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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: MALI

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

Phase-out

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

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

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Mali

(I) PROJECT TITLE	AGENCY
HCFC phase-out plan (stage II)	UNEP (lead), UNDP

(II) LATEST ARTICLE 7 DATA (Annex C, Group I)	Year: 2024	4.40 ODP tonnes

(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)										Year: 2024
Chemical	Aerosol	Foam	Firefighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22					4.40				4.40

(IV) CONSUMPTION DATA (ODP tonnes)			
2009–2010 baseline:	15.00	Starting point for sustained aggregate reductions:	15.00
CONSUMPTION ELIGIBLE FOR FUNDING			
Already approved:	5.20	Remaining:	9.80

(V) ENDORSED BUSINESS PLAN		2025	2026	2027	Total
UNEP	ODS phase-out (ODP tonnes)	1.36	0.0	0.0	1.36
	Funding (US $)	*300,130	0	0	*300,130
UNDP	ODS phase-out (ODP tonnes)	0.0	0.0	0.0	0.0
	Funding (US $)	200,000	0	0	200,000

* Including US $135,600 for additional activities to maintain energy efficiency in line with decision 89/6.

(VI) PROJECT DATA			2025	2026	2027	2028	2029	2030	Total
Montreal Protocol consumption limits (ODP tonnes)			4.88	4.88	4.88	4.88	4.88	0	n/a
Maximum allowable consumption (ODP tonnes)			4.88	4.88	4.88	4.88	4.88	0	n/a
Project costs requested in principle (US $)	UNEP	Project costs	276,500	0	265,500	0	0	104,000	646,000
		Support costs	34,695	0	33,315	0	0	13,050	81,060
	UNDP	Project costs	246,500	0	147,500	0	0	0	394,000
		Support costs	17,255	0	10,325	0	0	0	27,580
Total amounts recommended in principle (US $)	Project costs		523,000	0	413,000	0	0	104,000	1,040,000
	Support costs		51,950	0	43,640	0	0	13,050	108,640
	Total funds		574,950	0	456,640	0	0	117,050	1,148,640

(VII) Request for approval of funding for the first tranche (2025)		
Implementing agency	**Funds recommended (US $)**	**Support costs (US $)**
UNEP	276,500	34,695
UNDP	246,500	17,255
Total	523,000	51,950

Secretariat's recommendation:	Individual consideration

PROJECT DESCRIPTION

Background

1. On behalf of the Government of Mali, UNEP as the lead implementing agency has submitted a request for stage II of the HCFC phase-out management plan (HPMP), at a total cost of US $1,148,640 consisting of US $646,000, plus agency support costs of US $81,060, for UNEP and US $394,000, plus agency support costs of US $27,580, for UNDP, as originally submitted.[2] The implementation of stage II of the HPMP will phase out the remaining consumption of HCFCs by 2030.

2. The first tranche of stage II of the HPMP being requested at this meeting amounts to US $574,950, consisting of US $276,500, plus agency support costs of US $34,695, for UNEP and US $246,500, plus agency support costs of US $17,255, for UNDP, as originally submitted.

Status of implementation of stage I of the HCFC phase-out management plan

3. Stage I of the HPMP for Mali was approved at the 63rd meeting[3] to phase out 5.20 ODP tonnes of HCFCs used in the refrigeration and air-conditioning (RAC) servicing sector and to meet the 35 per cent reduction from the baseline by 2020, at a total cost of US $560,000, plus agency support costs. Stage I of the HPMP was completed by June 2025, as stipulated in decision 96/11.

<u>Report on HCFC consumption</u>

4. The Government of Mali reported a consumption of 4.40 ODP tonnes of HCFCs in 2024, which is 71 per cent below the HCFC baseline for compliance. The 2020–2024 HCFC consumption is shown in table 1.

Table 1. HCFC consumption in Mali (2020–2024 Article 7 data)

HCFC-22	2020	2021	2022	2023	2024	Baseline
Metric tonnes (mt)	137.00	125.00	110.00	90.00	80.00	272.25
ODP tonnes	7.54	6.88	6.05	4.95	4.40	15.00

5. The consumption has been decreasing since 2013 mainly due to implementation of HPMP activities, inter alia, HCFC consumption control through import quotas; training on good RAC servicing practices; awareness and outreach campaigns on HCFC consumption reduction activities; and adoption of alternatives to HCFCs in RAC applications.

