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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-eighth Meeting
Montreal, 22–26 June 2026
Item 8(d) of the provisional agenda¹

PROJECT PROPOSAL: NAMIBIA

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

Phase-down

- | | | |
|---|-------------------|--------------------------|
| • Kigali HFC implementation plan (stage I, first tranche) | UNEP and
UNIDO | Individual consideration |
|---|-------------------|--------------------------|

¹ UNEP/OzL.Pro/ExCom/98/1

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS**Namibia**

PROJECT TITLE	AGENCY
Kigali HFC implementation plan (stage I)	UNEP (lead), UNIDO

ARTICLE 7 DATA (Annex F)	Year: 2024	199.54 mt	600,368 CO ₂ -eq tonnes
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COUNTRY PROGRAMME SECTORAL DATA (CO ₂ -eq tonnes) AND ACTIVITIES								Year:	2025
	Aerosol	Foam	Fire-fighting	Air-conditioning (AC) and refrigeration			Servicing	Solvent	Other
				Manufacturing					
				Refrigeration	AC	Other			
HFCs			2,447				514,369		
Planned activities agreed (Y/N)			N				Y		

AVERAGE 2020–2022 HFC CONSUMPTION IN SERVICING	204.19 mt	600,424 CO ₂ -eq tonnes
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BASELINE DATA (CO ₂ -eq tonnes)	2020	2021	2022	Average 2020–2022
HFC annual consumption	796,190	352,865	652,217	600,424
HCFC baseline (65%)				174,500
HFC baseline				774,924

HFC CONSUMPTION ELIGIBLE FOR FUNDING (CO ₂ -eq tonnes)	
Starting point for sustained aggregate reductions	n/a
Previously approved HFC phase-down investment projects	No
Aggregate reductions from previously approved projects	n/a

PROJECT DATA AS AGREED			2026*	2027	2028	2029	Total
Consumption (CO ₂ -eq tonnes)	Montreal Protocol limits		774,924	774,924	774,924	697,432	n/a
	Maximum allowable		774,924	774,924	774,924	658,685	n/a
	Reduction from baseline (%)		0.0	0.0	0.0	15.0	n/a
Project costs requested in principle (US \$)	UNEP	Project costs	113,000	0	82,000	0	195,000
		Support costs	14,690	0	10,660	0	25,350
	UNIDO	Project costs	82,000	0	48,000	0	130,000
		Support costs	10,660	0	6,240	0	16,900
Total amounts recommended in principle (US \$)		Project costs	195,000	0	130,000	0	325,000
		Support costs	25,350	0	16,900	0	42,250
		Total funds	220,350	0	146,900	0	367,250

* Recommended for approval at the present meeting

Reduction from remaining consumption eligible for funding in stage I (CO ₂ -eq tonnes)	n/a
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Secretariat's recommendation	Individual consideration
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PROJECT DESCRIPTION

1. The present document contains the following sections:
 - I. Summary of the proposal as submitted
 - II. Background: Status of implementation of the HCFC phase-out management plan and previous HFC-related activities
 - III. HFC consumption overview: HFC consumption levels, trends, and consumption by sector
 - IV. Stage I of the Kigali HFC implementation plan, as submitted: Regulatory framework, phase-down strategy, total stage cost, and implementation plan for the first tranche
 - V. Secretariat's comments, including the agreed cost of activities
 - VI. Recommendation

I. Summary of the proposal as submitted

2. On behalf of the Government of Namibia, UNEP as the lead implementing agency has submitted a request for stage I of the Kigali HFC implementation plan (KIP), at a total cost of US \$367,250, consisting of US \$195,000, plus agency support costs of US \$25,350, for UNEP and US \$130,000, plus agency support costs of US \$16,900, for UNIDO, as originally submitted.²

3. The implementation of stage I of the KIP will assist the Government of Namibia in meeting the target of 10 per cent reduction from its HFC baseline consumption by 1 January 2029.

4. The first tranche of stage I of the KIP being requested at this meeting amounts to US \$220,350, consisting of US \$118,000, plus agency support costs of US \$15,340, for UNEP and US \$77,000, plus agency support costs of US \$10,010, for UNIDO, as originally submitted, for the period of July 2026 to June 2028.

II. Background

Status of implementation of the HCFC phase-out management plan

5. Table 1 presents information on the HCFC phase-out management plan (HPMP) in Namibia as of February 2026.

Table 1. HPMP implementation status for Namibia

	Stage I
Meetings when HPMP was approved or updated	63 rd /71 st /93 rd
Reduction from baseline	100% by 2025
Total stage cost (US \$)	1,020,000
Date of completion (actual or planned)	31 December 2026

Status of implementation of previous HFC-related activities

6. Table 2 presents an overview of activities implemented in Namibia in the context of the Kigali Amendment that have been funded by the Multilateral Fund.

