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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-sixth Meeting
Montreal, 26–30 May 2025
Item 9(a) of the provisional agenda¹

Addendum

OVERVIEW OF ISSUES IDENTIFIED DURING PROJECT REVIEW

This document is issued to **add** sections I, II, and IV below.

I. Overview of projects and activities submitted by bilateral and implementing agencies

1. Table 1 presents a summary of requests that were submitted by bilateral and implementing agencies to the 96th meeting.

Table 1: Requests submitted by bilateral and implementing agencies

Projects and activities	No. of countries	No. of funding requests	Amounts requested (US \$)	Amounts in principle (US \$)
Stage II/III of HCFC phase-out management plans (HPMPs)	4	10	3,387,430	7,441,749
Tranches of approved HPMPs	14	22	5,941,043	
Preparation of stage III of HPMPs	3	3	179,000	
Verification of compliance of selected Article 5 countries with their HPMP Agreements	12	12	402,000	
Stage I of Kigali HFC implementation plans (KIPs)	11	32	32,047,590	54,036,170
Tranche of an approved HFC-23 emission control plan	1	1	238,243	
Preparation of a KIP investment project (foam sector)	1	1	85,600	
Emergency funding for institutional strengthening (IS)	1	1	30,000	
Renewal of IS projects	9	9	4,146,268	
Enabling activities for HFC phase-down	1	1	160,500	
Additional activities to maintain energy efficiency in the servicing sector (decision 89/6)*	7	7	793,437	

¹ UNEP/OzL.Pro/ExCom/96/1

Projects and activities	No. of countries	No. of funding requests	Amounts requested (US \$)	Amounts in principle (US \$)
Pilot projects on energy efficiency (decision 91/65)	5	5	3,103,000	
Preparation of pilot projects on energy efficiency (decisions 91/65 and 94/60)	6	6	260,740	
Preparation of energy-efficiency end-user projects using a revolving fund mechanism (decision 95/87)**	7	5	642,000	
Global project for the twinning of ozone officers and energy-efficiency policymakers (phase II)	--	1	890,452	
Preparation of national inventories of banks of waste-controlled substances (decision 91/66)	12	12	1,124,000	
Total	--	128	53,431,303	

*Requests for three countries (Botswana, Eritrea, and Ethiopia) have been submitted as part of their HPMP tranche requests

** A global project preparation request was submitted for three countries (Colombia, Ghana and Jordan)

Note: Funding amounts include agency support costs

II. Overview of projects and activities following the project review process

2. Following the project review process, five funding requests for projects and activities totalling US \$3,639,395, including agency support costs, have been withdrawn, 69 requests totalling US \$12,914,210, including agency support costs, have been recommended for blanket approval, and 54 requests totalling US \$25,047,823, including agency support costs, have been forwarded for individual consideration. Together, the funding requests for projects and activities recommended for either blanket approval or individual consideration amount to US \$37,962,033, including agency support costs.

II.1 Projects submitted and subsequently withdrawn

3. Table 2 presents a summary of requests that were submitted by bilateral and implementing agencies to the 96th meeting and subsequently withdrawn.

Table 2: Requests submitted and subsequently withdrawn

Projects and activities	No. of countries	No. of funding requests	Amount requested (US \$)
Stage I of KIPs	2	4	3,243,495
Pilot projects on energy efficiency (decision 91/65)	1	1	395,900
Total	3	5	3,639,395

Note: Funding amounts include agency support costs

Stage I of the Kigali HFC implementation plan (the Philippines, Serbia)

4. UNDP, on behalf of the Government of the Philippines, submitted a proposal for stage I of the Kigali HFC implementation plan (KIP). In its assessment, the Secretariat raised concerns related to the details of proposed components and costs, and the country's HFC consumption by sector. The Government requested UNDP to address those issues and resubmit the revised proposal to the 97th meeting.

