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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-seventh meeting
Montreal, 1–5 December 2025

**REPORT OF THE NINETY-SEVENTH MEETING
OF THE EXECUTIVE COMMITTEE**

Introduction

1. The 97th meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol was held at the headquarters of the International Civil Aviation Organization (ICAO) in Montreal, Canada, from 1 to 5 December 2025.
2. The meeting was attended by representatives of the following countries, members of the Executive Committee in accordance with decision XXXVI/19 of the Thirty-Sixth Meeting of the Parties to the Montreal Protocol:
 - (a) Parties operating under paragraph 1 of Article 5 of the Protocol (Article 5 parties): Argentina, Bahrain, China, Cuba, Kyrgyzstan, Lesotho (Vice-Chair) and Togo;
 - (b) Parties not operating under paragraph 1 of Article 5 of the Protocol (non-Article 5 parties): Belgium, Canada, Italy (Chair), Japan, Lithuania, Sweden and the United States of America.
3. In accordance with the decisions taken by the Executive Committee at its Second and Eighth meetings, representatives of the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP) both as implementing agency and as Treasurer of the Fund, the United Nations Industrial Development Organization (UNIDO) and the World Bank attended the meeting as observers.
4. The Executive Secretary of the Ozone Secretariat and members of the Technology and Economic Assessment Panel were also present.
5. A representative of the European Union attended as an observer.
6. Representatives of the Alliance for Responsible Atmospheric Policy, the Eric and Wendy Schmidt Center for Data Science and Environment at University of California, Berkeley, the Environmental Investigation Agency and the Natural Resources Defense Council also attended as observers.

AGENDA ITEM 1: OPENING OF THE MEETING

7. The 97th meeting of the Executive Committee was opened by the Chair, Alessandro Giuliano Peru (Italy). He welcomed participants and stated that before the Committee for its consideration were the business plans for the next three years; many reports; new Kigali HFC implementation plans (KIPs) for 12 countries and three tranches of KIPs; seven new stages of HCFC phase-out management plans (HPMPs) and 19 tranches of HPMPs; and energy-efficiency projects under decisions 91/65, 94/60 and 95/87.

8. Several policy issues would continue to be addressed, especially issues related to the operationalization of centres of excellence for sustainable cooling, testing centres for energy efficiency, and life-cycle refrigerant management with a view to considering the establishment of a funding window in line with decision XXXV/11 of the Thirty-Fifth Meeting of the Parties. The Committee would also review the possibility of integrating reporting through project completion reports and detailed final project reports; an interim progress report on the implementation of the results framework of the Multilateral Fund; and the 2026 core unit costs for UNDP, UNIDO and the World Bank. It would make decisions on the budget of the Secretariat and the UNEP Compliance Assistance Programme (CAP) budget for 2026.

9. In view of the heavy agenda, the Chair urged the members of the Executive Committee to use the time available as efficiently as possible.

AGENDA ITEM 2: ORGANIZATIONAL MATTERS

(a) Adoption of the agenda

10. The Executive Committee adopted the following agenda for the meeting on the basis of the provisional agenda contained in document UNEP/OzL.Pro/ExCom/97/1.

1. Opening of the meeting.
2. Organizational matters:
 - (a) Adoption of the agenda;
 - (b) Organization of work.
3. Secretariat activities.
4. Financial matters:
 - (a) Status of contributions and disbursements;
 - (b) Report on balances and availability of resources;
 - (c) Accounts of the Multilateral Fund:
 - (i) Final 2024 accounts;
 - (ii) Reconciliation of the 2024 accounts;
 - (d) Revised 2026, 2027 and proposed 2028 budgets of the Fund Secretariat.
5. Country programme data and prospects for compliance.

6. Evaluation:
 - (a) Evaluation of the performance of implementing agencies against their 2024 business plans;
 - (b) Annual report on the implementation of the monitoring and evaluation work programme for 2025 and the evaluation work programme for 2026.
7. Programme implementation:
 - (a) Progress and financial reports as at 31 December 2024:
 - (i) Consolidated progress report;
 - (ii) Bilateral agencies;
 - (iii) UNDP;
 - (iv) UNEP;
 - (v) UNIDO;
 - (vi) World Bank;
 - (b) Reports on projects with specific reporting requirements:
 - (i) Reports on projects with no outstanding issues;
 - (ii) Reports on projects with outstanding issues for individual consideration.
8. Business planning:
 - (a) Update on the status of implementation of the 2025–2027 consolidated business plan of the Multilateral Fund;
 - (b) Consolidated business plan of the Multilateral Fund for 2026–2028;
 - (c) Business plans of the bilateral and implementing agencies for 2026–2028:
 - (i) Bilateral agencies;
 - (ii) UNDP;
 - (iii) UNEP;
 - (iv) UNIDO;
 - (v) World Bank.
9. Project proposals:
 - (a) Overview of issues identified during project review;
 - (b) Bilateral cooperation;

- (c) Projects recommended for blanket approval;
 - (d) Projects recommended for individual consideration;
 - (e) UNEP Compliance Assistance Programme budget for 2026;
 - (f) 2026 core unit costs for UNDP, UNIDO and the World Bank.
- 10. Update on the operationalization of centres of excellence for sustainable cooling and testing centres for energy efficiency (decision 95/87(e)).
 - 11. Report pursuant to decision 93/104 on life-cycle refrigerant management with a view to considering the establishment of a funding window in line with decision XXXV/11 of the Thirty-Fifth Meeting of the Parties.
 - 12. Review of the possibility of integration of reporting through project completion reports and detailed final project reports (decision 95/91(e)).
 - 13. Progress report on the implementation of the results framework (decision 93/97(c)).
 - 14. Report of the Sub-group on the Production Sector.
 - 15. Other matters.
 - 16. Adoption of the report.
 - 17. Closure of the meeting.
11. The Executive Committee agreed to consider, under item 15 on other matters, the dates and venues of the 102nd and 103rd meetings.

(b) Organization of work

- 12. The Executive Committee agreed to follow its customary procedures.
- 13. The Committee also agreed to reconvene the Sub-group on the Production Sector with the following composition: Argentina, Canada, China, Cuba, Italy, Lesotho, Sweden and the United States of America.

AGENDA ITEM 3: SECRETARIAT ACTIVITIES

- 14. The Chief Officer introduced document UNEP/OzL.Pro/ExCom/97/2.
- 15. Highlighting the salient points of the document, she mentioned that, having listened to the parties and drawn on experience from similar initiatives, the Secretariat was putting forward for consideration, at the present meeting, three policy documents on life-cycle refrigerant management, testing centres for energy efficiency and centres of excellence for sustainable cooling, a concept it was proposing to replace with the clearer and more functional “thematic regional centres” for sustainable cooling. Technical testing was ongoing on the project submission module of the knowledge management system, the core element of the system that the Secretariat would use to develop the “projects and impact” dashboard. The “contributions” dashboard and the country programme (CP) data centre were live and accessible through the Multilateral Fund website. The Secretariat had been actively exploring the use of artificial intelligence in its work. In that regard, she thanked the German Agency for International Cooperation for its support in developing a chatbot to be fed from QuiriO₃ and the more than 10,000 decisions of the Executive Committee, and the University of California, Berkeley, for designing an open-source online tool with an artificial intelligence

assistant to simulate the impact of different policy measures in achieving compliance with the Montreal Protocol.

16. Members thanked the Secretariat for its report, its extensive preparatory work for the present meeting and the progress that it had achieved with regard to the knowledge management system. Several highlighted the importance of continued collaboration with the Global Environment Facility (GEF). Two members sought clarification regarding the extent of the Secretariat's engagement with the GEF, with one of them asking whether the Secretariat attended GEF meetings; whether it had received any feedback from the GEF, the Green Climate Fund (GCF) and regional development banks on the Committee's discussions concerning the update on the operationalization of the energy-efficiency revolving fund for end users; and whether it had identified any opportunities for coordination and coherence with those partners. One member recalled that not all countries were recipients of GEF support, which limited the scope for engagement at the country level.

17. A number of members expressed appreciation for the Secretariat's efforts to attend network meetings in person. One asked whether, for other meetings, the Secretariat had considered attending virtually where feasible.

18. One member, welcoming the launch of the CP data centre, asked whether information could be shared on baselines and reduction schedules. He also asked why the Committee's meeting documents were not always translated into the same number of official United Nations languages. Another member, commending the use of artificial intelligence to enhance operational and financial efficiency, said that it should be used, subject to appropriate quality assurance processes, to support the translation of project documents into both official and non-official United Nations languages. Related cost-benefit estimates should be included in future reports to inform the Committee's deliberations on artificial intelligence.

19. In response, the Chief Officer explained that, after every Executive Committee meeting, the Secretariat comprehensively updated the GEF, the GCF and regional development banks on any progress made in respect of energy efficiency and other areas in which there could be synergies and complementarity. Other than acknowledgement, it had received no feedback from those partners since the Committee's 96th meeting. The typically heavy agenda at GEF meetings meant that they offered the Secretariat limited time for meaningful engagement. Accordingly, the Secretariat preferred to arrange calls and online meetings to keep the GEF abreast of the Committee's decisions and discussions. On virtual attendance, she noted that meetings of the Steering Committee of the United Nations Information Portal on Multilateral Environmental Agreements were held in person. The meetings enabled the Secretariat to provide updates on its work on the knowledge management system and identify areas of complementarity. In accordance with the rules of procedure for Executive Committee meetings, the number of languages into which meeting documents were translated depended on the Committee's composition. The fact that language requirements depended on the Committee's membership meant that the Secretariat could not accurately predict budget allocations for translation and interpretation. The Secretariat was exploring the use of artificial intelligence to support the translation of project documents into official United Nations languages only. While it expected there to be a medium-term impact on cost efficiency, it could not currently provide precise figures for savings. Any estimates it calculated would be included in future budget documents.

20. The Executive Committee took note, with appreciation, of the report on Secretariat activities contained in document UNEP/OzL.Pro/ExCom/97/2.

AGENDA ITEM 4: FINANCIAL MATTERS

(a) Status of contributions and disbursements

21. The Treasurer introduced document UNEP/OzL.Pro/ExCom/97/3. He provided updates on parties' contributions to the Multilateral Fund and the status of the Fund. Since the issuance of the document, the

Multilateral Fund had received additional contributions totalling US \$1,291,251, namely from the Governments of Andorra, Lithuania and Portugal, bringing to 41 the total number of parties that had contributed to the Fund for 2025, as well as income, in interest, of US 17,538,693.

22. At the opening of the present meeting, the balance of the Fund stood at US \$661,839,023 in cash. Since the previous Executive Committee meeting, the total loss on the fixed-exchange rate mechanism had decreased by approximately US \$1,100,000. The cumulative loss on the fixed-exchange rate mechanism therefore stood at approximately US \$29.6 million. As at 28 November 2025, 24 parties out of 49 had opted into the fixed-exchange-rate mechanism.

23. The Treasurer mentioned that invoices for 2025 and reminders about outstanding contributions had been sent out in February, May and October 2025.

24. Two members, noting with concern that two parties had outstanding contributions of more than US \$20 million, inquired about the actions undertaken so far to ensure or to schedule the payment of the said contributions and proposed possible actions for the Secretariat to undertake.

25. The Treasurer said that there were outstanding contributions from various parties and that the Secretariat, the Chief Officer and the Treasurer had done their best to address the issue, citing efforts such as interacting with delegates in the margins of meetings, sending reminders, invoices and letters addressed to those parties, and arranging meetings to engage with parties on the rescheduling of payment collections. The Treasurer noted that such efforts had borne fruit, giving the example of the payment by the Government of Malta of the country's arrears for the period of 2017 to 2025.

