UNITED
NATIONS

EP

United Nations
Environment
Programme

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/97/24
4 November 2025

ORIGINAL: ENGLISH

EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-seventh Meeting
Montreal, 1-5 December 2025
Item 8(c)(iv) of the provisional agenda[1]

# UNIDO BUSINESS PLAN FOR 2026–2028

## Introduction

1. This document presents the UNIDO business plan for 2026–2028 and includes the planned activities for the reduction of controlled substances and other activities under the Montreal Protocol during the period 2026–2028. The narrative of UNIDO's business plan for 2026–2028 is attached to the present document.

2. This document consists of the following sections:

I. Planned activities during the period 2026–2028

II. Secretariat's comments

III. Proposed adjustments by the Secretariat

IV. Performance indicators

V. Recommendation

## I. Planned activities during the period 2026–2028

3. Table 1 sets out, by year, the value of activities included in UNIDO's business plan.

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

**Table 1. Resource allocation in the UNIDO business plan for 2026–2028 (US $)* – as submitted**

| Description | 2026 | 2027 | 2028 | Total (2026–2028) | Total after 2028 |
|---|---|---|---|---|---|
| **HCFC activities** | | | | | |
| Approved HCFC phase-out management plans (HPMPs) | 24,622,419 | 16,694,368 | 6,067,594 | 47,384,381 | 7,436,020 |
| HPMP stage II | 209,241 | 893,108 | 537,636 | 1,639,986 | 397,933 |
| HPMP stage III – project preparation (PRP) | 0 | 42,800 | 0 | 42,800 | 0 |
| HPMP stage III | 2,502,788 | 9,682,722 | 6,771,140 | 18,956,651 | 3,202,825 |
| HPMP – energy efficiency (decision 89/6) | 70,620 | 38,520 | 0 | 109,140 | 0 |
| **HCFC activities subtotal** | **27,405,068** | **27,351,519** | **13,376,370** | **68,132,958** | **11,036,778** |
| **HFC activities** | | | | | |
| Approved Kigali HFC implementation plans (KIPs) | 1,405,039 | 18,125,130 | 342,650 | 19,872,819 | 6,025,296 |
| Approved HFC-23 emission control | 584,100 | 552,371 | 509,571 | 1,646,042 | 1,170,921 |
| KIP stage I – PRP | 1,143,303 | 413,377 | 0 | 1,556,680 | 0 |
| KIP stage I | 1,574,047 | 2,486,979 | 3,929,546 | 7,990,571 | 2,102,819 |
| KIP stage I – investment | 0 | 339,000 | 0 | 339,000 | 0 |
| **HFC activities subtotal** | **4,706,489** | **21,916,856** | **4,781,767** | **31,405,112** | **9,299,036** |
| **Other activities** | | | | | |
| Pilot projects for energy efficiency – preparation (decision 91/65) | 53,500 | 0 | 0 | 53,500 | 0 |
| Pilot projects for energy efficiency (decision 91/65) | 2,407,500 | 3,210,000 | 0 | 5,617,500 | 0 |
| Energy efficiency (decision 94/60) – preparation | 53,500 | 0 | 0 | 53,500 | 0 |
| Energy efficiency (decision 94/60) | 6,420,000 | 0 | 0 | 6,420,000 | 0 |
| **Other activities subtotal** | **8,934,500** | **3,210,000** | **0** | **12,144,500** | **0** |
| **Standard activities** | | | | | |
| Institutional strengthening (IS) | 2,637,276 | 3,312,748 | 1,505,539 | 7,455,563 | 0 |
| Core unit | 2,108,424 | 2,123,183 | 2,138,045 | 6,369,652 | 0 |
| **Standard activities subtotal** | **4,745,700** | **5,435,931** | **3,643,584** | **13,825,215** | **0** |
| **Total** | **45,791,757** | **57,914,307** | **21,801,721** | **125,507,785** | **20,335,815** |

* Including agency support costs where applicable.

# II. Secretariat's comments

## II.1 HCFC activities

Stage II of HPMPs

4. The total level of funding for stage II of HPMPs for four low-volume-consuming (LVC) countries to meet the 100 per cent reduction of the HCFC baseline amounts to US $930,899 (including US $639,419 for 2026–2028 and US $291,480 for the period after 2028).

5. The total level of funding for stage II of HPMPs for two non-LVC countries amounts to US $1.11 million (including US $1 million for 2026–2028 and US $106,453 for the period after 2028).

