ожидается, будут завершены в срок, к декабрю 2026 года.

34. Учитывая, что проблемы, которые стали причиной первоначальных задержек в реализации компонента проекта, связанного с повышением энергоэффективности, были решены, Секретариат считает, что запрошенное продление срока реализации ПОДПО будет способствовать завершению оставшихся мероприятий в рамках этого компонента.

Рекомендация

35. Исполнительный комитет, возможно, пожелает:

⁶ Приложение XVII к документу UNEP/OzL.Pro/ExCom/95/94.

- a) принять к сведению запрос о продлении срока реализации плана организационной деятельности по поэтапному отказу от ГХФУ (ПОДПО) для Бутана, представленный ЮНЕП и содержащийся в документе UNEP/OzL.Pro/ExCom/98/6; и
- b) утвердить, в порядке исключения и при условии, что дальнейшее продление запрашиваться не будет, продление срока завершения проекта, упомянутого в подпункте а) выше, до 31 декабря 2027 года, с тем чтобы обеспечить завершение дополнительных мероприятий по поддержанию энергоэффективности в секторе обслуживания холодильного оборудования, представленных в соответствии с решением 89/6.

Ирак: План организационной деятельности по поэтапному отказу от ГХФУ (Этап II. Завершение этапа I, национальный план поэтапного отказа и проект замены ХФУ-12 на изобутан и ХФУ-11 на циклопентан в производстве бытовых холодильников на предприятии «Light Industries») (ЮНЕП и ЮНИДО)

История вопроса

36. На своем 87-м совещании Исполнительный комитет утвердил этап II плана организационной деятельности по поэтапному отказу от ГХФУ (ПОДПО) для Ирака, указав, что второй транш может быть рассмотрен только после завершения этапа I ПОДПО (IRQ/PNA/74/INV/23), национального плана поэтапного отказа (НППО) (IRQ/PNA/58/INV/09) и проекта замены хладагента ХФУ-12 на изобутан и вспенивающего агента ХФУ-11 на циклопентан в производстве бытовых холодильников и морозильных камер на предприятии «Light Industries» (IRQ/REF/57/INV/07) (решение 87/40 с)). На момент представления второго транша на 95-м совещании указанные проекты не были завершены ЮНИДО; в связи с этим транш был утвержден только для ЮНЕП с оговоркой, что дальнейшее финансирование для ЮНИДО не будет рассматриваться до выполнения условий. Кроме того, на исключительной основе сроки завершения этапа I ПОДПО и проектов IRQ/REF/57/INV/07 и IRQ/PNA/58/INV/09 были продлены до 31 декабря 2025 года, при условии, что ЮНИДО изменит статус реализации последних двух проектов на «продолжается» (ONG) в своем годовом докладе о ходе работы и финансового отчета за 2024 год и представит на 96-м совещании доклад о прогрессе в реализации всех трех проектов (решение 95/52).

37. ЮНИДО представила доклады о ходе работы на 96-м и 97-м совещаниях. В докладе, представленном на 97-м совещании, было подтверждено, что все мероприятия, осуществляемые в рамках этапа I ПОДПО, включая распределение инструментов среди бенефициаров, будут завершены к декабрю 2025 года в соответствии с предоставленным продлением сроков. В рамках НППО государственное предприятие «Nassr State Company» также завершит все мероприятия к декабрю 2025 года, предприятие «Iraqi Steel» больше не будет участвовать в проекте и завершит установку самостоятельно за счет собственных ресурсов, взяв на себя обязательство не использовать ГХФУ или ГФУ для производства ППУ, а проект для предприятия «Light Industries» будет в операционном отношении завершен к 31 декабря 2025 года, когда ЮНИДО передаст право собственности на оборудование при условии, что «Light Industries» обязуется нести ответственность за завершение если работы по конверсии продлится и после этой даты. Национальный орган по озону будет осуществлять мониторинг соблюдения настоящего соглашения, а ЮНИДО продолжит оказывать техническую помощь после завершения проекта в декабре 2025 года для обеспечения надлежащей конверсии. Исполнительный комитет принял к сведению доклад и поручил ЮНИДО представить на 98-м совещании доклад о ходе работы по завершению этих проектов (решение 97/16).

Доклад о ходе работы

38. От имени правительства Ирака ЮНИДО представила доклады о ходе реализации следующих проектов:

- a) *ПОДПО (этап I, второй транш) (техническая помощь сектору обслуживания) (IRQ/PHA/74/INV/23)*: в связи с задержками при таможенном оформлении комплекты инструментов⁷ для 100 технических специалистов были закуплены, доставлены и переданы получателям в апреле 2026 года; в том же месяце был представлен доклад о завершении проекта (ДЗП), а остаток средств в размере 8 063,71 долл. США будет возвращен на 98-м совещании;
- b) *НППО (конверсия с ХФУ-11 на циклопентан на двух предприятиях по производству пенополиуретана) (IRQ/PHA/58/INV/09)*: предприятие «Nassr State Company» получило все оборудование, провело испытания и обучение персонала для запуска коммерческого производства и завершило модернизацию в декабре 2025 года; проект на предприятии «Iraqi Steel» был отменен, и остаток средств в размере 26 319,69 долл. США будет возвращен на 99-м совещании; и
- c) *проект замены ХФУ-12 на изобутан и ХФУ-11 на циклопентан в производстве бытовых холодильников на предприятии «Light Industries» (IRQ/REF/57/INV/07)*: ЮНИДО завершила монтаж и ввод оборудования в эксплуатацию; проект был в операционном отношении завершен в декабре 2025 года и финансово будет закрыт в июне 2026 года.

Уровень освоения средств

39. По состоянию на апрель 2026 года освоение средств по второму траншу этапа I ПОДПО и НППО составило 96,5 % и 95,8 % соответственно. Общая сумма в 2 161 581 долл. США, утвержденная для проекта конверсии на предприятии «Light Industries», освоена, как показано в таблице 5. Остатки средств будут возвращены 98-му и 99-му совещаниям.

Таблица 5. Финансовый отчет по подлежащим завершению проектам для Ирака по состоянию на апрель 2026 года (в долл. США)

Проекты	Утвержденные средства	Выделенные средства	Коэффициент расходования средств (%)	Остаток средств
ПОДПО (этап I, 2-й транш)	230 000	221 936,29	96,5	*8 063,71
НППО («Nassr State Company» и «Iraqi Steel»)	4 353 530	4 171 591,85	95,8	**26 319,69
Конверсия на предприятии «Light Industries»	2 161 581	2 161 581	100,0	0

* Средства, подлежащие возврату на 98-м совещании

** Остаток средств, подлежащий возврату на 98-м совещании после погашения невыполненных обязательств на сумму 155 618,46 долл. США.

Комментарии Секретариата

40. Секретариат отмечает, что все незавершенные проекты в настоящее время в операционном отношении завершены, что представлен ДЗП по этапу I ПОДПО, и что остатки средств по этапу I ПОДПО и по НППО будут возвращены на 98-м и 99-м совещаниях соответственно. В соответствии с решением 87/40 с) второй транш ЮНИДО по этапу II ПОДПО для Ирака может быть представлен на рассмотрение Исполнительного комитета только после того, как в Секретариат будут представлены ДЗП по НППО и по проекту конверсии на предприятии «Light Industries».

⁷ Включая электронные детекторы утечек, масляные насосы для заправки, портативное оборудование для продувки азотом, наборы динамометрических ключей, клещи Lokring, комплект губок и соединители разного диаметра.

Рекомендация

41. Исполнительный комитет, возможно, пожелает:

- а) принять к сведению окончательные доклады о прогрессе в завершении второго транша этапа I плана организационной деятельности по поэтапному отказу от ГХФУ (IRQ/PHA/74/INV/23), первого транша национального плана поэтапного отказа (IRQ/PHA/58/INV/09) и проекта замены хладагента ХФУ-12 на изобутан и вспенивающего агента ХФУ-11 на циклопентан в производстве бытовых холодильников и морозильных камер на предприятии «Light Industries» для Ирака (IRQ/REF/57/INV/07), представленные ЮНИДО и содержащиеся в документе UNEP/OzL.Pro/ExCom/98/6; и
- б) поручить ЮНИДО представить доклады о завершении проектов IRQ/PHA/58/INV/09 и IRQ/REF/57/INV/07 до начала 99-го совещания, с тем чтобы обеспечить возможность рассмотрения вопроса о выделении ЮНИДО второго транша этапа II ПОДПО в соответствии с решением 87/40 с).

Кувейт: План организационной деятельности по поэтапному отказу от ГХФУ (Этап II. Запрос на продление сроков завершения проекта) (ЮНЕП и ЮНИДО)

История вопроса

42. На 88-м совещании Исполнительный комитет утвердил этап II плана организационной деятельности по поэтапному отказу от ГХФУ (ПОДПО) для Кувейта, который будет осуществляться ЮНЕП и ЮНИДО, на период 2021–2025 гг. с целью сокращения потребления ГХФУ на 67,5 процента от базового уровня страны (решение 88/51). Второй транш, утвержденный на 95-м совещании, в настоящее время находится в стадии реализации. Представление третьего и последнего транша было запланировано на 2025 год, а полное завершение ПОДПО – на декабрь 2026 года в соответствии с Соглашением между правительством и Исполнительным комитетом.

Запрос на продление

43. С середины 2025 года Кувейт столкнулся с исключительными обстоятельствами, вызванными событиями в регионе, которые повлияли на общую эксплуатационную среду и способность осуществлять запланированные мероприятия в рамках проекта. Кроме того, изменения в руководстве Государственного управления по охране окружающей среды (ЕРА) в мае 2025 года привели к переходным корректировкам, которые повлияли на процессы координации и принятия решений, имеющие решающее значение для надлежащего и своевременного осуществления запланированных мероприятий.

44. В рамках осуществления проекта под руководством ЮНЕП был достигнут прогресс в осуществлении ключевых мероприятий, включая подписание соглашений о сотрудничестве по проекту в отношении обеих траншей и первоначальные выплаты в ЕРА; тем не менее, выполнение ряда мероприятий остается нерешенным до урегулирования вышеуказанных обстоятельств. В соответствии с планом осуществления ЮНИДО был создан и начал функционировать центр по регенерации; в ЕРА было поставлено лабораторное оборудование; были выполнены задачи по определению учебных центров и разработке систем сертификации. Однако поставка определенного оборудования для учебных центров, а также оборудования для лаборатории центра по рекуперации, рециркуляции и регенерации по-прежнему не осуществлена из-за ограничений на перевозки, связанных с ситуацией в регионе; после поставки оборудование будет установлено и введено в эксплуатацию.

45. В свете вышеизложенного ЮНЕП от имени правительства Кувейта подала запрос на продление срока реализации проекта до 31 декабря 2027 года для обеспечения возможности завершения всех оставшихся мероприятий.

Комментарии Секретариата

46. Секретариат отмечает трудности, с которыми столкнулось правительство Кувейта при реализации этапа II своего ПОДПО, что привело к задержке завершения планирования и осуществления ряда мероприятий. Секретариат запросил у ЮНЕП и ЮНИДО разъяснения относительно текущего статуса осуществления и мер, принятых для обеспечения завершения проекта в рамках запрошенных продленных сроков. ЮНЕП и ЮНИДО подтвердили, что ситуация находится под активным контролем, что позволяет обоим учреждениям-исполнителям добиваться существенного прогресса, что представление третьего и последнего транша запланировано на 99-е совещание и что все оставшиеся мероприятия, как ожидается, будут завершены к 31 декабря 2027 года.

Рекомендация

47. Исполнительный комитет, возможно, пожелает:

- a) принять к сведению запрос о продлении этапа II плана организационной деятельности по поэтапному отказу от ГХФУ для Кувейта, представленный ЮНЕП и содержащийся в документе UNEP/OzL.Pro/ExCom/98/6; и
- b) утвердить, в порядке исключения и при условии, что дальнейшее продление запрашиваться не будет, продление срока завершения проекта, упомянутого в подпункте a) выше, до 31 декабря 2027 года.

Мавритания: План организационной деятельности по поэтапному отказу от ГХФУ (Этап I. Доклад о ходе выполнения рабочей программы, связанной с третьим и последним траншем) (ЮНЕП и ЮНИДО)

История вопроса

48. Утверждая третий и последний транш этапа I плана организационной деятельности по поэтапному отказу от ГХФУ (ПОДПО) для Мавритании, Исполнительный комитет поручил правительству Мавритании, ЮНЕП и ЮНИДО представить на 98-м совещании доклад о ходе осуществления оставшихся мероприятий в рамках этапа I ПОДПО, включая результаты оценки технико-экономической целесообразности с подробным указанием того, будет ли национальная схема рекуперации, рециркуляции и регенерации (PPP) для Мавритании устойчивой или нет, операционную структуру этой схемы и ее связи с существующими центрами по рекуперации, а также оборудование, которое необходимо закупить⁸.

49. Правительство Мавритании в данных по страновой программе указало потребление ГХФУ в объеме 6,32 тонны ОРС в 2025 году, что на 69 процентов ниже базового уровня страны для обеспечения соблюдения по ГХФУ и соответствует максимально допустимому объему потребления за этот год.

⁸ Решение 97/35 (общее утверждение)

Доклад о ходе работы

50. От имени правительства Мавритании ЮНЕП в качестве ведущего учреждения-исполнителя представила доклад о ходе осуществления оставшихся мероприятий в рамках этапа I ПОДПО, включая результаты оценки устойчивости национальной схемы PPP.

51. Все мероприятия, запланированные в секторе обслуживания в рамках компонента ЮНЕП второго транша, были завершены следующим образом:

- a) *программа подготовки сотрудников таможенных и правоохранительных органов:* было проведено пять учебных семинаров, в результате чего прошли обучение 125 сотрудников таможенных и правоохранительных органов;
- b) *программа подготовки технических специалистов по холодильному оборудованию:* были завершены тренинги для инструкторов и последующие национальные учебные сессии, в ходе которых в общей сложности 30 инструкторов и более 200 технических специалистов прошли обучение передовым методам обслуживания, включая рекуперацию, рециркуляцию и безопасное обращение с хладагентами;
- c) *исследование и оценка потребностей в секторе холодильного оборудования и систем кондиционирования воздуха (ХОКВ):* были проведены всестороннее исследование и оценка потребностей, в результате чего были получены обновленные данные о потреблении ГХФУ, наличии оборудования и потребностях сектора; и
- d) *мониторинг и отчетность:* были созданы системы мониторинга и усовершенствован сбор данных в сотрудничестве с таможенными органами и соответствующими заинтересованными сторонами.

52. Мероприятия, осуществляемые ЮНИДО, продолжаются, и в Секретариат была представлена оценка технико-экономической целесообразности национальной схемы PPP:

- a) *оценка технико-экономической целесообразности схемы PPP:* в результате оценки был сделан вывод о том, что схема рекуперации и рециркуляции является целесообразной и может быть создана в качестве реального краткосрочного результата; однако регенерация вряд ли будет экономически целесообразной в ближайшей перспективе. Объем, необходимый для обеспечения рентабельности регенерации, составляет менее 60 тонн в год в масштабах страны, что считается труднодостижимым при нынешних уровнях потребления. В оценке также изложены нормативная дорожная карта для введения схемы в действие, информация о наличии инфраструктуры, подробный план реализации, состоящий из шести этапов, перечень оборудования, вопросы обучения и сертификации, меры по контролю качества, а также институциональные роли и обязанности;
- b) *программа технической помощи и поставки оборудования для центров рекуперации и хранения:* после передачи полномочий от ПРООН к ЮНИДО закупки по первому и второму траншам были объединены в один заказ с целью оптимизации затрат и логистики. Процесс закупок был завершен, и оборудование было поставлено в апреле 2026 года;
- c) *наращивание технического потенциала в области альтернативных хладагентов, включая углеводороды (R-290):* оборудование поставлено; ЮНИДО будет координировать с национальным органом по озону организацию обучения по наращиванию потенциала, запланированного на июнь 2026 года; и

- d) появились *идентификаторы хладагентов*, и впоследствии были закуплены три устройства, которые были поставлены в апреле 2026 года.

53. По состоянию на май 2026 года из утвержденной в рамках этапа I суммы в 607 500 долл. США было израсходовано 348,101 долл. США (216 595 долл. США для ЮНЕП и 131 506 долл. США для ЮНИДО), как показано в таблице 6. Остаток в размере 259 399 долл. США будет израсходован к 31 декабря 2027 года.