² As per the letter of 27 February 2026 from the Ministry of Industries, Mines and Energy of Namibia to the Secretariat

Table 2. Previously approved HFC-related activities in Namibia

Approval meeting	Project title	Implementing agency	Cost (US \$)	Date of completion
74 th	Survey of ODS alternatives	UNEP	70,000	May 2017
80 th	Enabling activities for HFC phase-down	UNEP	150,000	June 2021

III. HFC consumption overview

HFC consumption levels

7. Namibia only imports HFCs for use in the refrigeration and air-conditioning (RAC) servicing and fire-fighting sector. The most consumed substances in 2025 were R-507A (58.4 per cent of total HFC consumption in CO₂-equivalent (CO₂-eq) tonnes), HFC-134a (15.6 per cent), R-404A (10.9 per cent), R-410A (8.9 per cent), and other HFCs. Table 3 presents the country's HFC consumption as reported to the Ozone Secretariat under Article 7 of the Montreal Protocol, and the country's HFC baseline.

Table 3. 2020–2025 HFC consumption and baseline for Namibia (Article 7 data)

HFC	GWP	2020	2021	2022	2023	2024	2025*
Metric tonnes (mt)							
HFC-23	14,800	0.00	0.00	0.18	4.70	0.00	0.00
HFC-32	675	0.17	0.13	1.00	0.96	0.29	0.25
HFC-134a	1,430	28.00	24.19	38.12	51.00	43.17	56.43
HFC-227ea	3,220	0.00	0.00	1.93	0.00	0.84	0.76
R-404A	3,921.6	19.60	15.53	19.30	31.26	15.53	14.38
R-407A	2107	31.50	0.00	0.00	0.00	0.00	0.00
R-407C	1,773.85	14.60	1.70	5.12	56.67	6.51	4.17
R-407F	1,824.5	0.00	0.00	8.25	11.63	6.33	3.60
R-410A	2,087.5	136.23	4.99	17.26	59.80	19.85	21.96
R-417A	2,346	0.00	0.00	13.93	23.85	9.87	6.65
R-507A	3,985	48.00	61.19	105.30	40.68	97.15	75.71
R-508B	6,808	16.34	0.00	0.00	0.00	0.00	0.00
Total (mt)		294.44	107.73	210.39	280.55	199.54	183.91
CO₂-eq tonnes							
HFC-23	14,800	0	0	2,664	69,560	0	0
HFC-32	675	115	88	675	649	196	169
HFC-134a	1,430	40,040	34,586	54,512	72,923	61,733	80,695
HFC-227ea	3,220	0	0	6,215	0	2,705	2,447
R-404A	3,921.6	76,863	60,906	75,687	122,589	60,902	56,393
R-407A	2,107	66,371	0	0	0	0	0
R-407C	1,773.85	25,898	3,017	9,082	100,524	11,548	7,397
R-407F	1,824.5	0	0	15,052	21,219	11,549	6,568
R-410A	2,087.5	284,382	10,420	36,030	124,833	41,437	45,842
R-417A	2,346	0	0	32,680	55,952	23,155	15,601
R-507A	3,985	191,280	243,842	419,621	162,110	387,143	301,704
R-508B	6,808	111,243	0	0	0	0	0
Total (CO₂-eq tonnes)		796,190	352,865	652,217	730,358	600,368	516,816
HFC baseline calculation (CO₂-eq tonnes)							
Average HFC consumption in 2020–2022						600,424	
HCFC baseline (65%)						174,500	
HFC baseline						774,924	

* CP data

Country programme implementation report

8. The sectoral HFC consumption data provided by the Government of Namibia in its country programme (CP) implementation report for 2024 is consistent with the data reported under Article 7 of the Montreal Protocol.

HFC consumption trends

9. The HFC consumption in Namibia showed a sharp decline between 2020 and 2021, caused by issues such as the COVID-19 pandemic impacts on imports and servicing activity, supply chain disruptions, the tightening of regulations following the introduction of the licensing system and low demand in 2021 following increased imports to improve availability of stock in 2020.

10. Following a post-COVID pandemic economic recovery, HFC consumption in Namibia increased drastically between 2021 and 2022 and further increased in 2023. This was due to the increased demand for servicing and system installations, and market reaction prior to the freeze year. The overall increasing trend in HFC consumption is attributed to the replacement of HCFCs with HFCs and the industry response of importers to upcoming control measures.

HFC consumption by sector

11. HFCs are mainly consumed for servicing in the commercial refrigeration sector (41.4 per cent in mt and 45.1 per cent in CO₂-eq tonnes), followed by transport refrigeration (27.3 per cent in mt and 36.1 per cent in CO₂-eq tonnes), and mobile air-conditioning (MAC) (10 per cent in mt and 4.8 per cent in CO₂-eq tonnes), and other subsectors, as shown in tables 4 and 5.