Stage III of HPMPs

6. The total level of funding for stage III of HPMPs for three LVC countries to meet the 100 per cent reduction of the HCFC baseline amounts to US $788,852 (including US $742,950 for 2026–2028 and US $45,901 for the period after 2028).

7. The total level of funding for stage III of HPMPs for 11 non-LVC countries amounts to US $21.37 million (including US $18.21 million for 2026–2028 and US $3.16 million for the period after 2028).

8. A total of US $42,800 is included in the business plan for the preparation of stage III of the HPMP for one country for 2027.

Energy efficiency for LVC countries (decision 89/6)[2]

9. A total of US $109,140 is included in the business plan for energy efficiency activities for three LVC countries for 2026–2027.

### II.2 HFC-related activities

KIP project preparation

10. A total of US $1.56 million is included in the business plan for the preparation of stage I of the KIPs for 15 countries in 2026–2027.

11. Of the 15 countries for which KIP project preparation activities have been included, 11 have not yet ratified the Kigali Amendment, but have submitted the required letter from their respective Government indicating their intent to make best efforts to ratify the Kigali Amendment in line with decision 84/46(f).

Stage I of KIPs

12. A total of US $10.09 million is included in the business plan for stage I of the KIPs for 20 countries (including US $7.99 million for 2026–2028 and US $2.1 million for the period after 2028). In addition, UNIDO also included a KIP investment project for one country amounting to US $339,000 in 2027. All these countries have ratified the Kigali Amendment.

### II.3 Other activities

Pilot projects for energy efficiency (decision 91/65)[3]

13. A total of US $5.62 million is included in the business plan under the funding window for pilot projects for energy efficiency for 2026–2027 for six countries. A total of US $53,500 is included in the business plan for project preparation for one country for 2026.

Energy efficiency (decision 94/60)[4]

14. A total of US $6.42 million is included in the business plan for projects under the funding window for energy efficiency per decision 94/60 for three countries in 2026. A total of US $53,500 is included in the business plan for project preparation for one country for 2026.

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[2] Decision 89/6 allowed bilateral and implementing agencies, when submitting existing and future stages of HPMPs for LVC countries, to include the funding associated with the need for the introduction of alternatives to HCFCs with low- or zero-global-warming potential and for maintaining energy efficiency in the refrigeration servicing sector.

[3] The Executive Committee established a funding window and criteria for pilot projects to maintain and/or enhance energy efficiency of replacement technologies and equipment in the context of HFC phase-down. The duration of the window for the proposal of projects under decision 91/65 only for the servicing activities was extended to the 100th meeting, inclusive (decision 95/87(d)).

[4] The Executive Committee established a funding window for projects developed and implemented under the operational framework to support maintaining and/or enhancing energy efficiency while phasing down HFCs.

### II.4 Core unit costs

15. The core unit costs[5] are expected to increase at an annual rate of 0.7 per cent as agreed.

## III. Proposed adjustments by the Secretariat

16. The adjustments to the UNIDO business plan for 2026–2028 were based on relevant decisions of the Executive Committee. In reviewing the revised UNIDO business plan for 2026–2028, the Secretariat noted that the following adjustments were not included:

**Table 2. Adjustments to the UNIDO business plan for 2026–2028 (US $)* – as proposed by the Secretariat**

| Adjustment | 2026–2028 | After 2028 |
|---|---|---|
| MYA values to reflect the actual amounts approved under the Agreements, including MYA tranches: (i) that have been submitted to the 97th meeting but have subsequently been withdrawn; (ii) that are due but have not been submitted to the 97th meeting; and (iii) that are removed because they have been submitted to the 97th meeting | 533,277 | (108,983) |
| PRP for stage I of KIPs submitted to the 97th meeting | (278,600) | 0 |
| Servicing sector for stage I of KIPs pursuant to decision 92/37 | (343,894) | (152,262) |

* Including agency support costs where applicable.