26. The representative of the Secretariat added that, in addition to the efforts mentioned by the Treasurer, the Secretariat would continue to communicate with delegates via e-mail and would keep the Executive Committee informed of any additional updates regarding outstanding contributions.

27. Another member, responding to the points raised by other members, noted the recommendation of the Secretariat to urge parties to make their pledged payments in full and to request the Chief Officer and the Treasurer to continue to follow up with parties that had outstanding contributions or underfunded pledges and supported the proposal. He further noted that there was still time for countries to make their contributions before the end of the calendar year and that the Secretariat could wait until the end of the year before conducting any type of follow-up with parties. The member concluded by recalling his party's view that contributions to the Multilateral Fund were voluntary in nature.

28. The Executive Committee decided:

- (a) To note the report of the Treasurer on the status of contributions and disbursements, contained in annex I to the present report;
- (b) To request the Chief Officer and the Treasurer to continue following up with parties that had outstanding contributions for one triennium or more, and to report back at the 98th meeting; and
- (c) To urge all parties to pay their contributions to the Multilateral Fund in full and as early as possible.

(Decision 97/1)

(b) Report on balances and availability of resources

29. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/4 and reported that the total funding requested at the present meeting was US \$108,014,129, including agency

support costs. Given the Treasurer's updated information on the Fund balance, which stood at US \$661,839,023, and the total balance of US \$4,977,871 returned by the implementing agencies at the 97th meeting, the total funding available amounted to US \$666,816,894, which was deemed sufficient for approval of the projects to be considered at the present meeting.

30. One member, noting the high cash balance mentioned in the document, encouraged countries and agencies to make good use of the available funds and to submit innovative and ambitious projects. Further noting delays in the return of funds from a number of projects, the member invited agencies to return fund balances as soon as possible after project closures and respect the agreed timeline of one year for doing so.

31. The Executive Committee decided:

(a) To note:

- (i) The report on balances and availability of resources contained in document UNEP/OzL.Pro/ExCom/97/4;
- (ii) That the net level of funds being returned by the implementing agencies at the 97th meeting was US \$4,977,871, consisting of US \$2,829,839, plus agency support costs of US \$195,450, from UNDP; US \$1,328,190, plus agency support costs of US \$119,792, from UNEP; US \$282,284, plus agency support costs of US \$21,088, from UNIDO; and US \$178,512, plus agency support costs of US \$22,716, from the World Bank;
- (iii) That UNDP held balances of US \$305,385, including agency support costs, for 10 projects completed over two years previously; and US \$8,742, including support costs, for one project funded from the additional voluntary contributions;
- (iv) That UNIDO held balances of US \$125,952, including agency support costs, for five projects completed over two years previously;
- (v) That UNEP was returning, at the 97th meeting, balances from projects for Armenia, in the amount of US \$124,300, plus agency support costs of US \$16,159, consisting of:
 - a. US \$58,300, plus agency support costs of US \$7,579, from the HCFC phase-out management plan (HPMP) (stage III, first tranche) (ARM/PHA/96/TAS/34);
 - b. US \$66,000, plus agency support costs of US \$8,580, from the Kigali HFC implementation plan (KIP) (stage I, first tranche) (ARM/KIP/94/TAS/32);
- (vi) That the World Bank was returning, at the 97th meeting, the balance from the extension of institutional strengthening project for Jordan (phase XIII: 1/2019--12/2020) (JOR/SEV/82/INS/105) in the amount of US \$77,483, plus agency support costs of US \$5,424;
- (vii) That the Government of Germany was returning US \$66,267, including support costs, for two completed projects;

(b) To request UNDP and UNIDO:

- (i) To proceed with disbursement or to cancel committed funds that were not needed for completed projects and to return the associated balances at the 98th meeting;

- (ii) To proceed with disbursement or to cancel commitments for projects completed over two years previously, and to return balances at the 98th meeting;
- (c) To request UNDP to proceed with disbursement or return at the 98th meeting, the balances of the project funded from the additional voluntary contributions;
- (d) To request the Treasurer:
 - (i) To offset, against future UNEP approvals at the 97th meeting, the US \$330,670 that had been allocated for the renewal of the institutional strengthening project for Guatemala (phase X: 6/2024-5/2027) (GUA/SEV/94/INS/68);
 - (ii) To transfer to UNIDO, at the 97th meeting, the funds returned or offset for the projects referred to in subparagraphs (a)(v), (a)(vi) and (d)(i) above, in the amount of US \$532,453, plus agency support costs of US \$41,232, consisting of:
 - a. US \$58,300, plus agency support costs of US \$4,081, for the HPMP for Armenia (stage III, first tranche) (ARM/PHA/96/TAS/34);
 - b. US \$66,000, plus agency support costs US \$8,580, for the KIP for Armenia (stage I, first tranche) (ARM/KIP/94/TAS/32);
 - c. US \$330,670, plus agency support costs of US \$23,147, for the renewal of the institutional strengthening project for Guatemala (phase X: 6/2024--5/2027) (GUA/SEV/94/INS/68); and
 - d. US \$77,483 plus agency support costs of US \$5,424, for the extension of the institutional strengthening project for Jordan (phase XIII: 1/2019--12/2020) (JOR/SEV/82/INS/105).

(Decision 97/2)

(c) Accounts of the Multilateral Fund

(i) Final 2024 accounts

32. The Treasurer introduced document UNEP/OzL.Pro/ExCom/97/5. Recalling that, as in previous years, the accounts had been prepared using provisional figures, he reported that, on submission of the final figures, two agencies had reported a net adjustment of US \$45,807,780 to the aggregate revenue level, and two agencies had reported an adjustment of US \$365,958 to the aggregate expense level. The revenue adjustment was a result of time lag between the transfer of funds and reporting date. Those adjustments would be reflected in the 2025 accounts.

33. The Treasurer highlighted that none of the audit observations or audit recommendations by the United Nations Board of Auditors related to the Multilateral Fund. One member noted this fact with satisfaction and commended the Secretariat and the Treasurer for their excellent work.

34. The Executive Committee decided:

- (a) To note the final audited financial statements of the Multilateral Fund as at 31 December 2024, prepared in accordance with the International Public Sector Accounting Standards, contained in document UNEP/OzL.Pro/ExCom/97/5; and

- (b) To request the Treasurer to record in the 2025 accounts of the Multilateral Fund the differences between the implementing agencies' provisional 2024 financial statements and their final 2024 statements as reflected in table 1 of document UNEP/OzL.Pro/ExCom/97/5.

(Decision 97/3)

(ii) Reconciliation of the 2024 accounts

35. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/6, reporting that other than the rounding difference, no discrepancies had been found between the inventory of approved projects and the 2024 progress reports of implementing agencies. The document showed the outstanding reconciling items, at the income level, that would require explanation, namely more income in the progress reports than in the 2024 final accounts of UNEP, UNIDO and the World Bank, in the amounts of US \$45,222, US \$2,211,571 and US \$2,179,087, respectively, and less income in the progress report compared with the 2024 final accounts of UNDP, in the amount of US \$814,665. At the expenditure level, in addition to the explanations provided in table 5 of the document, there was one remaining outstanding reconciling item consisting of a difference in expenditure of US \$403,024 for UNIDO, reflecting more expenditure in the progress report compared with that in the 2024 final accounts.

36. The Executive Committee decided:

- (a) To note the reconciliation of the 2024 accounts contained in document UNEP/OzL.Pro/ExCom/97/6;
- (b) To request the Treasurer to deduct from future transfers at the 97th meeting:
 - (i) To UNDP, US \$845,811, on account of income from interest reported in its 2024 final accounts that had yet to be offset against new approvals;
 - (ii) To UNEP, US \$136,654, on account of income from interest reported in its 2024 final accounts that had yet to be offset against new approvals;
- (c) To request UNDP to make the following adjustments in its 2025 accounts: US \$6,018 representing expenditure that had been reflected in its 2024 progress report but not in the final accounts and US \$148,798 representing expenditure that had been overstated in its final accounts;
- (d) To request UNIDO to make the following adjustment in its 2025 accounts: US \$2,279,213 representing income that had been recorded in 2024;
- (e) To note that the following 2024 outstanding reconciling items would be updated prior to the 99th meeting by relevant implementing agencies:
 - (i) Differences of US \$67,642 in income and US \$403,024 in expenditure, between the progress report and the final accounts of UNIDO;
 - (ii) Differences of US \$97,253 in income between the progress report and the final accounts of the World Bank;
- (f) To note the standing reconciling items as follows:
 - (i) For UNDP, for unspecified projects, in the amounts of US \$68,300 and US \$29,054;

(ii) For the World Bank, for the following projects:

- a. Bilateral cooperation projects of Japan (THA/PHA/68/TAS/158 in the amount of US \$342,350; and VIE/PHA/76/TAS/71, VIE/PHA/84/INV/75 and VIE/PHA/87/INV/79 in the amount of US \$261,402), Sweden (THA/HAL/29/TAS/120 in the amount of US \$225,985) and the United States of America (CPR/PRO/44/INV/425 in the amount of US \$5,375,000 and CPR/PRO/47/INV/439 in the amount of US \$5,375,000); and
- b. The Thailand chiller project (THA/REF/26/INV/104), in the amount of US \$1,198,946.

(Decision 97/4)

(d) Revised 2026, 2027 and proposed 2028 budgets of the Fund Secretariat

37. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/7, highlighting the proposed changes pertaining to the revised salary scale of General Services staff. He confirmed that all other budget lines remained unchanged.

38. Two members requested clarification of the figure of 10.23 per cent mentioned in the letter written by the International Civil Service Commission (ICSC) attached to the meeting document, as it did not appear to be correct. The representative of the Secretariat clarified that the figure of 10.23 per cent was an error, with the correct figure being 10.79 per cent. That figure was indicative, showing that the 6.44 per cent was applied to 2024 and the remaining balance would be applied in subsequent years.

39. One member, noting a perceived conditionality in the methodology used for the budget increase in the aforementioned letter, requested the Secretariat to clarify the meaning of “subject to the threshold of two times external salary movement of the relevant year”. The representative of the Secretariat clarified that the threshold was an ICSC methodology used to determine the level of the increase to be applied per year rather than a condition for the overall increase.

40. The same member, noting the proposed amount for activities related to the knowledge management system in 2026, asked the Secretariat to clarify what technical services would be needed and whether those services could be done internally. The representative of the Secretariat clarified that the resources required to support the knowledge management system were mainly related to the cost of production and staging servers; infrastructure and application security audits; domain and certificate costs; Drupal maintenance and updates; bug fixes; minor additional developments; and design services. He concluded that the amount provided for the knowledge management system in the proposed budget was in fact a minimal amount for maintaining such a website on a yearly basis.

41. Several members requested clarification regarding the proposed 17.23 per cent increase for General Services staff. The representative of the Secretariat explained the reasoning, noting firstly that, in 2025, the Secretariat had not added the usual, annual 3 per cent within the grade step increases, as it was considered that the increase would be covered by the 17.23 per cent; secondly that United Nations standard costs were higher than the actual costs on which the Multilateral Fund presented its budget; thirdly that applying the full increase to the 2025 budget would reduce the likelihood of needing to present another revised budget in 2026 when the remaining increase had been finalized; and fourthly that any savings between the actual expenditures and budgeted provision would be returned to the Fund as usual.