Table 4. 2024 HFC consumption in Namibia by sector (mt)

Sector	HFC-32	HFC-134a	HFC-227ea	R-404A	R-407C	R-407F	R-410A	R-417A	R-507A	Total	Share of total (%)
Refrigeration and air-conditioning servicing											
Refrigeration subsectors											
Domestic refrigeration	0.00	11.49	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11.49	5.8
Commercial refrigeration	0.00	11.68	0.00	6.18	6.51	6.34	0.00	0.00	51.94	82.65	41.4
Transport refrigeration	0.00	0.00	0.00	9.35	0.00	0.00	0.00	0.00	45.21	54.56	27.3
Air-conditioning subsectors											
Commercial air-conditioning	0.10	0.00	0.00	0.00	0.00	0.00	11.86	6.41	0.00	18.37	9.2
Residential air-conditioning	0.19	0.00	0.00	0.00	0.00	0.00	7.99	3.46	0.00	11.64	5.8
MAC	0.00	19.99	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19.99	10.0
Subtotal servicing	0.29	43.16	0.00	15.53	6.51	6.34	19.85	9.87	97.15	198.70	99.6
Firefighting	0.00	0.00	0.84	0.00	0.00	0.00	0.00	0.00	0.00	0.84	0.4
Subtotal firefighting	0.00	0.00	0.84	0.00	0.00	0.00	0.00	0.00	0.00	0.84	0.4
Total	0.29	43.16	0.84	15.53	6.51	6.34	19.85	9.87	97.15	199.54	100

Table 5. 2024 HFC consumption in Namibia by sector (CO₂-eq tonnes)

Sector	HFC-32	HFC-134a	HFC-227ea	R-404A	R-407C	R-407F	R-410A	R-417A	R-507A	Total	Share of total (%)
Refrigeration and air-conditioning servicing											
Domestic refrigeration	0	16,437	0	0	0	0	0	0	0	16,437	2.7
Commercial refrigeration	0	16,713	0	24,218	11,548	11,549	0	0	206,966	270,994	45.1
Transport refrigeration	0	0	0	36,684	0	0	0	0	180,176	216,860	36.1
Commercial air-conditioning	69	0	0	0	0	0	24,753	15,043	0	39,865	6.6
Residential air-conditioning	127	0	0	0	0	0	16,684	8,112	0	24,923	4.2
MAC	0	28,583	0	0	0	0	0	0	0	28,583	4.8
Subtotal servicing	196	61,733	0	60,902	11,548	11,549	41,437	23,155	387,143	597,663	99.5
Firefighting	0	0	2,705	0	0	0	0	0	0	2,705	0.5
Subtotal firefighting	0	0	2,705	0	0	0	0	0	0	2,705	0.5
Total	196	61,733	2,705	60,902	11,548	11,549	41,437	23,155	387,143	600,368	100

Refrigeration and air-conditioning servicing sector

12. There are approximately 3,040 technicians in Namibia, of which around 63 per cent have formal professional training, while the remainder have received informal, on-the-job training. There are approximately 116 technicians who have undergone formal training on hydrocarbon-based air-conditioning (AC). The national ozone unit (NOU) maintains a database, which includes 1,928 certified technicians, 349 formal servicing workshops, and 1,112 informal technicians across all regions in Namibia. The training needs assessment undertaken acknowledged the need for training of RAC technicians in safe handling of HFC alternatives, handling of high-pressure refrigerants and working with toxic refrigerants.

13. There are four vocational training schools in the country, which recorded that no RAC technicians have been certified. The certification process will enhance the capacity and competency of RAC technicians, which is expected to start by the end of 2026.

Domestic, commercial and transport refrigeration servicing

14. Domestic refrigeration is the lowest HFC consuming subsector using only HFC-134a as a refrigerant. Commercial refrigeration is the largest HFC consuming subsector in Namibia. Commercial refrigeration includes stand-alone units, condenser units and centralized systems, and applications include retail, restaurants and food services, cold storage warehouses and display cases.

15. Transport refrigeration is the second largest subsector in Namibia in terms of consumption, accounting for 27.3 per cent of consumption in mt. The predominant refrigerants are R-404A and R-507A, used in more than 38,000 units.

Residential and commercial air-conditioning servicing

16. Consumption in the residential AC servicing sector is mainly dominated by R-410A and R-417A. There is minimal use of HFC-32, which reflects recent trends towards adopting lower-GWP refrigerants in split systems.

17. Commercial AC servicing consumption in Namibia is mainly in office building and public facilities. There are more than 72,000 units in operation, with more than 55,500 using HCFC-22, illustrating a continued reliance on HCFCs, largely due to the operational life and durability of existing equipment.

Mobile air-conditioning servicing

18. The predominant refrigerant used in the MAC subsector is HFC-134a, found in more than 182,000 units, due to its widespread use in vehicle AC systems.

Firefighting

19. HFC use in firefighting represents a minimal portion of total use in Namibia. There are approximately 25,104 units using HFC-227ea exclusively, as commonly used in firefighting equipment.

IV. Stage I of the Kigali HFC implementation plan as submitted

Institutional, policy and regulatory framework

20. The NOU, operating under the Directorate of Industrial Development within the Ministry of Industries, Mines and Energy of Namibia, is the entity accountable for managing and implementing activities related to the Montreal Protocol. The NOU holds responsibility for data reporting, project coordination, establishing a formal compliance oversight mechanism and stakeholder engagement.

21. The National Ozone Committee (NOC) is the advisory body of the NOU. It is comprised of representatives from public institutions, private sector, non-governmental organizations and civil society. The NOC is responsible for reviewing and approving annual work plans and the annual import quotas of HFCs. Other key stakeholders include the Heating Ventilation and Cooling (HVAC) Association of Namibia, the Customs Department of the Namibia Revenue Agency and other enforcement bodies.