Country programme implementation report

6. The Government of Mali 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>Status of progress and disbursement</u>

7. Stage I of the HPMP made progress despite the compounding delays due to the COVID-19 pandemic and the complex political situation in the country that persisted for years. Stage I has an overall disbursement rate of 96.9 per cent and the remaining 3.1 per cent has already been returned to the Fund

[2] As per the letter of 7 August 2025 from the Ministry of the Environment, Sanitation, and Sustainable Development of Mali to the Secretariat.

[3] Decision 63/37

(UNEP returned US $3,170 to the 73rd meeting and UNDP returned US $14,107 to the 90th meeting). The national ozone unit (NOU) recruited two consultants over the course of the project.

Strengthening national capacities for monitoring and controlling the import and distribution of HCFCs

8. The country organized 15 workshops for customs, enforcement and environment officers on the identification and control of HCFC and HCFC-based equipment as well as the enforcement of the quota system for 428 officers, which exceeded the target of 410 participants. A training manual on ODS regulations and the licensing system for import of ODS was developed and submitted for training of customs officers and has been included in the curriculum for routine training at the customs training school.

Strengthening the technical capacity of RAC experts in good RAC servicing practices

9. The country organized over 20 training workshops for RAC technicians on good practices in servicing air-conditioning equipment, including the recovery and recycling (RR) of HCFCs and safe handling of hydrocarbon refrigerants. A total of 755 participants were trained, including both trainers and technicians, which exceeded the target of 620 participants.

Strengthening the centres of excellence and major RAC servicing workshops, and the introduction of incentives for the conversion of RAC equipment

10. Three ODS identifiers were purchased and distributed. Toolkits and training equipment were procured and distributed to four training centres, two technical and vocational centres, and to 12 selected refrigeration workshops. Equipment under the pilot demonstration retrofit project was distributed to 12 large workshops, and access was allowed to this equipment by technicians registered with the RAC Association. Equipment was also provided to two professional training centres. The list of equipment included, inter alia, refrigerant identifiers, portable electronic leak detectors, vacuum pumps, gauges, RR units, and recovery cylinder, safety kits and accessories. The pilot demonstration end-user project was implemented in commercial enterprises. Cold rooms of the professional and technical schools have been converted to hydrocarbons. The Government of Mali has been fully aware of the relevant decisions of the Executive Committee on retrofitting and has discontinued to encourage retrofitting of HCFC-based equipment with flammable alternatives. The training programmes covered the safe use of flammable refrigerants. The awareness of 50 technicians and 40 customs and enforcement officers was raised through specialized workshops during the fifth and final tranche of stage I.

11. At the 96th meeting, the Executive Committee approved, on an exceptional basis, an extension to 30 June 2025, of the completion date of stage I of the HPMP for Mali to allow the operational completion of the UNDP component of the project (MLI/PHA/92/INV/46) and requested the Government of Mali, UNEP, and UNDP to submit the project completion report for stage I of the HPMP within six months of the operational completion of the projects, as per decisions 23/8(i) and 81/29.[4]

Stage II of the HCFC phase-out management plan

<u>Remaining consumption eligible for funding</u>

12. After deducting 5.2 ODP tonnes of HCFCs associated with stage I of the HPMP, the remaining consumption eligible for funding in stage II amounts to 9.8 ODP tonnes of HCFC-22.

[4] Decision 96/11

Sector distribution of HCFCs

13. Mali is a low-volume consuming country that both imports and exports only HCFC-22 which is only used in the RAC servicing sector.

14. There are approximately 1,800 technicians (over 200 women) and 230 workshops (both formal and informal) operating in the servicing sector, consuming HCFC-22 to service room AC, commercial AC, chillers, commercial refrigeration, and transport refrigeration as shown in table 2. HCFC-22 represents 100 per cent of refrigerants used in the servicing sector.