42. One member proposed the deletion of subparagraph (b) of the draft recommendation in the document, as he considered it unnecessary in conjunction with subparagraph (c).

43. The same member inquired whether the Secretariat could propose a zero nominal growth revised budget for 2026, based on the 2025 budget. The representative of the Secretariat responded that, if that were the wish of the Executive Committee, the Secretariat could adjust the budget lines to produce a zero nominal growth budget, with 2025 as a benchmark, but reiterated that the revised 2027 budget as presented and proposed 2028 budget would not change.

44. The Executive Committee agreed that interested members could continue discussions in the margins of the meeting.

45. Following the informal discussions, the Executive Committee decided:

(a) To note:

- (i) The revised 2026, 2027 and proposed 2028 budgets of the Fund Secretariat contained in document UNEP/OzL.Pro/ExCom/97/7;
- (ii) The return, to the Multilateral Fund at the 97th meeting, of US \$830,809, consisting of US \$789,795 from the approved 2024 budget of the Fund Secretariat and US \$41,014 from the monitoring and evaluation work programme;

(b) To approve, as contained in annex II to the present report:

- (i) The revised 2026 budget in the amount of US \$9,670,045;
- (ii) The revised 2027 budget in the amount of US \$9,581,735; and
- (iii) The proposed 2028 budget in the amount of US \$9,670,045.

(Decision 97/5)

AGENDA ITEM 5: COUNTRY PROGRAMME DATA AND PROSPECTS FOR COMPLIANCE

46. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/8.

47. Responding to questions from members, she specified that average prices for HCFCs, HFCs and their alternatives shown in the document were simply the average of estimated prices reported by Article 5 countries and that there was no specific methodology for calculating average prices. She further confirmed that the document had been prepared prior to the recently held seventy-fifth meeting of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol and said that the Secretariat would provide updated information at the 98th meeting of the Executive Committee. Finally, addressing a concern regarding the reporting of HFC-23 by-product emissions for 2024 by only one of the four countries that had reported 2024 data on HFC-23 generation, she assured members that the Secretariat would follow up and update the Committee at its 98th meeting.

48. The Executive Committee decided:

(a) To note:

- (i) The information on country programme (CP) data and prospects for compliance contained in document UNEP/OzL.Pro/ExCom/97/8;
- (ii) That 142 countries had submitted 2024 CP data as at 1 December 2025;
- (iii) That one country had yet to submit its 2024 CP data;

- (b) To note also that the new online CP data reporting system had been officially launched on 1 January 2025, and that, as at 1 December 2025, it had been used by 126 countries, of which 124 had officially submitted their 2024 data; and
- (c) To request the Secretariat to send a letter to the Government of Armenia regarding its outstanding CP data report for 2024, urging it to submit its report as soon as possible.

(Decision 97/6)

AGENDA ITEM 6: EVALUATION

(a) Evaluation of the performance of implementing agencies against their 2024 business plans

49. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/9.

50. The Executive Committee decided:

- (a) To note:
 - (i) The evaluation of the performance of implementing agencies against their 2024 business plans, as contained in document UNEP/OzL.Pro/ExCom/97/9;
 - (ii) That all implementing agencies had a quantitative assessment of their performance for 2024 of at least 84 on a scale of 100;
 - (iii) That trend analysis indicated that the performance of implementing agencies had not improved for some indicators in 2024 compared with 2023;
 - (iv) That quantitative performance in 2024 had improved for two implementing agencies (UNDP and UNEP) compared with 2023;
 - (v) With appreciation, the efforts undertaken by bilateral and implementing agencies to have open and constructive discussions with the respective national ozone units about the areas in which their services were perceived to be less than satisfactory and that the outcome of their consultations with the national ozone units concerned had also been satisfactory; and
- (b) To encourage national ozone units to submit, on a yearly basis and in a timely manner, their assessments of the qualitative performance of the bilateral and implementing agencies assisting their Governments, noting that 93 of the 144 countries had submitted such assessments for 2024, compared with 88 in 2023.

(Decision 97/7)

(b) Annual report on the implementation of the monitoring and evaluation work programme for 2025 and the evaluation work programme for 2026

51. The Chair introduced document UNEP/OzL.Pro/ExCom/97/10.

52. Two members requested an update on the recruitment process for the Senior Evaluation Officer. One member, supported by another, suggested that the timeline for the desk study for the evaluation of the recovery, recycling and reclamation projects should be aligned with the process of analysing inventories of ozone-depleting substances and HFC banks and associated national action plans. Responding, the Chief Officer said that candidates for the position of Senior Evaluation Officer had sat a written test and would be

interviewed soon. While the Secretariat would strive to expedite the process and hoped to bring someone on board within five months, it should be noted that recruitment for P-5 positions and above was the prerogative of the Executive Director of UNEP. The Secretariat would ensure that the incoming Senior Evaluation Officer prioritized the desk study for the evaluation of the recovery, recycling and reclamation projects in his or her deliverables for 2026.

53. The Executive Committee decided:

- (a) To note the annual report on the implementation of the monitoring and evaluation work programme for 2025, including on the trial experience of a biennial cycle for the work programme and budget, and the evaluation work programme for 2026, contained in document UNEP/OzL.Pro/ExCom/97/10; and
- (b) To approve the evaluation work programme for 2026 contained in annex III to the present report, noting that the provisional remaining balance of the 2025 budget amounting to US \$131,759 would be carried forward to the related evaluation budget for the year 2026.

(Decision 97/8)

AGENDA ITEM 7: PROGRAMME IMPLEMENTATION

(a) Progress and financial reports as at 31 December 2024

(i) Consolidated progress report

54. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/11.

55. One member commended the bilateral and implementing agencies, Article 5 countries and beneficiaries on successful completion of individual projects for HFC phase-out in domestic and commercial refrigeration by converting to natural refrigerants. Noting that the supply chain for refrigerants and components had been strengthened and could result in cost savings, he encouraged agencies to promote sustainable alternatives in those applications.

56. The Executive Committee decided to note:

- (a) The consolidated progress report of the Multilateral Fund as at 31 December 2024, including the final report on the achievements of the six investment projects funded using the additional voluntary contributions for fast-start support for HFC phase-down pursuant to decision 95/12(c), contained in document UNEP/OzL.Pro/ExCom/97/11;
- (b) With appreciation, the efforts undertaken by bilateral and implementing agencies in reporting their 2024 activities; and
- (c) That the bilateral and implementing agencies would report, at the 98th meeting, on 78 projects with implementation delays and 14 ongoing projects recommended for additional status reports, as contained in annexes IV to VIII to the present report.

(Decision 97/9)

(ii) Bilateral agencies

57. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/12.

58. The Executive Committee decided:

- (a) To note, with appreciation, the progress reports as at 31 December 2024, submitted by the Governments of Australia, Austria, France, Germany, Italy, Japan, Spain and the United Kingdom of Great Britain and Northern Ireland, contained in document UNEP/OzL.Pro/ExCom/97/12;
- (b) To approve the extension of the completion dates of the projects listed below to allow completion of the remaining ongoing activities, as reflected in table 5 of document UNEP/OzL.Pro/ExCom/97/12:
 - (i) Conversion from HFC-134a to isobutane in the manufacture of domestic refrigerators at Capri (SME Harare) for Zimbabwe (ZIM/REF/82/INV/56) (implemented by the Government of France), to June 2026;
 - (ii) Preparation of a national inventory of banks of waste controlled substances and development of a national plan for the management of those substances (decision 91/66) for Liberia (LIR/DES/93/PRP/36) and Seychelles (SEY/DES/93/PRP/31) (implemented by the Government of Germany), to December 2026; and
- (c) To approve also the recommendations related to ongoing projects with specific issues contained in annex IV to the present report.

(Decision 97/10)

(iii) UNDP

59. The representative of UNDP introduced document UNEP/OzL.Pro/ExCom/97/13.

60. The Executive Committee decided:

- (a) To note the progress report of UNDP as at 31 December 2024 contained in document UNEP/OzL.Pro/ExCom/97/13;
- (b) To approve the extension of the completion dates of the projects listed below to allow completion of the remaining ongoing activities, as reflected in table 5 of document UNEP/OzL.Pro/ExCom/97/13:
 - (i) Conversion from HFC-134a to isobutane in the manufacture of domestic refrigerators at Capri (SME Harare) for Zimbabwe (ZIM/REF/82/INV/55), to June 2026;
 - (ii) Preparation of a national inventory of banks of waste controlled substances and development of a national plan for the management of those substances (decision 91/66) for the following countries:
 - a. Cuba (CUB/DES/93/PRP/69), Egypt (EGY/DES/93/PRP/155), Jamaica (JAM/DES/93/PRP/46), Peru (PER/DES/93/PRP/64), Trinidad and Tobago (TRI/DES/93/PRP/43) and Uruguay (URU/DES/93/PRP/82), to December 2026;
 - b. Chile (CHI/DES/94/PRP/213) and Panama (PAN/DES/94/PRP/58), to June 2027; and

- (c) To approve also the recommendations related to ongoing projects with specific issues contained in annex V to the present report.

(Decision 97/11)

(iv) UNEP

61. The representative of UNEP introduced document UNEP/OzL.Pro/ExCom/97/14.

62. The Executive Committee decided:

- (a) To note the progress report of UNEP as at 31 December 2024 contained in document UNEP/OzL.Pro/ExCom/97/14;
- (b) To approve the extension of the completion dates of the preparation of a national inventory of banks of waste controlled substances and development of a national plan for the management of those substances (decision 91/66) for the countries listed below to allow completion of the remaining ongoing activities, as reflected in table 5 of document UNEP/OzL.Pro/ExCom/97/14:
 - (i) Armenia (ARM/DES/93/PRP/29), Bolivia (the Plurinational State of) (BOL/DES/93/PRP/57), Guatemala (GUA/DES/93/PRP/64), Honduras (HON/DES/93/PRP/61), the Republic of Moldova (MOL/DES/93/PRP/48) and Yemen (YEM/DES/93/PRP/48), to June 2026;
 - (ii) Costa Rica (COS/DES/93/PRP/68), the Dominican Republic (DOM/DES/93/PRP/77), El Salvador (ELS/DES/93/PRP/47), Paraguay (PAR/DES/94/PRP/49), Saint Lucia (STL/DES/94/PRP/41) and Somalia (SOM/DES/94/PRP/21), to December 2026;
 - (iii) Belize (BZE/DES/94/PRP/46), Cambodia (KAM/DES/94/PRP/47), Grenada (GRN/DES/94/PRP/37) and Guyana (GUY/DES/94/PRP/40), to June 2027; and
- (c) To approve also the recommendations related to ongoing projects with specific issues contained in annex VI to the present report.

