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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-seventh Meeting
Montreal, 1–5 December 2025
Item 9(d) of the provisional agenda[1]

PROJECT PROPOSAL: SOUTH SUDAN

This document consists of the comments and recommendation of the Secretariat on the following project proposal:

<u>Phase-out</u>

• HCFC phase-out management plan (stage I, third tranche)	UNEP and UNDP	Individual consideration

[1] UNEP/OzL.Pro/ExCom/97/1

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

South Sudan

(I) PROJECT TITLE	AGENCY	MEETING APPROVED	CONTROL MEASURE
HCFC phase-out plan (stage I)	UNEP (lead), UNDP	77th	35% phase-out by 2020

(II) LATEST ARTICLE 7 DATA (Annex C, Group I)	Year: 2024	0.66 ODP tonnes

(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)									Year: 2024
Chemical	Aerosol	Foam	Fire-fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					0.66				0.66

(IV) CONSUMPTION DATA (ODP tonnes)			
2009–2010 baseline:	4.10	Starting point for sustained aggregate reductions:	1.64
CONSUMPTION ELIGIBLE FOR FUNDING			
Already approved:	0.57	Remaining:	1.07

(V) ENDORSED BUSINESS PLAN		2025	2026	2027	Total
UNEP	ODS phase-out (ODP tonnes)	0.08	0.00	0.00	0.1
	Funding (US $)	146,335*	0	0	146,335
UNDP	ODS phase-out (ODP tonnes)	0.11	0.00	0.00	0.1
	Funding (US $)	43,600	0	0	43,600

*Including US $113,000 for UNEP for additional activities to maintain energy efficiency (decision 89/6)

(VI) PROJECT DATA			2016	2017-2019	2020-2021	2022	2023	2024*	2025	Total
Montreal Protocol consumption limits (ODP tonnes)			3.69	3.69	2.67	2.67	2.67	2.67	1.33	n/a
Maximum allowable consumption (ODP tonnes)			1.48	1.48	1.07	1.07	1.07	1.07	1.07	n/a
Funding agreed in principle (US $)	UNEP	Project costs	20,000	0	0	70,500	0	29,500	0	120,000
		Support costs	2,600	0	0	9,165	0	3,835	0	15,600
	UNDP	Project costs	0	0	0	50,000	0	40,000	0	90,000
		Support costs	0	0	0	4,500	0	3,600	0	8,100
Funds approved by ExCom (US $)		Project costs	20,000	0	0	120,500	0	0	0	140,500
		Support costs	2,600	0	0	13,665	0	0	0	16,265
Total funds recommended for approval at this meeting (US $)		Project costs							69,500	69,500
		Support costs							7,435	7,435

*Third tranche due in 2024 is requested in 2025.

Secretariat's recommendation:	Individual consideration

PROJECT DESCRIPTION

1. On behalf of the Government of South Sudan, UNEP as the lead implementing agency, has submitted a request for funding for the third and final tranche of stage I of the HCFC phase-out management plan (HPMP), at a total cost of US $76,935, consisting of US $29,500, plus agency support costs of US $3,835, for UNEP and US $40,000, plus agency support costs of US $3,600, for UNDP.[2] The submission includes a progress report on the implementation of the second tranche, the tranche implementation plan for 2025 to 2026, and a request for an extension of the completion date for stage I.

<u>Report on HCFC consumption</u>

2. The Government of South Sudan reported a consumption of 0.66 ODP tonnes of HCFCs in 2024, which is 84 per cent below the country's HCFC baseline for compliance. The 2020-2024 HCFC consumption is shown in table 1.

Table 1. HCFC consumption in South Sudan (2020-2024 Article 7 data)

HCFC-22	2020	2021	2022	2023	2024	Baseline
Metric tonnes (mt)	18.73	18.91	18.55	17.00	12.00	74.55
ODP tonnes	1.03	1.04	1.02	0.94	0.66	4.10

3. The reported HCFC consumption in 2023 and 2024 was 12 per cent and 38 per cent lower than the maximum allowable consumption of 1.07 ODP tonnes, respectively. In South Sudan, HCFCs are primarily used in the refrigeration and air-conditioning (RAC) servicing sector. The consumption of HCFCs in this sector has been steadily decreasing, largely due to importers shifting toward alternatives such as R-600a, and the growing availability of energy-efficient, low-GWP equipment. The domestic and commercial refrigeration subsectors are increasingly adopting hydrocarbon-based refrigerants, while new air-conditioning (AC) units entering the market use both HFCs and low-global-warming-potential (GWP) alternatives. This transition reflects both market adaptation and regulatory efforts supporting the phase-out of HCFCs and the safe adoption of alternatives, through HPMP activities.