22. Namibia introduced a licensing system for HFCs in 2019. The quota system was introduced in January 2025. The system is now fully consistent with the requirements of Article 4B and supports Namibia's compliance with the Kigali Amendment. The minimum energy performance standards (MEPS) for air conditioners and refrigerators have been developed, in line with the unified MEPS of the Southern African Development Community (SADC) and are currently being implemented on a voluntary basis. Additionally, Namibia has aligned the customs Harmonized System codes with the World Customs Organization (WCO) 2022 codes, as part of its common external tariff. This alignment ensures that the classification of goods in Namibia follows the global standards set by the WCO for HFCs.

Phase-down strategy for stage I of the Kigali HFC implementation plan

Overarching strategy

23. Stage I of the KIP will be implemented to phase down HFCs by 10 per cent from the established baseline. The overarching strategy for this stage includes quota and enforcement strengthening, servicing practices and technician training, recovery and recycling measures and awareness raising and stakeholder engagement activities. The Government will prioritize activities by subsector according to the level of consumption and availability of alternatives, and work with industry and other key stakeholders to ensure achievement of the targets for stage I and prepare the sector for future stages of KIP.

Proposed reductions

24. Stage I of the KIP proposes to eliminate 77,492 CO₂-eq tonnes of HFCs, reducing the country's HFC consumption by 10 per cent of its baseline level by 2029. The Government of Namibia, in coordination with UNEP and UNIDO, have forecasted HFC consumption in a business-as-usual (BAU) scenario, using an annual growth of 4 per cent until 2030. Under the BAU scenario, HFC consumption in Namibia is expected to increase in line with economic growth, and therefore in line with projected gross domestic product growth and is outlined in the table below.

Table 6. HFC consumption forecast under the unconstrained scenario, Montreal Protocol limits, and proposed HFC reductions under stage I (CO₂-eq tonnes)

	2026	2027	2028	2029
HFC consumption forecast at an annual growth rate of 4 %*	649,358	675,332	702,346	730,439
Montreal Protocol HFC consumption limits	774,924	774,924	774,924	697,432
HFC consumption levels proposed under the KIP	774,924	774,924	774,924	697,432
Proposed reductions from the HFC consumption baseline (%)	0	0	0	10

* Average economic growth rate of 4 per cent as per Bank of Namibia

Proposed activities

25. Activities proposed for implementation in the servicing sector under stage I and in the first tranche and their cost breakdown are presented in table 7.

Table 7. Servicing sector activities and their costs in stage I and in the first tranche of stage I of the KIP for Namibia, as submitted

Annex for Planning, as submitted

Activity	Agency	Cost (US \$)	
		Stage I	First tranche
1. Regulatory framework and control mechanisms			
1.1 Enforce and monitor HFC licensing and quota system, assess the quota strategy and consider alternative approaches such as individual or group quotas; conduct survey on import of equipment and new technologies (US \$5,000)	UNEP	89,000	54,000
1.2 Develop, revise and adopt standards and labelling of refrigerants; establish appropriate minimum requirements for labelling and documentation in monitoring trade of HFC (US \$5,000)			
1.3 Revise training curriculum for Customs Schools to include HFCs (US \$5,000)			
1.4 Provision of refrigerant identifiers to customs officers (US \$10,000)			
1.5 Conduct training for customs and law enforcement officers on registration of HFC imports and improving the exchange of information on the control of HFCs at the port of entry, and strengthen reporting by enterprises (five training sessions of 40 officers, a total of 200 participants) (US \$54,000)			
1.6 Conduct workshop for importers, clearing agents and stakeholders on implementation of quotas for HFC imports (two workshops for 50 participants) (US \$5,000)			
1.7 Conduct surveys on HFC consumption and the sectoral distribution; conduct study on illegal trade of HFCs; continuous market monitoring of HFC equipment (US \$5,000)			

Activity	Agency	Cost (US \$)	
		Stage I	First tranche
2. Cross-sectoral activities			
2.1 Provide support to the RAC associations to include technicians in the informal sector covering domestic appliances, including promoting women in the RAC field to join associations (US \$5,000)	UNEP	86,000	54,000
2.2 Provide tools and equipment for training ³ (US \$15,000)			
2.3 Update the code of practice and training curriculum to incorporate HFCs and energy efficiency (US \$5,000)			
2.4 Conduct training of refrigeration technicians with focus on the domestic and commercial refrigeration sector (five sessions of 50 technicians, a total of 250 technicians), with efforts to increase the participation of female technicians (US \$61,000)			
3. Refrigeration sector activities			
3.1 Awareness-raising campaigns on low-GWP technologies and HFC phase-down targeting end users and industry (conduct three sessions for 100 participants)	UNIDO	10,000	4,000
4. Air-conditioning sector activities			
4.1 Pilot demonstration of R-290-based AC splits (125 units for institutional users) (US \$50,000)	UNIDO	55,000	27,000
4.2 Awareness-raising campaign targeting end users in the refrigeration sector on low-GWP technologies (two awareness campaigns for 50 participants) (US \$5,000)			
5. Capacity-building of MAC and RAC sector			
5.1. Supply recovery units and tools to three vocational training centres and the Association of HVAC of Namibia; procurement of five recovery and recycling machines (US \$50,000)	UNIDO	65,000	46,000
5.2. Promote availability and accessibility of low-GWP alternatives (US \$5,000)			
5.3. Provide supplementary training to beneficiary technicians on operation of the recovery, recycling and reclamation (RRR) equipment supplied (US \$10,000)			
Project coordination and management activities (see paragraph 26)	UNEP	20,000	10,000
Subtotal for UNEP		195,000	118,000
Subtotal for UNIDO		130,000	77,000
Total		325,000	195,000