(Decision 97/12)

(v) UNIDO

63. The representative of UNIDO introduced document UNEP/OzL.Pro/ExCom/97/15.

64. The Executive Committee decided:

- (a) To note the progress report of UNIDO as at 31 December 2024 contained in document UNEP/OzL.Pro/ExCom/97/15;
- (b) To approve the extension of the completion dates of the preparation of a national inventory of banks of waste controlled substances and development of a national plan for the management of those substances (decision 91/66) for the countries listed below to allow

completion of the remaining ongoing activities, as reflected in table 5 of document UNEP/OzL.Pro/ExCom/97/15:

- (i) Benin (BEN/DES/93/PRP/49), Bolivia (Plurinational State of) (BOL/DES/93/PRP/58), Burundi (BDI/DES/93/PRP/46), Cameroon (CMR/DES/93/PRP/51), Ecuador (ECU/DES/93/PRP/83), Guatemala (GUA/DES/93/PRP/65), Honduras (HON/DES/93/PRP/62), Montenegro (MOG/DES/93/PRP/20), Togo (TOG/DES/93/PRP/44) and Venezuela (Bolivarian Republic of) (VEN/DES/93/PRP/141), to June 2026;
- (ii) Burkina Faso (BKF/DES/93/PRP/50) and the Niger (NER/DES/94/PRP/52), to December 2026;
- (iii) Iran (Islamic Republic of) (IRA/DES/94/PRP/274) and Libya (LIB/DES/94/PRP/49), to March 2027;
- (iv) Türkiye (TUR/DES/94/PRP/116), to May 2027;
- (v) Botswana (BOT/DES/94/PRP/32), to June 2027;
- (vi) Afghanistan (AFG/DES/94/PRP/32), to December 2027;
- (c) To approve also the extension, to December 2026, of the completion dates of the projects related to HCFC phase-out management plans (HPMPs) listed below to allow completion of the remaining ongoing activities, as reflected in table 6 of document UNEP/OzL.Pro/ExCom/97/15:
 - (i) HPMP for Algeria (stage I, first tranche) (activities in the refrigeration servicing sector including phase-out of HCFC-141b used for flushing, and project monitoring) (ALG/PHA/66/INV/77);
 - (ii) HPMP for Jordan (stage II, third tranche) (JOR/PHA/91/INV/114);
 - (iii) HPMP for the Niger (stage I, second tranche (NER/PHA/84/INV/39) and stage I, third tranche (NER/PHA/88/INV/41));
 - (iv) HPMP for the Sudan (stage II, first tranche) (foam sector) (SUD/PHA/75/INV/38);
- (d) To request the Secretariat to send a letter to Afghanistan and to UNIDO, as the lead implementing agency, regarding possible cancellation of the HPMP for the country (stage I, third tranche (AFG/PHA/79/INV/22), stage I, fourth tranche (AFG/PHA/85/INV/28) and stage II, first tranche (AFG/PHA/85/INV/30)); and
- (e) To approve the recommendations related to ongoing projects with specific issues contained in annex VII to the present report.

(Decision 97/13)

(vi) World Bank

65. The representative of the World Bank introduced document UNEP/OzL.Pro/ExCom/97/16.

66. The Executive Committee decided:

- (a) To note the progress report of the World Bank as at 31 December 2024 contained in document UNEP/OzL.Pro/ExCom/97/16;
- (b) To approve the extension, to December 2026, of the completion date of the preparation of a national inventory of banks of waste controlled substances and development of a national plan for the management of those substances (decision 91/66) for Viet Nam (VIE/DES/93/PRP/94) to allow completion of the remaining ongoing activities, as reflected in table 5 of document UNEP/OzL.Pro/ExCom/97/16; and
- (c) To approve also the recommendations related to ongoing projects with specific issues contained in annex VIII to the present report.

(Decision 97/14)

(b) Reports on projects with specific reporting requirements

(i) Reports on projects with no outstanding issues

67. The Executive Committee considered document UNEP/OzL.Pro/ExCom/97/17.

68. The report relating to stage III of the HPMP for Pakistan was removed from the present sub-item and added to the list of reports for individual consideration under sub-item 7(b)(ii).

A. Reports related to HCFC phase-out management plans

Bahrain: HCFC phase-out management plan (stage II – progress report on the implementation of the work programme associated with the third and final tranche) (UNEP and UNIDO)

69. Information relating to the HPMP was set out in paragraphs 2 to 15 of document UNEP/OzL.Pro/ExCom/97/17.

70. The Executive Committee decided:

- (a) To note the progress report on the implementation of the work programme associated with the third and final tranche of stage II of the HCFC phase-out management plan for Bahrain, submitted by UNEP and contained in document UNEP/OzL.Pro/ExCom/97/17; and
- (b) To request UNEP to submit the verification report on 2024 consumption at the 98th meeting.

(Decision 97/15)

Iraq: HCFC phase-out management plan (stage II – completion of stage I, national phase-out plan, and project to replace CFC-12 with isobutane and CFC-11 with cyclopentane in domestic refrigeration manufacturing at Light Industries) (UNEP and UNIDO)

71. Information relating to the HPMP was set out in paragraphs 16 to 22 of document UNEP/OzL.Pro/ExCom/97/17.

72. The Executive Committee decided:

- (a) To note the reports on progress achieved in completing stage I of the HCFC phase-out management plan, the national phase-out plan (first tranche) (IRQ/PHA/58/INV/09) and the

project to replace refrigerant CFC-12 with isobutane and foam-blowing agent CFC-11 with cyclopentane in the manufacturing of domestic refrigerators and chest freezers at Light Industries Company for Iraq (IRQ/REF/57/INV/07), as submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/97/17; and

- (b) To request UNIDO to submit, at the 98th meeting, a progress report on the completion of projects referred to in subparagraph (a) above.

(Decision 97/16)

Lebanon: HCFC phase-out management plan (stage II – progress report on the implementation of the work programme associated with the fourth and final tranche) (UNDP)

73. Information relating to the HPMP was set out in paragraphs 23 to 33 of document UNEP/OzL.Pro/ExCom/97/17.

74. The Executive Committee took note of the final progress report on the implementation of the work programme associated with the fourth and final tranche of stage II of the HCFC phase-out management plan for Lebanon, as submitted by UNDP and contained in document UNEP/OzL.Pro/ExCom/97/17.

Lesotho: HCFC phase-out management plan (stage II – report on the status of adoption of safety standards for flammable refrigerants and the establishment of mandatory certification of technicians in line with decision 87/41(b)) (Government of Germany)

75. Information relating to the HPMP was set out in paragraphs 34 to 41 of document UNEP/OzL.Pro/ExCom/97/17.

76. The Executive Committee took note of the report on the status of adoption of safety standards for flammable refrigerants and the establishment of mandatory certification of technicians, in line with decision 87/41(b), associated with stage II of the HCFC phase-out management plan for Lesotho, as submitted by the Government of Germany and contained in document UNEP/OzL.Pro/ExCom/97/17.

B. Report related to Kigali HFC implementation plan Agreements

Agreements for the reduction in consumption of HFCs in accordance with stage I of Kigali HFC implementation plans

77. Information relating to preparation of the draft Agreements for stage I of KIPs approved at the 92nd to the 95th meetings was set out in paragraphs 53 to 57 of document UNEP/OzL.Pro/ExCom/97/17.

78. The Executive Committee decided to approve:

- (a) The Agreement between the Government of Albania and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the Kigali HFC implementation plan (KIP), contained in annex IX to the present report;
- (b) The Agreement between the Government of Armenia and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex X to the present report;
- (c) The Agreement between the Government of the Plurinational State of Bolivia and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XI to the present report;

- (d) The Agreement between the Government of Burkina Faso and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XII to the present report;
- (e) The Agreement between the Government of Cameroon and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XIII to the present report;
- (f) The Agreement between the Government of Chile and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XIV to the present report;
- (g) The Agreement between the Government of Colombia and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XV to the present report;
- (h) The Agreement between the Government of the Congo and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XVI to the present report;
- (i) The Agreement between the Government of Costa Rica and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XVII to the present report;
- (j) The Agreement between the Government of Cuba and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XVIII to the present report;
- (k) The Agreement between the Government of the Dominican Republic and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XIX to the present report;
- (l) The Agreement between the Government of Ecuador and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XX to the present report;
- (m) The Agreement between the Government of Guatemala and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XXI to the present report; and
- (n) The Agreement between the Government of Honduras and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XXII to the present report.

(Decision 97/17)

C. Report related to additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)

Kyrgyzstan: Additional activities to maintain energy efficiency in the refrigeration servicing sector under decision 89/6(b) (final progress report) (UNEP)

79. Information relating to the project was set out in paragraphs 58 to 63 of document UNEP/OzL.Pro/ExCom/97/17.

80. The Executive Committee took note of the final progress report on the project for additional activities for the introduction of alternatives to HCFCs with low- or zero-global-warming potential and for maintaining energy efficiency in the refrigeration servicing sector in Kyrgyzstan, as submitted by UNEP and contained in document UNEP/OzL.Pro/ExCom/97/17.

D. Request for change of implementing agency

Armenia: HCFC phase-out management plan (stage III) and Kigali HFC implementation plan (stage I) (request for change of implementing agency) (UNIDO and UNEP)

81. Information relating to the request for change of agency for implementation of projects was set out in paragraphs 64 to 76 of document UNEP/OzL.Pro/ExCom/97/17.

82. The Executive Committee decided:

- (a) To note the request by the Government of Armenia to transfer to UNIDO all activities included in stage III of the HCFC phase-out management plan (HPMP) and stage I of the Kigali HFC implementation plan (KIP) initially planned for implementation by UNEP;
- (b) With regard to stage III of the HPMP:
 - (i) To note decision 97/2 describing the return, by UNEP, of balances related to the implementation of its first tranche;
 - (ii) To approve:
 - a. The transfer to UNIDO of funding of US \$58,300, plus agency support costs of US \$4,081, to be included in the ongoing first tranche;
 - b. The transfer from UNEP to UNIDO of funding of US \$94,300, plus agency support costs of US \$6,601, approved in principle and associated with the second and third tranches;
 - (iii) To note that the Fund Secretariat had updated the Agreement between the Government of Armenia and the Executive Committee for stage III of the HPMP, as contained in annex XXIII to the present report, specifically Appendix 2-A, to reflect the transfer to UNIDO of the UNEP component, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 96th meeting (decision 96/33);
- (c) With regard to stage I of the KIP:
 - (i) To note decision 97/2 describing the return, by UNEP, of balances related to the implementation of the first tranche;
 - (ii) To approve the transfer to UNIDO of funding of US \$66,000, plus agency support costs of US \$8,580, to be included in the ongoing first tranche; and
 - (iii) That the Fund Secretariat had updated the schedule of the HFC phase-down commitments and funding tranches under the KIP for Armenia (decision 94/39) reflecting the transfer to UNIDO of the UNEP component and incorporated the updated schedule into the Agreement between the Government of Armenia and the

Executive Committee for stage I of the KIP, as contained in annex X to the present report.

(Decision 97/18)

E. Report related to a request for cancellation of various projects

Nicaragua: Request from the Government to cancel ongoing projects (UNIDO)

83. Information relating to the project cancellation request was set out in paragraphs 77 to 84 of document UNEP/OzL.Pro/ExCom/97/17.

84. Asked to provide additional information, if any, regarding the project cancellations, the representative of the Secretariat said that the Secretariat had contacted the Government in that regard but had not yet received an official response. It had, however, been informed by the country's representative at the Thirty-Seventh Meeting of the Parties that the Government was conducting an evaluation to determine whether to reinstate the activities and was preparing its official response and that the country remained fully committed to complying with the Montreal Protocol. The Secretariat would continue to monitor the situation.

85. The Executive Committee decided:

(a) To note:

- (i) That the Government of Nicaragua had confirmed cancellation of the following ongoing projects implemented by UNIDO: NIC/PHA/92/INV/48, NIC/EEF/92/TAS/49, NIC/DES/93/PRP/53, NIC/EEF/93/DEM/56 and NIC/KIP/93/INV/57;
- (ii) That funds for projects NIC/DES/93/PRP/53 and NIC/EEF/93/DEM/56 had been returned by UNIDO at the 97th meeting, as listed in annex III to document UNEP/OzL.Pro/ExCom/97/4 (report on balances and availability of resources);
- (iii) That funds for projects NIC/PHA/92/INV/48 and NIC/EEF/92/TAS/49 NIC/KIP/93/INV/57 would be returned by UNIDO at the 98th meeting; and

(b) To request the Secretariat to follow up with the Government of Nicaragua on matters relating to Multilateral Fund-supported projects.