Country programme implementation report

4. The Government of South Sudan reported HCFC sector consumption data under the 2024 country programme (CP) implementation report that is consistent with the data reported under Article 7 of the Montreal Protocol.

<u>Progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan</u>

Implementation of verification recommendations

5. The second tranche of the HPMP was approved on the understanding that UNEP would include, as part of the progress report on the implementation of the second tranche of the HPMP, an update on progress towards implementing the recommendations in the verification report submitted to the 91st meeting. The submission indicates that implementation of all the recommendations is on track, with most of them addressed in the Environmental Protection and Management Act, enacted in 2023, and the draft ODS Regulations, 2025, expected to be adopted by June 2026, as explained in paragraphs 6 and 7 below. The Government of South Sudan officially submitted a request to the Ozone Secretariat for a revision of the Article 7 data to reflect the correct HCFC consumption for 2022, which had been misreported due to double accounting for one importer. Collaboration between the National Ozone Unit (NOU), the Ministry of Trade

[2] As per the letter of 8 August 2025 from the Ministry of Environment and Forestry of South Sudan to the Secretariat.

and Industry, and the Customs Department has been significantly strengthened through regular coordination meetings and training workshops for customs officers at key entry points.

Legal framework

6. South Sudan has advanced its institutional and regulatory framework to phase out HCFCs under the Montreal Protocol. As recommended in the verification report presented at the 91st meeting, the Government has passed the Environmental Protection and Management Act, 2023 (Act No. 9 of 2023), which now provides a legal foundation for the licensing and quota system for HCFCs and other ODSs. A 2025 bilateral framework agreement between the Ministry of Environment and Forestry and the Ministry of Trade and Industry established a jointly managed licensing system, with the NOU issuing and keeping records of HCFC import permits, and the Ministry of Trade and Industry granting final licenses. This institutional arrangement is designed to ensure cooperation and coordinated enforcement of ODS control. Only registered importers may be granted a quota permit. Any controlled substances imported without a quota permit are confiscated by the Customs Department.

7. Currently under inter-ministerial review, the draft ODS Regulations, 2025, propose additional key measures such as banning non-refillable cylinders, mandating labelling and reporting, and restricting the import of HCFC-based equipment. Annual reporting by HCFC importers has been introduced to improve monitoring and quota enforcement. South Sudan has not yet ratified the Kigali Amendment; however, preparations are underway to extend the licensing and quota system to HFCs and blends once the ratification is completed. A national steering committee (NSC) has been established to guide national implementation efforts related to the Montreal Protocol.

8. As part of the implementation of the second tranche, three stakeholder consultation workshops were held with a total of 80 participants (including 10 women) to raise awareness about the new legislation and to obtain feedback on the draft ODS Regulations, 2025. Two training workshops were held for a total of 100 customs and law enforcement officers (including 10 women) on ODS control, licensing enforcement, and detection of illegal imports, and preparations were underway for a third workshop. Customized Harmonized System (HS) codes were developed and integrated into the national customs database to reflect individual ODS substances and commonly imported blends, and two refrigerant identifiers were purchased to support the detection of illegal ODS imports, and their use was also covered during the customs training sessions.

Refrigeration servicing sector

9. Three training workshops were held for a total of 140 RAC technicians (including 52 women) on good servicing practices, safe handling of flammable refrigerants, recovery and recycling, and ODS management. Needs assessments were carried out, and procurements were initiated for three vocational training centres[3] and for service workshops.[4]

Project implementation and monitoring

10. During the second tranche, US $10,000 was disbursed on project monitoring and implementation for which a consultant was engaged to assist in this work, including by ensuring accurate data collection, identifying and mitigating challenges, performing field monitoring visits at service workshops and customs entry points, and organising and participating in coordination meetings.

[3] Centres will be equipped with a standardized set of tools and equipment, including recovery machines, refrigerant recycling units, vacuum pumps, manifold gauge sets, leak detectors, cylinder weighing scales, refrigerant identifiers, recovery cylinders, and full servicing toolkits.

[4] At least 50 workshops with technicians who participate in the training will be equipped with recovery machines, vacuum pumps, manifold gauges, leak detectors, charging scales, servicing toolkits, and safety gear.

Level of fund disbursement

11. As of August 2025, of the US $140,500 approved so far, US $90,500 had been disbursed by UNEP, as shown in table 2. The balance of US $50,000 is expected to be disbursed in 2026 by UNDP.