Table 2. Estimation of demand for HCFC-22 in the RAC servicing sector in Mali

Sector/Application	(a) Equipment inventory	(b) Average charge (kg)	(c) Equipment serviced (%)	(d) Estimated leakage rate (%)	(a*b*c*d) Annual need for servicing (mt)
Room AC (window, portable, and split)	971,915	0.98	30	25	71.44
Commercial AC (rooftop, multi-split units, VRF)	533	17.35	30	20	0.56
Chillers	5	40.00	30	15	0.01
Commercial refrigeration (small stand-alone systems, condensing units, small and large centralized systems)	2,510	4.58	20-50	10	0.45
Transport refrigeration	1,460	5.47	30	10	0.24
Total	976,423	n/a	n/a	n/a	72.69

Phase-out strategy

15. Stage II of the HPMP will focus on strengthening the HCFC licensing and quota system including the legal and regulatory framework, promoting the transition to technologies with low global-warming potential (GWP) in the RAC sector, implementing legal instruments related to the safe use of new technologies, further strengthening the capacity of the servicing sector including technicians and training centres, strengthening the capacity of customs and enforcement officers, establishing a certification scheme for technicians, and strengthening refrigerant management through the establishment of a RR system.

Proposed activities

16. Activities proposed for implementation in the servicing sector under stage II and their cost breakdown are presented in table 3.

Table 3. Servicing sector activities and their costs under stage II of the HPMP for Mali as submitted

Activity	Agency	Cost (US $)	
		Stage II	First tranche
1. **Strengthening the legal and regulatory framework to support HCFC phase-out:** 1.1. Update and improve the HCFC licensing and quota system for issuance of import licenses and quotas, and conduct three workshops with importers on adjustments to the licensing and quota system and quota distribution; (US $19,000); 1.2. Develop an HCFC database, monitoring and assessment of HCFC data reporting, conduct six workshops with data reporting stakeholders (US $48,000);	UNEP	218,000	100,000

Activity	Agency	Cost (US $)	
		Stage II	First tranche
1.3. Introduction and implementation of bans on import and restrictions on installation of HCFC-based equipment, ban of import of controlled substances in non-refillable cylinders by January 2028, consultations on the introduction of bans, and awareness-raising meetings (US $7,000); 1.4. Preparation and dissemination of the guide on ODS and HFC legislation guide, conduct three stakeholder seminars on the guide (US $20,000); 1.5. Development of electronic register for formal and informal RAC servicing workshops and technicians, including development of the terms of reference, selection of the company and development of the electronic register software, and three workshops for RAC technicians / equipment owners / operators on the guidelines for registration and use of the system (US $49,000); 1.6. Website establishment and maintenance for relevant legislation including forms and translation (US $15,000); 1.7. Standards and protocols development for using flammable/toxic substances in RAC equipment including publication and capacity building of RAC technicians, importers, and other key stakeholders for the enforcement of technical standards in the RAC sector. This activity includes engaging an international consultant and stakeholder consultations to review the draft standards (US $60,000).			
2. Capacity building of RAC technicians 2.1. Update of the curriculum of vocational schools (US $10,000); 2.2. Training of 500 RAC technicians in good servicing practices (US $100,000); 2.3. Establishment of a pilot certification scheme for 25 RAC technicians and implementation of national certification in the RAC sector (estimated over 400 RAC technicians certified by end of stage II) (US $110,000); 2.4. Capacity-building programme for informal sector technicians including a mentorship programme and awareness-raising campaigns (US $18,000); 2.5. Targeted campaign to study at RAC training institutes (US $15,000)	UNEP	253,000	96,500
3. Capacity building of Customs and enforcement officers 3.1. Training of 400 Customs officers (40 officers per session) on best practices (US $95,000); 3.2. Preparation and dissemination of posters and other information material with the main rules and regulations on the imports of controlled substances and clear indication of customs codes (US $5,000); 3.3. Meetings to strengthen the trans-border collaboration in the West African Economic and Monetary Union sub-region (US $30,000)	UNEP	130,000	60,000
4. Strengthening the technical capacities for refrigeration management 4.1. Strengthening the technical capacities of training centres for alternative refrigerants, including purchase of equipment for two training centres,[5] and 50 sets of tools[6] for technicians trained in HC-based RAC systems, develop a new training course both in low-charge systems and large charge-systems and low temperatures (CO_2 systems) with two train the trainer's courses, conduct 15 trainings for low-charge HC systems (300 RAC technicians total), and five trainings for large charge and low temp RAC systems (100 RAC technicians total), including one course with CO_2 module for 20 RAC technicians (US $258,700); 4.2. Establishment of a RR system consisting of national consultancy to design, follow up and support the installation of the RR centre, purchase and	UNDP	394,000	246,500