(Decision 97/19)

(ii) Reports on projects with outstanding issues for individual consideration

86. The Executive Committee considered document UNEP/OzL.Pro/ExCom/97/18.

Reports related to HCFC phase-out management plans

Islamic Republic of Iran: HCFC phase-out management plan (stage II – progress report on the implementation of the work programme associated with the fifth and final tranche) (UNDP, UNEP, UNIDO and the Government of Italy)

87. The representative of the Secretariat introduced the report set out in paragraphs 2 to 21 of document UNEP/OzL.Pro/ExCom/97/18.

88. Two members raised concerns regarding the new request for an extension, noting that the Executive Committee, in decision 90/45, had previously granted an extension and specified that it was given on an exceptional basis and on the understanding that no further extension would be requested. The representative of UNDP explained that the conditions in the country appeared to now be conducive to full project implementation, with project staff fully returned to duty and safety measures in the country lifted so that activities on the ground could resume. The implementing agencies were in position to restart procurement, complete the conversion and engage with a new local implementing partner that was, in principle, qualified to implement the activities.

89. On the basis of the explanation provided, a third member expressed support for granting the new extension as recommended by the Secretariat. Other members still had concerns, however, and the Executive Committee agreed that interested members should conduct further discussions with the implementing agencies in the margins of the meeting.

90. Following the informal discussions, the Executive Committee decided:

- (a) To note the progress report on the implementation of the work programmes associated with the fifth and final tranche of stage II of the HCFC phase-out management plan (HPMP) for the Islamic Republic of Iran, submitted by UNDP in line with decision 94/36 and contained in document UNEP/OzL.Pro/ExCom/97/18; and
- (b) To approve, on an exceptional basis, the extension of the duration of stage II of the HPMP for the Islamic Republic of Iran to 30 June 2027, on the understanding that no further extension would be requested.

(Decision 97/20)

Pakistan: HCFC phase-out management plan (stage III – action plan related to the conversion of the enterprise Cool Point in the polyurethane foam sector) (UNIDO)

91. Information relating to the report on stage III of the HPMP for Pakistan, which had been removed from the list of reports on projects with no outstanding issues under sub-item 7(b)(i) and added to the list of reports for individual consideration under the present sub-item, was set out in paragraphs 42 to 52 of document UNEP/OzL.Pro/ExCom/97/17.

92. One member, noting that UNIDO was proposing to reallocate funds from a cancelled conversion project to other activities, questioned whether the alternative activities were indeed needed and whether some of the funds could instead be returned to the Fund. Providing clarification additional to the document, the representative of the Secretariat said that the enterprise Cool Point, which had originally been included in the project proposal, had ceased its operations and the balance of the funds was proposed for reallocation as per the proposal, with a view to supporting the country in ensuring the systematic phase-out of HCFC-141b in the foam sector and adoption of alternatives with low global-warming potential (GWP) in various foam applications. The representative of UNIDO added that Pakistan was in a challenging phase of enforcing its new ban of the HCFC-141b, especially in small and medium-sized enterprises and for the thermoware and spray foam sectors, and that the provision of additional technical assistance, including through the proposed outreach activities on regulations and alternative foam-blowing agents would be a meaningful use of the funds remaining from the project cancellation.

93. As questions remained regarding the use of the reallocated funds, the Executive Committee agreed that the discussions on the matter would continue in the margins of the meeting.

94. Following the informal discussions, the Executive Committee decided:

- (a) To note the action plan related to the conversion of the enterprise Cool Point in the polyurethane foam sector under stage III of the HCFC phase-out management plan for Pakistan, as submitted by UNIDO and contained in document UNEP/OzL.Pro/ExCom/97/17;
- (b) To note also that Cool Point had ceased its manufacturing operations and that there was a remaining balance of US \$91,993;
- (c) To approve the reallocation of US \$71,993 from the balances from Cool Point to implement activities relating to support for outreach on regulations enforcement relating to the ban of HCFC-141b in foam applications and to awareness and technical information outreach on low-global-warming-potential alternatives in foam applications to facilitate the complete conversion of the foam sector from HCFC-141b (pure and in pre-blended polyols) to alternative technologies; and
- (d) To note that UNIDO would return US \$20,000, plus agency support costs of US \$1,400 at the 98th meeting of the Executive Committee.

(Decision 97/21)

Qatar: HCFC phase-out management plan (stage II – progress report on the implementation of the commitments listed in decision 88/54(e)(i), (ii) and (iii) (decision 93/36)) (UNIDO and UNEP)

95. The representative of the Secretariat introduced the report set out in paragraphs 22 to 34 of document UNEP/OzL.Pro/ExCom/97/18 relating to the implementation of the commitments listed in decision 88/54(e).

96. Members recalled that the Executive Committee, in decision 88/54, had decided that the second tranche of stage II of the HPMP for Qatar should not be submitted until the four commitments made by the Government and reflected in decision 88/54(e) had been met. They also recalled that an exception to that had already been made when the second tranche was approved at its 93rd meeting, at which time the Committee had given clear directions regarding the release of funds to UNEP. While members appreciated the fact that work on fulfilling the commitments was continuing, they questioned the rationale for releasing funds before the commitments had been fully met. One member asked for information on the progress made in fulfilling the commitments and the reasons for the delay, including on implementation of the mandatory certification scheme.

97. Drawing attention to paragraph 23 of the document, the representative of the Secretariat said that there had been progress in implementing the commitments through national regulatory processes, which often took longer than expected. The Secretariat's intention had been to propose a meaningful way forward, namely, to provide some funding to enable UNEP to provide further assistance to the country in meeting the commitments in decision 88/54, while retaining the rest of the funding and including a condition related to submission of stage III of the HPMP.

98. Following the explanation provided, one member, acknowledging the concerns raised, nevertheless expressed support for the Secretariat's recommendation, on the basis that the challenges were well documented and related to national processes, that Qatar had made progress in overcoming the challenges posed by ongoing national procedures and that the proposed support was limited and tied to specific milestones.

99. Given the concerns raised, the Executive Committee agreed to hold further discussions in the margins of the meeting.

100. Following the informal discussions, the representative of the Secretariat reported that members had considered it important for the Government to intensify its efforts to finalize the regulations needed to implement the commitments contained in decision 88/54(e)(i) to (iii) and that there had been no consensus on adopting the Secretariat's recommendations contained in subparagraphs (b) to (f) of paragraph 34 of document UNEP/OzL.Pro/ExCom/97/18.

101. Accordingly, the Executive Committee decided to note the progress report on the implementation of commitments listed in decision 88/54(e)(i), (ii) and (iii) in the context of stage II of the HCFC phase-out management plan for Qatar, submitted by UNEP and contained in document UNEP/OzL.Pro/ExCom/97/18.

(Decision 97/22)

AGENDA ITEM 8: BUSINESS PLANNING

(a) Update on the status of implementation of the 2025–2027 consolidated business plan of the Multilateral Fund

102. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/19.

103. The Executive Committee decided to note:

- (a) The update on the status of implementation of the 2025–2027 consolidated business plan of the Multilateral Fund and financial planning for the triennium 2024–2026 contained in document UNEP/OzL.Pro/ExCom/97/19; and
- (b) That the total value of activities recommended to the 97th meeting amounted to US \$108,014,129 (including US \$12,667,813 for HFC-related activities; US \$3,987,881 for pilot projects for energy efficiency pursuant to decision 91/65; US \$21,262,663 for energy-efficiency projects pursuant to decision 94/60; and US \$2,674,620 for the preparation of national inventories of banks of waste controlled substances pursuant to decision 91/66), of which US \$10,304,295 was associated with project proposals not included in the 2025 business plan.

(Decision 97/23)

(b) Consolidated business plan of the Multilateral Fund for 2026–2028

104. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/20.

105. In the ensuing discussion, one member raised two issues. First, he observed that the funding window for energy-efficiency pilot projects in the manufacturing sector under decision 94/60 remained relatively underused, and he requested that the implementing agencies provide information on any factors or challenges that might explain why Article 5 countries had not been developing projects that could take advantage of the funding opportunities being presented. Such information could assist the Executive Committee in identifying ways to encourage Article 5 countries to avail themselves of the funding. The second issue concerned the question raised by the Secretariat about the appropriate timing for the submission of activities related to stage II of the KIPs, including project preparation. He observed that, in order to ensure continuity from stage I of the KIPs, project preparation would need to be approved in 2026 or 2027. It would therefore be timely to reach agreement on the project preparation guidelines for stage II, including through consideration of what elements of the stage I guidelines could be adapted for stage II of the KIPs and what might need to be changed in view of the availability of the HFC baseline to guide funding decisions. He therefore suggested

that the Secretariat prepare a brief document for consideration by the Executive Committee at its 98th meeting on adapting the guidelines for project preparation of stage I of KIPs approved under decision 87/50 to the preparation of stage II of KIPs.

106. Another member said that the 98th meeting might be too soon for the preparation of the proposed document on the project preparation guidelines for stage II of KIPs and suggested that it be considered at the 100th meeting of the Executive Committee. Recognizing that many approved stage I of KIPs would be completed by 2030 and that some Article 5 countries might wish to include project preparation proposals for stage II in their business plans, she also proposed that the approach adopted in the guidelines for funding the preparation of stage II of HPMPs be followed and that submission of requests for funding for project preparation for stage II of KIPs be allowed two years before the end date of the approved stage I.

107. Representatives of the implementing agencies identified a number of challenges that Article 5 countries might face in developing energy-efficiency projects eligible for funding under decision 94/60, including the lack of minimum energy performance standards for certain products or types of equipment, particularly for commercial refrigeration units; lack of capacity of enterprises to comply strictly with all the requirements of the decision and to achieve the performance levels needed to qualify for the additional funding; potential delays in obtaining approval from the enterprise management for project development; reluctance to divulge the confidential data required, including the additional component cost; lack of awareness of some enterprises of the financial opportunities available, especially in new sectors; and difficulty in applying some of the testing performance levels in countries that used higher-temperature conditions for testing.

108. The representative of the Secretariat said that the Secretariat had taken the initiative in helping the implementing agencies understand the modalities of energy-efficiency project proposals in the manufacturing sector, including through webinars, side events at meetings and participation in regional, subregional or country-level activities relating to energy-efficiency projects.

109. The Executive Committee agreed that interested members and the Secretariat would continue discussion of the matter informally, taking into consideration the issues raised, with a view to developing proposals on the way forward.

110. Following the informal consultations, the Executive Committee decided:

- (a) To note the consolidated business plan of the Multilateral Fund for 2026–2028 contained in document UNEP/OzL.Pro/ExCom/97/20;
- (b) To adjust the business plan as proposed by the Secretariat in document UNEP/OzL.Pro/ExCom/97/20;
- (c) To adjust the business plan also:
 - (i) By adding to the 2026 business plan projects and activities that had been deferred at the 97th meeting;
 - (ii) By taking into account the values approved in principle at the 97th meeting for new HCFC phase-out management plans and Kigali HFC implementation plans (KIPs);
- (d) To request the Secretariat to prepare a brief document for consideration by the Executive Committee at its 99th meeting on updating the guidelines on project preparation for stage I of KIPs for use during preparation of stage II of KIPs; and

- (e) To endorse the consolidated business plan of the Multilateral Fund for 2026–2028, as adjusted by the Secretariat and the Executive Committee, taking into consideration relevant decisions taken at the 97th meeting, while noting that endorsement did not denote approval of the projects identified therein or their funding or tonnage levels.