Project implementation, coordination and monitoring

26. The NOU, the NOC, the National Monitoring Committee and the HVAC Association of Namibia will be monitoring the implementation of the project activities. A budget of US \$20,000 is proposed for project monitoring, logistics and reporting.

Total cost of stage I of the Kigali HFC implementation plan

27. The budget for stage I has been proposed at US \$325,000. The costs of activities in the refrigeration servicing sector have been proposed in line with decision 92/37.

³ This includes combustible gas detectors, digital vacuum gauge sets, commercial stand-alone refrigeration set with R-290 and domestic refrigerator with R-600a for training use, venting hoses, portable nitrogen sets, electronic refrigerant charging scale, recovery cylinders, flaring tools, tubing tools, wrenches and safety equipment and fire extinguishers

Implementation plan for the first tranche

28. The first funding tranche of stage I of the KIP was submitted in the total amount of US \$195,000, as shown in table 7 above, to be implemented between July 2026 and June 2028. Detailed information on the activities to be implemented under the first tranche, including adjustments and level of funds as agreed, are presented in paragraph 40 to 41 below.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

V. Comments

Overarching strategy

29. As a result of the early phase-out of HCFCs that was achieved by Namibia, the Secretariat consulted UNEP to explore the possibility of Namibia committing to a higher reduction target for 2029. Following consultations with relevant stakeholders and policymakers, UNEP informed that the Government has agreed to a 15 per cent reduction of HFC consumption of its baseline by 2029.

HFC consumption

30. The Secretariat sought clarifications about the high increase of HFC consumption in 2023, the continued high growth of HFC-134a consumption over the last four years, and the substantial consumption of HFC-23 which took place once in 2023. UNEP clarified that the surge in HFC consumption in 2023 was a result of the market being proactively cautious, prior to implementation of the HFC quota. Additionally, the continuing increase in HFC-134a consumption in recent years is mainly due to the rising demand for cooling services, and significant growth in vehicle population in the local market which has increased by approximately 15 to 17 per cent over the last three years. Regarding the use of HFC-23, it was mainly used for an ultra-low refrigeration application at one major healthcare facility in the country; the NOU is taking the necessary measures to stop such applications being deployed anymore and is in discussion with the healthcare facility management to develop a plan for replacement at the earliest possible occasion.

Institutional, policy and regulatory framework

HFC licensing and quota system

31. In line with decision 87/50(g), UNEP has confirmed that Namibia has an established and enforceable system of licensing and quotas for monitoring HFC imports/exports in place. The country has issued HFC import quota for 2026 at 693,198 CO₂-eq tonnes which is below the Montreal Protocol control targets.

Regulatory framework

32. The Secretariat requested clarification about the sustainability of HCFC phase-out, mainly control on import HCFC-based equipment. UNEP explained that Namibia ensures control over the import of HCFC-based equipment through a comprehensive legal and regulatory framework, including a ban in force since 2013 under the Import and Export Control Act. The system is supported by an import licensing regime, where permits are reviewed prior to shipment, and customs inspections at entry points verify compliance, preventing prohibited equipment from entering the country. This strict enforcement, combined with ongoing monitoring and adherence to national regulations, supports the long-term sustainability of the HCFC phase-out.

33. The Secretariat enquired about the country's intention to establish a ban on the import of HFC-based equipment, especially domestic refrigeration, during stage I of the KIP. UNEP informed that

the country is considering the introduction of restrictions on the import of HFC-based equipment. Under stage I of the KIP, the approach is expected to focus on phased control measures rather than an immediate blanket ban, with the intention of progressively introducing restrictions on HFC-based domestic refrigeration equipment in line with national circumstances and Kigali Amendment obligations. On further discussion, it was agreed that the request for the second tranche of the KIP would include a detailed report on the development of the ban, including a specific timeline for its implementation.

Technical and cost-related issues

34. The Secretariat enquired about the reasoning behind excluding the fishing industry from stage I of KIP activities, given its standing as a major economic segment, commonly having large consumption of high-GWP HFC refrigerants. UNEP responded that the fishing industry, both on-shore and off-shore, remains an important sector in Namibia and has already made notable progress in replacing R-22-based refrigeration systems. However, the sector continues to face challenges related to the high capital costs associated with transitioning to alternative technologies, as well as a shortage of technicians trained to install and service systems using low-GWP refrigerants such as ammonia. While stage I of the KIP prioritizes broader national capacity-building and regulatory measures, the Government recognizes the importance of the fishing sector and the need for further targeted interventions. In this regard, strengthening technical training, enhancing servicing capacity, and promoting the adoption of energy-efficient and low-GWP technologies will be implemented to support the sector's long-term sustainability and continued transition away from high-GWP HFCs.