[5] R-290 air-conditioning training units, R-600a domestic refrigeration units with double door and inverter system, R-290 medium and low temperature commercial refrigeration units, and small CO_2 heat pump module including tubing and vacuum and charging equipment.

[6] Vacuum pump, manifold, set of hoses with ball valves, scale, leak detector, digital vacuum gauge.

Activity	Agency	Cost (US $)	
		Stage II	First tranche
installation of one RR centre and three support recovery centres,[7] purchase of equipment and set of tools[8] for technical brigades to recover refrigerants, technician training for the management of RR equipment and technical recovery brigades, design of an electronic control for the RR activities and model design of the niche market for recovered refrigerants, and public awareness campaign to promote the RR programme (US $135,300)			
5. Monitoring, Evaluation, and Reporting (see paragraph 17)	UNEP	45,000	20,000
Subtotal for UNEP		**646,000**	**276,500**
Subtotal for UNDP		**394,000**	**246,500**
Total		**1,040,000**	**523,000**

Project implementation and monitoring

17. The system established under stage I of the HPMP will continue into stage II, with the NOU and UNEP monitoring activities, reporting on progress, and working with stakeholders to phase out HCFCs. The cost of those activities amounts to US $45,000 for UNEP, including project staff and consultants (US $32,500) and domestic travel (US $12,500).

Total cost of stage II of the HCFC phase-out management plan

18. The total cost of stage II of the HPMP for Mali has been estimated at US $1,040,000 (plus agency support costs), as originally submitted, for achieving a 100 per cent reduction by 2030. The proposed activities and cost breakdown are summarized in table 3 above.

Implementation plan for the first tranche of stage II of the HCFC phase-out management plan

19. The first funding tranche of stage II of the HPMP in the total amount of US $523,000 will be implemented between January 2026 and December 2027. Detailed information on the activities included in the first tranche, indicating adjustments made and the level of funds agreed, is presented in paragraph 27 below.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

20. The Secretariat reviewed stage II of the HPMP in light of stage I, the policies and guidelines of the Multilateral Fund, including the criteria for funding HCFC phase-out in the consumption sector for stage II of HPMPs (decisions 74/50 and 90/31), and the 2025–2027 business plan of the Multilateral Fund.

Overarching strategy

21. The Government of Mali proposes to meet the 100 per cent reduction of its HCFC baseline consumption by 2030, and to maintain a maximum annual consumption of HCFCs in the period of 2030 to

[7]Storage tanks, scales, recovery equipment, cylinder cleaning equipment, refrigerant identifier, leak detectors, service gauge manifold, and hand tools and safety gear.

[8]Cylinders, leak detector, recycling system with ball valve hoses, scales, hand tools and safety gear, and electrical diagnostic tools.

2040 at a level consistent with Article 5, paragraph 8 ter(e)(i), of the Montreal Protocol.[9] Stage II of the HPMP comprises of measures such as further elaboration of legal and regulatory framework for reduction of HCFCs and shift towards alternative technologies including a ban on the import of HCFC-based equipment; a ban on import of controlled substances in non-refillable cylinders from January 2028; a study to address import schedules, uses of HCFCs imported between 2030 and 2040; and the Government's commitment to continue establishing strict import and control methods to monitor the levels of import and the uses of HCFCs during that period to ensure that they are limited to the conditions established by the Montreal Protocol, will be conducted in the second tranche and the necessary regulations will be introduced in the third tranche. Stage II also includes activities for operationalization of the RR scheme; and awareness-raising and information dissemination activities. The RR efforts will remain essential to meet the refrigerant needs throughout the 2030-2040 period.

22. In line with decision 86/51, to allow for consideration of the final tranche of its HPMP, the Government of Mali agreed to submit a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption is in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040, and the expected annual HCFC consumption in Mali for the period 2030–2040.