(Decision 97/24)

(c) Business plans of the bilateral and implementing agencies for 2026–2028

(i) Bilateral agencies

111. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/21, highlighting that, after the issuance of the document, the value of the projects submitted to the 97th meeting by the Government of Germany had been revised to US \$190,729. Given the value of approvals at the 94th, 95th and 96th meetings, submissions to the 97th meeting and the projects in the bilateral agency's adjusted business plan for 2026, the Government of Germany would exceed 20 per cent of its pledged contributions for the 2024–2026 triennium by US \$6,180,837.

112. Two members noted that, while overprogramming was not unusual, the extent to which the business plan submitted by the Government of Germany exceeded the 20 per cent allocation was cause for concern. Specific information was sought from the Government of Germany on what steps it had undertaken to remain at or below the threshold for allowable bilateral funding for the 2024–2026 triennium, without generating administrative burden or affecting its partner countries, and whether its partner countries had been advised of the overprogramming. Further inquiries were made to the Secretariat whether there was updated information on potential reprogramming.

113. The representative of the Secretariat said that the issue had been discussed with the Government of Germany, which had advised the Secretariat that the projects would be transferred to other implementing agencies to enable the Government of Germany to stay within the 20 per cent of its pledged contributions.

114. The representative of the Government of Germany informed members that the Government of Germany had made progress in the reprogramming of the activities of the business plan and would be able to show results at the subsequent meeting of the Executive Committee. She further stated that the Government of Germany was working closely with its partner countries and the Secretariat to ensure that there would be no delays in project implementation.

115. The Executive Committee agreed that interested members and the representative of the Government of Germany would continue to discuss the matter in the margins of the meeting.

116. Subsequently, the representative of the Government of Germany explained that the overprogramming was owing to two large tranches due at the 99th meeting in December 2026 and that the bilateral agency was working on the reprogramming of the said tranches with the partner countries, other implementing agencies and the Secretariat. She was confident that the reprogramming would not delay implementation.

117. The Executive Committee decided to note:

- (a) The business plans for 2026–2028 submitted by the Governments of Australia, France, Germany, Italy and the United Kingdom of Great Britain and Northern Ireland, contained in document UNEP/OzL.Pro/ExCom/97/21; and

- (b) That the level of activities in the business plan of the Government of Germany for 2026–2028 should be considered in light of the bilateral activity allocation for the triennium 2024–2026.

(Decision 97/25)

(ii) UNDP

118. The representative of UNDP introduced document UNEP/OzL.Pro/ExCom/97/22.

119. The Executive Committee decided:

- (a) To note the UNDP business plan for 2026–2028 contained in document UNEP/OzL.Pro/ExCom/97/22; and
- (b) To approve the performance indicators for UNDP set out in annex XXIV to the present report.

(Decision 97/26)

(iii) UNEP

120. The representative of UNEP introduced document UNEP/OzL.Pro/ExCom/97/23.

121. The Executive Committee decided:

- (a) To note the UNEP business plan for 2026–2028 contained in document UNEP/OzL.Pro/ExCom/97/23; and
- (b) To approve the performance indicators for UNEP set out in annex XXV to the present report.

(Decision 97/27)

(iv) UNIDO

122. The representative of UNIDO introduced document UNEP/OzL.Pro/ExCom/97/24.

123. The Executive Committee decided:

- (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 annex XXVI to the present report.

(Decision 97/28)

(v) World Bank

124. The representative of the World Bank introduced document UNEP/OzL.Pro/ExCom/97/25.

125. The Executive Committee decided:

- (a) To note the World Bank business plan for 2026–2028 contained in document UNEP/OzL.Pro/ExCom/97/25; and
- (b) To approve the performance indicators for the World Bank set out in annex XXVII to the present report.

(Decision 97/29)

AGENDA ITEM 9: PROJECT PROPOSALS

(a) Overview of issues identified during project review

126. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/26.

HCFC phase-out management plan for the Bolivarian Republic of Venezuela (stage II, fourth tranche) that was submitted and subsequently withdrawn

127. The representative of the Secretariat presented the issue set out in paragraph 7 of document UNEP/OzL.Pro/ExCom/97/26.

128. The Executive Committee decided to request UNIDO to assist the Government of the Bolivarian Republic of Venezuela, in conducting updated market demand analysis, to determine current HCFC requirements and to include the findings of that analysis in the resubmission of the fourth tranche of stage II of the HCFC phase-out management plan for the country.

(Decision 97/30)

Methodology used to calculate the climate impacts from the implementation of Kigali HFC implementation plans

129. The representative of the Secretariat presented the issue set out in paragraphs 14 to 33 of document UNEP/OzL.Pro/ExCom/97/26.

130. During the ensuing discussion, the suggestions offered by the Secretariat for updating and revising the methodology used to calculate the climate impact of KIP implementation were broadly welcomed. Members saw the value of a consistent approach in calculating climate impacts of KIPs. The proposed approach was realistic, as it took into account the fact that actual emissions were still increasing. Support was also expressed for the proposal to integrate benefits over a 10-year period.

131. One member said that, while there was value in a system using HFC consumption to calculate growth, it presented potential challenges for Article 5 countries where there had been major differences in consumption for economic reasons. Another member said it was not clear whether the methodology would capture the climate impact of implementation of the Kigali Amendment and whether it had fully taken into account the effect of other factors, such as the limited availability of alternatives. One member said that the application of a 3 per cent nominal growth rate in HFC consumption for all Article 5 countries in the three proposed business-as-usual scenarios was reasonable, although he questioned whether the assumption of a growth rate could be maintained later in the phase-down period. Several members asked for further information on the sources used for calculating the growth rate.

132. Regarding the three scenarios for likely HFC consumption presented, several members viewed the “high” scenario as unrealistic and not representative of real avoided emissions and saw the “intermediate” scenario as the one most applicable to actual circumstances, given the integration of HCFC consumption

into the calculation. Some suggestions were offered to refine the scenarios, for example by basing the calculation of future growth on the most recent consumption prior to the approval of the KIPs.

133. With regard to further work, there was a stated preference for continuing to use the GWP values of the Fourth Assessment Report of the Intergovernmental Panel on Climate Change, including to maintain consistency in the calculation methodology over time. There was also support for the proposed work on considering how to take into account the climate impact of energy-efficiency improvements and further updates to the Multilateral Fund Climate Impact Indicator, while maintaining use of the GWP values of the Fourth Assessment Report and estimating the climate benefit of the implementation of HPMPs, all of which could be considered at future meetings.

134. Responding to the issues raised, the representative of the Secretariat first clarified that the Secretariat would continue to use the Fourth Assessment Report GWP values as the basis for its methodology to calculate the climate impact of KIPs. The proposal to use updated GWP values pertained only to a possible update to the Multilateral Fund Climate Impact Indicator. Regarding the source of the 3 per cent growth rate, he said that it was derived from the work of the Scientific Assessment Panel, which had calculated the benefits achieved by the Montreal Protocol by using historical growth rates as a basis for comparing the present world where the Montreal Protocol existed with a notional world where it did not. In preparing its methodology, the Secretariat had been aware of the different growth rates that could be applied and had preferred to adopt a conservative approach, presenting a realistic estimate that would reflect the benefits achieved through the implementation of KIPs.

135. On the matter of whether the methodology might have negative implications for Article 5 countries, he clarified that there was no nexus between the proposed methodology and the cost guidelines and no connection to funding or compliance. The aim was merely to develop a methodology to calculate what would be the likely consumption and growth of HFCs over time in the absence of the Kigali Amendment and what were the benefits achieved by providing funding under the KIPs to enable Article 5 countries to phase down their HFC consumption. He emphasized that the aim was only to estimate the impact of funding provided by the Multilateral Fund to Article 5 countries that were implementing KIPs; that did not include, therefore, benefits from HFC reductions by non-Article 5 countries.

136. Regarding the questions on the different scenarios, including whether the most recent HFC consumption could be used and which scenario was the most realistic, he said that the Secretariat was looking for an approach that was simple and consistent and could be used across all countries, while acknowledging the considerable variability across Article 5 countries.

137. The Executive Committee agreed to establish a contact group to continue discussion of the matter.

138. Subsequently, the convener of the contact group said that constructive discussions had taken place, but the contact group had been unable to reach consensus on the matter at the present meeting.

139. The Executive Committee agreed to continue, at its 98th meeting, consideration of the issue of the methodology used to calculate the climate impact of the implementation of Kigali HFC implementation plans using the working documents set out in annex XXVIII to the present report.

Consideration of an extension of the funding window for the preparation of national inventories of banks of used or unwanted controlled substances and a plan for the collection, transport and disposal of such substances (decision 91/66)

140. The representative of the Secretariat presented the issue set out in paragraphs 34 to 38 of document UNEP/OzL.Pro/ExCom/97/26.

141. A number of members expressed their support for the recommendation to extend the funding window, stressing the importance and urgency of the issue of life-cycle refrigerant management and noting with pleasure the large number of countries that had shown interest by submitting projects thus far. One of those members urged the countries that were currently preparing their inventories and national plans, and the implementing agencies, to hasten the finalization of those projects. Another member suggested extending the funding window even further than proposed, beyond the 99th meeting, noting that all Article 5 countries had the right to apply for funding for the preparation of inventories and national plans. The fact that extensions had been requested for a number of the projects currently under way indicated that difficulties and challenges had been encountered during implementation. Once those projects had been completed, information about how those difficulties had been addressed would be beneficial for countries that might wish to take advantage of an extended window to submit their own proposals. One member said that, if an extension were granted, it should not delay the process of analysing the results of the projects already submitted.

142. Some members said that they were open to extending the funding window but first wished to have clarification from the Secretariat and the implementing agencies regarding certain issues. One of those members wished to know whether the implementing agencies expected the 29 projects submitted at the present meeting to be finalized in a timely manner, or whether they foresaw delays with those projects. Other members asked whether the Secretariat could indicate how many countries were expected to take advantage of the opportunity to submit projects if the funding window were extended.

143. One member said that she was not in favour of extending the funding window, noting that, as agreed in decision 91/66, Article 5 countries had been given two and a half years to submit projects, which was a sufficient time frame for them to do so. Indeed, a total of 129 countries had already submitted projects or would be submitting one at the current meeting. That meant that only about 15 countries had not submitted a project.

144. The representative of the Secretariat said that 11 Article 5, group 1 countries and 5 Article 5, group 2 countries had yet to submit a project proposal. As to whether those countries intended to do so, the implementing agencies would be best placed to answer that question.

145. The member who was not in favour of granting the extension asked specifically which countries had not yet submitted project proposals and whether they had indicated that they intended to do so. The representative of the Secretariat said that the Article 5, group 1 countries that had not submitted proposals were Brazil, China, Colombia, the Democratic People's Republic of Korea, Djibouti, Haiti, Mauritania, Mozambique, Myanmar, South Sudan and the Sudan. The Article 5, group 2 countries that had not yet done so were Bahrain, India, Kuwait, Qatar and Saudi Arabia.

146. The representative of UNEP said that, while the implementation of the majority of projects remained on track, some had experienced delays, primarily owing to challenges at the national level, difficulties in recruiting specialized technical consultants, institutional and administrative constraints, restructuring in some levels of the government and capacity gaps among national stakeholders. Despite those challenges, progress continued steadily, and revised timelines had been established to ensure that the objectives were achieved and high-quality inventories were delivered. Regarding the possibility of additional submissions, discussions had been held with a few countries for which UNEP was the lead agency for HPMPs and KIPs, but UNEP had not yet received any endorsement letters from those countries.