Таблица 6. Финансовый доклад по этапу I ПОДПО для Мавритании (в долл. США)

Транш		ЮНЕП	ЮНИДО	Итого	Коэффициент расходования средств (%)
Первый	Утверждено	150 000	105 000	255 000	79
	Выделено	149 845	50 336	200 181	
Второй	Утверждено	66 750	200 000	266 750	55
	Выделено	66 750	81 170	147 920	
Третий	Утверждено	85 750	0	87 750	0
	Выделено	0	0	0	
Итого	Утверждено	302 500	305 000	607 500	57
	Выделено	216 595	131 506	348 101	
	Неиспользованные остатки	85 905	173 494	259 399	

Комментарии Секретариата

54. Поскольку в результате оценки был сделан вывод о том, что схема рекуперации и рециркуляции является целесообразной, в то время как схема регенерации вряд ли будет экономически целесообразной, была разработана дорожная карта реализации, включающая только мероприятия, связанные с рекуперацией и рециркуляцией. В докладе не указано наличие каких-либо действующих официальных центров рекуперации в Мавритании. Получив подробную информацию о количестве и типе оборудования, закупленного для центров рекуперации и хранения⁹, а также перечень закупок¹⁰ для центров рекуперации, Секретариат запросил разъяснения относительно общего числа центров хранения и рекуперации, которым будет оказана помощь, и числа технических специалистов, которые должны будут пройти обучение. ЮНИДО подтвердила, что оборудование будет установлено и введено в эксплуатацию в двух центрах хранения, пяти региональных центрах рекуперации и одном центральном центре хранения, а также что в учебных центрах будет проведено обучение по безопасному обращению с воспламеняющимися хладагентами, процедурам рекуперации и рециркуляции и эксплуатации оборудования как минимум для 240 технических специалистов ХОКВ.

Заключение

55. Мавритания продолжает выполнять контрольные целевые показатели по ГХФУ, установленные в ее Соглашении с Исполнительным комитетом, при этом потребление продолжает сокращаться. Страна эффективно применяет систему лицензирования и квотирования для контроля за импортом ГХФУ. Несмотря на задержки в осуществлении, связанные со сменой учреждения-исполнителя, ограничениями в глобальных поставках и логистическими проблемами, связанными с отгрузкой и уточнением процедур освобождения от налогов, были приняты корректирующие меры.

⁹ Включает поставку, в частности, установок для рекуперации хладагентов, шлангов, баллонов, весов, вакуумных насосов, коллекторных манометров, детекторов утечек, датчиков, ручного инструмента и идентификаторов хладагентов.

¹⁰ Включает, в частности, вакуумные рекуперационные баллоны, установки для рекуперации хладагентов, вакуумные насосы, портативные станции подзарядки, весы, коллекторные манометры, детекторы утечек и наборы для пайки.

Эти меры включают пересмотр перечня оборудования с учетом его наличия на рынке, решение проблем, связанных с отгрузкой и таможенными процедурами, а также завершение процессов закупок. В секторе обслуживания ХОКВ было предоставлено оборудование и инструменты для поддержки программы технической помощи и поставки оборудования для центров рекуперации и хранения, а также поставки идентификаторов хладагентов. Последний транш был утвержден на 97-м совещании, и текущий коэффициент расходования средств, включая последний транш, составляет 57 процентов. ЮНЕП и ЮНИДО подтвердили, что все основные мероприятия будут завершены к 31 декабря 2026 года, при этом завершающие работы и консолидация операционной деятельности продлятся до 2027 года.

Рекомендация

56. Исполнительный комитет, возможно, пожелает принять к сведению доклад о ходе осуществления оставшихся мероприятий в рамках этапа I ПОДПО для Мавритании, включая результаты оценки технико-экономической целесообразности национальной схемы рекуперации, рециркуляции и регенерации, операционную структуру этой схемы и ее связи с существующими центрами по рекуперации, а также оборудование, которое необходимо закупить в рамках третьего и последнего транша этапа I ПОДПО, представленный ЮНЕП и содержащийся в документе UNEP/OzL.Pro/ExCom/98/6.

Турция: План организационной деятельности по поэтапному отказу от ГХФУ (Этап I. Доклад о ходе выполнения рабочей программы, связанной с пятым и последним траншем) (ЮНИДО и ЮНЕП)

История вопроса

57. На своем 96-м совещании, утверждая пятый и последний транш этапа I плана организационной деятельности по поэтапному отказу от ГХФУ (ПОДПО) для Турции, Исполнительный комитет поручил правительству Турции, ЮНИДО и ЮНЕП ежегодно до завершения проекта представлять доклады о ходе осуществления программы работы, связанной с выделением последнего транша ПОДПО, и доклады о результатах проверки¹¹.

58. Правительство Турции сообщило о потреблении 2,75 тонны ОРС ГХФУ в 2024 году, что на 99,5 процента ниже базового уровня, предусмотренного для соблюдения обязательств в отношении ГХФУ. Турция уже запретила импорт ГХФУ с 1 января 2015 года, разрешив ввоз лишь ограниченных объемов ГХФУ-22 исключительно для целей обслуживания. С 1 января 2025 года импорт ГХФУ-22 для обслуживания также был запрещен, что привело к полному выводу ГХФУ из обращения. Данные о потреблении ГХФУ в 2020–2025 годах представлены в таблице 7.

Таблица 7. Потребление ГХФУ в Турции (данные в соответствии со статьей 7 за 2020–2025 годы)

ГХФУ	2020	2021	2022	2023	2024	2025*	Базовый уровень**
ГХФУ-22							
Метрические тонны (т)	33,15	63,96	47,16	42,48	50,00	0,00	8 007,00
Тонны ОРС	1,82	3,52	2,59	2,34	2,75	0,00	551,47
Максимально допустимое потребление	50,00	40,00	30,00	20,00	10,00	0,00	н.п.

* Доклад о результатах проверки

** Базовый уровень потребления включает ГХФУ-22, ГХФУ-141b, ГХФУ-142b, ГХФУ-123 и ГХФУ-124. В 2013–2024 годах Турция использовала только ГХФУ-22.

¹¹ Решение 96/26 (общее утверждение)

59. Правительство Турции представило данные о секторальном потреблении ГХФУ в рамках доклада о реализации страновой программы (СП) за 2024 год, которые соответствуют данным, представленным в соответствии со статьей 7 Монреальского протокола. 5 мая 2026 года был представлен проект доклада о реализации СП за 2025 год, подтверждающий нулевой уровень потребления ГХФУ, как указано в результатах проверки. В настоящее время ведется доработка окончательного доклада.

Доклад о результатах проверки

60. Доклад о результатах проверки подтвердил, что Турция полностью прекратила потребление ГХФУ к 1 января 2025 года, на пять лет раньше сроков, предусмотренных Монреальским протоколом, и что это достижение стало возможным благодаря наличию надежной институциональной и нормативно-правовой базы, переходу отраслей на альтернативные технологии и решительным вспомогательным мерам в рамках ПОДПО.

61. Для поддержания ускоренного процесса поэтапного отказа от ГХФУ в Турции в докладе о результатах проверки было рекомендовано усилить меры по предотвращению незаконного импорта за счет повышения бдительности таможенных органов, включая использование цифровых инструментов, идентификаторов хладагентов, санкций, регионального сотрудничества и постоянного обучения сотрудников таможенных органов. В нем также подчеркивается необходимость поддержания систем непрерывного обучения и сертификации, а также интеграции центров регенерации в национальные системы регулирования отходов, стимулирования их использования и расширения их мандата с включением ГФУ и других фторосодержащих газов (F-газов). Наконец, в докладе содержится призыв к дальнейшему укреплению институциональной базы для обеспечения того, чтобы нормативно-правовые рамки оставались надежными, прозрачными, согласованными со стандартами Европейского союза в отношении F-газов и подкреплялись эффективной отчетностью и мониторингом.

Доклад о ходе работы

62. От имени правительства Турции ЮНИДО представила доклад, содержащий обновленную информацию о ходе выполнения оставшихся мероприятий в секторе обслуживания холодильного оборудования, в том числе:

- a) *подготовка сотрудников таможенных и правоохранительных органов:* дополнительно для 141 сотрудников таможенных органов и инспекторов было организовано обучение по вопросам действующих нормативных актов, предотвращения незаконной торговли и выявления запрещенных озоноразрушающих веществ (ОРВ) с использованием идентификаторов хладагентов, в результате чего общее число сотрудников, прошедших обучение в рамках данного этапа, составило 250 человек, включая 62 женщины;
- b) *подготовка и сертификация технических специалистов по холодильному оборудованию и системам кондиционирования воздуха (ХОКВ):* было оснащено¹² 25 государственных профессионально-технических училищ, расположенных в 23 провинциях, с целью укрепления их потенциала в области практического обучения в секторе обслуживания холодильного оборудования. В рамках национальной системы квалификации сертификацию прошли в общей сложности 7 289 технических специалистов, а сертификация еще 2 000 технических специалистов запланирована на текущий период. Кроме того, в период с 2025 по 2026 год 1 276 технических

¹² Оборудование включало газоанализаторы, установки для рекуперации хладагентов, газовые баллоны и комплекты для азота.

специалистов из 11 провинций прошли обучение по надлежащим методам обслуживания и безопасному обращению с хладагентами, в результате чего общее число прошедших обучение в рамках данного этапа составило 2 178 человек, включая 295 женщин;

- с) *программа рекуперации, рециркуляции и регенерации (PPP)*: три центра PPP фактически функционируют (оборудование установлено, обучение проведено, деятельность ведется), но они еще не введены в эксплуатацию в юридическом плане. Их полная интеграция в нормативную базу будет завершена только в 2026 году после вступления в силу соответствующего циркуляра. Циркуляр, регулирующий экологически безопасный сбор, временное хранение, транспортировку и регенерацию фторсодержащих газов, подготовлен и обсужден с соответствующими заинтересованными сторонами и проходит оставшиеся национальные процедуры утверждения для окончательного утверждения перед официальной публикацией. Оборудование для укрепления профессионально-технических центров (включая детекторы утечек, инструменты для рекуперации и весы) закупается для распределения в 2026 году; и
- d) *группа по реализации и мониторингу проекта (ГОП)*: продолжение координации оставшихся мероприятий ПОДПО для обеспечения устойчивости процесса поэтапного отказа от ГХФУ при поддержке национальных технических консультантов, технического советника и проведения аудитов.

63. По состоянию на апрель 2026 года из 14 223 540 долл. США, утвержденных в рамках этапа I (14 120 090 долл. США для ЮНИДО и 103 450 долл. США для ЮНЕП), было израсходовано 12 345 708 долл. США (12 242 258 долл. США для ЮНИДО и 103 450 долл. США для ЮНЕП), а 318 150 долл. США было возвращено, как показано в таблице 8. Остаток в размере 1 877 832 долл. США будет израсходован в 2026 году.

Таблица 8. Финансовый доклад по этапу I ПОДПО для Турции (в долл. США)

Проект/транш		ЮНИДО	ЮНЕП	* Итого	Коэффициент расходования средств (%)
Комплексный проект по пенополиуретану (ППУ) и экструдированному пенополистиролу (ЭПС)	Утверждено	7 713 490	0	7 713 490	96,2
	Выделено	7 419 768	0	7 419 768	
Первый транш	Утверждено	807 750	103 450	911 200	99,7
	Выделено	805 351	103 450	908 801	
Второй транш	Утверждено	2 500 000	0	2 500 000	98,5
	Выделено	2 461 825	0	2 461 825	
Третий транш	Утверждено	1 598 850	0	1 598 850	71,6
	Выделено	1 144 850	0	1 144 850	
Четвертый транш	Утверждено	859 400	0	859 400	44,5
	Выделено	382 057	0	382 057	
Пятый транш	Утверждено	640 600	0	640 600	4,4
	Выделено	28 407	0	28 407	
Итого	Утверждено	14 120 090	103 450	14 223 540	86,8
	Выделено	12 242 258	103 450	12 345 708	

* Инвестиционные проекты на предприятиях по производству ППУ и ЭПС были завершены в декабре 2019 года, а неизрасходованные остатки в размере 293 722 долл. США были возвращены в Фонд на 84-м совещании. Неизрасходованные остатки в размере 1 605 долл. США, 794 долл. США и 22 029 долл. США из первого и второго траншей были возвращены в Фонд на 79-м, 81-м и 87-м совещаниях.

64. В мероприятия ПОДПО была интегрирована политика Многостороннего фонда по учету гендерной проблематики. Женщины принимали участие в программах сертификации для технических специалистов, учились в профессионально-технических училищах, были задействованы в учебных сессиях для сотрудников таможенных органов и различных информационно-просветительских программах. Были рекомендованы стратегии по расширению и мониторингу привлечения женщин на технические и управленческие должности, а также в процессах найма и обучения. Такой подход укрепляет устойчивость достигнутых результатов, обеспечивая более широкий состав рабочей силы.

Комментарии Секретариата

65. Секретариат с удовлетворением отмечает, что Турция полностью вывела ГХФУ из обращения 1 января 2025 года, на пять лет раньше сроков, предусмотренных контрольным графиком Монреальского протокола. ЮНИДО подтвердила, что этап I ПОДПО будет в операционном отношении завершен к 31 декабря 2026 года, как это предусмотрено в Соглашении и было указано на 96-м совещании Исполнительного комитета. Объем выделенных на данный этап средств составляет 86,8 процента, и ожидается, что окончательные выплаты по проекту, в основном связанные с продолжающимися закупками инструментов для обслуживания холодильного оборудования для технических специалистов по холодильному оборудованию, учебными мероприятиями, а также лабораторным и учебным оборудованием для профессионально-технических училищ, будут завершены к декабрю 2026 года.

66. По запросу ЮНИДО подтвердила, что с 1 января 2025 года использование ГХФУ в Турции было полностью запрещено, за исключением критически важных и лабораторных применений, что фактически исключило их размещение на рынке. Для обеспечения устойчивости процесса поэтапного отказа Законом о климате от 9 июля 2025 года введены значительные административные санкции и финансовые штрафы для физических и юридических лиц, причастных к незаконному использованию, импорту, торговле или размещению на рынке ОРВ. Проводимые мероприятия по обучению и повышению осведомленности, ориентированные на сотрудников таможенных органов, технических специалистов и других заинтересованных сторон, способствуют внедрению альтернатив, в то время как механизмы координации, включая Группу по озону, обеспечивают постоянное вовлечение заинтересованных сторон. В совокупности эти меры создают прочную основу для долгосрочной устойчивости процесса поэтапного отказа от ГХФУ в Турции.

Рекомендация

67. Исполнительный комитет, возможно, пожелает принять к сведению доклад о ходе выполнения рабочей программы, связанной с пятым и последним траншем этапа I плана организационной деятельности по поэтапному отказу от ГХФУ для Турции, представленный ЮНИДО и содержащийся в документе UNEP/OzL.Pro/ExCom/98/6.

В. Доклад, связанный с соглашениями в рамках планов реализации Кигалийской поправки по ГФУ

Соглашения о сокращении потребления ГФУ в соответствии с этапом I планов реализации Кигалийской поправки по ГФУ

История вопроса

68. На своем 95-м совещании Исполнительный комитет достиг консенсуса по шаблону соглашения для этапа I планов реализации Кигалийской поправки по ГФУ¹³. Согласованный шаблон

¹³ Решение 95/90 и приложение LVII к документу UNEP/OzL.Pro/ExCom/95/94

будет применяться к ПРК, утвержденным ранее в период с 92-го по 95-е совещание. На своем 96-м совещании Исполнительный комитет достиг консенсуса по руководящим принципам финансирования расходов на ГФУ¹⁴, которые более четко определяют отправную точку, что имеет последствия для проектов соглашений. Изменения в проектах соглашений были обсуждены на межучрежденческом координационном совещании¹⁵, и на своем 97-м совещании Исполнительный комитет утвердил соглашения по 14 ПРК, утвержденным в период с 92-го по 95-е совещание.

Комментарии Секретариата

69. Для обеспечения согласованности и точности проектов соглашений между соответствующими правительствами и Исполнительным комитетом Секретариат подготовил их на основе согласованного шаблона и графиков обязательств по поэтапному отказу от ХФУ и траншей финансирования в рамках ПРК, утвержденных в период с 92-го по 95-е совещание, и внес необходимые корректировки в:

- a) пункт 2 в соответствии с решением 96/50 e) для стран с малыми объемами потребления (МОП), где потребление осуществляется только в обслуживании, и где отправная точка не применяется, в также для стран, не относящихся к группе стран с МОП, где отправная точка охватывает все ГФУ в их совокупности;
- b) пункт 9 в соответствии с решением 96/4 в связи с отменой функции мониторинга, выполняемой старшим сотрудником по оценке, исключить слова «мониторинг и»;
- c) дополнения 1-А и 2-А, с тем чтобы отразить те решения, которые могут различаться для стран с МОП с обслуживанием, стран с МОП с обслуживанием и производством, а также стран, не относящихся к группе стран с МОП;
- d) для стран, не относящихся к группе стран с МОП, и стран с МОП, которые также имеют производство, в дополнении 1-А и строке 4 дополнения 2-А включить текст «Подлежит уточнению», поскольку они будут окончательно утверждены только после завершения обсуждений относительно отправной точки для совокупного сокращения объемов потребления и, тем самым, оставшегося объема потребления, отвечающего критериям.

70. Соглашения для двух стран с ранее утвержденными ПРК (Мексика и Нигерия) включены в проектные предложения с запросами на транши, представленные на данном совещании, а остальные соглашения по ранее утвержденным ПРК содержатся в приложениях III–XXXVI к настоящему документу. Ведущие учреждения-исполнители рассмотрели все соглашения и представили свои замечания по ним, уделив особое внимание дополнению 5-А («Учреждения, осуществляющие мониторинг, и их роль») с целью получения подробных и достоверных сведений о том, как будет осуществляться мониторинг хода реализации плана, а также указания на организации и учреждения, которые будут отвечать за деятельность и устойчивость целевых показателей сокращения объемов потребления, достигнутых в рамках соглашения. Секретариат с удовлетворением отмечает усилия всех учреждений-исполнителей и двусторонних учреждений по проверке и утверждению соглашений.