Legal framework

23. The Secretariat inquired about the quotas issued in 2020 through 2025 which have been gradually declining since 2020. All quotas between 2020 and 2024 are well under the 9.8 ODP tonne compliance target under the Montreal Protocol. The Government of Mali has issued HCFC import quotas for 2025 at 4.40 ODP tonnes, which is lower than the 4.88 ODP tonnes compliance target under the Montreal Protocol. Quotas for subsequent years will continue to be issued in line with the targets outlined in the country's Agreement with the Executive Committee under stage II of the HPMP.

24. Regarding regulations on HCFC-based equipment and non-refillable cylinders, UNEP confirmed that the country will be introducing a ban on import of HCFC-based equipment and a ban on import of controlled substances in non-refillable cylinders from January 2028. Mali ratified the Kigali Amendment on 31 March 2017.

Technical and cost-related issues

25. The Secretariat requested additional information on how to make the training programme more comprehensive since there are 1,800 technicians in the country, and UNEP clarified that 730 out of 1,800 technicians in the country were trained during stage I so this project would aim to have an additional 500 technicians trained which would constitute the majority of the existing technicians. UNEP also clarified that the certification scheme is eventually expected to become mandatory and the study will pay particular attention to propose a scheme that is sustainable beyond the end of the HPMP (e.g., institutions involved and their role, source of funding for recurrent costs such as evaluators, creation of additional levels of certification, and any potential costs to technicians). UNEP revised activity 1.1 to include a study on the legal and regulatory framework for the servicing tail which was described in the narrative of the proposal but not included in the budget. The revised budget did not shift any of the other activities but worked within the activity and reduced the number of workshops from three to two and a small adjustment was made to the update of the system for issuance of import licenses and quotas to accommodate the servicing tail study. The tranche distribution was revised so that the last tranche occurs in 2030, as per decision 62/17, instead of 2029 as originally submitted.

[9] HCFC consumption may exceed zero in any year so long as the sum of its calculated levels of consumption over the ten-year period from 1 January 2030 to 1 January 2040, divided by 10, does not exceed 2.5 per cent of the HCFC baseline.

Total project cost

26. The total cost for stage II of the HPMP amounts to US $1,040,000, based on decision 74/50(c)(xii) on the eligible funding level for a low-volume-consuming country and in line with decision 96/23. The funding for the first tranche was agreed as submitted.

Agreed implementation plan for the first tranche of stage II of the HCFC phase-out management plan

27. The agreed plan of action will include the following activities:

(a) *Strengthening the legal and regulatory framework to support HCFC phase-out: (UNEP) (US $100,000)* Updating the system for issuance of import licenses and quotas for HCFCs with one workshop (US $13,000); improving data reporting ($18,000); introduction and implementation of bans on import and restrictions on installation of HCFC-based equipment and ban of import of controlled substances in non-refillable cylinders (US $2,000); preparation and dissemination of the guide on ODS and HFC legislation with one awareness raising seminar (US $14,000); collecting information on RAC servicing workshops and technicians, including the informal sector (US $23,000); establishment and maintenance of a website with relevant legislation and explanations for each group of stakeholders (US $10,000); and development of standards and protocols on the use of flammable and/or toxic substances in RAC equipment (US $20,000);

(b) *Capacity building of RAC technicians: (UNEP) (US $96,500*) Update of the curriculum of vocational schools (US $5,000); training 225 RAC technicians in good servicing practices (US $45,000); establishment of a certification scheme for RAC technicians and implementation of national certification in the RAC sector (US $30,000); capacity-building programme for informal sector technicians (US $9,000); and targeted campaign to study at RAC training institutes (US $7,500);

(c) *Capacity building of customs and enforcement officers: (UNEP) (US $60,000)* Training of 180 customs officers (US $43,000); preparation and dissemination of posters and other information material with the main rules and regulations on the imports of controlled substances and clear indication of customs codes (US $2,000); and meetings to strengthen the trans-border collaboration in the UEMOA sub-region between customs and enforcement officers (US $15,000);

(d) *Strengthening the technical capacities for refrigeration management: (UNDP) (US $246,500)* Strengthening the technical capacities of training centres for alternative refrigerants by purchasing all equipment for the training centres and training 200 technicians (US $126,200); and establishment of a recovery and recycling system (US $120,300); and

(e) *Project monitoring: (UNEP) (US $20,000)* fees for two locally recruited consultants (US $15,000) and travel costs (US $5,000).