35. In relation to the demonstration of R-290 split units, the Secretariat highlighted the similarity between the proposed activity and the approved components under the HPMP and outlined concerns that the sector and technology had already received sufficient support for demonstration. Upon further discussion, UNEP, in consultation with UNIDO and the NOU, submitted an alternate proposal focusing on development of a roadmap for the deployment of different flammable refrigerants and mitigation of leakage in RAC sectors, including residential AC, commercial AC and commercial refrigeration. This would create the necessary enabling environment for the sound deployment of low-GWP-based technology which rely mainly on flammable refrigerants and would support paving the way for faster adoption of such technologies by end of stage I of KIP and during the implementation of subsequent stages.

36. Regarding component 5 on strengthening the RRR centres and support for the MAC sector, the Secretariat sought further details on the operationalisation and feasibility of RRR activity, mainly modality of implementation and the business model, which was not included. Upon further discussion on the feasibility of the RRR proposal, UNIDO in consultation of the NOU, agreed to revise the component to focus solely on supporting the MAC sector through development of training manuals for technicians, procurement of four MAC service kits for MAC workshops, and organizing trainings for MAC instructors.

37. Regarding the training of customs and other enforcement officers, the Secretariat sought clarification about the population of officers in the country and the frequency needed to re-train them, as well as details on the focus of the training compared to what is offered under the HPMP. UNEP responded that the Customs and Excise staff in Namibia includes 679 officers. Under the HPMP, 278 customs officers and 156 forwarding agents were trained, but ongoing training is required due to staff rotation, new recruits, and updated ODS and HFC regulations. Activities under the KIP support continued capacity-building on HFC licensing and quotas, refrigerant identification, trade monitoring, enforcement, and Kigali Amendment obligations. It builds on HPMP efforts with a focus on HFC phase-down, new technologies, updated regulations, and quota enforcement. Financial constraints limit sustained training, making support necessary to prevent skills gaps and maintain compliance and enforcement.

Total project cost

38. At a total cost of US \$325,000, stage I of the KIP for Namibia will result in a reduction of 116,239 CO₂-eq tonnes from the country's baseline for compliance. While no changes were made to the overall budget, the components were revised as below.

- (a) Component 4 was revised to the development of a roadmap for the deployment of different flammable refrigerants and mitigation of leakage in RAC sectors, including residential AC, commercial AC and commercial refrigeration, which includes a market acceptance and stakeholder analysis study (US \$10,000); a quantitative risk assessment study (US \$15,000), a sector-specific leakage rate study (US \$10,000), regulatory and safety framework review and development of safety guidelines (US \$5,000), capacity-building and information dissemination activities (US \$10,000), and the development of a roadmap for each targeted sub-sector (US \$5,000);
- (b) Component 5 activities were revised to include development of training manuals for MAC sector technicians (US \$5,000); procurement of four MAC service kits⁴ (US \$50,000); organization of two trainings of trainers for MAC instructors (US \$10,000); and
- (c) An adjustment was made on the budget of activity 1.4 on procurement of refrigerant identifiers considering the number and cost to allow procurement of four refrigerant identifiers, while reducing the cost of activities 1.5, 2.2 and 2.4.

39. A summary of the agreed costs is presented in table 8 below.

Table 8. Components and their costs for stage I and the first tranche of the KIP for Namibia as agreed

Activity	Agency	Stage I costs (US \$)		First tranche costs (US \$)	
		Original	Revised	Original	Revised
1. Regulatory framework and control mechanisms	UNEP	89,000	99,000	54,000	64,000
2. Cross-sectoral	UNEP	86,000	76,000	54,000	39,000
3. Refrigeration servicing sector	UNIDO	10,000	10,000	4,000	4,000
4. Air-conditioning servicing sector (revised to development of a roadmap for targeted sub-sectors)	UNIDO	55,000	55,000	27,000	32,000
5. Capacity building for the MAC sector for RRR (revised to development of training material, procurement of tools and training of trainers for MAC sector)	UNIDO	65,000	65,000	46,000	46,000
6. Project monitoring and coordination	UNEP	20,000	20,000	10,000	10,000
Total		325,000	325,000	195,000	195,000

40. Stage I of the KIP will be implemented in two tranches.

Implementation plan for the first tranche of the Kigali HFC implementation plan

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

- (a) *Regulatory framework and control mechanisms (UNEP)*: Strengthen the enforcement of licensing and quota system (US \$2,000); develop, revise and adopt standards and labelling

⁴ This will include automotive AC service stations, refrigerant recovery machines, manifold gauge sets, vacuum pumps and sets of hoses, adapters and valves.

of refrigerants (US \$2,000); revise training curriculum for customs schools to include HFCs (US \$5,000); provide refrigerant identifiers to customs (US \$30,000); conduct three training sessions for 40 customs and law enforcement officers on registration of HFC imports and improving the exchange of information on the control of HFCs at the port of entry, and strengthen reporting by enterprises (to a total of 120 officers) (US \$21,000); conduct one workshop for importers, clearing agents and stakeholders on implementation of quotas for HFC imports (US \$2,000); improve continuous market monitoring including surveys (US \$2,000);