5. UNIDO, on behalf of the Government of Serbia, submitted a proposal for stage I of the KIP. The Secretariat noted inconsistencies in the country's reported HFC consumption and level of funding requested to achieve the proposed reductions targets. Following consultation, UNIDO notified the Secretariat that the Government would postpone the submission to the 97th meeting to allow additional time to refine the plan of proposed activities and strengthen the KIP strategy.

Pilot projects on energy efficiency submitted pursuant to decision 91/65 (Paraguay)

6. On behalf of the Government of Paraguay, UNDP submitted a proposal for a pilot project, in line with decision 91/65, to assist the country's Energy Efficiency and Standardization authorities in developing minimum energy efficiency performance standards by creating a laboratory for testing the energy efficiency of air conditioners, to be implemented in parallel with stage II of the HPMP and stage I of the KIP. The Secretariat noted that the issue of the testing centres will be considered by the Executive Committee at its 97th meeting based on decision 95/87(d). Subsequently, UNDP agreed to withdraw the proposal and to potentially resubmit it to the 97th meeting as a project preparation funding request.

II.2 Projects recommended for blanket approval

7. Table 3 presents a summary of requests recommended for blanket approval. Document UNEP/OzL.Pro/ExCom/96/18, considered under agenda item 9(c), includes additional information on those requests, the Secretariat's recommendation for the consideration of the Executive Committee, and an annex containing a full list of projects recommended for blanket approval.

Table 3: Requests recommended for blanket approval

Projects and activities	No. of countries	No. of funding requests	Amounts recommended (US \$)
Tranches of approved HPMPs	13	20	5,660,480
Preparation of stage III of HPMPs	3	3	179,000
Preparation of a KIP investment project (foam sector)	1	1	85,600
Verification of compliance of selected Article 5 countries with their HPMP Agreements	12	12	402,000
Tranche of an approved HFC-23 emission control plan	1	1	339,725
Renewal of IS projects	9	9	4,146,268
Enabling activities for HFC phase-down	1	1	160,500
Additional activities to maintain energy efficiency in the servicing sector (decision 89/6)*	6	6	686,437
Preparation of pilot projects on energy efficiency (decision 91/65)	4	4	130,200
Preparation of national inventories of banks of waste-controlled substances (decision 91/66)	12	12	1,124,000
Total		69	12,914,210

*Activities for three countries (Botswana, Eritrea and Ethiopia) have been submitted as part of their HPMP tranche requests

Note: Funding amounts include agency support costs

II.3 Verification of compliance of selected low-volume-consuming countries with their HCFC phase-out management plan Agreements

8. In line with decision 61/46(c), the Secretariat drew a sample of 12 low-volume-consuming (LVC) Article 5 countries to verify compliance with their HPMP Agreements. The selection criteria included proximity of the next tranche of the HPMP (2026 or 2027, and 2028 in only one case), any previous verification completed at least two years prior to the 96th meeting, level of consumption, and geographic distribution. The selected countries (three in Africa, five in Latin America and the Caribbean, one in Asia and the Pacific, and three in Europe) are listed in table 4. In line with decision 92/21(c), relevant implementing agencies have included the related costs of verification in their respective work programmes submitted to the 96th meeting.

Table 4. Article 5 countries selected for the verification of compliance with their HPMP Agreements

No.	Country	HCFC baseline (mt)	Lead implementing agency	Next tranche request (year)
1	Albania	107.31	UNIDO	2026
2	Antigua and Barbuda*	5.51	UNEP	2027
3	Armenia*	126.69	UNIDO	2027
4	Belize	49.86	UNEP	2027
5	Bhutan**	5.62	UNEP	-
6	Burundi	129.20	UNEP	2027
7	Congo	184.40	UNEP	2028
8	Haiti*	66.00	UNEP	2027
9	Republic of Moldova	17.00	UNDP	2027
10	Saint Lucia	19.91	UNEP	2027
11	Suriname	35.92	UNEP	2027
12	Zimbabwe	314.94	UNEP	2027

*Countries submitting HPMP stage requests to the 96th meeting, with second tranches planned in 2027.