Co-financing

28. In-kind contribution will be provided by the Government through support to the coordination and management of the HPMP, provision of offices, assignment of local temporary staff to assist in the meetings and workshops, transport organization for meeting and workshop participants.

2025–2027 draft business plan of the Multilateral Fund

29. UNEP and UNDP are requesting US $1,040,000, plus agency support costs, for the implementation of stage II of the HPMP for Mali. The total requested value of US $1,031,590, including agency support costs, for the period of 2025–2027, is US $531,460 above the amount in the business plan. The business plan included US $135,600 for additional activities to maintain energy efficiency in line with decision 89/6 which was not submitted to this meeting.

Gender policy implementation

30. In line with decisions 84/92(d), 90/48(c) and 92/40(b), the Government of Mali has incorporated the Multilateral Fund gender policy into the project preparation and formulation of stage II of the HPMP. During the project preparation, an assessment was carried out and the recommendations from this assessment have been incorporated in the project activities under stage II. Of the consultants hired during project implementation, 15 per cent were women, and 25 per cent of staff in the NOU was comprised of women. During stage II, the NOU will continue to collect and report disaggregated data, ensure that all training and information materials encourage women to participate in training sessions and consultations, organize or add specific training sessions, and track the number of women and men engaged in the project implementation. The organization of a targeted campaign to encourage choosing the RAC profession is included as an activity in stage II of the HPMP.

Sustainability of the HCFC phase-out and assessment of risks

31. Key risks to the successful implementation of the project and its sustainability include political instability, declining NOU capacity and instability in the NOU, declining stakeholder involvement, declining maintenance of enforcement mechanisms, and the lack of modern servicing capacity. These risks have been satisfactorily addressed through the activities, which are more comprehensive and well designed compared to stage I of the HPMP. The Government of Mali will continue to implement measures to control and monitor HCFC consumption through its national HCFC quota system, while promoting the adoption of alternatives through the different activities planned under stage II of the HPMP as well as introducing a ban on the import of HCFC-based equipment and a ban on import of controlled substances in non-refillable cylinders from January 2028. Additional efforts include ongoing training of technicians, the provision of equipment to training institutions to train technicians on good servicing practices and safety aspects when using flammable refrigerants, the promotion of trained technicians for servicing refrigeration, air-conditioning and heat-pump equipment as well as establishing a certification scheme, establishment of the RR scheme, and the implementation of measures to support the safe adoption of flammable alternatives across various applications. These initiatives will build upon activities implemented under the previous HPMP stage. The management and monitoring of stage II activities will be undertaken under the supervision of the NOU in collaboration with the Ministry of Environment, Sanitation and Sustainable Development for ensuring timely and effective implementation. Through this comprehensive approach, the Government will minimize the risks of non-compliance with HCFC consumption targets and ensure the sustainability of the HCFC phase-out.

Impact on the climate

32. The activities proposed in the servicing sector, which include better refrigerant containment through training and provision of equipment, will reduce the use of HCFC-22 in servicing. Each kilogram of HCFC-22 not emitted due to better refrigeration practices results in the savings of approximately 1.8 CO_2-equivalent tonnes. Although a calculation of the impact on the climate was not included in the HPMP, the activities planned by Mali, including its efforts to promote low-GWP alternatives, as well as refrigerant recovery and reuse, indicate that the implementation of stage II of the HPMP will reduce the emission of refrigerants into the atmosphere, resulting in climate benefits.

Draft Agreement

33. A draft Agreement between the Government of Mali and the Executive Committee for stage II of the HPMP is contained in annex I to the present document.