17. Table 3 presents the results of the Secretariat's proposed adjustments to the UNIDO business plan for 2026–2028, which are also addressed in the context of the consolidated business plan of the Multilateral Fund for 2026–2028.[6]

**Table 3. Resource allocation in UNIDO's adjusted business plan for 2026–2028 (US $)***

| Description | 2026 | 2027 | 2028 | Total (2026–2028) | Total after 2028 |
|---|---|---|---|---|---|
| **HCFC activities** | | | | | |
| Approved HPMPs | 25,326,693 | 16,694,368 | 6,067,594 | 48,088,655 | 7,436,020 |
| HPMP stage II | 209,241 | 893,108 | 537,636 | 1,639,986 | 397,933 |
| HPMP stage III – PRP | 0 | 42,800 | 0 | 42,800 | 0 |
| HPMP stage III | 2,502,788 | 9,682,722 | 6,771,140 | 18,956,651 | 3,202,825 |
| HPMP – energy efficiency (decision 89/6) | 70,620 | 38,520 | 0 | 109,140 | 0 |
| **HCFC activities subtotal** | **28,109,342** | **27,351,519** | **13,376,370** | **68,837,232** | **11,036,778** |
| **HFC activities** | | | | | |
| Approved KIPs | 1,245,709 | 18,125,130 | 342,650 | 19,713,489 | 6,025,296 |
| Approved HFC-23 emission control | 572,433 | 552,371 | 509,571 | 1,634,375 | 1,061,938 |
| KIP stage I – PRP | 864,703 | 413,377 | 0 | 1,278,079 | 0 |
| KIP stage I | 1,574,047 | 2,143,085 | 3,929,546 | 7,646,678 | 1,950,558 |
| KIP stage I – investment | 0 | 339,000 | 0 | 339,000 | 0 |
| **HFC activities subtotal** | **4,256,891** | **21,572,963** | **4,781,767** | **30,611,621** | **9,037,792** |
| **Other activities** | | | | | |
| Pilot projects for energy efficiency – preparation (decision 91/65) | 53,500 | 0 | 0 | 53,500 | 0 |
| Pilot projects for energy efficiency (decision 91/65) | 2,407,500 | 3,210,000 | 0 | 5,617,500 | 0 |
| Energy efficiency (decision 94/60) – preparation | 53,500 | 0 | 0 | 53,500 | 0 |
| Energy efficiency (decision 94/60) | 6,420,000 | 0 | 0 | 6,420,000 | 0 |
| **Other activities subtotal** | **8,934,500** | **3,210,000** | **0** | **12,144,500** | **0** |

[5] UNIDO's 2026 core unit costs will be considered at the 97th meeting (UNEP/OzL.Pro/ExCom/97/84).
[6] UNEP/OzL.Pro/ExCom/97/20

| Description | 2026 | 2027 | 2028 | Total (2026–2028) | Total after 2028 |
|---|---|---|---|---|---|
| **Standard activities** | | | | | |
| IS | 2,637,276 | 3,312,748 | 1,505,539 | 7,455,563 | 0 |
| Core unit | 2,108,424 | 2,123,183 | 2,138,045 | 6,369,652 | 0 |
| **Standard activities subtotal** | **4,745,700** | **5,435,931** | **3,643,584** | **13,825,215** | **0** |
| **Total** | **46,046,433** | **57,570,413** | **21,801,721** | **125,418,568** | **20,074,570** |

*Including agency support costs where applicable.

## IV. Performance indicators

18. UNIDO submitted performance indicators pursuant to decision 93/8(d) in its business plan narrative. The Secretariat informed UNIDO of the targets shown in table 4.

**Table 4. Performance indicators for UNIDO for 2026**

| Type of indicator | Short title | Calculation | 2026 target |
|---|---|---|---|
| Planning-Approval | Tranches approved | Number of tranches approved vs. those planned* | 51 |
| Planning-Approval | Individual projects/ activities approved | Number of projects/activities approved vs. those planned (including project preparation activities) | 26 |
| Implementation | Funds disbursed | Based on estimated disbursement in progress reports | 18,778,560 |
| Implementation | ODS phase-out for HCFC-related projects | ODS phase-out for HCFC-related projects in ODP tonnes vs. those planned per progress reports | 152.7 ODP tonnes |
| Implementation | HFC phase-down for HFC-related projects | HFC phase-down for HFC-related projects in $CO_2$-eq tonnes vs. those planned per progress reports | 449,139 $CO_2$-eq tonnes |
| Implementation | Project operational completion | Project operational completion vs. planned in progress reports for all activities (excluding project preparation)** | 57 |
| Implementation | Gender mainstreaming | Operational policy on gender mainstreaming applied to all approved projects | 100% |
| Administrative | Speed of financial completion | The extent to which projects are financially completed within 12 months after project operational completion | 12 months after operational completion |
| Administrative | Timely submission of project completion reports | Timely submission of project completion reports based on the progress report | 3 |
| Administrative | Timely submission of progress reports and business plans | Timely submission of progress reports and business plans and responses unless otherwise agreed | On time |

* The targets of an agency will be reduced if it cannot submit a tranche owing to another cooperating agency or lead agency or if the HCFC phase-out management plan or Kigali HFC implementation plan submitted for consideration by the Executive Committee is not approved as a result of factors beyond the control of the national ozone unit and agency.
** The targets of an agency will be reduced if an extension of the completion date has been approved by the Executive Committee.