**At the 95th meeting, UNEP was requested to provide a verification report for the country's 2024-2026 consumption to the first meeting in 2027, even though no new tranches are scheduled.

Recommendation

9. The Executive Committee may wish:

- (a) To note that relevant bilateral and implementing agencies have included in their 2025 work programmes, submitted to the 96th meeting, requests for funding the verification reports for HCFC phase-out management plans for Albania, Antigua and Barbuda, Armenia, Belize, Bhutan, Burundi, the Congo, Haiti, the Republic of Moldova, Saint Lucia, Suriname and Zimbabwe; and
- (b) To consider the requests for funding associated with the verifications mentioned in subparagraph (a) above in the context of work programmes submitted by each relevant implementing agency under agenda item 9(c), Projects recommended for blanket approval.

II.4 Projects recommended for individual consideration

10. Table 5 presents a summary of requests submitted for individual consideration. More details on those projects and activities are contained in document UNEP/OzL.Pro/ExCom/96/19, considered under agenda item 9(d).

Table 5: Requests recommended for individual consideration

Projects and activities	No. of countries	No. of funding requests	Amounts recommended (US \$)	Amounts in principle (US \$)
Stage II/III of HPMPs	4	11	3,001,132	6,916,303
Tranches of approved HPMPs	1	2	TBD	
Stage I of KIPs	9	28	18,813,619	36,100,155
Emergency funding for institutional strengthening	1	1	30,000	
Pilot projects on energy efficiency (decision 91/65)	4	4	1,582,880	

Projects and activities	No. of countries	No. of funding requests	Amounts recommended (US \$)	Amounts in principle (US \$)
Preparation of pilot projects on energy efficiency (decision 94/60)	2	2	87,740	
Preparation of energy-efficiency end-user projects using a revolving fund mechanism (decision 95/87)	7	5	642,000 ²	
Global project for the twinning of ozone officers and energy efficiency policymakers (phase II)		1	890,452	
Total		54	25,047,823	

Note: Funding amounts include agency support costs

IV. Reports on the implementation of decisions and follow-up on previous discussions relating to project review

IV.1 Institutional strengthening renewal requests

11. The Secretariat reviewed the terminal reports and requests for the extension of IS funding for nine countries against relevant decisions. All requests were crosschecked against previous IS reports; progress reports on the implementation of country programmes (CP); data reported under Article 7 of the Montreal Protocol; the latest reports on the implementation of HPMPs; implementing agencies' progress reports submitted to the 95th meeting; and relevant decisions on compliance adopted by the Parties to the Montreal Protocol. Five countries submitted the 2024 CP implementation data as at the date of issuance of the relevant work programme documents.³ All countries reported that they had achieved or partially achieved all applicable IS objectives. The Secretariat observed that there was a good level of consistency in the application of the performance indicators between the countries requesting IS funding. The Secretariat recommended all IS projects submitted to the 96th meeting for blanket approval. In addition, the Secretariat recommended approval, on exceptional basis, the request for emergency assistance for IS for Maldives.

IV.2 Funding withheld pending submission of verification reports or meeting specific conditions

12. At the 95th meeting, the Executive Committee approved the third tranche of stage II of the HPMP for Dominica, on the understanding that the Treasurer would transfer the approved funds to UNEP only after the Secretariat received confirmation that the three trainings to be held during the first quarter of 2025 had been held and relevant details had been communicated to the Secretariat.⁴ In March 2025, UNEP confirmed completion of the pending activities and provided relevant details. The Treasurer was informed of this development and requested to disburse the approved funds.

13. At the 93rd meeting, the Executive Committee approved the second tranche of stage II of the HPMP for Qatar, on the understanding that the approved funds would only be transferred by the Treasurer to UNEP after the Secretariat confirmed that the country had implemented the commitments listed in decision 88/54(e)(i), (ii), and (iii).⁵ At the time of finalization of the present document, the Secretariat had not received an update on the status of implementation of those commitments.