- (b) *Cross-sectoral activities (UNEP)*: Provide support to industry associations to formalize the sector (US \$2,000); procurement and delivery of tools and equipment for training (US \$10,000); update the code of practice and training curriculum to include HFCs and energy efficiency (US \$5,000); conduct three training sessions for 50 refrigeration technicians on good service practices with focus on the domestic and commercial refrigeration sector (to a total of 150 technicians) (US \$20,000); organize awareness sessions led by women for students (US \$2,000);
- (c) *Refrigeration sector activities (UNIDO)*: Conduct one awareness-raising campaign for 100 participants including end users and small- and medium-sized enterprises (SMEs) on low-GWP technologies and HFC phase-down (US \$4,000);
- (d) *Development of a roadmap for targeted sub-sectors: (UNIDO)*: Conduct a market acceptance study through surveys, interviews and focus group discussions (US \$8,000); conduct a quantitative risk assessment study involving modelling and real-world testing (US \$7,000); conduct sector-specific leakage rate study across commercial refrigeration, industrial refrigeration and commercial AC sub-sectors (US \$7,000); develop an action plan for the update of relevant safety standards and National Safety Guidelines for installation, operation and servicing of equipment (US \$5,000); and conduct stakeholder workshop to present findings of the completed studies (US \$5,000);
- (e) *Capacity-building for the MAC sector (UNIDO)*: Prepare MAC training manual (US \$2,000); procure four MAC service kits (US \$40,000); conduct two training-of-trainers session for MAC instructors (US \$4,000); and
- (f) *Project monitoring (UNEP) (US \$10,000)*, for coordination and management of KIP implementation.

Co-financing

42. The contribution of the Government of Namibia under the HPMP to support monitoring and evaluation will be extended to stage I of the KIP. The country will provide in-kind contributions, covering the renting of office space, assignment of local temporary staff and transport organization for meeting and workshop participants. It may also be noted that the NOU is closely linked with the focal points of other multilateral environmental agreements within the Ministry, and that it collaborates on a number of projects to ensure synergies, which has direct and indirect environmental and climate benefits.

2026–2028 business plan of the Multilateral Fund

43. UNEP and UNIDO are requesting US \$325,000, plus agency support costs, for the implementation of stage I of the KIP for Namibia. The total value of US \$367,250, including agency support costs, requested for the period of 2026–2028, is US \$113,895 above the amount in the business plan.

Gender policy implementation

44. Namibia is committed to applying the Multilateral Fund's policy in line with decisions 84/92(d), 90/48(c), and 92/40(b), throughout the KIP implementation. The NOU will encourage men and women to participate in capacity-building programmes and encourage participating institutions to nominate women for training and stakeholder consultations. Further, participation of men and women in training, consultations, implementation teams, and awareness-raising sessions will be tracked. Monitoring and reporting mechanisms will be established to ensure progress is documented and aligned with the Multilateral Fund's policy objectives.

Sustainability of the HFC phase-down and assessment of risks

45. The sustainability of Namibia's KIP is underpinned by a comprehensive approach that integrates regulatory enforcement, capacity building, and continuous stakeholder engagement. Strengthening the HFC licensing and the quota system ensures that the phase-down is strictly monitored and controlled, preventing any backsliding in progress. By focusing on strengthening the technical capacities of RAC technicians through extensive training and certification programs, the KIP ensures that the transition to low-GWP refrigerants is maintained over the long term. Moreover, public awareness campaigns and institutional frameworks reinforce a widespread understanding of and adoption of environmentally sustainable practices across all sectors. These efforts, combined with ongoing monitoring and the flexibility to adapt regulatory measures as needed, provide a strong foundation for the long-term sustainability of HFC reductions in Namibia. Potential risks include high demand due to economic growth, dependency on imports, limited local technical capacity, and delay in market acceptance of alternatives. To mitigate these risks, the NOU has planned a set of strategies under stage I of the KIP as stated above.

Impact on the climate

46. The activities proposed, including regulatory and policy measures to enforce and monitor the HFC licensing and quota systems, building the capacity of customs officers and technicians indicate that the implementation of stage I of the KIP will reduce refrigerant emissions in the atmosphere, resulting in climate benefits. A calculation of the impact on the climate of the activities in the KIP indicates that by 2029, Namibia will have reduced its HFC emissions by approximately 116,239 CO₂-eq tonnes, calculated as the difference between the HFC baseline for compliance and the 2029 target, assuming that all consumed HFCs would have eventually been emitted.

Draft Agreement

47. A draft Agreement between the Government of Namibia and the Executive Committee for stage I of the KIP is contained in annex I to the present document.

Activities in the servicing sector under HCFC phase-out and HFC phase-down plans

48. The Government of Namibia will implement stage I of the KIP in a way complementary to what has been implemented under stage I of the HPMP. Annex II summarizes the comparison of activities under the HPMP and the KIP.