71. Настоящим Секретариат представляет на утверждение Исполнительного комитета 34 проекта соглашений по ПРК для стран: Бенин, Камбоджа, Чад, Эль-Сальвадор, Эсватини, Гамбия, Гана, Гренада, Иордания, Кыргызстан, Лаосская Народно-Демократическая Республика, Лесото, Либерия, Малави, Малайзия, Черногория, Мозамбик, Северная Македония, 12 тихоокеанских

¹⁴ Решение 96/50

¹⁵ Проведено в сентябре 2025 г.

островных стран (Острова Кука, Кирибати, Маршалловы Острова, Федеративные Штаты Микронезии, Науру, Ниуэ, Палау, Самоа, Соломоновы Острова, Тонга, Тувалу и Вануату), Панама, Парагвай, Перу, Руанда, Сент-Люсия, Сенегал, Сейшельские Острова, Сьерра-Леоне, Того, Тринидад и Тобаго, Тунис, Турция, Уругвай, Вьетнам и Зимбабве, которые содержатся в приложениях III–XXXVI к настоящему документу.

Рекомендация

72. Исполнительный комитет, возможно, пожелает утвердить:

- a) проект Соглашения между правительством Бенина и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I плана реализации Кигалийской поправки по ГФУ (ПРК), содержащийся в приложении III к настоящему докладу;
- b) проект Соглашения между правительством Камбоджи и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении IV к настоящему докладу;
- c) проект Соглашения между правительством Чада и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении V к настоящему докладу;
- d) проект Соглашения между правительством Эль-Сальвадора и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении VI к настоящему докладу;
- e) проект Соглашения между правительством Эсватини и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении VII к настоящему докладу;
- f) проект Соглашения между правительством Гамбии и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении VIII к настоящему докладу;
- g) проект Соглашения между правительством Ганы и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении IX к настоящему докладу;
- h) проект Соглашения между правительством Гренады и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении X к настоящему докладу;
- i) проект Соглашения между правительством Иордании и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XI к настоящему докладу;
- j) проект Соглашения между правительством Кыргызстана и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XII к настоящему докладу;
- k) проект Соглашения между правительством Лаосской Народно-Демократической Республики и Исполнительным комитетом о сокращении потребления ГФУ в

соответствии с этапом I ПРК, содержащийся в приложении XIII к настоящему докладу;

- l) проект Соглашения между правительством Лесото и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XIV к настоящему докладу;
- m) проект Соглашения между правительством Либерии и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XV к настоящему докладу;
- n) проект Соглашения между правительством Малави и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XVI к настоящему докладу;
- o) проект Соглашения между правительством Малайзии и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XVII к настоящему докладу;
- p) проект Соглашения между правительством Черногории и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XVIII к настоящему докладу;
- q) проект Соглашения между правительством Мозамбика и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XIX к настоящему докладу;
- r) проект Соглашения между правительством Северной Македонии и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XX к настоящему докладу;
- s) проект Соглашения между правительствами тихоокеанских островных стран и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXI к настоящему докладу;
- t) проект Соглашения между правительством Панамы и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXII к настоящему докладу;
- u) проект Соглашения между правительством Парагвая и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXIII к настоящему докладу;
- v) проект Соглашения между правительством Перу и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXIV к настоящему докладу;
- w) проект Соглашения между правительством Руанды и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXV к настоящему докладу;
- x) проект Соглашения между правительством Сент-Люсии и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXVI к настоящему докладу;

- y) проект Соглашения между правительством Сенегала и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXVII к настоящему докладу;
- z) проект Соглашения между правительством Сейшельских Островов и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXVIII к настоящему докладу;
- aa) проект Соглашения между правительством Сьерра-Леоне и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXIX к настоящему докладу;
- bb) проект Соглашения между правительством Того и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXX к настоящему докладу;
- cc) проект Соглашения между правительством Тринидада и Тобаго и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXXI к настоящему докладу;
- dd) проект Соглашения между правительством Туниса и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXXII к настоящему докладу;
- ee) проект Соглашения между правительством Турции и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXXIII к настоящему докладу;
- ff) проект Соглашения между правительством Уругвая и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXXIV к настоящему докладу;
- gg) проект Соглашения между правительством Вьетнама и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXXV к настоящему докладу;
- hh) проект Соглашения между правительством Зимбабве и Исполнительным комитетом о сокращении потребления ГФУ в соответствии с этапом I ПРК, содержащийся в приложении XXXVI к настоящему докладу;

С. Доклад о дополнительных мероприятиях по поддержанию энергоэффективности в секторе обслуживания холодильного оборудования (решение 89/6)

Мальдивские Острова: Дополнительные мероприятия по поддержанию энергоэффективности в секторе обслуживания холодильного оборудования в соответствии с решением 89/6 b) (итоговый доклад о ходе работы) (ЮНЕП)

История вопроса

73. На 91-м совещании Исполнительный комитет утвердил проект по дополнительным мероприятиям для внедрения альтернатив ГХФУ с низким или нулевым потенциалом глобального потепления (ПГП) и по поддержанию энергоэффективности в секторе обслуживания холодильного

оборудования на Мальдивских Островах на сумму 100 000 долл. США плюс вспомогательные расходы учреждения в размере 13 000 долл. США для ЮНЕП¹⁶. На 93-м совещании срок завершения проекта был продлен до 30 июня 2025 года¹⁷. На 95-м совещании в рамках ежегодного доклада о ходе реализации проекта¹⁸ был представлен обновленный план работы по осуществлению мероприятий проекта с указанием последних ожидаемых сроков завершения до марта 2025 года.

74. На 96-м совещании Исполнительный комитет утвердил, в порядке исключения и при условии, что дальнейшее продление запрашиваться не будет, продление срока завершения проекта до 30 июня 2026 года и поручил правительству Мальдивских Островов и ЮНЕП продолжать представлять доклады о ходе реализации проекта ежегодно до его завершения, а также представить доклад о завершении проекта (ДЗП) второму совещанию Исполнительного комитета в 2026 году (решение 96/14 b) и с)).

75. В соответствии с решением 96/14 с) ЮНЕП от имени правительства Мальдивских Островов представила доклад о ходе работы текущему совещанию.

Доклад о ходе работы

76. Целью проекта по повышению энергоэффективности было придание обязательного характера существующей добровольной программе по маркировке энергоэффективности бытовых приборов и оборудования под названием «Хакатари», которая охватывала определенные виды оборудования, в том числе кондиционеры¹⁹ и бытовые холодильники. Обязательные требования к маркировке в рамках программы «Хакатари» включают информацию о хладагенте, его озоноразрушающей способности и ПГП. Программа также устанавливает минимальные квалификационные требования к тестируемым²⁰ приборам для получения маркировки энергоэффективности, гарантируя, что они соответствуют минимальным стандартам энергоэффективности, уже действующим в стране.

77. Проект включал мероприятия по улучшению координации и сотрудничества между заинтересованными сторонами, соответствующими энергетическими органами и национальным органом по озону (НОО) посредством укрепления потенциала ключевого персонала и заинтересованных сторон для обеспечения постоянного учета хладагента в программе маркировки, руководства разработкой подхода к пересмотру типов хладагентов и ПГП, а также понимания регуляторных проблем, связанных с информацией о маркировке хладагентов с низким ПГП; повышению осведомленности о программе маркировки с акцентом на увеличение спроса на кондиционеры и холодильники, работающие на хладагентах с низким или нулевым ПГП, среди всех маркированных энергоэффективных продуктов; а также исследование поведения потребителей для оценки воздействия проекта.

78. По состоянию на апрель 2026 года были завершены следующие мероприятия: учебные/информационные сессии для импортеров, сотрудников таможенных органов, энергетических компаний, проектировщиков зданий, застройщиков и строительных предприятий; доработка стандартных операционных процедур (СОП) и разработка положения о приоритете

¹⁶ Decision 91/60 a)

¹⁷ Decision 93/20 b)

¹⁸ UNEP/OzL.Pro/ExCom/95/20, пункты 72-80

¹⁹ Однофазные кондиционеры сплит-системного и моноблочного типа как с фиксированной, так и с регулируемой скоростью, с номинальной мощностью до 24 226 БТЕ/ч (эквивалентно 7,1 кВт).

²⁰ Испытания проводятся лабораторией, аккредитованной признанным органом, являющимся участником соглашения о взаимном признании, таким как Организация по международному сотрудничеству в области аккредитации лабораторий (ИЛАК)/ Организация по аккредитации лабораторий стран Азиатско-Тихоокеанского региона (АПЛАК), в соответствии с определенными стандартами или протоколами для испытательных лабораторий (с применением стандарта ISO/IEC 17025).

продукции, соответствующей стандартам программы «Хакатари», при государственных закупках, которая будет завершена в июне 2026 года; а также разработка информационных материалов для конечных пользователей, направленных на информирование и оценку воздействия, которые окончательно будут распространены в июне 2026 года, и опрос в рамках исследования поведения потребителей, доклад по которому дорабатывается к июню 2026 года.

79. Из 100 000 долл. США, утвержденных для этого проекта, было израсходовано 49 560 долл. США (49,6 процента). Остаток обязательств в размере 50 440 долл. США будет израсходован до 30 июня 2026 года. В таблице 9 приведены обновленные данные о мероприятиях, осуществленных после представления предыдущего доклада о ходе работы.

Таблица 9. Обновленный план работ по реализации мероприятий по поддержанию энергоэффективности в секторе обслуживания холодильного оборудования на Мальдивских Островах

Мероприятие	Результат/цель	Утвержденные средства (долл. США)	Статус	Ожидаемая дата завершения
Наращивание потенциала ключевых сотрудников и заинтересованных сторон				
Координация и сотрудничество с соответствующими учреждениями посредством учебной подготовки по наращиванию потенциала	Учебная поездка, доклад и рекомендации	35 000	В 2025 году НОО организовал учебную поездку в Малайзию, в рамках которой состоялись визиты в Департамент окружающей среды и Комиссию по энергетике при Министерстве энергетического перехода и преобразования водных ресурсов. Также были организованы поездки на объекты: в лабораторию испытаний энергоэффективности Института стандартов и промышленных исследований Малайзии (SIRIM) и в компанию «Iwatani Malaysia Sdn. Bhd.» Ожидается, что по результатам учебной поездки в июне 2026 года будут окончательно доработаны пересмотренные СОП, включая новый раздел по проверочным испытаниям, а также разработаны/утверждены положения о приоритете продукции, соответствующей стандартам программы «Хакатари», при государственных закупках.	Июнь 2026 г.
Учебные/информационные сессии для импортеров, сотрудников таможенных органов, энергетических компаний, проектировщиков зданий,	Пять семинаров/информационных занятий для 140 участников	13 000	Было проведено два учебных семинара для импортеров, два семинара для сотрудников таможенных и торговых органов, два информационно-просветительских мероприятия и одно информационное мероприятие, в которых приняли участие в общей сложности 142	Завершено

Мероприятие	Результат/цель	Утвержденные средства (долл. США)	Статус	Ожидаемая дата завершения
застройщиков и строительных предприятий			человека ²¹ (в том числе 78 женщин).	
Информационно-просветительская деятельность и оценка ее воздействия				
Разработка и распространение информационных материалов	Пять просветительских видеороликов и пять продуктов инфографики разработаны и распространены	37 000	Контракт подписан, а сценарии для видеороликов подготовлены; распространение информационных материалов планируется завершить в июне 2026 года.	Июнь 2026 г.
Исследование потребительского поведения	Одно исследование потребительского поведения разработано и проведено	15 000	Разработаны техническое задание и вопросник для исследования, заключен договор с компанией, и опрос завершен. Консультант в настоящее время занимается подготовкой доклада.	Июнь 2026 г.
Итого		100 000		

Комментарии Секретариата

80. Секретариат отметил прогресс, достигнутый в реализации проекта, в частности завершение всех мероприятий по наращиванию потенциала, включая учебную поездку в Малайзию в 2025 году, учебные сессии для импортеров и сотрудников таможенных органов, а также внесение поправок в документ программы «Хакатари», отметив, что целевой показатель по обучению был превышен (обучено 142 участника вместо запланированных 140). ЮНЕП подтвердила, что все оставшиеся мероприятия будут завершены к июню 2026 года и что доклад о завершении проекта (ДЗП) будет представлен в соответствии с решением 96/14 с).

Рекомендация

81. Исполнительный комитет, возможно, пожелает принять к сведению окончательный доклад о ходе реализации проекта по дополнительным мероприятиям для внедрения альтернатив ГХФУ с низким или нулевым потенциалом глобального потепления и по поддержанию энергоэффективности в секторе обслуживания холодильного оборудования на Мальдивских Островах, представленный ЮНЕП и содержащийся в документе UNEP/OzL.Pro/ExCom/98/6.

²¹ В том числе импортеры, сотрудники таможенных органов, энергетических компаний, проектировщики зданий, застройщики и строительные компании.

D. Доклад об экспериментальном проекте по сохранению и/или повышению энергоэффективности замещающих технологий и оборудования при поэтапном сокращении потребления ГФУ (решение 91/65)

Камерун: Экспериментальный проект по сохранению и/или повышению энергоэффективности замещающих технологий и оборудования при поэтапном сокращении потребления ГФУ (неинвестиционная деятельность) (запрос на продление сроков завершения проекта) (ЮНИДО)

История вопроса

82. На своем 94-м совещании Исполнительный комитет утвердил экспериментальный проект по сохранению и/или повышению энергоэффективности замещающих технологий и оборудования при поэтапном сокращении потребления ГФУ (неинвестиционная деятельность) для Камеруна, который будет осуществляться ЮНИДО, отметив, что проект будет в операционном отношении завершен не позднее 30 июня 2026 года и что подробный доклад по проекту будет представлен Исполнительному комитету в течение шести месяцев с даты завершения проекта (решение 94/54).

Запрос на продление

83. В Камеруне в период с конца 2024 года по окончание президентских выборов в 2025 году произошло несколько перестановок в составе правительства. В результате ранее полученные разрешения на запуск проекта и начало сбора данных утратили силу. Национальный орган по озону получил необходимое обновленное разрешение в конце февраля 2026 года, после чего начался сбор данных и информации, а в марте 2026 года был проведен вводный семинар. В настоящее время институциональные механизмы являются стабильными, что позволяет своевременно и эффективно завершить оставшиеся мероприятия по проекту к концу 2026 года и представить доклад по проекту в 2027 году.

84. В свете этих задержек и для обеспечения возможности завершения мероприятий по проекту ЮНИДО от имени правительства Камеруна подала запрос на продление срока осуществления проекта до 31 декабря 2026 года.

Комментарии Секретариата

85. Секретариат признает сложности, с которыми сталкивается правительство Камеруна. По запросу секретариата ЮНИДО пояснила, что эти задержки не были отражены в ее годовом и финансовом докладе о ходе работы за 2024 год, поскольку они произошли во второй половине 2025 года в связи с перестановками в составе кабинета министров. ЮНИДО также подтвердила, что в настоящее время ситуация стабилизировалась и что проект может быть в операционном отношении завершен к декабрю 2026 года.

Рекомендация

86. Исполнительный комитет, возможно, пожелает:

- а) принять к сведению запрос о продлении экспериментального проекта по сохранению и/или повышению энергоэффективности замещающих технологий и оборудования при поэтапном сокращении потребления ГФУ (неинвестиционная деятельность) в Камеруне, представленный ЮНИДО и содержащийся в документе UNEP/OzL.Pro/ExCom/98/6; и

- b) утвердить, в порядке исключения и при условии, что дальнейшее продление запрашиваться не будет, продление срока завершения проекта, упомянутого в подпункте а) выше, до 31 декабря 2026 года.

Е. Доклад о подготовке проекта по повышению энергоэффективности при поэтапном сокращении потребления ГФУ в секторе производства холодильного оборудования и систем кондиционирования воздуха (решение 94/60)

Турция: Ход подготовки проекта по повышению энергоэффективности и конверсии 29 предприятий по производству холодильного оборудования и систем кондиционирования воздуха в переводе от использования гидрофторуглеродов на технологии с низким потенциалом глобального потепления (ЮНИДО)

История вопроса

87. На 95-м совещании, утверждая план реализации Кигалийской поправки по ГФУ (ПРК) для Турции, Исполнительный комитет, в частности, отметил, что в ходе реализации этапа I ПРК и не позднее 98-го совещания правительству Турции будет разрешено в порядке исключения представлять инвестиционные проекты в секторах холодильного оборудования, кондиционирования воздуха и пеноматериалов для достижения дополнительного сокращения потребления гидрофторуглеродов (ГФУ) (решение 95/74 b) vi)). На том же совещании Комитет утвердил подготовку проекта по повышению энергоэффективности и конверсии в Турции 29 предприятий по производству холодильного оборудования и систем кондиционирования воздуха (ХОКВ) в переводе от использования ГФУ на технологии с низким потенциалом глобального потепления (ПГП) на сумму 220 000 долл. США плюс вспомогательные расходы учреждения в размере 15 400 долл. США для ЮНИДО (решение 95/39).