Table 2. Financial report of stage I of the HPMP for South Sudan (US $)

Agency	First tranche		Second tranche		Total		
	Approved	Disbursed	Approved	Disbursed	Approved	Disbursed	Balance
UNEP	20,000	20,000	70,500	70,500	90,500	90,500	0
UNDP	0	0	50,000	0	50,000	0	50,000
Total	**20,000**	**20,000**	**120,500**	**70,500**	**140,500**	**90,500**	**50,000**
Disbursement rate (%)	**100**		**59**		**64**		

Implementation plan for the third and final tranche of stage I of the HCFC phase-out management plan

12. The following activities will be implemented between December 2025 and 31 December 2026:

(a) Further training of customs and other law enforcement officers: Deliver the final training workshop from the previous tranche for a total of 50 participants, and organize two new training workshops for a total of 80 customs and law enforcement officers, focusing on the identification and control of HCFCs and HCFC-based equipment; participation from women will be encouraged, with a target of 20 per cent of participants (UNEP) (US $10,000);

(b) Technical assistance and equipment – Programme for the establishment of three centres of excellence by equipping vocational centres with recovery and recycling equipment, upgrading workshop facilities, and integrating updated training modules: Continue the procurement of recovery and recycling tools and equipment for the three vocational centres and for the tools for 50 service workshops participating in the training programmes; develop a training curriculum on good servicing, recovery and recycling, leak prevention, and safe handling of alternatives; carry out two training sessions for 25 participants each, and a train-the-trainer workshop for 10 accredited trainers to support sustained capacity building (targeting 20 per cent participation from women); operationalize the recovery and recycling centres of excellence, with at least fifteen recovery and recycling units, including one mobile unit, and fifty recovery cylinders to be deployed nationwide (UNDP) (US $40,000 and US $50,000 from previous tranche);

(c) Strengthening of the RAC association, technical institutions and additional training of refrigeration technicians: Organize two capacity-building workshops for a total of 80 RAC technicians (targeting 25 per cent participation from women), focusing on good servicing practices, and the safe handling of hydrocarbon refrigerants; support the RAC association by organizing one meeting on hydrocarbon and CO_2 technologies and on installation, operation, maintenance, and disposal of equipment using flammable substances (UNEP) (US $10,000); and

(d) Project monitoring (UNEP) (US $9,500): Engage a consultant to assist in the monitoring and evaluation of the project implementation, coordinating with authorities and stakeholders, identifying and mitigating challenges, and performing field visits at service workshops and customs entry points. US $7,000 has been allocated for the consultant and US $2,500 for travel.

Request for extension of implementation period for stage I of the HCFC phase-out management plan

13. Due to the political instability in the country, the first tranche of the HPMP, approved in 2016, could only be implemented in 2022. According to the revised Agreement approved at the 91st meeting, [5] the third and final tranche would have been submitted in 2024 and completed by 31 December 2025. Considering that the third tranche is being requested at the present meeting, the Government of South Sudan is requesting, on an exceptional basis, an additional extension of the date of completion of stage I of the HPMP to 31 December 2026, to allow for the implementation of the third and final tranche.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

Progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan

Legal framework

14. The Government of South Sudan has issued HCFC import quotas for 2025 at 0.83 ODP tonnes (15.00 mt), which is lower than the Montreal Protocol control targets and the targets set in its Agreement with the Executive Committee.

15. Further to discussions on the need to ban the import of HCFC-based equipment to allow South Sudan to complete the phase-out of HCFCs by 2030, UNEP explained that the draft ODS Regulations, 2025, which propose key measures such as banning non-refillable cylinders, mandating labelling and reporting, and restricting the import of HCFC-based equipment, are currently under inter-ministerial review. The draft regulations represent a critical step for South Sudan to meet its obligations under the Montreal Protocol. Following the most recent stakeholder consultation, held in the third quarter of 2025, the draft regulations were submitted to the Ministry of Environment and Forestry for review, and are pending final inter-ministerial clearance and legal vetting by the Ministry of Justice. The draft regulations are anticipated to proceed to Cabinet approval in the second quarter of 2026, with official gazetting and enforcement likely to follow soon after, assuming no major political or administrative delays. Early adoption will also safeguard against illegal trade, facilitate an orderly transition to low-GWP alternatives, and ensure the full phase-out of HCFCs by 2030.