147. The representative of UNDP said that UNDP did not intend to submit proposals for any additional countries but remained committed to supporting the proposals already submitted.

148. The representative of UNIDO said that the agency was currently supporting about 42 projects, some of which had experienced delays, for reasons similar to those described by other implementing agencies. The learning curve had been steep, both for UNIDO and for its stakeholders. Nevertheless, UNIDO now had

qualified experts to support the projects, and tools and methodologies that it believed would allow it to deliver on time.

149. The representative of the World Bank said that her organization was the lead agency for just one inventory project being submitted at the present meeting and that she did not foresee that internal capacity issues would prevent the Bank from providing full support for that proposal. Regarding the extension, currently no countries had requested more time for the development of an inventory proposal, but some countries had been reluctant to initiate inventories while preparing HPMPs and KIPs, owing to their limited capacity.

150. The representative of the Secretariat, in response to a question about a project that had been withdrawn from the consolidated business plan, clarified that the project was for Papua New Guinea and that it had been removed from the business plan for 2026 because it was already being considered at the present meeting.

151. The member who was not in favour of the extension said that it seemed that no countries had indicated interest in submitting proposals after the current deadline. She noted again that 129 countries had already submitted proposals, which was a significant number, especially considering that, at the time when the decision had been taken, the Committee had not expected to receive proposals from all Article 5 countries. She therefore saw no reason to extend the deadline any further.

152. Other members reiterated their preference for granting the extension and called on the Committee to show flexibility and understanding. One of those members pointed out the capacity issues raised by the representative of the World Bank, which could explain why some countries were still waiting to submit proposals. She noted that, while only a small number of countries had not yet submitted projects, some of those countries were likely responsible for large volumes of consumption and production. Their participation was therefore important for the implementation of the Montreal Protocol and the future disposal of waste controlled substances, and they should be encouraged to submit proposals. She strongly urged the Committee to extend the window, noting that, if necessary, it could clarify in a decision that any remaining countries who wished to submit proposals must make that intention known within a certain time frame. Two members suggested that the implementing agencies could ask the countries that had not submitted proposals whether they wished to do so at one of the two subsequent Committee meetings.

153. The member who was not in favour of granting the extension said that she was puzzled as to why the recommendation had been put forward, given that most of the eligible countries had already submitted projects and the remaining countries had not expressed an interest in doing so. Leaving the funding window open would delay the further steps in the funding process. Nevertheless, she was open to continuing the discussion in a small group.

154. The Executive Committee agreed to continue the discussion in informal consultations.

155. Following the informal consultations, the Executive Committee decided not to extend the funding window established for the preparation of national inventories of banks of used or unwanted controlled substances and a plan for the collection, transport and disposal of such substances pursuant to decision 91/66.

(Decision 97/31)

Issues related to projects submitted under the operational framework on energy efficiency (decisions 94/60 and 95/87)

156. The representative of the Secretariat presented the issues set out in paragraphs 39 to 45 of document UNEP/OzL.Pro/ExCom/97/26.

Proportion of equipment manufactured by an enterprise qualifying for the additional component incentive

157. One member sought clarification regarding whether the operational framework on energy efficiency adopted in decision 94/60 established a minimum threshold for the proportion of equipment qualifying for the incentive; why the Secretariat deemed there to be a risk, during project implementation, of enterprises shifting their manufacturing from models that qualified for the incentive to ones that did not; and how, in practice, assurances could be provided that an enterprise would achieve the proposed targets. Another member asked whether assurances should not be required from enterprises even if over 50 per cent of their manufacturing volume qualified for the incentive.

158. Responding, the representative of the Secretariat said that the operational framework did not specify a minimum threshold for qualifying equipment, as the issue of the qualifying proportion of manufacturing volume had not been anticipated during the development of the framework. The greater the proportion of qualifying equipment, the lower the risk that an enterprise would fail to meet energy-efficiency targets. It was common for larger enterprises in particular to manufacture a range of models to satisfy market demands, with more energy-efficient equipment tending to be more expensive, hence there was a risk of a shift in manufacturing towards cheaper, less energy-efficient equipment. The Secretariat had not suggested requiring assurances from enterprises that had over 50 per cent of their manufacturing volume qualifying for the incentive, as the risk of such enterprises failing to achieve the energy-efficiency targets was lower.

159. One member, noting that the issue of the qualifying proportion of manufacturing volume was pertinent to one of the energy-efficiency project proposals for Egypt, which would be considered under agenda item 9(d) on projects recommended for individual consideration, said that it would make sense to return to the present issue after that proposal had been discussed. The Committee agreed to consider the matter later in the meeting.

160. Subsequently, the Executive Committee decided, for projects submitted under the operational framework on energy efficiency, to approve the additional conditions for enterprises with less than 50 per cent of their manufacturing volume qualifying for the additional component incentive specified in subparagraphs 40(a) and (b) of document UNEP/OzL.Pro/ExCom/97/26.

(Decision 97/32)

Provision of additional capital costs to manufacturers that use complete knock-down kits

161. One member sought clarification regarding the rationale for providing additional capital costs to manufacturers that used complete knock-down (CKD) kits; the basis for concluding that the purchase of CKD kits that provided a specific level of energy-efficiency enhancement would likely be more expensive than purchasing components individually; whether the issue of manufacturers that used CKD kits had arisen in previous projects or was specific to projects under the energy-efficiency funding window; the basis for the proposed 50 per cent split in the disbursement of additional capital costs; and how it would be confirmed that enterprises that used CKD kits had manufactured equipment that met energy-efficiency targets. Another member asked how sustainability would be ensured for enterprises that used CKD kits.

162. In response, the representative of the Secretariat said that the probable greater cost of CKD kits compared to components purchased individually was a question of supply-chain negotiating power. Enterprises that purchased components individually could shop around to find the best prices, whereas enterprises that purchased CKD kits were likely to have less choice when it came to the components. The rationale for the 50 per cent split in the disbursement of capital costs was that enterprises that purchased CKD kits could be expected to face certain upfront costs related, for example, to training and third-party product testing. Other costs stemming from the use of CKD kits could be provided one year later. Confirmation of the achievement of energy-efficiency targets would be provided in the same manner as it

would for additional component costs. The sustainability of enterprises that manufactured using CKD kits would be ensured in part through the implementation of minimum energy performance standards.

163. One member, noting that the issue of the provision of additional capital costs to manufacturers that used CKD kits was pertinent to the energy-efficiency project proposal for Tunisia, which would be considered under agenda item 9(d) on projects recommended for individual consideration, said that it would make sense to return to the issue after that proposal had been discussed. The Committee agreed to consider the matter later in the meeting.

164. Subsequently, the Executive Committee agreed to defer, to a future meeting, consideration of the provision of additional capital costs to manufacturers that used complete knock-down kits in projects submitted under the operational framework on energy efficiency.

Manufacturing volumes to be considered while evaluating additional component costs for projects under decision 94/60

165. One member requested details of the basis for the proposed approach to manufacturing volumes and said that it would be preferable to defer consideration until after the discussion of project proposals under agenda item 9(d) on projects recommended for individual consideration. Responding, the representative of the Secretariat explained that the proposed approach to manufacturing volumes was similar to that followed for projects in the consumption sector. The Committee agreed to consider the matter later in the meeting.

166. Subsequently, the Executive Committee decided to note that for projects submitted under the operational framework on energy efficiency, the Secretariat would use either the latest year or the average of the three years preceding project submission to determine the manufacturing volumes.

(Decision 97/33)

(b) Bilateral cooperation

167. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/27.

168. The Executive Committee decided to request the Treasurer to offset the costs of the bilateral projects approved at the 97th meeting as follows:

- (a) US \$190,729 (including agency support costs) against the balance of the bilateral contribution of the Government of Germany for 2024–2026; and
- (b) US \$607,871 (including agency support costs) against the balance of the bilateral contribution of the Government of the United Kingdom of Great Britain and Northern Ireland for 2024–2026.

(Decision 97/34)

(c) Projects recommended for blanket approval

169. The Executive Committee considered document UNEP/OzL.Pro/ExCom/97/28.

170. One member requested that the preparation of the energy-efficiency pilot project for Grenada be removed from the list of projects recommended for blanket approval and considered individually under sub-item 9(d), as further clarification was needed on certain issues. Another member asked that the project on enabling activities for HFC phase-down for Yemen also be removed from the list of projects recommended for blanket approval and considered individually under sub-item 9(d).

171. The Executive Committee decided to approve the projects and activities submitted for blanket approval at the levels of funding indicated in annex XXIX to the present report, together with the implementation programmes associated with the relevant tranches of multi-year agreement projects, relevant conditions or provisions included in the corresponding project evaluation documents, and conditions attached to the projects by the Executive Committee, noting:

- (a) That the following Agreements had been updated:
 - (i) Between the Government of Brunei Darussalam and the Executive Committee for stage II of the HCFC phase-out management plan (HPMP), as contained in annex XXX to the present report, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector; and paragraph 17, which had been amended to indicate that the updated Agreement superseded that reached at the 91st meeting (decision 91/19);
 - (ii) Between the Government of Chad and the Executive Committee for stage II of the HPMP, as contained in annex XXXI to the present report, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector; and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 90th meeting (decision 90/37);
 - (iii) Between the Government of the Congo and the Executive Committee for stage II of the HPMP, as contained in annex XXXII to the present report, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector; and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 95th meeting (decision 95/48);
 - (iv) Between the Government of El Salvador and the Executive Committee for stage II of the HPMP, as contained in annex XXXIII to the present report, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector; and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 87th meeting (decision 87/38);
 - (v) Between the Government of Guinea-Bissau and the Executive Committee for stage II of the HPMP, as contained in annex XXXIV to the present report, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector; and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 95th meeting (decision 95/50);
 - (vi) Between the Government of Madagascar and the Executive Committee for stage II of the HPMP, as contained in annex XXXV to the present report, specifically Appendix 1-A and Appendix 2-A, to reflect the revised baseline for compliance, revised starting point for sustained aggregate reductions in HCFC consumption and the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 90th meeting (decision 90/41);

- (b) That the following Agreements had been approved:
 - (i) Between the Government of the Niger and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the Kigali HFC implementation plan (KIP), as contained in annex XXXVI to the present report;
 - (ii) Between the Government of Turkmenistan and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, as contained in annex XXXVII to the present report; and
- (c) That, for projects related to the renewal of institutional strengthening projects, blanket approval included approval of the observations to be communicated to recipient Governments, as contained in annex XXXVIII to the present report.

(Decision 97/35)

(d) Projects recommended for individual consideration

172. The Executive Committee considered document UNEP/OzL.Pro/ExCom/97/29.

A. Non-investment projects

Grenada: Preparation of a pilot project to maintain and/or enhance energy efficiency in the context of HFC phase-down (decision 91/65) (the Government of the United Kingdom of Great Britain and Northern Ireland)

173. The project had been removed from the list of projects recommended for blanket approval, agenda item 9(c), for individual consideration under the present sub-item.