Ход подготовки

88. ЮНИДО проинформировала Секретариат, что работа над подготовкой проекта продвигается успешно, однако его невозможно представить на 98-м совещании, поскольку некоторые мероприятия еще не завершены. Поэтому проект будет представлен на 99-м совещании. В подробном докладе о ходе работы, представленном ЮНИДО, указано, что были наняты соответствующие эксперты и завершена серия мероприятий по взаимодействию с заинтересованными сторонами, направленных на ознакомление 100 представителей сектора с проектом по повышению энергоэффективности. Параллельно с этим были проведены информационно-просветительские мероприятия и информационные совещания в онлайн-режиме для представления целей, масштабов и требований проекта, а также его структуры, критериев отбора и технической информации, которую участвующим предприятиям необходимо предоставить. Эти мероприятия были дополнены онлайн-семинаром, посвященным энергоэффективности, техническим вариантам, подробным расчетам энергоэффективности и шагам, необходимым для подготовки проектных предложений, а также непосредственному взаимодействию с предприятиями и участию в отраслевых выставках и мероприятиях, посвященных коммерческому сектору ХОКВ.

89. На сайте национального органа по озону Турции был объявлен прием заявок. После подачи предложений предприятиям-заявителям были предоставлены шаблоны для сбора данных, разработанные международными экспертами, с целью получения подробной технической и оперативной информации. Дополнительная поддержка была оказана в рамках семинара в Стамбуле и индивидуальных консультационных встреч с отдельными предприятиями. Некоторые предприятия-заявители были исключены из-за несоответствия целям проекта или добровольного отказа от участия. На данном этапе семь предприятий, представивших в общей сложности 10 проектных предложений, продолжают сбор данных. Из утвержденной суммы в 220 000 долл. США

было израсходовано 117 714 долл. США и ожидается, что проект будет представлен на 99-м совещании.

Комментарии Секретариата

90. Секретариат с удовлетворением отмечает проделанную на данный момент подготовку проекта, а также подтверждение со стороны ЮНИДО о том, что предложение будет представлено на 99-м совещании.

Рекомендация

91. Исполнительный комитет, возможно, пожелает принять к сведению:

- a) доклад о ходе подготовки проекта по повышению энергоэффективности и конверсии 29 предприятий по производству холодильного оборудования и систем кондиционирования воздуха в переводе от использования гидрофторуглеродов на технологии с низким потенциалом глобального потепления в Турции, представленный ЮНИДО и содержащийся в документе UNEP/OzL.Pro/ExCom/98/6; и
- b) что проект, упомянутый в подпункте a) выше, будет представлен ЮНИДО на 99-м совещании.

Г. Доклад о подготовке национального перечня хранилищ отработанных или нежелательных регулируемых веществ и плана сбора, транспортировки и утилизации таких веществ (решение 91/66)

Маврикий: Подготовка национального перечня хранилищ отходов регулируемых веществ и разработка национального плана регулирования этих веществ (решение 91/66) (запрос на продление сроков завершения проекта) (правительство Германии)

История вопроса

92. На 94-м совещании Исполнительный комитет утвердил подготовку национального перечня хранилищ отходов регулируемых веществ и разработку национального плана регулирования этих веществ (решение 91/66) для Маврикия, которые будут осуществляться правительством Германии (решение 94/20)²². Дата завершения реализации проекта в соответствии с решением — июнь 2026 года²³.

Запрос на продление

93. Правительство Германии сообщило, что процесс набора национального консультанта для составления национального перечня хранилищ и разработки национального плана действий был отложен из-за административных сложностей. В декабре 2025 года набор персонала к январю 2026 года представлялся возможным; однако его не удалось завершить в соответствии с планом из-за смены информационно-технологической системы в учреждении двустороннего сотрудничества, что повлияло на административные и финансовые процессы, а также из-за отсутствия подтверждения соблюдения определенных условий со стороны претендента. В результате по состоянию на май 2026 года процесс найма продолжался; средства не были израсходованы, а мероприятия по проекту оставались на стадии планирования. Правительство Германии указало, что после найма консультанта

²² Решение по общему утверждению

²³ Двадцать четыре месяца с даты утверждения проекта.

ожидается оперативное завершение работ по обследованию, анализу и подготовке отчетности, а промежуточные результаты ожидаются к декабрю 2026 года.

94. В свете вышеизложенного правительство Германии от имени правительства Маврикия подало запрос на продление срока осуществления проекта до 30 июня 2027 года.

Комментарии Секретариата

95. Секретариат признает трудности, возникшие при наборе консультанта для проведения обследований, и, исходя из представленной информации, считает, что запрошенное продление срока будет способствовать завершению проекта.

Рекомендация

96. Исполнительный комитет, возможно, пожелает:

- a) принять к сведению запрос о продлении сроков подготовки национального перечня хранилищ отходов регулируемых веществ и разработки национального плана регулирования этих веществ (решение 91/66) на Маврикии, представленный правительством Германии и содержащийся в документе UNEP/OzL.Pro/ExCom/98/6; и
- b) утвердить, в порядке исключения и при условии, что дальнейшее продление запрашиваться не будет, продление срока завершения проекта, упомянутого в подпункте a) выше, до 30 июня 2027 года.

Приложение I

**ПРОЕКТЫ, ОТНЕСЕННЫЕ К ЧИСЛУ ПРОЕКТОВ, ПО КОТОРЫМ ДОСТИГНУТ
«НЕКОТОРЫЙ ПРОГРЕСС» И В ОТНОШЕНИИ КОТОРЫХ РЕКОМЕНДУЕТСЯ
ПРОДОЛЖАТЬ ОСУЩЕСТВЛЯТЬ МОНИТОРИНГ**

Страна	Код проекта	Название проекта	Учреждение
Демократическая Республика Конго	DRC/PHA/88/INV/49	План организационной деятельности по поэтапному отказу от ГХФУ (этап II, первый транш)	ПРООН
Иран (Исламская Республика)	IRA/PHA/92/INV/267	План организационной деятельности по поэтапному отказу от ГХФУ (этап II, четвертый транш) (сектор ППУ)	ПРООН
Иран (Исламская Республика)	IRA/PHA/86/INV/245	План организационной деятельности по поэтапному отказу от ГХФУ (этап II, третий транш) (сектор ППУ)	ПРООН
Иран (Исламская Республика)	IRA/PHA/86/TAS/248	План организационной деятельности по поэтапному отказу от ГХФУ (этап II, третий транш) (сектор обслуживания холодильного оборудования)	ЮНЕП
Иран (Исламская Республика)	IRA/PHA/92/INV/266	План организационной деятельности по поэтапному отказу от ГХФУ (этап II, четвертый транш) (сектор коммерческого холодильного оборудования)	ПРООН
Кувейт	KUW/PHA/88/TAS/42	План организационной деятельности по поэтапному отказу от ГХФУ (этап II, первый транш)	ЮНЕП
Катар	QAT/PHA/88/INV/26	План организационной деятельности по поэтапному отказу от ГХФУ (этап II, первый транш)	ЮНИДО
Сирийская Арабская Республика	SYR/PHA/86/INV/107	План организационной деятельности по поэтапному отказу от ГХФУ (этап I, первый транш)	ЮНИДО
Сирийская Арабская Республика	SYR/PHA/86/TAS/106	План организационной деятельности по поэтапному отказу от ГХФУ (этап I, первый транш)	ЮНЕП
Сирийская Арабская Республика	SYR/PHA/91/INV/112	План организационной деятельности по поэтапному отказу от ГХФУ (этап I, второй транш) (сектор пенополиуретана)	ЮНИДО
Сирийская Арабская Республика	SYR/PHA/91/TAS/114	План организационной деятельности по поэтапному отказу от ГХФУ (этап I, второй транш)	ЮНЕП

Приложение II

**ПРОЕКТЫ, В ОТНОШЕНИИ КОТОРЫХ БЫЛИ ЗАПРОШЕНЫ ДОПОЛНИТЕЛЬНЫЕ
ДОКЛАДЫ О ПОЛОЖЕНИИ ДЕЛ**

Страна	Код проекта	Название проекта	Учреждение	Рекомендация 98-му совещанию
Мьянма	MYA/SEV/84/INS/22	Продление проекта по укреплению организационной инфраструктуры (этап V: 7/2020-6/2022)	ЮНЕП	Поручить ЮНЕП представить 99-му совещанию доклад о ходе работы по возобновлению мероприятий
Непал	NEP/PHA/86/TAS/43	План организационной деятельности по поэтапному отказу от ГХФУ (этап II, первый транш)	ЮНЕП	Поручить ЮНЕП представить 99-му совещанию доклад о ходе осуществления мероприятий и перечислении средств правительству
Сейшельские Острова	SEY/EEF/93/TAS/32	План организационной деятельности по поэтапному отказу от ГХФУ (этап I) (Дополнительная деятельность по поддержанию энергоэффективности в секторе обслуживания в соответствии с решением 89/6 b))	Германия	Поручить правительству Германии представить 99-му совещанию доклад о ходе реализации
Йемен	YEM/SEV/93/INS/47	Продление проекта по укреплению организационной инфраструктуры (этап IX: 1/2024-12/2026)	ЮНЕП	Поручить ЮНЕП представить 99-му совещанию доклад о ходе реализации

Annex III

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF BENIN
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Benin (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 1,687,551 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	1,875,057	1,875,057	1,875,057	1,875,057	1,875,057	1,687,551	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	1,875,057	1,875,057	1,875,057	1,875,057	1,875,057	1,687,551	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		117,500	0	0	102,500	0	0	220,000
2.2	Support costs for Lead IA (US \$)		15,275	0	0	13,325	0	0	28,600
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		60,000	0	0	80,000	0	0	140,000
2.4	Support costs for Cooperating IA (US \$)		7,800	0	0	10,400	0	0	18,200
3.1	Total agreed funding (US \$)		177,500	0	0	182,500	0	0	360,000
3.2	Total support costs (US \$)		23,075	0	0	23,725	0	0	46,800
3.3	Total agreed costs (US \$)		200,575	0	0	206,225	0	0	406,800

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the

amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit, under the Ministry of Living Environment and Sustainable Development, is responsible for monitoring the progress of implementation of activities in the Plan.
2. Monitoring will be conducted during the implementation of the Plan to ensure efficient and effective implementation; overall project coordination; stakeholder engagement and coordination; smooth implementation of activities planned under various tranches; delivery of training and other expected outcomes; and facilitation of the HFC consumption verification undertaken by the Lead IA.
3. The Ministry of Living Environment and Sustainable Development will be responsible for the sustainability of consumption reduction targets achieved through the Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

- b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
- c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex IV

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF CAMBODIA
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2023–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Cambodia (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 1,137,038 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2023	2024	2025	2026	2027	2028	2029	Total	
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	n/a	1,263,376	1,263,376	1,263,376	1,263,376	1,263,376	1,137,038	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	1,263,376	1,263,376	1,263,376	1,263,376	1,263,376	1,137,038	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	126,300	0	0	108,000	0	0	44,500	278,800	
2.2	Support costs for Lead IA (US \$)	16,419	0	0	14,040	0	0	5,785	36,244	
2.3	Cooperating IA (UNDP) agreed funding (US \$)	123,810	0	0	38,075	0	0	0	161,885	
2.4	Support costs for Cooperating IA (US \$)	11,143	0	0	3,427	0	0	0	14,570	
3.1	Total agreed funding (US \$)	250,110	0	0	146,075	0	0	44,500	440,685	
3.2	Total support costs (US \$)	27,562	0	0	17,467	0	0	5,785	50,814	
3.3	Total agreed costs (US \$)	277,672	0	0	163,542	0	0	50,285	491,499	
4.1.1	Deductions of HFCs agreed under this Agreement (CO ₂ -eq tonnes)								126,338	
4.1.2	Deductions of HFCs from previously approved projects (CO ₂ -eq tonnes)								0	
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD	

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU) under the Ministry of Environment (MoE) will be responsible for the overall monitoring of all activities under the Plan, as well as the planning, coordination, and daily work of project implementation.

2. Monitoring will be conducted to ensure efficient and effective implementation; overall project coordination; stakeholder engagement and coordination; smooth implementation of activities planned under various tranches; delivery of training and other expected outcomes; and HFC consumption verification. Stakeholders include industries, technical institutions, non-governmental organizations, the Government and technical experts.

3. The General Department of Customs and Excise (GDCE), in collaboration with the NOU, will carry out annual monitoring, reporting, verification and enforcement activities related to HFC consumption in the Country. The NOU is responsible for determining and allocating HFC quota to eligible importers, and for issuing the import and export permits based on the allocated quota. The GDCE will control and monitor the import and export of HFCs at the points of entry. The NOU will liaise with HFC importers and exporters to obtain the data necessary for the reconciliation of statistics on a periodical basis.
4. The MoE will be responsible for the sustainability of consumption reduction targets achieved through this Agreement. The NOU will undertake surveys to gauge the situation of HFC phase-down, potential illegal imports, and the penetration of alternative technologies in the country in different subsectors to examine the achievements of HFC phase-down at a national level.
5. The NOU will undertake regular inspections at any mobile air-conditioning training centre that has received training equipment under the Plan to monitor the condition of this equipment.
6. The NOU will monitor the implementation of capacity-building activities for trainers, assessors and technicians across sectors; activities to build the capacity of technicians to maintain/enhance energy efficiency in the servicing sector; training for customs and enforcement officers; and training for importers and customs brokers.
7. The NOU will submit annual reports on the status of implementation to the Lead IA and the Cooperating IA to monitor the implementation progress of the Plan.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee including the activities implemented by the Cooperating IA;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - g) Ensuring that appropriate independent technical experts carry out the technical reviews;

- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$6.98 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex V

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF CHAD
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Chad (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 3,216,251 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	3,573,612	3,573,612	3,573,612	3,573,612	3,573,612	3,216,251	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	3,573,612	3,573,612	3,573,612	3,573,612	3,573,612	3,216,251	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		141,000	0	0	94,000	0	0	235,000
2.2	Support costs for Lead IA (US \$)		18,330	0	0	12,220	0	0	30,550
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		75,000	0	0	50,000	0	0	125,000
2.4	Support costs for Cooperating IA (US \$)		9,750	0	0	6,500	0	0	16,250
3.1	Total agreed funding (US \$)		216,000	0	0	144,000	0	0	360,000
3.2	Total support costs (US \$)		28,080	0	0	18,720	0	0	46,800
3.3	Total agreed costs (US \$)		244,080	0	0	162,720	0	0	406,800

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the

amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit, under the Ministry of Environment, Fisheries and Sustainable Development, is responsible for monitoring the progress of implementation of the Plan's activities in the Country.
2. Monitoring will be conducted to ensure the efficient and effective implementation of the Plan; overall project coordination; stakeholder engagement and coordination; smooth implementation of activities planned under various tranches; delivery of training and other expected outcomes; and facilitation of the HFC consumption verification undertaken by the Lead IA.
3. The Ministry of Environment, Fisheries and Sustainable Development will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans

as per Appendix 4-A;

- c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex VI

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF EL SALVADOR AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN (Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of El Salvador (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 830,126 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	922,362	922,362	922,362	922,362	922,362	830,126	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	922,362	922,362	922,362	922,362	922,362	830,126	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)		180,000	0	0	144,000	0	36,000	360,000
2.2	Support costs for Lead IA (US \$)		23,400	0	0	18,720	0	4,680	46,800
3.1	Total agreed funding (US \$)		180,000	0	0	144,000	0	36,000	360,000
3.2	Total support costs (US \$)		23,400	0	0	18,720	0	4,680	46,800
3.3	Total agreed costs (US \$)		203,400	0	0	162,720	0	40,680	406,800

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting

change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Environment and Natural Resources (MARN), will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA.

2. The MARN is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

3. The project monitoring unit of the Plan will assist the NOU in the following activities:

- a) Follow up on activities described in each project, including training courses, seminars, workshops and presentations;
- b) Monitor the purchase of equipment, materials and tools, as well as contracts for services, to be in line with each project and comply with the Lead IA's rules and regulations;
- c) Assist in the reporting on project activities, taking into account schedules defined in each component, and support the NOU in solving deviations to finalize all activities in time;
- d) Support the NOU in defining and selecting beneficiaries, always as a supporting activity;

- e) Support the NOU in data gathering to make the required reports to the Multilateral Fund Secretariat for the tranche requests, and also to the Lead IA;
- f) Monitor and promote, when necessary, the actions to comply with gender balance; and
- g) Carry out any other monitoring or evaluation activity requested by the NOU.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - h) Carrying out the required supervision missions;
 - i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
 - k) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - l) Providing assistance with the policy, management and technical support when required; and
 - m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

1. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the Plan's results and of the consumption of Annex F substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex VII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF ESWATINI AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN (Period: 2024–2030)

Purpose

1. This Agreement represents the understanding of the Government of Eswatini (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 94,950 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO ₂ -eq tonnes	105,500	105,500	105,500	105,500	105,500	94,950	94,950	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	10.0	n/a
		CO ₂ -eq tonnes	105,500	105,500	105,500	105,500	105,500	94,950	94,950	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		63,500	0	0	51,500	0	0	0	115,000
2.2	Support costs for Lead IA (US \$)		8,255	0	0	6,695	0	0	0	14,950
2.3	Cooperating IA (UNDP) agreed funding (US \$)		0	0	0	30,000	0	0	0	30,000
2.4	Support costs for Cooperating IA (US \$)		0	0	0	3,900	0	0	0	3,900
3.1	Total agreed funding (US \$)		63,500	0	0	81,500	0	0	0	145,000
3.2	Total support costs (US \$)		8,255	0	0	10,595	0	0	0	18,850
3.3	Total agreed costs (US \$)		71,755	0	0	92,095	0	0	0	163,850

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall monitoring will be provided by the Eswatini Environment Authority (EEA), through the national ozone unit (NOU), with assistance from the Lead IA. The NOU will submit annual progress reports of status of implementation of the Plan to the Lead IA.