VI. Recommendation

49. The Executive Committee may wish to consider:

- (a) Approving, in principle, stage I of the Kigali HFC implementation plan (KIP) for Namibia for the period 2026–2029 to reduce HFC consumption by 15.0 per cent of the country's baseline, in the amount of US \$367,250, consisting of US \$195,000, plus agency support

costs of US \$25,350, for UNEP and US \$130,000, plus agency support costs of US \$16,900, for UNIDO;

- (b) Noting the strong commitment of the Government of Namibia to support reductions in HFC consumption in advance of the Montreal Protocol targets.
- (c) Approving:
 - (i) The draft Agreement between the Government of Namibia and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex I to the present document; and
 - (ii) The first tranche of stage I of the KIP for Namibia and the corresponding tranche implementation plan, in the amount of US \$220,350, consisting of US \$113,000, plus agency support costs of US \$14,690, for UNEP and US \$82,000, plus agency support costs of US \$10,660, for UNIDO.

Annex I

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF NAMIBIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN (Period: 2026–2029)

Purpose

1. This Agreement represents the understanding of the Government of Namibia (“the Country”) and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A (“The Substances”) to a sustained level of 658,685 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2029 in compliance with the Montreal Protocol schedule and the terms of this Agreement.
2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan (“the Plan”) as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

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

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

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency/agencies (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 the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

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

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

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

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

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

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	774,924	774,924	774,924	697,432	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	15.0	n/a
		CO ₂ -eq tonnes	774,924	774,924	774,924	658,685	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		113,000	0	82,000	0	195,000
2.2	Support costs for Lead IA (US \$)		14,690	0	10,660	0	25,350
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		82,000	0	48,000	0	130,000
2.4	Support costs for Cooperating IA (US \$)		10,660	0	6,240	0	16,900
3.1	Total agreed funding (US \$)		195,000	0	130,000	0	325,000
3.2	Total support costs (US \$)		25,350	0	16,900	0	42,250
3.3	Total agreed costs (US \$)		220,350	0	146,900	0	367,250

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

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

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The National Ozone Unit (NOU), under the Directorate of Industrial Development within the Ministry of Industries, Mines and Energy in the Government of Namibia is responsible for monitoring the progress of implementation of activities in the Plan.

2. The monitoring will be conducted during the implementation of the Plan to ensure efficient and effective implementation; overall project coordination; stakeholder engagement and coordination; smooth implementation of activities planned under various tranches; delivery of trainings and other expected outcomes; and facilitation of the HFC consumption verification undertaken by the Lead IA.

3. The Ministry of Industries, Mines and Energy in the Government of Namibia will be responsible for the sustainability of consumption reduction targets achieved through the Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

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

- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

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

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

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

Annex II

**ACTIVITIES OF THE HCFC PHASE-OUT MANAGEMENT PLAN
AND THE KIGALI HFC IMPLEMENTATION PLAN IN NAMIBIA**

Category of activity	HPMP – stage I		KIP – stage I		HPMP+KIP combined cost (US \$)
	Activity	Cost (US \$)	Activity	Cost (US \$)	
Legislative and regulatory measures	Enforcement of policies and regulations, strengthening licensing and quota system; establishing a certification scheme for the RAC servicing sector including two stakeholder consultations; updating national codes of conduct and revising the national RAC training curriculum; training of 235 customs officers, provision of refrigerant identifiers	119,000	Update regulations to include control measures on HFCs licensing and quota system; developing, revising and adopting standards and labelling; licensing service workshops and provision of refrigerant identifiers to customs; revising of training curriculum for customs to include HFCs; training customs officers, other law enforcers and importers; strengthening record keeping by customs; continuous monitoring	99,000	218,000
Servicing sector activities	Refrigeration servicing improvement and retrofit; provided service tool kits to technicians and procured six R-290-based air-conditioning units for training and demonstration; procured equipment for four vocational training centres; implemented retrofitting or replacement programme of 150 HCFC-based equipment; procured 25 recovery units and two recycling units, two commercial units and cylinders, provided training for 233 technicians on good service practices, use of hydrocarbon refrigerants and safety measures	646,500	Refrigeration servicing improvement, recovery, recycling and reclamation; increased formalization of the sector; conduct five training sessions of 50 technicians, to a total of 250 technicians; provide tools and equipment for training	66,000	712,500
MAC sector activities			MAC refrigeration activities (development of the training manual; procurement of four MAC service kits training-of-trainers session for MAC instructors)	65,000	65,000

	HPMP – stage I		KIP – stage I		HPMP+KIP combined cost (US \$)
Category of activity	Activity	Cost (US \$)	Activity	Cost (US \$)	
Cross-sectoral activities			Development of a roadmap for the deployment of different flammable refrigerants and mitigation of leakage in RAC sectors, including residential AC, commercial AC and commercial refrigeration	55,000	55,000
Education and awareness	Education programme which included efforts to raise awareness among end-users about the phase-out of HCFCs and the importance of using alternative refrigerants	34,500	Awareness campaigns targeting air-conditioning end-users (three sessions for 100 participants); awareness raising campaign targeting the refrigeration sector end-users and SMEs (three sessions for 100 participants)	20,000	54,500
Project monitoring, coordination and reporting	Coordination and monitoring	100,000	Coordination and monitoring	20,000	120,000
Total		900,000	Total	325,000	1,225,000
Percentage of total (%)	73		27		100