## V. Recommendation

19. The Executive Committee may wish:

(a) To note the UNIDO business plan for 2026–2028 contained in document UNEP/OzL.Pro/ExCom/97/24; and

(b) To approve the performance indicators for UNIDO set out in table 4 of document UNEP/OzL.Pro/ExCom/97/24.

UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

# UNIDO BUSINESS PLAN 2026

Presented to the 97th Meeting of the Executive Committee of the Multilateral Fund

# Table of Contents

# EXECUTIVE SUMMARY

1. The 2026 Business Plan of UNIDO together with the forecast for 2027 and 2028 represents its rolling Business Plan of Montreal Protocol activities . Funding estimates up to 2028 and beyond have also been provided. This information should be useful to the members of the Executive Committee to the Multilateral Fund to understand the funding needed to reach the 2028 control measures for HCFCs and HFCs and beyond.

2. UNIDO's Business Plan was prepared on the basis of the previous rolling Business Plan, taking into consideration approvals and experience from previous years, requests received from Article 5 countries, established priorities and decisions of the Executive Committee. The Business Plan also reflects the evolving needs of Article-5 countries, especially the needs with regards to meeting the initial obligations under the Kigali Amendment, namely the freeze at the baseline consumption level and a 10% reduction by 2029.

3. This narrative is based on an Excel table included as Annex to this report. The excel table lists all ongoing and planned UNIDO activities for which funding is expected during 2026-2028. Figures are also provided for the period after 2028.

4. In 2026, UNIDO will submit for approval by the Executive Committee forward commitments amounting to USD 45.8 million. New activities focus mainly on HCFC phase-out plans projects for USD 27.3 million. In addition, in 2026 UNIDO plans to submit new activities for preparation of HFC Phase-down plans for USD 1.14 million and for implementation of Stage I of Kigali HFC implementation plan (KIP) for 2.98 million.

5. As per the common practice, the associated ODP phase-out is indicated for the HCFC related projects and the associated phase-down of HFCs in metric tonnes is indicated for KIPs. It is worth noting that, in absence of a defined starting point for aggregate reductions in HFC consumption and the associated global warming potential of the HFCs to be phased down, the amounts of HFCs in metric tonnes are provided for indicative purposes only given that countries' compliance will be determined in $CO_2$ equivalent terms.

6. UNIDO plans to request funding in 2026 under the new funding windows for improved energy efficiency when introducing alternatives to HCFCs with low or zero global-warming potential (GWP) in the refrigeration servicing sector for low volume consuming (LVC) countries (decision 89/6) and pilot projects to maintain and/or enhance energy efficiency of replacement technologies and equipment in the context of HFC phase-down (decision 91/65 and 94/60) for a total of USD 9 million. As listed in the business plan, about 59% (USD 27.3 million) of UNIDO's 2026 Business Plan is focusing on the phase-out of HCFCs, excluding institutional strengthening projects and preparatory funding. In most projects, the KIP funding is limited to the refrigeration servicing sector.

7. The total amount foreseen in UNIDO's 2026 Business Plan, including forward commitments, new investment, non-investment activities, project preparation and funding of the core unit is USD 45.8 million including support costs and with an expected reduction of 847.03 ODP tonnes from HCFC phase-out activities.

8. USD 57.9 million worth of projects are earmarked for 2027 with an impact of 399.79 ODP-tonnes, while for 2028 USD 21.8 million with an impact of 467.75 ODP tonnes are forecasted.