2. Consumption will be monitored and determined from official data of import and export of substances as registered by the relevant Government departments. The NOU will compile and report the following data and information each year on or before the relevant deadlines.

- a) Reports on the consumption of the substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and

- b) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.
3. Monitoring of the development of the Plan and verification of achievement of performance targets will be assigned to an independent local company or to independent local consultant(s) by the Lead IA. The company or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.
4. The EEA will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
- a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - h) Carrying out the required supervision missions;
 - i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
 - k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;

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

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex VIII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF THE GAMBIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN (Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of the Gambia (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 244,363 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	271,515	271,515	271,515	271,515	271,515	244,363	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	271,515	271,515	271,515	271,515	271,515	244,363	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		50,150	0	0	42,250	0	0	92,400
2.2	Support costs for Lead IA (US \$)		6,520	0	0	5,492	0	0	12,012
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		30,000	0	0	47,600	0	0	77,600
2.4	Support costs for Cooperating IA (US \$)		3,900	0	0	6,188	0	0	10,088
3.1	Total agreed funding (US \$)		80,150	0	0	89,850	0	0	170,000
3.2	Total support costs (US \$)		10,420	0	0	11,680	0	0	22,100
3.3	Total agreed costs (US \$)		90,570	0	0	101,530	0	0	192,100

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the

amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit, under the Ministry of Environment, Climate Change and Natural Resources (MECCNAR) is responsible for monitoring the progress of implementation of activities in the Plan.
2. Monitoring will be conducted during the implementation of the Plan to ensure efficient and effective implementation; overall project coordination; stakeholder engagement and coordination; smooth implementation of activities planned under various tranches; delivery of training and other expected outcomes; and facilitation of the HFC consumption verification undertaken by the Lead IA.
3. The MECCNAR will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

- b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
- c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex IX

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF GHANA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN (Period: 2023–2030)

Purpose

1. This Agreement represents the understanding of the Government of Ghana (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 767,003 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in

the last Tranche Implementation Plan and its subsequent revisions as per subparagraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per subparagraphs 1(a), 1(b), and 1(d) of Appendix 4.A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	freeze	10.0	n/a
		CO ₂ -eq tonnes	n/a	1,805,702	1,805,702	1,805,702	1,805,702	1,805,702	1,625,132	1,625,132	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	56.7	56.7	56.7	56.7	56.7	57.5	57.5	n/a
		CO ₂ -eq tonnes	n/a	782,656	782,656	782,656	782,656	782,656	767,003	767,003	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)		132,500	0	0	0	79,000	0	0	20,500	232,000
2.2	Support costs for Lead IA (US \$)		17,225	0	0	0	10,270	0	0	2,665	30,160
2.3	Cooperating IA (UNEP) agreed funding (US \$)		55,500	0	0	0	25,500	0	0	12,000	93,000
2.4	Support costs for Cooperating IA (US \$)		7,215	0	0	0	3,315	0	0	1,560	12,090
3.1	Total agreed funding (US \$)		188,000	0	0	0	104,500	0	0	32,500	325,000
3.2	Total support costs (US \$)		24,440	0	0	0	13,585	0	0	4,225	42,250
3.3	Total agreed costs (US \$)		212,440	0	0	0	118,085	0	0	36,725	367,250

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Environmental Protection Agency, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration.

2. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA. The Environmental Protection Agency is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - h) Carrying out the required supervision missions;
 - i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
 - k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
 - l) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - m) Providing assistance with the policy, management and technical support when required;
 - n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
 - o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. The Government of the Country is allowed to submit a funding request for phasing down HFCs in the firefighting sector, for consideration by the Executive Committee in line with the agreed cost guidelines for that sector, once the Government has identified the consumption and revised the Article 7 and the country programme data.

Annex X

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF GRENADA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN (Period: 2023–2030)

Purpose

1. This Agreement represents the understanding of the Government of Grenada (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 47,534 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO ₂ -eq tonnes	n/a	52,815	52,815	52,815	52,815	52,815	47,534	47,534	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	52,815	52,815	52,815	52,815	52,815	47,534	47,534	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		27,500	0	0	0	44,000	0	0	16,342	87,842
2.2	Support costs for Lead IA (US \$)		3,575	0	0	0	5,720	0	0	2,124	11,419
2.3	Cooperating IA (UNDP) agreed funding (US \$)		45,000	0	0	0	12,158	0	0	0	57,158
2.4	Support costs for Cooperating IA (US \$)		5,850	0	0	0	1,581	0	0	0	7,431
3.1	Total agreed funding (US \$)		72,500	0	0	0	56,158	0	0	16,342	145,000
3.2	Total support costs (US \$)		9,425	0	0	0	7,301	0	0	2,124	18,850
3.3	Total agreed costs (US \$)		81,925	0	0	0	63,459	0	0	18,466	163,850

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each

other, including, where applicable, activities related to energy efficiency approved in the context of HFC phasedown pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Climate Resilience, the Environment and Renewable Energy, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration.
2. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA.
3. The Ministry of Climate Resilience, the Environment and Renewable Energy is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

- b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
- c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XI

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF JORDAN AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN (Period: 2023–2030)

Purpose

1. This Agreement represents the understanding of the Government of Jordan (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 1,278,531 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2030 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)*

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	2,808,101	2,808,101	2,808,101	2,808,101	2,808,101	2,527,291	2,527,291	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	35.6	39.2	43.1	46.8	50.4	51.3	54.5	n/a
		CO ₂ -eq tonnes	n/a	1,809,703	1,707,013	1,596,587	1,492,613	1,393,191	1,367,791	1,278,531	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		2,540,680	0	0	0	1,802,170	0	0	497,233	4,840,083
2.2	Support costs for Lead IA (US \$)		177,848	0	0	0	126,152	0	0	34,806	338,806
3.1	Total agreed funding (US \$)		2,540,680	0	0	0	1,802,170	0	0	497,233	4,840,083
3.2	Total support costs (US \$)		177,848	0	0	0	126,152	0	0	34,806	338,806
3.3	Total agreed costs (US \$)		2,718,528	0	0	0	1,928,322	0	0	532,039	5,178,889
4.1.1	Deductions of HFCs agreed under this Agreement (CO ₂ -eq tonnes)										1,231,104
4.1.2	Deductions of HFCs from previously approved projects (CO ₂ -eq tonnes)										*211,530
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)										TBD

* Noting that 36.25 mt (51,837.5 CO₂-eq tonnes) of HFC-134a, 39.75 mt (70,516.5 CO₂-eq tonnes) of R-407C, and 42.70 mt (89,175.6 CO₂-eq tonnes) of R-410A would be deducted from the starting point for sustained aggregate reduction in HFCs once it has been established (decision 81/62).

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- (d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), under the Ministry of Environment, will monitor the implementation of the Plan's activities, coordinate with relevant stakeholders, follow up on regulatory measures, monitor training and awareness activities, collect HFC consumption data, and support verification measures undertaken by the Lead IA.

2. The Ministry of Environment, through the NOU and in coordination with relevant national institutions, will also be responsible for ensuring the sustainability of the HFC consumption reduction targets achieved under the Agreement, including through the continued implementation of the licensing and control system, stakeholder coordination, and capacity-building support.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (h) Carrying out the required supervision missions;
 - (i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
 - (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - (l) Providing assistance with the policy, management and technical support when required; and
 - (m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.
2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the Plan's results and of the consumption of Annex F substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.86 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF KYRGYZSTAN AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN (Period: 2023–2029)

Purpose

1. This Agreement represents the understanding of the Government of Kyrgyzstan (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 405,344 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10.0	n/a
		CO ₂ -eq tonnes	n/a	450,382	450,382	450,382	450,382	450,382	405,344	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	450,382	450,382	450,382	450,382	450,382	405,344	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)		51,000	0	0	79,000	0	0	0	130,000
2.2	Support costs for Lead IA (US \$)		6,630	0	0	10,270	0	0	0	16,900
2.3	Cooperating IA (UNEP) agreed funding (US \$)		30,000	0	0	30,000	0	0	0	60,000
2.4	Support costs for Cooperating IA (US \$)		3,900	0	0	3,900	0	0	0	7,800
3.1	Total agreed funding (US \$)		81,000	0	0	109,000	0	0	0	190,000
3.2	Total support costs (US \$)		10,530	0	0	14,170	0	0	0	24,700
3.3	Total agreed costs (US \$)		91,530	0	0	123,170	0	0	0	214,700

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the

context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Natural Resources, Ecology, and Technical Supervision, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA. The Ministry of Natural Resources, Ecology, and Technical Supervision is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

- 1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

- c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XIII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF THE LAO PEOPLE'S DEMOCRATIC REPUBLIC AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2030)

Purpose

1. This Agreement represents the understanding of the Government of the Lao People's Democratic Republic ("the Country") and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A ("The Substances") to a sustained level of 291,803 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A ("The Targets, and Funding") in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO ₂ -eq tonnes	324,226	324,226	324,226	324,226	324,226	291,803	291,803	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	10.0	n/a
		CO ₂ -eq tonnes	324,226	324,226	324,226	324,226	324,226	291,803	291,803	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		34,000	0	0	80,000	0	0	0	114,000
2.2	Support costs for Lead IA (US \$)		4,420	0	0	10,400	0	0	0	14,820
2.3	Cooperating IA (UNDP) agreed funding (US \$)		76,000	0	0	0	0	0	0	76,000
2.4	Support costs for Cooperating IA (US \$)		9,880	0	0	0	0	0	0	9,880
3.1	Total agreed funding (US \$)		110,000	0	0	80,000	0	0	0	190,000
3.2	Total support costs (US \$)		14,300	0	0	10,400	0	0	0	24,700
3.3	Total agreed costs (US \$)		124,300	0	0	90,400	0	0	0	214,700

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each

other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Natural Resources and Environment (MNRE), will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA. The MNRE is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

2. The monitoring, reporting, verification and enforcement of HFC consumption levels will be carried out by the NOU in collaboration with the Customs Department and the Department of Industry under the Ministry of Industry and Commerce. The NOU is responsible for determining national HFC quotas and allocating them to eligible importers, while the Department of Industry is a licensing authority for issuing import and export permits based on the quotas allocated by the NOU. The Customs Department will control and monitor the import and export of HFCs at the point of entry. The NOU will liaise with concerned stakeholders including the Department of Industry, the Customs Department and HFC importers to obtain the data necessary for the periodic reconciliation of statistics.

3. The NOU will be responsible for the following:

- a) Carrying out surveys to gauge the status of HFC phase-down, potential illegal imports, and penetration of low-GWP alternative technologies in different subsectors;
- b) Carrying out regular inspections of the condition of training equipment acquired under the Plan for mobile air-conditioning training centre(s);
- c) Monitoring the implementation of capacity-building activities for trainers, assessors and technicians, including activities to maintain or enhance energy efficiency in the servicing sector, training for customs and enforcement officers, and training for importers and customs brokers; and
- d) Submitting annual progress reports on the status of implementation to the Lead IA and the Cooperating IA to monitor progress.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - h) Carrying out the required supervision missions;
 - i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
 - k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the

allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;

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

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XIV

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF LESOTHO
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Lesotho (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 49,936 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	103,221	103,221	103,221	103,221	103,221	92,899	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	39.5	39.5	39.5	39.5	39.5	51.6	n/a
		CO ₂ -eq tonnes	62,420	62,420	62,420	62,420	62,420	49,936	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		64,000	0	0	50,000	0	0	114,000
2.2	Support costs for Lead IA (US \$)		8,320	0	0	6,500	0	0	14,820
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		18,000	0	0	13,000	0	0	31,000
2.4	Support costs for Cooperating IA (US \$)		2,340	0	0	1,690	0	0	4,030
3.1	Total agreed funding (US \$)		82,000	0	0	63,000	0	0	145,000
3.2	Total support costs (US \$)		10,660	0	0	8,190	0	0	18,850
3.3	Total agreed costs (US \$)		92,660	0	0	71,190	0	0	163,850

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each

other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- (b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- (d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Lesotho Meteorological Services, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA. Lesotho Meteorological Services is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

- 1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

- (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- (e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee including the activities implemented by the Cooperating IA;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out the required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with the policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XV

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF LIBERIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN (Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Liberia (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 122,817 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	180,909	180,909	180,909	180,909	180,909	162,818	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	27.8	27.8	30.0	30.0	32.1	n/a
		CO ₂ -eq tonnes	180,909	130,532	130,532	126,616	126,616	122,817	n/a
2.1	Lead IA (Germany) agreed funding (US \$)		72,500	0	0	72,500	0	0	145,000
2.2	Support costs for Lead IA (US \$)		9,425	0	0	9,425	0	0	18,850
3.1	Total agreed funding (US \$)		72,500	0	0	72,500	0	0	145,000
3.2	Total support costs (US \$)		9,425	0	0	9,425	0	0	18,850
3.3	Total agreed costs (US \$)		81,925	0	0	81,925	0	0	163,850

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of

alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Liberia Environmental Protection Agency, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and the delivery of outcomes, the NOU will facilitate the verification of HFC consumption to be undertaken by the Lead IA. The Liberia Environmental Protection Agency is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

2. The NOU, with assistance from the Lead IA, will establish a robust monitoring and evaluation process to track the implementation of the Plan. This will include development and implementation of a comprehensive data collection system to gather information on the import, export, and consumption on HFCs, periodic reporting to the Lead IA on project implementation status that will ensure transparency and accountability, monitoring of reductions in HFC consumption, compliance with phase-down schedules, assessing adoption of alternative technologies in different applications, mobilising personnel and other resources for project implementation and monitoring project progress and coordination with relevant national institutions and stakeholders (e.g., industry representatives, enforcement bodies, civil society) for their active engagement in implementation of different project activities. The NOU will also undertake quarterly and annual reviews in collaboration with the Lead IA to monitor project progress, identify challenges, and recalibrate strategies where necessary.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - h) Carrying out the required supervision missions;
 - i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
 - k) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - l) Providing assistance with the policy, management and technical support when required; and
 - m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.
2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the Plan's results and of the consumption of Annex F substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XVI

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF MALAWI AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN (Period: 2023–2030)

Purpose

1. This Agreement represents the understanding of the Government of Malawi (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 197,488 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2030 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO ₂ -eq tonnes	n/a	428,435	428,435	428,435	428,435	428,435	385,591	385,591	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	51.1	49.1	49.9	51.1	51.9	52.5	52.9	54	n/a
		CO ₂ -eq tonnes	209,337	217,890	214,626	209,580	206,020	203,508	201,736	197,488	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		39,000	0	0	58,200	0	0	0	17,000	114,200
2.2	Support costs for Lead IA (US \$)		5,070	0	0	7,566	0	0	0	2,210	14,846
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		29,000	0	0	43,800	0	0	0	0	72,800
2.4	Support costs for Cooperating IA (US \$)		3,770	0	0	5,694	0	0	0	0	9,464
3.1	Total agreed funding (US \$)		68,000	0	0	102,000	0	0	0	17,000	187,000
3.2	Total support costs (US \$)		8,840	0	0	13,260	0	0	0	2,210	24,310
3.3	Total agreed costs (US \$)		76,840	0	0	115,260	0	0	0	19,210	211,310

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the

amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- (b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- (d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Natural Resources and Climate Change, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA. The Ministry of Natural Resources and Climate Change is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

- 1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

- (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- (e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee including the activities implemented by the Cooperating IA;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out the required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with the policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XVII

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF MALAYSIA
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2023–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Malaysia (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 24,033,345 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	n/a	26,703,717	26,703,717	26,703,717	26,703,717	24,033,345	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	26,703,717	26,703,717	26,703,717	26,703,717	24,033,345	n/a
2.1	Lead IA (World Bank) agreed funding (US \$)	3,042,912	0	3,246,290	0	2,336,655	0	649,258	9,275,115
2.2	Support costs for Lead IA (US \$)	213,004	0	227,240	0	163,566	0	45,448	649,258
3.1	Total agreed funding (US \$)	3,042,912	0	3,246,290	0	2,336,655	0	649,258	9,275,115
3.2	Total support costs (US \$)	213,004	0	227,240	0	163,566	0	45,448	649,258
3.3	Total agreed costs (US \$)	3,255,916	0	3,473,530	0	2,500,221	0	694,706	9,924,373
4.1.1	Deductions of HFCs under this Agreement (CO ₂ -eq tonnes)								2,763,452
4.1.2	Deductions of HFCs from previously approved projects (CO ₂ -eq tonnes)								0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the

context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The monitoring process will be managed by the Department of Environment (DOE) through the national ozone unit (NOU) with the assistance of the Lead IA.
2. Consumption will be monitored and determined based on official import and export data for the Substances recorded by relevant Government departments.
3. The DOE shall compile relevant data and prepare the following on or before the relevant due dates:
 - a) Annual reports on consumption of the Substances to be submitted to the Ozone Secretariat; and
 - b) Periodic reports on the implementation progress of the Plan, to be submitted through the Lead IA to the Executive Committee of the Multilateral Fund with Tranche Implementation Plans and HFC consumption verification reports.
4. Consumption will be monitored annually throughout the implementation of the Plan and accordingly reflected in the progress report on the implementation of the Plan.