16. The Secretariat enquired about the activity included in the plan for the second tranche for meetings of national experts to be organised for the development of a database, as no such meetings had been reported. UNEP indicated that the meetings had not been convened due to the need to wait for the establishment of the NSC, intended to guide and endorse the formation of the expert group. The limited availability of national data on ODS imports, consumption, and servicing enterprises also made it premature to hold expert discussions before the foundational data collection phase was completed. The NOU therefore prioritized conducting initial surveys with customs authorities and major importers to establish a baseline dataset that would meaningfully inform expert deliberations. Since the establishment of the NSC, the NOU has finalized preparatory work for the expert meetings, with the first one tentatively scheduled for the first quarter of 2026, following the completion of data verification and system architecture design for the ODS database, which is expected to support monitoring, reporting, and control of ODS imports and consumption.

17. The Secretariat requested further information on the results of the two training and awareness workshops organised for customs and enforcement officers, with a total of 100 participants. UNEP commented that the workshops had led to tangible enforcement improvements, including the development of customized HS codes for ODS and related equipment, and had strengthened border control, reduced the

[5] Annex XVI of UNEP/OzL.Pro/ExCom/91/72

risk of illegal ODS trade, and generated accurate data for licensing and quota management and national reporting. The customized HS coding system is now being integrated into the customs clearance platform, with full implementation expected by early 2026.

Refrigeration servicing sector

18. The Secretariat noted that the plan for the second tranche included that the NOU would support the RAC association by organizing one meeting on hydrocarbon and CO_2 technologies and on the installation, operation, maintenance and disposal of equipment using flammable substances, which had not been reported in the submission. UNEP explained that alignment of the meeting content with updated national safety standards, coordination with key stakeholders and the identification of technical resource persons had delayed the preparatory arrangements. The meeting has been scheduled to take place during the last quarter of 2025.

19. Delay in the technical assistance and equipment component was due to additional time required for the needs assessment, which has now been completed. UNDP confirmed that the remaining activities of the component will be completed before end 2026.

Gender policy implementation

20. The measures undertaken to integrate the Multilateral Fund's gender policy into the implementation of stage I of the HPMP are producing positive results. The participation of women is being considered as part of project planning and implementation in line with the national policy. The high level of participation by women in the trainings for customs officers and RAC technicians is noteworthy. The growing involvement of women in the RAC sector reflects a positive shift in national technical and vocational education trends in the field. Over the past few years, targeted efforts by the NOU and training institutions have encouraged women to pursue careers in the RAC sector, through awareness-raising campaigns, and partnerships with technical schools. As a result, women are increasingly represented not only in service workshops but also in equipment maintenance, inspection, and policy coordination roles. The high participation rates observed in the recent trainings, illustrates the success of these initiatives and the country's commitment to increase the presence and empowerment of women in the sector's workforce.

Updated Agreement

21. In view of the requested extension of stage I of the HPMP, as explained in paragraph 22 below, and the accordingly revised funding schedule, the Agreement between the Government of South Sudan and the Executive Committee has been updated. Specifically, Appendix 2-A has been revised, and paragraph 16 has been updated to indicate that the updated Agreement supersedes that reached at the 91st meeting by decision 91/41, as contained in annex I to the present document. The updated Agreement will be appended to the final report of the 97th meeting.

Completion of stage I of the HCFC phase-out management plan

22. In reviewing the extension requested by the Government of South Sudan, the Secretariat notes that it was made considering the exceptional challenges in the country that have adversely impacted the timely implementation of project activities. The implementation of the second tranche faced significant setbacks due to recurrent political instability and security challenges, which severely constrained field operations, delayed capacity-building activities, and hindered access to key project sites and border entry points. Compounding these difficulties were delays in funding disbursements due to disruptions in banking systems, and logistical impediments such as import restrictions and intermittent border closures, which adversely affected the timely procurement of equipment and materials, as well as the execution of technician training, customs strengthening, and related public awareness initiatives. The Secretariat considered that the requested extension of the completion date for stage I of the HPMP to 31 December 2026 will enable

the NOU to consolidate the progress achieved thus far, complete the training of refrigeration technicians and enforcement officers, further strengthen the licensing and quota system, and ensure the country is adequately prepared for a seamless transition to the implementation of stage II of the HPMP. UNEP also confirmed that the country's situation has now improved and that activities can be completed within the proposed timelines.