9. The activities included for 2026 are the following:
   - Tranches from approved HPMPs Stage I in 1 country;
   - Tranches from approved HPMPs Stage II in 14 countries;
   - Tranches from approved HPMPs Stage III in 4 country;
   - Additional funding for energy efficiency for 2 countries;
   - Tranches from approved HFC destruction projects in 2 countries;
   - New HPMPs Stage II in 3 countries;
   - New HPMPs Stage III in 7 countries;
   - New phases of institutional strengthening projects in 6 countries;
   - HFC phase down preparation requests for 11 countries;
   - Tranches from approved KIPs Stage I in 8 countries;
   - New KIPs Stage I for 10 countries;
   - Energy efficiency pilot projects (decision 91/65) for 5 countries;
   - Energy efficiency pilot projects (decision 94/60) for 4 countries; and
   - One global request for the Core Unit support cost

10. Any projects submitted to, but not approved, at the 97th Meeting will be added afterwards to the 2026 Business Plan.

# 1. RESOURCE ALLOCATION

11. In 2026, UNIDO plans to submit projects worth of USD 45.8 million, the majority of which are focused on the phase-out of HCFCs and phase-down of HFCs, including core unit funding of about USD 2.1 million.

12. HCFC phase-out activities form a large part of UNIDO's 2026 Business Plan. HPMPs include servicing sector activities for both low-volume-consuming (LVCs) and non-LVCS. For non-LVCs, they also include investment projects for the conversion of manufacturing enterprises to HCFC alternatives taking into account new technological developments to ensure sustainable conversion of HCFC-based manufacturing enterprises.

13. In line with decision 89/6, UNIDO has carefully planned requests for additional activities for their inclusion in existing and future HCFC phase-out management plans for LVC countries, where needed for the introduction of alternatives to HCFCs with low or zero GWP and for maintaining energy efficiency in the refrigeration servicing sector.

14. Renewal of institutional strengthening projects also form part of UNIDO's 2026-2028 Business Plan.

15. In 2026, UNIDO plans to submit preparatory requests for HFC phase-down plans for 11 countries, tranches from approved KIPs for 8 countries and Stage I of KIPs for 10 countries that have ratified the Kigali Amendment. In the past, preparatory funding requests for HPMP Stage II and Stage III could be submitted two years before the end of the last tranche of Stage I and Stage II. The countries with approved KIP Stage I have multi-year agreements lasting until 2029 or 2030. UNIDO is ready to start planning their requests for preparatory funding for KIP Stage II, should there be an Executive Committee (ExCom) decision taken on this at the 97$^{th}$ meeting.

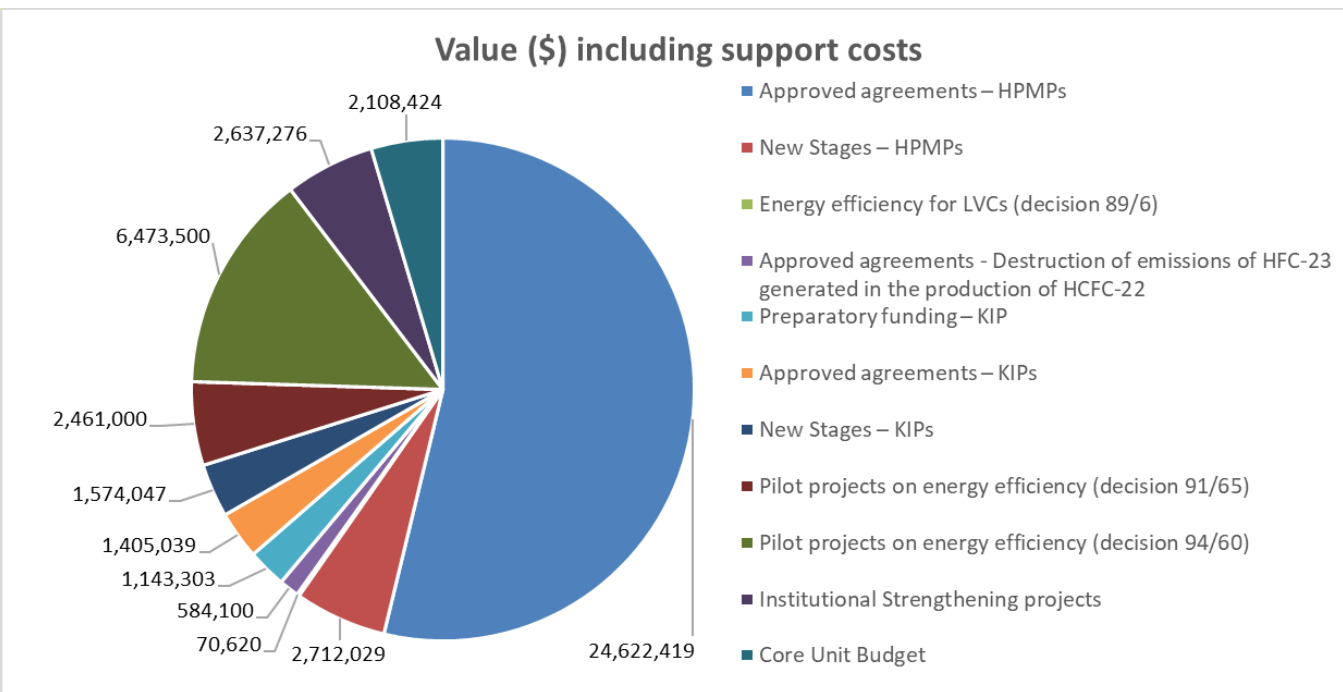
16. In line with decisions 91/65 and 94/60, UNIDO plans to submit pilot projects for 9 countries to maintain and/or enhance energy efficiency of replacement technologies and equipment in the context of HFC phase-down.