5. The NOU in the DOE shall prepare, with the Lead IA, the final implementation progress report and the Lead IA shall submit the same.

6. The DOE, along with its Government partner agencies, will be responsible for the sustainability of consumption reduction targets achieved through this Agreement, and for reviewing all related reports and data and instituting control and policy measures that facilitate HFC control and reductions according to this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - h) Carrying out the required supervision missions;
 - i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
 - k) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - l) Providing assistance with the policy, management and technical support when required; and
 - m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$6.71 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XVIII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF MONTENEGRO AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN (Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Montenegro (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 125,577 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	155,854	155,854	155,854	155,854	155,854	140,269	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reducti on in %	0.0	12.3	14.1	15.8	17.6	19.4	n/a
		CO ₂ -eq tonnes	155,854	136,739	133,949	131,158	128,368	125,577	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		115,050	0	0	74,550	0	0	189,600
2.2	Support costs for Lead IA (US \$)		14,956	0	0	9,692	0	0	24,648
3.1	Total agreed funding (US \$)		115,050	0	0	74,550	0	0	189,600
3.2	Total support costs (US \$)		14,956	0	0	9,692	0	0	24,648
3.3	Total agreed costs (US \$)		130,006	0	0	84,242	0	0	214,248

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the

amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All monitoring activities will be coordinated and managed through the Plan's monitoring and management unit within the national ozone unit (NOU).
2. The NOU, under the Environmental Protection Agency (EPA), is responsible for coordinating the Country's action plan with respect to ozone layer protection and facilitation of HFC phase-down. The NOU is in charge of implementing the country programmes under the Montreal Protocol. Implementation of the planned project activities will be allocated to the NOU in cooperation with the Lead IA. The NOU as a management body has a responsibility toward EPA and the Ministry of Ecology, Sustainable Development and Northern Region Development as a decision-making body. The NOU, under the EPA, is responsible for ensuring the sustainability of the consumption reduction targets achieved under this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

- b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
- c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- l) Providing assistance with the policy, management and technical support when required; and
- m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding

would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XIX

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF MOZAMBIQUE AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN (Period: 2024–2030)

Purpose

1. This Agreement represents the understanding of the Government of Mozambique (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 589,730 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO ₂ -eq tonnes	655,255	655,255	655,255	655,255	655,255	589,730	589,730	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	10.0	n/a
		CO ₂ -eq tonnes	655,255	655,255	655,255	655,255	655,255	589,730	589,730	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		83,500	0	81,500	0	0	0	42,000	207,000
2.2	Support costs for Lead IA (US \$)		10,855	0	10,595	0	0	0	5,460	26,910
2.3	Cooperating IA (UNDP) agreed funding (US \$)		86,000	0	6,000	0	0	0	26,000	118,000
2.4	Support costs for Cooperating IA (US \$)		11,180	0	780	0	0	0	3,380	15,340
3.1	Total agreed funding (US \$)		169,500	0	87,500	0	0	0	68,000	325,000
3.2	Total support costs (US \$)		22,035	0	11,375	0	0	0	8,840	42,250
3.3	Total agreed costs (US \$)		191,535	0	98,875	0	0	0	76,840	367,250

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the

amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit, under the Ministry of Land and Environment, is responsible for monitoring the progress of implementation of activities in the Plan.
2. Monitoring will be conducted during the implementation of the Plan to ensure efficient and effective implementation; overall project coordination; stakeholder engagement and coordination; smooth implementation of activities planned under various tranches; delivery of training and other expected outcomes; and facilitation of the HFC consumption verification undertaken by the Lead IA.
3. The Ministry of Land and Environment will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

- b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
- c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee including the activities implemented by the Cooperating IA;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XX

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF NORTH MACEDONIA
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2023–2029)**

Purpose

1. This Agreement represents the understanding of the Government of North Macedonia (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 323,345 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

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

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable

cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in

the last Tranche Implementation Plan and its subsequent revisions as per subparagraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per subparagraphs 1(a), 1(b), and 1(d) of Appendix 4.A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	n/a	397,843	397,843	397,843	397,843	397,843	358,059	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	4.8	7.3	9.7	9.7	9.7	18.7	n/a
		CO ₂ -eq tonnes	n/a	378,557	368,915	359,272	359,272	359,272	323,345	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		103,555	0	0	90,445	0	22,000	0	216,000
2.2	Support costs for Lead IA (US \$)		13,462	0	0	11,758	0	2,860	0	28,080
3.1	Total agreed funding (US \$)		103,555	0	0	90,445	0	22,000	0	216,000
3.2	Total support costs (US \$)		13,462	0	0	11,758	0	2,860	0	28,080
3.3	Total agreed costs (US \$)		117,017	0	0	102,203	0	24,860	0	244,080
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)								74,498	
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)								0	
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD	

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Environment and Physical Planning, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the duration of the Plan.
2. Monitoring will be conducted throughout implementation to ensure an effective overall project coordination, stakeholder engagement, timely execution of activities under each tranche, and delivery of expected outcomes. The NOU will also facilitate the verification of HFC consumption to be undertaken by the Lead IA.
3. The Ministry of Environment and Physical Planning will be responsible for ensuring the sustainability of the consumption reduction targets achieved under this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - h) Carrying out the required supervision missions;
 - i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
 - k) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - l) Providing assistance with the policy, management and technical support when required; and
 - m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.
2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the Plan's results and of the consumption of Annex F substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. During the implementation of stage I of the Plan, the Country will be allowed, on an exceptional basis, to submit a project to phase out the consumption of HFC-152a in the extruded polystyrene foam manufacturing sector.

Annex XXI

**DRAFT AGREEMENT BETWEEN THE GOVERNMENTS OF THE PACIFIC ISLAND
COUNTRIES (THE COOK ISLANDS, KIRIBATI, THE MARSHALL ISLANDS,
THE FEDERATED STATES OF MICRONESIA, NAURU, NIUE, PALAU, SAMOA,
SOLOMON ISLANDS, TONGA, TUVALU, VANUATU)
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Governments of the Cook Islands, Kiribati, the Marshall Islands, the Federated States of Micronesia, Nauru, Niue, Palau, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu (each hereinafter referred to as “the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 149,357 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

- b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
- c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and
- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and

- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in

the last Tranche Implementation Plan and its subsequent revisions as per subparagraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per subparagraphs 1(a), 1(b), and 1(d) of Appendix 4.A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

THE PACIFIC ISLAND COUNTRIES - OVERALL FUNDING

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances							
	%	freeze	freeze	freeze	freeze	freeze	10	n/a
	CO ₂ -eq tonnes	181,404	181,404	181,404	181,404	181,404	163,260	n/a
1.2	Maximum allowable total consumption of Annex F substances							
	Reduction in %	0.0	0.0	11.5	11.5	11.5	17.7	n/a
	CO ₂ -eq tonnes	181,404	181,404	160,549	160,549	160,549	149,357	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	683,000	0	0	559,000	0	0	1,242,000
2.2	Support costs for Lead IA (US \$)	88,790	0	0	72,670	0	0	161,460
2.3	Cooperating IA (Australia) agreed funding (US \$)	295,000	0	0	93,000	0	0	388,000
2.4	Support costs for Cooperating IA (US \$)	38,350	0	0	12,090	0	0	50,440
3.1	Total agreed funding (US \$)	978,000	0	0	652,000	0	0	1,630,000
3.2	Total support costs (US \$)	127,140	0	0	84,760	0	0	211,900
3.3	Total agreed costs (US \$)	1,105,140	0	0	736,760	0	0	1,841,900

GOVERNMENT OF THE COOK ISLANDS

APPENDIX 1-A.1: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A.1: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	6,461	6,461	6,461	6,461	6,461	5,814	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	6,461	6,461	6,461	6,461	6,461	5,814	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		23,250	0	0	44,250	0	0	67,500
2.2	Support costs for Lead IA (US \$)		3,023	0	0	5,752	0	0	8,775
2.3	Cooperating IA (Australia) agreed funding (US \$)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US \$)		0	0	0	0	0	0	0
3.1	Total agreed funding (US \$)		23,250	0	0	44,250	0	0	67,500
3.2	Total support costs (US \$)		3,023	0	0	5,752	0	0	8,775
3.3	Total agreed costs (US \$)		26,273	0	0	50,002	0	0	76,275

GOVERNMENT OF KIRIBATI

APPENDIX 1-A.2: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

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

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	8,509	8,509	8,509	8,509	8,509	7,658	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	8,509	8,509	8,509	8,509	8,509	7,658	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		15,000	0	0	11,000	0	0	26,000
2.2	Support costs for Lead IA (US \$)		1,950	0	0	1,430	0	0	3,380
2.3	Cooperating IA (Australia) agreed funding (US \$)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US \$)		0	0	0	0	0	0	0
3.1	Total agreed funding (US \$)		15,000	0	0	11,000	0	0	26,000
3.2	Total support costs (US \$)		1,950	0	0	1,430	0	0	3,380
3.3	Total agreed costs (US \$)		16,950	0	0	12,430	0	0	29,380

GOVERNMENT OF THE MARSHALL ISLANDS

APPENDIX 1-A.3: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A.3: THE TARGETS, AND FUNDING

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	15,926	15,926	15,926	15,926	14,333	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	15,926	15,926	15,926	15,926	14,333	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	11,750	0	0	7,750	0	0	19,500
2.2	Support costs for Lead IA (US \$)	1,527	0	0	1,008	0	0	2,535
2.3	Cooperating IA (Australia) agreed funding (US \$)	0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US \$)	0	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	11,750	0	0	7,750	0	0	19,500
3.2	Total support costs (US \$)	1,527	0	0	1,008	0	0	2,535
3.3	Total agreed costs (US \$)	13,277	0	0	8,758	0	0	22,035

GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA

APPENDIX 1-A.4: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A.4: THE TARGETS, AND FUNDING

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	13,600	13,600	13,600	13,600	12,240	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	13,600	13,600	13,600	13,600	12,240	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	63,500	0	0	27,500	0	0	91,000
2.2	Support costs for Lead IA (US \$)	8,255	0	0	3,575	0	0	11,830
2.3	Cooperating IA (Australia) agreed funding (US \$)	0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US \$)	0	0	0	0	0	0	0
3.1	Total agreed funding (US \$)	63,500	0	0	27,500	0	0	91,000
3.2	Total support costs (US \$)	8,255	0	0	3,575	0	0	11,830
3.3	Total agreed costs (US \$)	71,755	0	0	31,075	0	0	102,830

GOVERNMENT OF NAURU

APPENDIX 1-A.5: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A.5: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	2,378	2,378	2,378	2,378	2,378	2,140	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	2,378	2,378	2,378	2,378	2,378	2,140	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		10,500	0	0	6,500	0	0	17,000
2.2	Support costs for Lead IA (US \$)		1,365	0	0	845	0	0	2,210
2.3	Cooperating IA (Australia) agreed funding (US \$)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US \$)		0	0	0	0	0	0	0
3.1	Total agreed funding (US \$)		10,500	0	0	6,500	0	0	17,000
3.2	Total support costs (US \$)		1,365	0	0	845	0	0	2,210
3.3	Total agreed costs (US \$)		11,865	0	0	7,345	0	0	19,210

GOVERNMENT OF NIUE

APPENDIX 1-A.6: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A.6: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	236	236	236	236	236	212	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	236	236	236	236	236	212	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		9,250	0	0	5,250	0	0	14,500
2.2	Support costs for Lead IA (US \$)		1,202	0	0	683	0	0	1,885
2.3	Cooperating IA (Australia) agreed funding (US \$)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US \$)		0	0	0	0	0	0	0
3.1	Total agreed funding (US \$)		9,250	0	0	5,250	0	0	14,500
3.2	Total support costs (US \$)		1,202	0	0	683	0	0	1,885
3.3	Total agreed costs (US \$)		10,452	0	0	5,933	0	0	16,385

GOVERNMENT OF PALAU

APPENDIX 1-A.7: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A.7: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	10,368	10,368	10,368	10,368	10,368	9,331	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	10,368	10,368	10,368	10,368	10,368	9,331	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		57,500	0	0	46,500	0	0	104,000
2.2	Support costs for Lead IA (US \$)		7,475	0	0	6,045	0	0	13,520
2.3	Cooperating IA (Australia) agreed funding (US \$)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US \$)		0	0	0	0	0	0	0
3.1	Total agreed funding (US \$)		57,500	0	0	46,500	0	0	104,000
3.2	Total support costs (US \$)		7,475	0	0	6,045	0	0	13,520
3.3	Total agreed costs (US \$)		64,975	0	0	52,545	0	0	117,520

GOVERNMENT OF SAMOA

APPENDIX 1-A.8: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A.8: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	20,557	20,557	20,557	20,557	20,557	18,501	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	20,557	20,557	20,557	20,557	20,557	18,501	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		66,000	0	0	58,000	0	0	124,000
2.2	Support costs for Lead IA (US \$)		8,580	0	0	7,540	0	0	16,120
2.3	Cooperating IA (Australia) agreed funding (US \$)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US \$)		0	0	0	0	0	0	0
3.1	Total agreed funding (US \$)		66,000	0	0	58,000	0	0	124,000
3.2	Total support costs (US \$)		8,580	0	0	7,540	0	0	16,120
3.3	Total agreed costs (US \$)		74,580	0	0	65,540	0	0	140,120

GOVERNMENT OF SOLOMON ISLANDS

APPENDIX 1-A.9: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A.9: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	69,516	69,516	69,516	69,516	69,516	62,564	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	30.0	30.0	30.0	30.0	n/a
		CO ₂ -eq tonnes	69,516	69,516	48,661	48,661	48,661	48,661	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		74,125	0	0	66,125	0	0	140,250
2.2	Support costs for Lead IA (US \$)		9,637	0	0	8,596	0	0	18,233
2.3	Cooperating IA (Australia) agreed funding (US \$)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US \$)		0	0	0	0	0	0	0
3.1	Total agreed funding (US \$)		74,125	0	0	66,125	0	0	140,250
3.2	Total support costs (US \$)		9,637	0	0	8,596	0	0	18,233
3.3	Total agreed costs (US \$)		83,762	0	0	74,721	0	0	158,483

GOVERNMENT OF TONGA

APPENDIX 1-A.10: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A.10: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	7,676	7,676	7,676	7,676	7,676	6,908	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	7,676	7,676	7,676	7,676	7,676	6,908	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		60,750	0	0	49,750	0	0	110,500
2.2	Support costs for Lead IA (US \$)		7,898	0	0	6,467	0	0	14,365
2.3	Cooperating IA (Australia) agreed funding (US \$)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US \$)		0	0	0	0	0	0	0
3.1	Total agreed funding (US \$)		60,750	0	0	49,750	0	0	110,500
3.2	Total support costs (US \$)		7,898	0	0	6,467	0	0	14,365
3.3	Total agreed costs (US \$)		68,648	0	0	56,217	0	0	124,865

GOVERNMENT OF TUVALU

APPENDIX 1-A.11: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A.11: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	2,648	2,648	2,648	2,648	2,648	2,383	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	2,648	2,648	2,648	2,648	2,648	2,383	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		12,250	0	0	8,250	0	0	20,500
2.2	Support costs for Lead IA (US \$)		1,592	0	0	1,073	0	0	2,665
2.3	Cooperating IA (Australia) agreed funding (US \$)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US \$)		0	0	0	0	0	0	0
3.1	Total agreed funding (US \$)		12,250	0	0	8,250	0	0	20,500
3.2	Total support costs (US \$)		1,592	0	0	1,073	0	0	2,665
3.3	Total agreed costs (US \$)		13,842	0	0	9,323	0	0	23,165

GOVERNMENT OF VANUATU

APPENDIX 1-A.12: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A.12: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	23,529	23,529	23,529	23,529	23,529	21,176	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	23,529	23,529	23,529	23,529	23,529	21,176	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		31,625	0	0	52,625	0	0	84,250
2.2	Support costs for Lead IA (US \$)		4,112	0	0	6,841	0	0	10,953
2.3	Cooperating IA (Australia) agreed funding (US \$)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US \$)		0	0	0	0	0	0	0
3.1	Total agreed funding (US \$)		31,625	0	0	52,625	0	0	84,250
3.2	Total support costs (US \$)		4,112	0	0	6,841	0	0	10,953
3.3	Total agreed costs (US \$)		35,737	0	0	59,466	0	0	95,203

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Under the respective Ministries or Agencies, i.e., the Cook Islands National Environment Service; the Kiribati Ministry of Environment, Lands and Agricultural Development; the Marshall Islands Environmental Protection Authority; the Federated States of Micronesia Department of Environment, Climate Change and Emergency Management; the Nauru Department of Environmental Management and

Agriculture; the Niue Ministry of Natural Resources; the Palau Environmental Quality Protection Board; the Samoa Ministry of Natural Resources and Environment; the Solomon Islands Ministry of Mines, Energy and Rural Electrification; the Tonga Ministry of Meteorology, Energy, Information, Disaster Management, Environment, Climate Change and Communications; the Tuvalu Ministry of Home Affairs, Climate Change and Environment; and the Vanuatu Ministry of Climate Change Adaptation, Meteorology, Geohazards, Energy, Environment and Disaster Management, the national ozone units (NOUs) will be responsible for the overall project monitoring of all activities under the Plan, as well as the planning, coordination, and daily work of project implementation.