² Amount as submitted

³ As at 8 May 2025, CP implementation reports had not been received for Angola, Bangladesh, Brazil, Ethiopia, Namibia and Papua New Guinea

⁴ Decision 95/34 and annex XVII of document UNEP/OzL.Pro/ExCom/95/94

⁵ Decision 93/36(a)

IV.3 Prices of controlled substances and alternatives

14. In line with decision 79/4(c), the Secretariat is presenting for information purposes a summary of the prices of controlled substances and the alternatives to be phased in for investment projects included as part of the KIPs for Egypt, Lebanon and Indonesia, as submitted to the 96th meeting.

Egypt: Stage I of the Kigali HFC implementation plan – polyurethane foam, extruded polystyrene foam, domestic refrigeration, commercial refrigeration, and residential air-conditioning

15. The project for the polyurethane (PU) foam sector included the prices of HFC-365mfc/227ea at US \$12.00 per kg, HFC-245fa at US \$9.95/kg, cyclopentane at US \$3.83/kg, methyl formate at US \$6.00/kg and HFO-1233zd(E) at US \$17.00/kg. In the CP report the price of HFC-245fa was US \$12.50/kg and the price of HFC-365mfc/227ea and those for cyclopentane, methyl formate and HFO-1233zd(E) were not provided. The incremental operating costs (IOCs) for conversions to cyclopentane were agreed at zero on an exceptional basis, and the IOCs for conversions from HFC-245fa to methyl formate and HFO-1233zd(E) were agreed on an exceptional basis using as reference the price of HFO-1233zd(E).

16. The project for extruded polystyrene (XPS) foam included the prices of HFC-152a at US \$3.26/kg, HFO-1234ze at US \$15.00/kg, DME US \$2.00/kg, and CO₂ at US \$3.83/kg. The price of HFC-152a in the CP data report was US \$3.24/kg and the price of HFO-1234ze, DME and CO₂ were not provided.

17. For the project in the commercial refrigeration sector, the prices included in the CP report were as follows: HFC-134a at US \$6.43/kg, R-404A at US \$7.54/ kg, R-407C at US \$ 6.83/kg, and R-290 at US \$6.40/kg. The prices used in the project for HFC-134a and R-404A is the same as in the CP data report, the price of R-290 was US \$4.48/kg, and no price was included in the project for R-407C. For the projects in the domestic refrigeration and residential air-conditioning (AC) sectors to convert enterprises from HFC-134a to R-600a and from R-410A to HFC-32, respectively, the agreed IOCs for each were zero.

Indonesia: Stage I of the Kigali HFC implementation plan – domestic refrigeration, transport air-conditioning

18. Stage I of the KIP for Indonesia included a project for the domestic refrigeration sector to convert enterprises from HFC-134a to R-600a, with IOCs agreed at zero, and a project for the transport AC sector to develop, produce and test prototypes train AC units using R-454C as a replacement of R-407C, with no IOCs requested.

Lebanon: Stage I of the Kigali HFC implementation plan – residential air-conditioning and commercial refrigeration sectors

19. The residential AC project for Lebanon, submitted as part of stage I of the KIP, includes the conversion of one enterprise from R-410A to HFC-32; the IOCs were agreed as nil for this project. In case of commercial refrigeration equipment, the prices of HFC-134a and R-404A in the CP data report were US \$6.50/kg and US \$8.15/kg, respectively; the price of R-408A was not available; the costs provided in the project for HFC-134a, R-404A and R-408A were US \$12.50/kg, US \$13.80/kg, and US \$13.00/kg, respectively. The price of R-290 used for the project was US \$16.50/kg, while that reported under the CP data report was US \$16.0/kg. The price difference was mainly due to higher costs incurred by small- and medium-sized enterprises due to the small production volume of refrigerant -using equipment, resulting in a limited ability to negotiate better refrigerant prices.