17. The total budget for 2026 is USD 45,791,757 including USD 2,108,424 in core unit funding for UNIDO. Table 1 below summarizes the resource allocation of UNIDO's 2026 Business Plan. The core unit funding to be requested in 2026 for 2027 does not include the additional US$ 200,000 that were approved each year for the period 2024-2026.

Table 1: Resource allocation per type/sector

| Type/sector | Value ($) including support costs | Share of Business Plan allocation (%) |
|---|---|---|
| Approved agreements – HPMPs | 24,622,419 | 53.77% |
| New Stages – HPMPs | 2,712,029 | 5.92% |
| Energy efficiency for LVCs (decision 89/6) | 70,620 | 0.15% |
| Approved agreements - Destruction of emissions of HFC-23 generated in the production of HCFC-22 | 584,100 | 1.28% |
| Preparatory funding – KIP | 1,143,303 | 2.50% |
| Approved agreements – KIPs | 1,405,039 | 3.07% |
| New Stages – KIPs | 1,574,047 | 3.44% |
| Pilot projects on energy efficiency (decision 91/65) | 2,461,000 | 5.37% |
| Pilot projects on energy efficiency (decision 94/60) | 6,473,500 | 14.14% |
| Institutional Strengthening projects | 2,637,276 | 5.76% |
| Core Unit Budget | 2,108,424 | 4.60% |
| **Total** | **45,791,757** | **100.00%** |

Figure 1: Resource Allocation for 2026 per type/sector




18. The details of the 2026-2028 rolling Business Plan are spelled out in the Business Plan Database.

# 2. GENERAL OVERVIEW ON ASSISTANCE TO COUNTRIES IN NON-COMPLIANCE

19. In UNIDO's portfolio, there is currently no country being in non-compliance with the control measures of the Montreal Protocol. UNIDO had been providing continuous assistance to countries in non-compliance in previous years.

20. All activities presented in UNIDO's business plan aim at providing assistance to Article 5 countries to comply with their obligations under the Montreal Protocol. Currently the main focus is on the 67.5% reduction target by 2025 and 100% by 2030 for HCFCs phase-out, freeze of HFC consumption and production at baseline levels during 2025-2027 and 10% reduction target in HFC consumption and production in 2029. Should there be any countries, where UNIDO is an implementing agency, in non-compliance, UNIDO will work closely with the countries concerned to help them return to compliance.

# 3. PROGRAMME EXPANSION

21. In 2026-2028, UNIDO aims to enhance its assistance to Article 5 countries by strengthening its project portfolio through the implementation of HCFC phase-out management plans, Kigali HFC Implementation Plans, institutional strengthening projects, preparations of new stages of HPMPs as well as KIPs. Two projects for destruction of HFC-23 emissions generated from HCFC-22 production have been approved for UNIDO implementation. UNIDO will request the approved tranches in principle, in line with the projects progress and agreements. UNIDO will seek additional funding for energy efficiency activities to be implemented under the currently ongoing or new stages of HPMPs and also funding for pilot projects on energy efficiency.

22. Should ExCom take a decision at the 97th meeting related to the funding of the action plans for the collection, transport and disposal of used or unwanted controlled substances, following the completion of the ODS inventory projects (decision 91/66), UNIDO is ready to support countries with implementation of such action plans. If the 97th ExCom meeting adopts also a decision on the requests for preparation of KIP Stage II, UNIDO stands ready to plan and support countries with such requests, noting that the ongoing KIP Stage I projects are to be completed by 2029 or 2030.