2. The NOUs will coordinate closely with national industries, technical institutions, non-governmental organizations and government departments, as well as technical experts, the Lead IA and the Cooperating IA, to ensure the smooth implementation of the Plan. Moreover, the NOUs will work in collaboration with respective national Energy-Efficiency Authorities to explore synergies between HFC phase-down and energy efficiency in the national implementation of policy and regulations, capacity building, raising awareness and communications.

3. Annual consumption of HFCs will be monitored through the NOUs in collaboration with the Customs Authority of each Country. The NOUs will also liaise with importers of HFCs to obtain the necessary data for reconciliation of statistics on a periodic basis.

4. The NOUs will undertake national market surveys to gauge the situation of HFC phase-down, potential illegal imports, and the penetration of alternative technologies with low global-warming potential in different subsectors. In case of a risk of non-compliance with obligations or not meeting the maximum allowance for total consumption of Annex F substances, the NOUs will report to the Lead IA and Cooperating IA to identify specific interventions needed for achieving the HFC phase-down targets.

5. The NOUs will monitor the implementation of capacity-building activities with relevant agencies, including competency-based training and assessment for refrigeration and air-conditioning and mobile air-conditioning technicians, activities to build the capacity of technicians to maintain and/or enhance energy efficiency in the servicing sector while phasing down HFCs, and training for customs and enforcement officers.

6. The NOUs will submit annual progress reports on the status of implementation of respective national components to the Lead IA and Cooperating IA to monitor the implementation progress of the Plan.

7. The Ministries and Agencies listed in paragraph 1 above will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee including the activities implemented by the Cooperating IA;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XXII

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF PANAMA
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2023–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Panama (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 2,289,047 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	n/a	2,543,386	2,543,386	2,543,386	2,543,386	2,543,386	2,289,047	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	2,543,386	2,543,386	2,543,386	2,543,386	2,543,386	2,289,047	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)		331,100	0	0	264,880	0	0	66,220	662,200
2.2	Support costs for Lead IA (US \$)		23,177	0	0	18,542	0	0	4,635	46,354
3.1	Total agreed funding (US \$)		331,100	0	0	264,880	0	0	66,220	662,200
3.2	Total support costs (US \$)		23,177	0	0	18,542	0	0	4,635	46,354
3.3	Total agreed costs (US \$)		354,277	0	0	283,422	0	0	70,855	708,554
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)									254,339
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)									0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)									TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each

other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the General Sub-Directorate of Environmental Health in the General Directorate of Public Health at the Ministry of Health (MINSA), will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, strengthening of education centres and pilot projects, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA.

2. The MINSA coordinates all activities aimed at achieving and sustaining the commitments to reduce HFC consumption with different entities at the national level, including the Ministry of Commerce and Industry, Ministry of Education and other institutions in the academic sector, the Ministry of Environment, the National Customs Authority, the National Energy Secretariat, civil society associations and the productive sectors.

3. The MINSA is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - h) Carrying out the required supervision missions;
 - i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
 - k) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - l) Providing assistance with the policy, management and technical support when required; and
 - m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.
2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the Plan's results and of the consumption of Annex F substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$5.21 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XXIII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF PARAGUAY AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Paraguay (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 1,516,124 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	1,684,582	1,684,582	1,684,582	1,684,582	1,684,582	1,516,124	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	1,684,582	1,684,582	1,684,582	1,684,582	1,684,582	1,516,124	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)		235,675	0	0	188,540	0	47,135	471,350
2.2	Support costs for Lead IA (US \$)		16,497	0	0	13,198	0	3,300	32,995
3.1	Total agreed funding (US \$)		235,675	0	0	188,540	0	47,135	471,350
3.2	Total support costs (US \$)		16,497	0	0	13,198	0	3,300	32,995
3.3	Total agreed costs (US \$)		252,172	0	0	201,738	0	50,435	504,345
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)								168,458
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)								0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation

of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Environment and Sustainable Development (MADES), will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA.
2. The MADES is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

- c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- l) Providing assistance with the policy, management and technical support when required; and
- m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$5.60 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XXIV

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF PERU
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2023–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Peru (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 2,462,149 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10.0	n/a
		CO ₂ -eq tonnes	n/a	2,735,721	2,735,721	2,735,721	2,735,721	2,735,721	2,462,149	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	2,735,721	2,735,721	2,735,721	2,735,721	2,735,721	2,462,149	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)		283,140	0	0	283,140	0	0	62,718	628,998
2.2	Support costs for Lead IA (US \$)		19,820	0	0	19,820	0	0	4,390	44,030
3.1	Total agreed funding (US \$)		283,140	0	0	283,140	0	0	62,718	628,998
3.2	Total support costs (US \$)		19,820	0	0	19,820	0	0	4,390	44,030
3.3	Total agreed costs (US \$)		302,960	0	0	302,960	0	0	67,108	673,028
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)								273,572	
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)								0	
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD	

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each

other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall supervision will be provided by the Ministry of Production (PRODUCE), through the national ozone office (NOO), with assistance from the Lead IA.
2. Consumption will be monitored and determined from official data on the import and export of substances as registered by relevant Government departments. The NOO will compile and report the following data and information each year on, or before the deadlines:
 - a) Annual reports on the consumption of the substances to be submitted to the Ozone Secretariat,
 - b) Annual reports on progress in Plan implementation to be submitted to the Executive Committee of the Multilateral Fund, and
 - c) Annual reports on progress in gender indicators according to the guidelines established by the Multilateral Fund of the Montreal Protocol and the specific activities approved for the projects.

3. The NOO and the Lead IA will jointly hire a qualified independent entity to conduct a qualitative and quantitative performance assessment of the implementation of the Plan. The agency responsible for evaluation will have full access to relevant technical and financial information related to the implementation of the Plan.

4. The PRODUCE is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

- a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
- b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
- c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- l) Providing assistance with the policy, management and technical support when required; and
- m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$4.60 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. A project to phase out HFCs contained in imported pre-blended polyols in the Country's polyurethane foam sector will be subject to the decision taken by the Committee on whether it would fund the phase-out of HFCs contained in imported pre-blended polyols.

Annex XXV

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF RWANDA
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN**

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Rwanda (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 254,008 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.

2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.

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

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

- a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
- b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
- c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	338,197	338,197	338,197	338,197	338,197	304,377	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	24.9	n/a
		CO ₂ -eq tonnes	338,197	338,197	338,197	338,197	338,197	254,008	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		48,400	0	0	44,000	0	17,600	110,000
2.2	Support costs for Lead IA (US \$)		6,292	0	0	5,720	0	2,288	14,300
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		27,500	0	0	44,000	0	5,500	77,000
2.4	Support costs for Cooperating IA (US \$)		3,575	0	0	5,720	0	715	10,010
3.1	Total agreed funding (US \$)		75,900	0	0	88,000	0	23,100	187,000
3.2	Total support costs (US \$)		9,867	0	0	11,440	0	3,003	24,310
3.3	Total agreed costs (US \$)		85,767	0	0	99,440	0	26,103	211,310

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the

amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit, under the Ministry of Environment, is responsible for monitoring the progress of implementation of activities in the Plan.
2. Monitoring will be conducted during the implementation of the Plan to ensure efficient and effective implementation; overall project coordination; stakeholder engagement and coordination; smooth implementation of activities planned under various tranches; delivery of training and other expected outcomes; and facilitation of the HFC consumption verification undertaken by the Lead IA.
3. The Ministry of Environment in the Country will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

- b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
- c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee including the activities implemented by the Cooperating IA;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XXVI

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF SAINT LUCIA
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Saint Lucia (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 75,362 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of activities

initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

15. Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	83,735	83,735	83,735	83,735	83,735	75,362	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	83,735	83,735	83,735	83,735	83,735	75,362	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		43,000	0	0	38,000	0	13,000	94,000
2.2	Support costs for Lead IA (US \$)		5,590	0	0	4,940	0	1,690	12,220
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		27,000	0	0	24,000	0	0	51,000
2.4	Support costs for Cooperating IA (US \$)		3,510	0	0	3,120	0	0	6,630
3.1	Total agreed funding (US \$)		70,000	0	0	62,000	0	13,000	145,000
3.2	Total support costs (US \$)		9,100	0	0	8,060	0	1,690	18,850
3.3	Total agreed costs (US \$)		79,100	0	0	70,060	0	14,690	163,850

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of

activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- (b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- (d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU) will be responsible for the day-to-day execution of all components of the project, including monitoring, evaluation and reporting. It will be supported by the Ministry of Agriculture, Fisheries, Food Security and Sustainable Development who will manage the budget and exercise oversight of the procurement processes. The Ministry will also be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

2. Upon project launch the NOU and the Montreal Protocol Technical Working Group will plan for the execution of each component and for the day-to-day execution of all activities approved under the Plan, including monitoring of all project activities, generating periodic monitoring and evaluation reports on project activities, targets achieved, adjustments, and remedial actions to be taken, if necessary, to ensure that targets are met. A consultant will be contracted to assist in delivering these tasks.

3. The Lead IA will be responsible for ensuring that periodic progress and financial reports are generated, tranche progress is monitored and funds are disbursed in accordance with this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee including the activities implemented by the Cooperating IA;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (h) Carrying out the required supervision missions;
 - (i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - (j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
 - (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
 - (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - (m) Providing assistance with the policy, management and technical support when required;
 - (n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
 - (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- (d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XXVII

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF SENEGAL
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Senegal (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 2,215,780 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	2,786,915	2,786,915	2,786,915	2,786,915	2,786,915	2,508,224	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	20.5	n/a
		CO ₂ -eq tonnes	2,786,915	2,786,915	2,786,915	2,786,915	2,786,915	2,215,780	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		168,000	0	0	138,000	0	84,000	390,000
2.2	Support costs for Lead IA (US \$)		21,840	0	0	17,940	0	10,920	50,700
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		127,500	0	0	317,500	0	25,000	470,000
2.4	Support costs for Cooperating IA (US \$)		8,925	0	0	22,225	0	1,750	32,900
3.1	Total agreed funding (US \$)		295,500	0	0	455,500	0	109,000	860,000
3.2	Total support costs (US \$)		30,765	0	0	40,165	0	12,670	83,600
3.3	Total agreed costs (US \$)		326,265	0	0	495,665	0	121,670	943,600
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)								571,135
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)								0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of the Environment and Ecological Transition (MEET), will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA. The MEET is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

2. Consumption will be monitored and determined from the official data on the import and export of substances registered by the relevant Government departments.

3. The NOU will compile and report on the following data and information each year on or before the agreed deadlines:

- a) Annual reports on the consumption of substances submitted to the Ozone Secretariat; and
- b) Annual reports on progress achieved in the Plan's implementation submitted to the Executive Committee of the Multilateral Fund.

4. The NOU and the Lead IA will jointly hire a qualified independent entity to conduct a qualitative and quantitative performance assessment of the implementation of the Plan.

5. The agency responsible for evaluation will have full access to relevant technical and financial information related to the implementation of the Plan, and will prepare and submit to the NOU and the Lead IA a draft consolidated report at the end of each annual implementation plan. The report will include assessment findings and, where appropriate, recommendations for improvements or adjustments, as well as the Country's situation with regard to compliance with the provisions of this Agreement. After incorporating the comments and explanations, if any, from the NOU and the Lead IA, the agency responsible for evaluation will finalize the report and submit it to the MEET and the Lead IA. The MEET will endorse the final report, and the Lead IA will transmit it to the relevant meeting of the Executive Committee together with the implementation plan and annual reports.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

- a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
- b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
- c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;

- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
 - k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
 - l) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - m) Providing assistance with the policy, management and technical support when required;
 - n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
 - o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.
2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the Plan's results and of the consumption of Annex F substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

1. The Cooperating IA will be responsible for a range of activities. These activities are specified in the Plan, including at least the following:
- a) Providing assistance for policy development when required;
 - b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
 - c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
 - d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$5.28 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XXVIII

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF SEYCHELLES
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR
THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Seychelles (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 224,460 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	249,400	249,400	249,400	249,400	249,400	224,460	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	249,400	249,400	249,400	249,400	249,400	224,460	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		64,836	0	0	20,424	0	0	85,260
2.2	Support costs for Lead IA (US \$)		8,429	0	0	2,655	0	0	11,084
2.3	Cooperating IA (Germany) agreed funding (US \$)		16,844	0	0	55,896	0	0	72,740
2.4	Support costs for Cooperating IA (US \$)		2,190	0	0	7,266	0	0	9,456
3.1	Total agreed funding (US \$)		81,680	0	0	76,320	0	0	158,000
3.2	Total support costs (US \$)		10,619	0	0	9,921	0	0	20,540
3.3	Total agreed costs (US \$)		92,299	0	0	86,241	0	0	178,540

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall monitoring will be provided by the Ministry of Environment, Climate, Energy and Natural Resources through the national ozone unit (NOU), with assistance from the Lead IA. The NOU will submit annual progress reports of status of implementation of the Plan to the Lead IA.
2. Consumption will be monitored and determined from the official data on the import and export of substances, as registered by the relevant Government departments. The NOU will compile and report the following data and information each year on or before the relevant deadlines:
 - a) Reports on the consumption of substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and
 - b) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.

3. The monitoring of the development of the Plan and verification of the achievement of performance targets will be assigned to an independent local company or to independent local consultant(s) by the Lead IA. The company or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.

4. The Ministry of Environment, Climate, Energy and Natural Resources will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - h) Carrying out the required supervision missions;
 - i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
 - k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
 - l) Ensuring that disbursements made to the Country are based on the use of the indicators;

- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XXIX

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF SIERRA LEONE
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Sierra Leone (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 315,815 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	350,905	350,905	350,905	350,905	350,905	315,815	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	1.5	3.2	4.9	6.6	8.3	10.0	n/a
		CO ₂ -eq tonnes	345,642	339,676	333,711	327,746	321,780	315,815	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		65,500	0	0	38,817	0	0	104,317
2.2	Support costs for Lead IA (US \$)		8,515	0	0	5,046	0	0	13,561
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		21,000	0	0	54,683	0	0	75,683
2.4	Support costs for Cooperating IA (US \$)		2,730	0	0	7,109	0	0	9,839
3.1	Total agreed funding (US \$)		86,500	0	0	93,500	0	0	180,000
3.2	Total support costs (US \$)		11,245	0	0	12,155	0	0	23,400
3.3	Total agreed costs (US \$)		97,745	0	0	105,655	0	0	203,400

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the

context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit, under the Ministry of the Environment and Climate Change, is responsible for monitoring the progress of implementation of activities in the Plan.
2. Monitoring will be conducted during the implementation of the Plan to ensure efficient and effective implementation; overall project coordination; stakeholder engagement and coordination; smooth implementation of activities planned under various tranches; delivery of training and other expected outcomes; and facilitation of the HFC consumption verification undertaken by the Lead IA.
3. The Ministry of the Environment and Climate Change will be responsible for the sustainability of consumption reduction targets achieved through the Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

- b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
- c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XXX

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF TOGO
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE
REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE
WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN**

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Togo (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 956,162 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year; that it had achieved a significant level of implementation of

activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO2-eq tonnes	1,124,896	1,124,896	1,124,896	1,124,896	1,124,896	1,012,406	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	15.0	n/a
		CO2-eq tonnes	1,124,896	1,124,896	1,124,896	1,124,896	1,124,896	956,162	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		117,500	0	0	102,500	0	0	220,000
2.2	Support costs for Lead IA (US \$)		15,275	0	0	13,325	0	0	28,600
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		70,000	0	0	70,000	0	0	140,000
2.4	Support costs for Cooperating IA (US \$)		9,100	0	0	9,100	0	0	18,200
3.1	Total agreed funding (US \$)		187,500	0	0	172,500	0	0	360,000
3.2	Total support costs (US \$)		24,375	0	0	22,425	0	0	46,800
3.3	Total agreed costs (US \$)		211,875	0	0	194,925	0	0	406,800

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), under the Ministry of Environment, Forestry Resources, Coastal Protection, and Climate Change, is responsible for monitoring the progress of implementation of activities in the Plan. The NOU will submit annual progress reports of status of implementation of the Plan to the Lead IA. Monitoring will be conducted during the implementation of the Plan to ensure efficient and effective implementation, overall project coordination, stakeholder engagement and coordination, smooth implementation of activities planned under the various tranches, delivery of training and other expected outcomes, and facilitation of the HFC consumption verification undertaken by the Lead IA.