Sustainability of the HCFC phase-out and assessment of risks

23. UNEP referred to the political instability in the country as the main identified risk to the timely completion of the stage and the sustainability of the HCFC phase-out achievements and indicated that it will continue monitoring the situation carefully and advise the country regarding project implementation as necessary. UNEP is hopeful about the current momentum in the country, which will facilitate the implementation of the remaining activities of stage I, as the country now has a stable NOU, which has helped improve cooperation with the customs authorities, and has established the steering committee, which acts as an adviser to the Government on Montreal Protocol matters. UNEP is supporting the country with the final stages of the draft ODS Regulations, 2025, aiming for its adoption by June 2026. The technical assistance and equipment being provided to establish the centres of excellence, aim to ensure the sustainability of the technician training programme; and the continuous training of customs officers is enhancing the implementation and enforcement of the licensing and quota system, and the collection of accurate data.

Conclusion

24. South Sudan now has not only an operational HCFC licensing and imports quota system but, as recommended in the verification report presented at the 91st meeting, the Environmental Protection and Management Act, 2023, has been enacted, providing the legal foundation for the system. The Government of South Sudan and UNEP are working to ensure the adoption of the draft ODS Regulations, 2025, by June 2026, which will introduce a ban on non-refillable cylinders, mandatory labelling and reporting, and a ban on the import of HCFC-based equipment. UNEP disbursed the entire amount of the first and second tranches, and UNDP has initiated the procurements related to its project activities under the second tranche. HCFC consumption in 2023 and 2024 was 13 per cent and 38 per cent lower than the maximum allowable consumption in the Agreement with the Executive Committee for those years, respectively. Despite the progress made, stage I is in arrears due to the recurrent political instability and security challenges in the country. It is expected that with the activities to be implemented under the third tranche, the HPMP will get back on track, building on the achievements accrued so far including the significant involvement of women in the HPMP activities. The implementation of UNDP's activities with the establishment of centres of excellence, equipping vocational centres and service workshops participating in the training programmes with recovery and recycling equipment, and the development of the necessary training curriculum, will move the HPMP forward and prepare the country for the achievement and sustainability of the HCFC phase-out targets. The extension of the implementation period to 31 December 2026 will allow the country to complete the remaining activities. Stage II of the HPMP is expected to be submitted at the last Executive Committee meeting in 2026.

RECOMMENDATION

25. The Executive Committee may wish to consider:

(a) Noting:

(i) The progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan (HPMP) for South Sudan;

(ii) The commitment of the Government of South Sudan to ban non-refillable cylinders and the import of HCFC-based equipment by June 2026; and

(iii) That the Fund Secretariat has updated the Agreement between the Government of South Sudan and the Executive Committee, as contained in annex I to the present document, specifically: Appendix 2-A, to reflect the extension of the duration of stage I; and paragraph 16 that has been updated to indicate that the updated Agreement supersedes that reached at the 91st meeting (decision 91/41);

(b) Requesting the Government of South Sudan, UNEP and UNDP to submit the project completion report to the first meeting of the Executive Committee in 2027;

(c) Approving, on an exceptional basis, given delays in implementing phase-out activities due to the special circumstances in the country, and noting that no further extension of project implementation would be approved, an extension of the date of completion of stage I of the HPMP for South Sudan to 31 December 2026; and

(d) Approving the third and final tranche of stage I of the HPMP for South Sudan, and the corresponding 2025-2026 tranche implementation plan, in the amount of US $76,935 consisting of US $29,500, plus agency support costs of US $3,835, for UNEP and US $40,000, plus agency support costs of US $3,600, for UNDP.

Annex I

TEXT TO BE INCLUDED IN UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF SOUTH SUDAN AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS

(Relevant changes are in bold font for ease of reference)

16. This updated Agreement supersedes the Agreement reached between the Government of South Sudan and the Executive Committee at the **91st** meeting of the Executive Committee.

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2016	2017-2019	2020-2021	2022	2023	2024	2025	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	3.69	3.69	2.67	2.67	2.67	2.67	**1.33**	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	1.48	1.48	1.07	1.07	1.07	1.07	**1.07**	n/a
2.1	Lead IA (UNEP) agreed funding (US $)	20,000	0	0	70,500	0	0	**29,500**	120,000
2.2	Support costs for Lead IA (US $)	2,600	0	0	9,165	0	0	**3,835**	15,600
2.3	Cooperating IA (UNDP) agreed funding (US $)	0	0	0	50,000	0	0	**40,000**	90,000
2.4	Support costs for Cooperating IA (US $)	0	0	0	4,500	0	0	**3,600**	8,100
3.1	Total agreed funding (US $)	20,000	0	0	120,500	0	0	**69,500**	210,000
3.2	Total support costs (US $)	2,600	0	0	13,665	0	0	**7,435**	23,700
3.3	Total agreed costs (US $)	22,600	0	0	134,165	0	0	**76,935**	233,700
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								0.57
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)								0.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								1.07