23. UNIDO continues providing support with Stage II and Stage III of HPMPs to all the countries assisted during Stage I and Stage II.

24. The main objective of this Business Plan is to assist Article 5 countries in meeting their obligations under the Montreal Protocol, which are the 100% phase out of HCFCs in 2030, the freeze of HFCs consumption and production at baseline levels in 2026-2028 and 10% HFC reduction in 2029.

25. In 2026, UNIDO will continue to cover all regions (Latin America and the Caribbean, Africa, Asia and Pacific, Europe) with planned activities across various sectors and countries, including project preparation and non-investment activities.

## Africa

26. In Africa, funding requests for 22 countries for a total of USD 6,569,323 will be submitted in 2026. These include tranches under approved HPMPs and KIPs, new stages of HPMPs and KIPs, additional funding for energy efficiency for LVCs and pilot projects, institutional strengthening projects and preparatory assistance for KIPs. UNIDO is cooperating with UNEP on several projects in African countries.

## Asia and the Pacific

27. In Asia and the Pacific, funding requests for 11 countries for a total of USD 23,522,474 will be submitted in 2026. Planned projects are tranches under approved HPMPs, new stages of HPMPs, institutional strengthening projects and preparatory assistance for KIPs. UNIDO is cooperating with UNEP and UNDP on several projects in countries from the region.

## Europe

28. In Europe, funding requests for 7 countries for a total of USD 4,421,653 will be submitted in 2026. Planned projects are tranches under approved HPMPs and KIPs, new stages of HPMPs, institutional strengthening projects and pilot projects on energy efficiency. UNIDO is cooperating with UNEP on several projects in European countries.

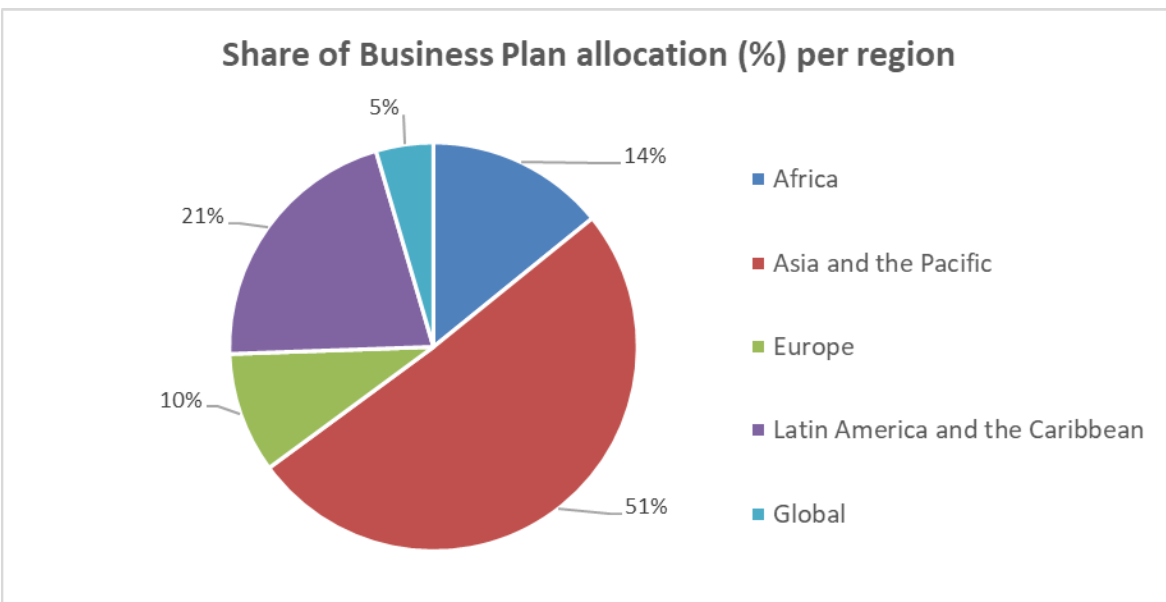
## Latin America and the Caribbean

29. In Latin America and the Caribbean region, the planned requests to be submitted for 11 countries in 2025 for a total of 9,169,883. These include tranches under approved HPMPs, KIPs and of projects for destruction of emissions of HFC-23 generated in the production of HCFC-22, new stages of HPMPs and KIPs, institutional strengthening projects and energy efficiency pilot projects. UNIDO is cooperating with UNEP and UNDP on several projects in countries from Latin America and the Caribbean region.