RECOMMENDATION

34. The Executive Committee may wish to consider:

(a) Approving, in principle, stage II of the HCFC phase-out management plan (HPMP) for Mali for the period from 2025 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $1,148,640, consisting of US $646,000, plus agency support costs of US $81,060, for UNEP and US $394,000, plus agency support costs of US $27,580, for UNDP on the understanding that no more funding from the Multilateral Fund will be provided for the phase-out of HCFCs;

(b) Noting the commitment of the Government of Mali to completely phase out HCFCs by 1 January 2030, and that HCFCs will not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;

(c) Noting also that the Government of Mali would ban the import of HCFC-based equipment and ban the import of controlled substances in non-refillable cylinders starting 1 January 2028;

(d) Deducting 9.80 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(e) Approving the draft Agreement between the Government of Mali and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in annex I to the present document;

(f) That, to allow for consideration of the final tranche of its HPMP, the Government of Mali should submit:

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

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

(g) Approving the first tranche of stage II of the HPMP for Mali, and the corresponding tranche implementation plan, in the amount of US $574,950, consisting of US $276,500, plus agency support costs of US $34,695, for UNEP, and US $246,500, plus agency support costs of US $17,255, for UNDP.

Annex I

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF MALI AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS IN ACCORDANCE WITH STAGE II OF THE HCFC PHASE-OUT MANAGEMENT PLAN

Purpose

1. This Agreement represents the understanding of the Government of Mali (the "Country") and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A ("The Substances") to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.

2. The Country agrees to meet the annual consumption limits of the 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 all 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 the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the 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 II of the HCFC phase-out management plan approved ("the Plan"). In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as 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 eight 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 the form of 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 the form of Appendix 4-A covering each calendar year until and including the year for which the funding 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 of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

(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 eight 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 which would modify any clause of this Agreement;

(iii) Changes in the annual levels of funding allocated to 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 to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;

(b) Reallocations not categorized as major changes may be incorporated in 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.

Considerations for the refrigeration servicing sector

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sector included in the Plan, in particular:

(a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and

(b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

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 monitoring and evaluation work programmes 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 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 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 IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of the 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 of 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 ODP 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), 1(d), and 1(e) 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 of the 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 between the Government of the Country and the Executive Committee of the Multilateral Fund.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	15.00

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	4.88	4.88	4.88	4.88	4.88	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	4.88	4.88	4.88	4.88	4.88	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US $)	276,500	0	265,500	0	0	104,000	646,000
2.2	Support costs for Lead IA (US $)	34,695	0	33,315	0	0	13,050	81,060
2.3	Cooperating IA (UNDP) agreed funding (US $)	246,500	0	147,500	0	0	0	394,000
2.4	Support costs for Cooperating IA (US $)	17,255	0	10,325	0	0	0	27,580
3.1	Total agreed funding (US $)	523,200	0	413,000	0	0	104,000	1,040,000
3.2	Total support costs (US $)	51,950	0	43,640	0	0	13,050	108,640
3.3	Total agreed costs (US $)	574,950	0	456,640	0	0	117,050	1,148,640
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)							9.80
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)							5.20
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							0

* Date of completion of stage I is 30 June 2025 as per decision 96/11

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 TRANCHE IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Tranche Implementation Report and Plans for each tranche request will consist of five 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 out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight 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, uses of the flexibility for 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 of the Plan results and the consumption of the Substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in subparagraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;

(c) A written description of the activities to be undertaken during the period covered by the requested tranche, 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 also 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 (a) above;

(d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and

(e) An Executive Summary of about five paragraphs, summarizing the information of the above subparagraphs 1(a) to 1(d).

2. In the event that in a particular year two stages of the Plan are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:

(a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and

(b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall monitoring will be provided by the Government, through the National Ozone Unit ("NOU") which is housed under the Ministry of Environment, Sanitation and Sustainable Development's National Directorate for Sanitation and Pollution and Nuisance Control, 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 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.

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 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 is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with subparagraphs 1(c) and 1(d) of Appendix 4-A;

(e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include 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 HCFC consumption targets had been met;

(g) Ensuring that appropriate independent technical experts carry out the technical reviews;

(h) Carrying out required supervision missions;

(i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;

(j) Coordinating the activities of the Cooperating IA, and ensuring 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 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 the consumption of the 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 refer to the Lead IA to ensure a coordinated sequence in the 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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $180 per ODP kg 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.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the Plan being implemented in parallel) with different penalty levels, the application

of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.