2. Consumption will be monitored and determined from the official data on the import and export of substances as registered by the relevant Government departments. The NOU will compile and report on the following data and information each year on or before the relevant deadlines:

- e) Reports on the consumption of substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and
- f) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.

3. Monitoring of the development of the Plan and verification of the achievement of performance targets will be assigned to an independent local company or to independent local consultant(s) by the Lead IA. The company or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.

4. The Ministry of Environment, Forestry Resources, Coastal Protection, and Climate Change will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
- (b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
- (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- (e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out the required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

- (j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with the policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XXXI

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF TRINIDAD AND TOBAGO
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2023–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Trinidad and Tobago (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 5,113,608 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

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

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable

cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in

the last Tranche Implementation Plan and its subsequent revisions as per subparagraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per subparagraphs 1(a), 1(b), and 1(d) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	n/a	5,681,787	5,681,787	5,681,787	5,681,787	5,681,787	5,113,608	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	5,681,787	5,681,787	5,681,787	5,681,787	5,681,787	5,113,608	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)		543,249	0	0	516,677	0	0	117,769	1,177,695
2.2	Support costs for Lead IA (US \$)		38,028	0	0	36,167	0	0	8,244	82,439
3.1	Total agreed funding (US \$)		543,249	0	0	516,677	0	0	117,769	1,177,695
3.2	Total support costs (US \$)		38,028	0	0	36,167	0	0	8,244	82,439
3.3	Total agreed costs (US \$)		581,277	0	0	552,844	0	0	126,013	1,260,134
4.1.1	Deductions of HFCs under this Agreement (CO ₂ -eq tonnes)									568,179
4.1.2	Deductions of HFCs from previously approved projects (CO ₂ -eq tonnes)									0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)									TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- (d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Planning, Economic Affairs and Development (MPEAD), will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA.

2. The NOU will organize the collection and analysis of project data, standardize reporting formats, and convene periodic evaluation meetings. It will prepare internal progress reports, annual Plan implementation reports, and tranche submissions for the Executive Committee. The NOU will also monitor gender indicators, track private sector trends in HFC use, and stay updated on alternative technologies through participation in stakeholder-led technical meetings.

3. The MPEAD is the institution responsible for the sustainability of consumption reduction targets

achieved through this Agreement

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (h) Carrying out the required supervision missions;
 - (i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
 - (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - (l) Providing assistance with the policy, management and technical support when required; and
 - (m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.
2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the Plan's results and of the consumption of Annex F substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$4.15 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XXXII

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF TUNISIA
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2024–2030)**

Purpose

1. This Agreement represents the understanding of the Government of Tunisia (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 1,803,694 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2030 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in

the last Tranche Implementation Plan and its subsequent revisions as per subparagraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per subparagraphs 1(a), 1(b), and 1(d) of Appendix 4.A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	Freeze	Freeze	Freeze	Freeze	Freeze	10	10	n/a
		CO ₂ -eq tonnes	2,367,840	2,367,840	2,367,840	2,367,840	2,367,840	2,131,056	2,131,056	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	23.8	n/a
		CO ₂ -eq tonnes	2,367,840	2,367,840	2,367,840	2,367,840	2,367,840	2,131,056	1,803,694	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		1,526,566	0	0	435,875	0	0	104,740	2,067,181
2.2	Support costs for Lead IA (US \$)		106,860	0	0	30,511	0	0	7,332	144,703
2.3	Cooperating IA (UNEP) agreed funding (US \$)		50,000	0	0	45,000	0	0	15,000	110,000
2.4	Support costs for Cooperating IA (US \$)		6,500	0	0	5,850	0	0	1,950	14,300
3.1	Total agreed funding (US \$)		1,576,566	0	0	480,875	0	0	119,740	2,177,181
3.2	Total support costs (US \$)		113,360	0	0	36,361	0	0	9,282	159,003
3.3	Total agreed costs (US \$)		1,689,926	0	0	517,236	0	0	129,022	2,336,184
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)									629,563
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)									0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)									TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), under the National Agency for the Protection of the Environment (ANPE), will monitor the effectiveness of implementation of the different components under the Plan, including compliance with phase-down levels and impact of all activities against the set objectives and goals.

2. The ANPE, in close cooperation and coordination with the NOU and support of the Lead IA, will play a key role in the monitoring of the Plan and will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

3. The NOU will undertake monitoring, reporting and record-keeping on:

- a) HFC import and export, including data collected from local importers;
- b) HFC use by different sectors, including data collected from manufacturers and surveys conducted by the project management unit;
- c) Amounts of recovered, recycled, and unwanted HFCs;
- d) Regular updates on the Plan's deliverables as per targeted milestones;
- e) Plans, progress reports and completion reports of components and projects; and
- f) Information on HFC-based equipment banks and status of their operation and retirement.

4. The verification will, in addition to other tasks, cover the reports generated regarding achievements under the Plan.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee including the activities implemented by the Cooperating IA;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - h) Carrying out the required supervision missions;
 - i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;

- k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and the Cooperating IA;
- l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$6.92 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

2. During the implementation of stage I of the Plan, a project to phase out HFCs contained in imported pre-blended polyols in the Country's polyurethane foam sector would be subject to the Executive Committee's consideration of funding the phase-out of HFCs contained in imported pre-blended polyols.

Annex XXXIII

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF TÜRKİYE
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Türkiye (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 31,790,838 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 or 12 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 or 12 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in

the last Tranche Implementation Plan and its subsequent revisions as per subparagraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per subparagraphs 1(a), 1(b), and 1(d) of Appendix 4.A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	37,117,410	37,117,410	37,117,410	37,117,410	37,117,410	33,405,669	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	14.4	n/a
		CO ₂ -eq tonnes	37,117,410	37,117,410	37,117,410	37,117,410	37,117,410	31,790,838	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		1,943,985	0	0	5,262,222	0	1,120,080	8,326,287
2.2	Support costs for Lead IA (US \$)		136,079	0	0	368,355	0	78,406	582,840
2.3	Cooperating IA (UNDP) agreed funding (US \$)		845,445	0	0	1,637,040	0	358,641	2,841,126
2.4	Support costs for Cooperating IA (US \$)		59,181	0	0	114,593	0	25,105	198,879
3.1	Total agreed funding (US \$)		2,789,430	0	0	6,899,262	0	1,478,721	11,167,413
3.2	Total support costs (US \$)		195,260	0	0	482,948	0	103,511	781,719
3.3	Total agreed costs (US \$)		2,984,690	0	0	7,382,210	0	1,582,232	11,949,132
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)								5,326,572
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)								0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), under the Directorate of Climate Change (DCC) of the Ministry of Environment, Urbanization and Climate Change (MoEUCC), is responsible for monitoring the progress of implementation of activities in the Plan.

2. The monitoring will be conducted during the implementation of the Plan to ensure efficient and effective implementation, overall project coordination, stakeholder engagement and coordination, smooth implementation of activities planned under various tranches, delivery of training and other expected outcomes and facilitation of HFC consumption verification undertaken by the Lead IA.

3. The DCC will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - h) Carrying out the required supervision missions;
 - i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
 - k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
 - l) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - m) Providing assistance with the policy, management and technical support when required;
 - n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and

- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$4.19 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. During the implementation of stage I of the Plan and no later than at the 98th meeting, the Country will be allowed, on an exceptional basis, to submit investment projects in the refrigeration, air-conditioning and foam sectors to achieve additional HFC reductions.

Annex XXXIV

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF URUGUAY
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Uruguay (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 911,188 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable

cut off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	Freeze	Freeze	Freeze	Freeze	10	n/a
		CO ₂ -eq tonnes	1,012,431	1,012,431	1,012,431	1,012,431	911,188	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	1,012,431	1,012,431	1,012,431	1,012,431	911,188	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	126,927	0	0	92,413	0	0	219,340
2.2	Support costs for Lead IA (US \$)	16,500	0	0	12,014	0	0	28,514
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	49,860	0	0	55,800	0	0	105,660
2.4	Support costs for Cooperating IA (US \$)	6,482	0	0	7,254	0	0	13,736
3.1	Total agreed funding (US \$)	176,787	0	0	148,213	0	0	325,000
3.2	Total support costs (US \$)	22,982	0	0	19,268	0	0	42,250
3.3	Total agreed costs (US \$)	199,769	0	0	167,481	0	0	367,250
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)							101,243
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)							0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)							TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Environment, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to

monitoring overall project coordination, stakeholder engagement, and the delivery of outcomes, the NOU will facilitate the verification of HFC consumption to be undertaken by the Lead IA.

2. The Ministry of Environment is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee including the activities implemented by the Cooperating IA;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
 - g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - h) Carrying out the required supervision missions;
 - i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - j) Coordinating the activities of the Cooperating IA[s] and ensuring the appropriate sequence of activities;
 - k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and the Cooperating IA;
 - l) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - m) Providing assistance with the policy, management and technical support when required;

- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$7.00 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. During the implementation of stage I of the Plan, a project to phase out HFCs contained in imported pre-blended polyols in the Country's polyurethane foam sector will be subject to the decision taken by the Committee on whether it would fund the phase-out of HFCs contained in imported pre-blended polyols.

Annex XXXV

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF VIET NAM
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2023–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Viet Nam (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 12,592,224 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in

the last Tranche Implementation Plan and its subsequent revisions as per subparagraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per subparagraphs 1(a), 1(b), and 1(d) of Appendix 4.A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	n/a	13,991,360	13,991,360	13,991,360	13,991,360	12,592,224	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	13,991,360	13,991,360	13,991,360	13,991,360	12,592,224	n/a
2.1	Lead IA (World Bank) agreed funding (US \$)	1,557,792	0	0	1,513,187	0	0	522,204	3,593,183
2.2	Support costs for Lead IA (US \$)	109,045	0	0	105,923	0	0	36,554	251,522
2.3	Cooperating IA (UNEP) agreed funding (US \$)	461,696	0	0	440,301	0	0	155,983	1,057,980
2.4	Support costs for Cooperating IA (US \$)	55,150	0	0	52,595	0	0	18,633	126,378
3.1	Total agreed funding (US \$)	2,019,488	0	0	1,953,488	0	0	678,187	4,651,163
3.2	Total support costs (US \$)	164,195	0	0	158,518	0	0	55,187	377,900
3.3	Total agreed costs (US \$)	2,183,683	0	0	2,112,006	0	0	733,374	5,029,063
4.1.1	Deductions of HFCs under this Agreement (CO ₂ -eq tonnes)								1,438,128
4.1.2	Deductions of HFCs from previously approved projects (CO ₂ -eq tonnes)								0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The Viet Nam National Focal Point for the Implementation of the Montreal Protocol, which is the Country's national ozone unit (NOU) under the Department of Climate Change (DCC) in the Ministry of Agriculture and Environment (MAE), is responsible for managing and coordinating the Country's overall Montreal Protocol implementation programme, including all phase-down activities and measures controlling Annex F substances (HFCs). The management and implementation of this Agreement will be undertaken by the Plan's project management unit (PMU) which falls under the direct authority of the NOU in the DCC.

2. The MAE, through the PMU and the NOU, will collaborate and coordinate with the Ministry of Industry and Trade (MOIT) and the Department of Customs (DOC) to implement the import/control system for HFCs; review annual HFC import/export license applications; and establish and publish the annual import quotas for HFCs for the period 2024 through 2029.

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

- a) Update the NOU's management information system (MIS) that captures and tracks all relevant and required data on the importation of Montreal Protocol-controlled substances on an annual basis;
- b) Update the data on the actual amount of imported HFCs;
- c) Monitor and report, in cooperation with the DOC, any incidents of illegal import of HFCs;
- d) Monitor the progress of HFC phase-down on the demand side;
- e) Maintain a project MIS on HFC consumption and related activities;
- f) Compile periodic progress reports of the Plan implementation and HFC phase-down achievements for sharing with the MAE, the MOIT, and the Ministry of Finance (MOF);
- g) Prepare Tranche Implementation Reports and Plans according to the schedule set forth in Appendix 2-A;
- h) Prepare other monitoring reports as required by the MAE or other Government authorities and by Executive Committee decision, in coordination with the Lead IA; and
- i) Carry out safety and technical reviews of all relevant activities undertaken under the Plan.

4. The MAE, along with its Government partner agencies (MOIT and MOF), will be responsible for the sustainability of consumption reduction targets achieved through this Agreement; reviewing the PMU reports and data; and instituting control and policy measures which facilitate HFC control and reductions according to the Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
 - d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
 - e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;
 - f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should

be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;
- k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$6.47 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex XXXVI

**DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF ZIMBABWE
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND
FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS
IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN
(Period: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Zimbabwe (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 761,510 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;
 - b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;
 - c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each

previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

- d) That the Country has submitted a Tranche Implementation Plan in accordance with Appendix 4-A covering each calendar year until and including the year for which the Funding Approval Schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

Monitoring

6. The Country will ensure that it conducts accurate monitoring of its activities under this Agreement. The institutions set out in Appendix 5-A (“Monitoring Institutions and Roles”) will monitor and report on implementation of the activities in the previous Tranche Implementation Plans in accordance with their roles and responsibilities set out in the same appendix.

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all approved funds, according to the evolving circumstances, to achieve the smoothest reduction of consumption and phase-down of Annex F substances specified in Appendix 1-A, in accordance with the following considerations:

- a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - ii) Changes that would modify any clause of this Agreement;
 - iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;
 - iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in CO₂-eq tonnes to be phased down if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would accordingly decrease the overall funding level under this Agreement;
- b) Reallocations not categorized as major changes may be incorporated into the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

8. Specific attention will be paid to the execution of activities in the refrigeration servicing sector included in the Plan, in particular that the Country may use the flexibility available under this Agreement to address specific needs that might arise during project implementation.

Bilateral and implementing agencies

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

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IAs will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IAs are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IAs with the fees set out in rows 2.2, 2.4 and 2.6 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each CO₂-eq kg of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement and take related decisions. Once decisions are taken, the specific case of non-compliance with this Agreement will not be an impediment for the provision of funding for future tranches as per paragraph 5 above.

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

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

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in

the last Tranche Implementation Plan and its subsequent revisions as per subparagraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per subparagraphs 1(a), 1(b), and 1(d) of Appendix 4.A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO ₂ -eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2018*	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10.0	n/a
		CO ₂ -eq tonnes	n/a	1,210,624	1,210,624	1,210,624	1,210,624	1,210,624	1,089,561	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	21.9	21.9	21.9	21.9	26.3	37.1	n/a
		CO ₂ -eq tonnes	n/a	945,654	945,654	945,654	945,654	892,463	761,510	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		0	151,500	0	0	106,500	0	54,000	312,000
2.2	Support costs for Lead IA (US \$)		0	19,695	0	0	13,845	0	7,020	40,560
2.3	Cooperating IA (UNDP) agreed funding (US \$)		326,954	90,000	0	0	0	0	30,000	446,954
2.4	Support costs for Cooperating IA (US \$)		22,887	11,700	0	0	0	0	3,900	38,487
2.5	Cooperating IA (France) agreed funding (US \$)		100,000	0	0	0	0	0	0	100,000
2.6	Support costs for Cooperating IA (US \$)		13,000	0	0	0	0	0	0	13,000
3.1	Total agreed funding (US \$)		426,954	241,500	0	0	106,500	0	84,000	858,954
3.2	Total support costs (US \$)		35,887	31,395	0	0	13,845	0	10,920	92,047
3.3	Total agreed costs (US \$)		462,841	272,895	0	0	120,345	0	94,920	951,001
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)									449,114
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)									20,735
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)									TBD

* Approved at the 82nd meeting to phase out 14.50 mt (20,735 CO₂-eq tonnes) of HFC-134a in the manufacturing of domestic refrigerators at Capri (decision 82/81).

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;
- b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;
- c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and
- d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall monitoring will be provided by the Ministry of Environment, Climate and Wildlife, through the national ozone unit (NOU), with assistance from the Lead IA. The NOU will submit annual progress reports of status of implementation of the Plan to the Lead IA.

2. Consumption will be monitored and determined from the official data on the import and export of substances as registered by the relevant Government departments. The NOU will compile and report the following data and information each year on or before the relevant deadlines:

- a) Reports on the consumption of the substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and
- b) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.

3. Monitoring of development of the Plan and verification of the achievement of the performance targets will be assigned to an independent local company or to independent local consultant(s) by the Lead IA. The company or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.

4. The Ministry of Environment, Climate and Wildlife will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

- a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
- b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
- c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;
- d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;
- e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IAs;
- f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;
- g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- h) Carrying out the required supervision missions;
- i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

- j) Coordinating the activities of the Cooperating IAs and ensuring the appropriate sequence of activities;
- k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IAs, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- m) Providing assistance with the policy, management and technical support when required;
- n) Reaching consensus with the Cooperating IAs on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- a) Providing assistance for policy development when required;
- b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IAs, and referring to the Lead IA to ensure a coordinated sequence of activities;
- c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and
- d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY WITH THE TARGETS IN THE AGREEMENT

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$3.66 per CO₂-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the Country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.