## Global

30. UNIDO will request the Core Unit Budget in the amount of USD 2,108,424.

Figure 2: UNIDO's 2026 Business Plan by Region



## 4. PERFORMANCE INDICATORS

31. The 93rd Meeting of ExCom reviewed the performance indicators. The new weightings, based on decision 93/8, are indicated in the below table.

| Type of Indicator | Short title | Calculation | Weighting | Target 2026 |
|---|---|---|---|---|
| Planning--Approval | Tranches approved | Number of tranches approved vs. those planned[1] | 10 | 52 |
| Planning--Approval | Individual projects/ activities approved | Number of projects/activities approved vs. those planned (including project preparation activities) | 10 | 27 |
| | **Sub-total** | | **20** | |
| Implementation | Funds disbursed | Based on estimated disbursement in progress report | 15 | USD 18.7 million |
| Implementation | ODS phase-out for HCFC-related projects | ODS phase-out for HCFC-related projects in ODP tonnes vs. those planned per progress reports | 10 | 117.8 ODPt |
| Implementation | HFC phase-down for HFC-related projects | HFC phase-down for HFC-related projects in CO2-eq tonnes vs. those planned per progress reports | 10 | 454,805 CO2-eq tonnes |
| Implementation | Project operational completion | Project operational completion vs. planned in progress reports for all activities (excluding project preparation)[2] | 15 | 57 |
| Implementation | Gender mainstreaming | Operational policy on gender mainstreaming applied to all approved projects | 10 | All projects approved in 2026 |
| | **Sub-total** | | **60** | |
| Administrative | Speed of financial completion | The extent to which projects are financially completed 12 months after project completion | 10 | 12 months after operational completion |
| Administrative | Timely submission of project completion reports | Timely submission of project completion reports based on the progress report | 5 | On time |

[1] The targets of an agency will be reduced if it cannot submit a tranche owing to another cooperating agency or lead agency or if the HCFC phase-out management plan or Kigali HFC implementation plan submitted for consideration by the Executive Committee is not approved as a result of factors beyond the control of the national ozone unit and agency.
[2] The targets of an agency will be reduced if an extension of the completion date has been approved by the Executive Committee.

| Type of Indicator | Short title | Calculation | Weighting | Target 2026 |
|---|---|---|---|---|
| Administrative | Timely submission of progress reports and business plans | Timely submission of progress reports and business plans and responses unless otherwise agreed | 5 | On time |
| | **Sub-total** | | **20** | |
| | **Total** | | **100** | |

## 5. INITIATIVES TO ENSURE COMPLIANCE

32. Successful and timely implementation of all ongoing activities especially under HPMPs and KIPS is essential for Montreal Protocol Article 5 parties compliance with their control measures. Special attention is also given to countries that have previously been in non-compliance and have decisions outlining plans of actions with time-specific benchmarks to return to compliance.

33. UNIDO continues to provide support at all levels to ensure timely completion of approved projects, and to facilitate compliance of the recipient countries with their Montreal Protocol obligations, including:

- Regular follow-up and coordination between with the staff of the National Ozone Units and UNIDO's staff. This ensures effective actions on critical issues including resolving bottlenecks for example in site preparation, customs clearance, installation, commissioning and safety certification, monitoring of HCFC-related equipment .
- Active participation of UNIDO in the Regional Network Meetings and thematic workshops for sharing expertise, experiences and lesson learned as well as providing additional support to UNIDO's counterpart countries.
- Communication and interaction between regional and country offices to ensure the smooth implementation according to project plans. UNIDO regional and country offices including senior management are regularly briefed by the Montreal Protocol Unit's (MPU) based at UNIDO HQ on ongoing and future activities. They are involved in the implementation process and are following up on the progress.
- Offering additional assistance to the countries that face challenging in timely submission of Article 7 and country programme data as well as those that need to revise their baseline data for HFCS through the Implementation Committee. UNIDO assists countries in implementing activities related to establishment of better data collection, monitoring and reporting systems.
- Regularly participation by UNIDO in the meetings of the Implementation Committee as an observer to stay abreast with compliance issues, and support cases of countries that have decisions related to compliance with data reporting obligations or control measures under the Protocol. UNIDO also participates in OEWG and MOP to follow the global policy discussions to understand how this impacts the decision-making of the

Executive Committee and implementation direction under the Multilateral Fund as well as to meet bilaterally with counterpart countries for further enhancement of collaboration and implementation process.