174. The representative of the Secretariat drew attention to paragraphs 8 to 17 of document UNEP/OzL.Pro/ExCom/97/27.

175. One member said that she wished to better understand the linkages between the project and HFC phase-down activities for Grenada. The project raised an important issue, as its approval could pave the way for other energy-efficiency projects with unclear links to HFC phase-down to be submitted to the Committee for its consideration. Another member asked whether the adoption of digital tools was envisaged in stage I or subsequent stages of approved KIPs for any countries; what the total funding for the project would be; and whether the plan for the digital transformation of technician training mentioned in paragraph 10 of the document would be developed as part of the preparation for the pilot project or under the pilot project itself. One member, emphasizing the high cost of introducing advanced new technologies, said that, without funding over and above that allocated for the KIP for Grenada, it would not be possible to explore and develop digital tools as planned.

176. The Chair invited interested parties to engage in informal discussions on the matter in the margins of the meeting.

177. Subsequently, the Executive Committee decided not to approve the request for preparation of a pilot project to maintain and/or enhance energy efficiency in the context of HFC phase-down pursuant to decision 91/65 for Grenada.

(Decision 97/36)

Yemen: Enabling activities for HFC phase-down (UNEP)

178. The project had been removed from the list of projects recommended for blanket approval, agenda item 9(c), for individual consideration under the present sub-item.

179. The representative of the Secretariat drew attention to paragraphs 25 to 30 of document UNEP/OzL.Pro/ExCom/97/31.

180. One member asked what measures would be taken to ensure that the proposed financial aid was used by the internationally recognized Government of Yemen. He noted that it was important to have adequate controls in place to guarantee the appropriate management of enabling activities. The representative of UNEP replied that the utmost care was taken to ensure that any assistance provided to Yemen was received by the internationally recognized Government. Despite the conflict ongoing in the country since 2014, Yemen had remained in compliance with its reporting and other obligations under the Montreal Protocol and was currently implementing an institutional strengthening project. The robust structure for cooperation, coupled with a strong commitment from the Government, provided a solid foundation for future activities. The Government had shown a keen interest in the proposed enabling activities, which were expected to facilitate the country's ratification of the Kigali Amendment and its continued compliance with the Montreal Protocol. The member strongly emphasized that the measures mentioned by the representative of UNEP had to be taken to ensure that any assistance was directed to the internationally recognized Government.

181. The Executive Committee decided to approve the request for enabling activities for HFC phase-down for Yemen, in the amount of US \$250,000, plus agency support costs of US \$17,500, for UNEP.

(Decision 97/37)

B. Requests for new stages II or III and tranches of stages I or II of HCFC phase-out management plans, and a tranche of an HFC-23 emission control plan

Angola: HCFC phase-out management plan (stage III – first tranche) (UNDP)

182. The representative of the Secretariat drew attention to paragraphs 21 to 46 of document UNEP/OzL.Pro/ExCom/97/35.

183. One member highlighted the importance of supporting Article 5 countries in their efforts to meet their compliance obligations under the Montreal Protocol.

184. The Executive Committee decided:

- (a) To approve, in principle, stage III of the HCFC phase-out management plan (HPMP) for Angola for the period from 2025 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$520,000, plus agency support costs of US \$36,400, for UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Angola to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To note also the commitment of the Government of Angola to establish a ban on the import of HCFC-based equipment by December 2027;

- (d) To deduct 5.18 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To approve the Agreement between the Government of Angola and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage III of the HPMP, contained in annex XXXIX to the present report;
- (f) That approval of the second tranche of stage III of the HPMP would be conditional on the establishment of a ban on the import of HCFC-141b by December 2026;
- (g) That, to allow consideration of the final tranche of the HPMP, the Government of Angola should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040;
 - (ii) The expected annual HCFC consumption in Angola for the period 2030–2040; and
- (h) To approve the first tranche of stage III of the HPMP for Angola, and the corresponding tranche implementation plan, in the amount of US \$258,689, plus agency support costs of US \$18,108, for UNDP.

(Decision 97/38)

Argentina: HCFC phase-out management plan (stage II – fourth tranche) (UNIDO and the Government of Italy)

185. The representative of the Secretariat drew attention to paragraphs 1 to 45 of document UNEP/OzL.Pro/ExCom/97/36.

186. The Executive Committee decided:

- (a) To note:
 - (i) The progress report on the implementation of the third tranche of stage II of the HCFC phase-out management plan (HPMP) for Argentina;
 - (ii) The report on the update on the status of availability of alternatives, with low global-warming potential (GWP), to HCFC-141b in the foam sector and on the transitional use of high-GWP alternatives in the context of stage II of the HPMP for Argentina;
- (b) To request the Government of Argentina and UNIDO to submit:
 - (i) In line with decision 92/31(c)(ii), at the 98th meeting, an update on the local market availability of low-GWP alternatives to HCFC-141b in the foam sector and on the transitional use of high-GWP alternatives;
 - (ii) On a yearly basis until completion of the project, progress reports on the implementation of the work programme associated with the final tranche, and a project completion report to the first meeting of the Executive Committee in 2028;

- (iii) In the subsequent progress report referred to in subparagraph (b)(ii):
 - a. The updated list of downstream polyurethane (PU) foam enterprises being assisted by the Multilateral Fund under stage II, including their HCFC-141b consumption phased out, the subsector concerned, the baseline equipment and the technology adopted;
 - b. Revised dates for the commitment by the Government of Argentina to issue a ban on the import and use of HCFC-141b pure or contained in pre-blended polyols for the manufacture of PU foam; a ban on the import and use of HCFC-22 and HCFC-142b for the manufacture of extruded polystyrene foam; and a ban on the import and use of HCFC-141b for flushing refrigeration circuits during servicing;
- (c) To approve:
 - (i) On an exceptional basis, the extension of the duration of stage II of the HPMP for Argentina to 31 December 2027, on the understanding that no further extension would be requested; and
 - (ii) The fourth and final tranche of stage II of the HPMP for Argentina, and the corresponding 2026–2027 tranche implementation plan, in the amount of US \$919,124, plus agency support costs of US \$64,339.

(Decision 97/39)

Argentina: HCFC phase-out management plan (stage III – first tranche) (UNIDO)

187. The representative of the Secretariat introduced the information contained in document UNEP/OzL.Pro/ExCom/97/36/Add.1.

188. Two members expressed support for the project proposal, in particular the request for UNIDO to submit a detailed report on the end-user projects in the fisheries sector to the 99th meeting, which one member noted could provide valuable lessons learned to other countries. One member asked whether project funds would be used predominantly to reduce leakage rates in the fisheries and supermarket sectors or to support other activities. Another member asked why assistance had not previously been provided to phase out HCFCs in the aerosol sector; what follow-up would be given to system retrofits in the fisheries sector; whether agreements had been reached to improve servicing practices in the sector; and whether programmes were in place to replace old fishing vessels.

189. In response, the representative of the Secretariat said that, in the supermarket sector, funds would be allocated mainly to replacing HCFC-22-based stand-alone units and centralized systems through an incentive scheme. Some funds would also be spent on technician training and certification and on recovery, recycling and reclamation activities. In the fisheries sector, R-453A was currently the only alternative considered for conversion projects, as it was the only one available with GWP lower than that of HCFC-22, and could provide a short-term solution. UNIDO had agreed not to retrofit vessels to any higher-GWP technologies and to explore, together with the Government, other low-GWP alternatives that might exist on the market. In Argentina, the age of many vessels made complete reconversion a challenge. There were, however, opportunities for interventions to reduce leakage rates, which were far higher than in the supermarket sector. Such opportunities would be assessed in the report to be submitted by UNIDO to the 99th meeting. In the aerosol sector, the enterprises identified for support were small and consumed HCFC-22 and HCFC-141b for a variety of applications. The technical assistance that was being recommended was expected to facilitate phase-out efforts. Responding to a further request for clarification, he confirmed that

only R-453A would be used in the proposed conversion project in the fisheries sector. The project would be reviewed after a year to see whether other low-GWP alternatives were available.

190. The Executive Committee decided:

- (a) To approve, in principle, stage III of the HCFC phase-out management plan (HPMP) for Argentina for the period from 2025 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$9,244,015, plus agency support costs of US \$647,081, for UNIDO, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note:
 - (i) The commitment of the Government of Argentina:
 - a. To phase out HCFCs completely by 1 January 2030 and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
 - b. To establish a ban on the import of all equipment containing HCFC refrigerant and equipment requiring HCFCs for operation, servicing and maintenance by 1 January 2027, and on the manufacturing of HCFC-based aerosol and commercial refrigeration equipment by 1 January 2028;
 - (ii) That, upon completion of the end-user projects in the supermarkets and fisheries sectors included in stage III of the HPMP, UNIDO would submit final reports on their implementation in line with decision 92/36(g), including the HCFC phase-out and the energy-efficiency gains achieved;
- (c) To deduct 178.79 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Argentina and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage III of the HPMP, contained in annex XL to the present report;
- (e) To request UNIDO to submit to the 99th meeting a detailed report including updated data on refrigerant leakage rates in the fisheries sector, opportunities for additional interventions to reduce leakages in fishing vessels, progress on developing the retrofit incentive mechanism and additional information on potential technologies with lower global-warming potential that could be incorporated in the project;
- (f) That, to allow consideration of the final tranche of the HPMP, the Government of Argentina should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040;
 - (ii) If Argentina were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol,

proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030; and

- (g) To approve the first tranche of stage III of the HPMP for Argentina, and the corresponding tranche implementation plan, in the amount of US \$2,548,000, plus agency support costs of US \$178,360, for UNIDO.

(Decision 97/40)

Argentina: Control of emissions of HFC-23 generated in the production of HCFC-22 at Frío Industrias Argentinas (second and third tranches) (UNIDO)

191. The representative of the Secretariat drew attention to paragraphs 47 to 74 of document UNEP/OzL.Pro/ExCom/97/36 and to corrected figures set out in corrigendum UNEP/OzL.Pro/ExCom/97/36 /Corr.1. He explained that the corrected level of funding did not include the destruction of the 10.01 metric tonnes of HFC-23 that had been generated in 2024 but then destroyed in 2025. The country would be eligible to request funding for that destruction when it submitted its request for its next tranche in 2026, which would include verification of that and other destruction undertaken in 2025. In addition, he highlighted a concern raised by the Government of Argentina regarding the potential financial burden for the enterprise resulting from the timing of the provision of funding for the costs that the enterprise had incurred; the Government considered it important to identify ways to avoid a situation whereby funding to cover costs incurred in January or February was provided only 18 or 24 months later.

192. Members expressed appreciation for the corrections provided. One expressed particular appreciation for the perseverance of the Government of Argentina and the work of UNIDO and the Secretariat in moving forward the implementation of a technically challenging project. Another member admitted that she had found the text in paragraphs 67, 68 and 69 of the document difficult to follow and asked that similar explanations regarding eligible funding be more transparent and better elaborated in future documents on such projects. She also noted the concern raised by the Government of Argentina but questioned how the Committee should respond. The Committee agreed to hold informal discussions to determine how it might address that concern.

193. Following informal discussions in the margins of the meeting that gave members a better understanding of the concern raised by the Government of Argentina, the Executive Committee decided:

- (a) To note the progress report on the implementation of the first tranche of the project for the control of emissions of HFC-23 generated in the production of HCFC-22 at Frío Industrias Argentinas (FIASA); and
- (b) To approve the second and third tranches of the project for the control of emissions of HFC-23 generated in the production of HCFC-22 at FIASA, in the amount of US \$96,775, plus agency support costs of US \$6,774, for UNIDO, on the understanding that, in line with subparagraph 8(c) of the Agreement between the Government of Argentina and the Executive Committee, the remaining HFC-23 by-product for which funding for destruction could be requested at future meetings held within the Agreement implementation period was 215,348 kilograms.

(Decision 97/41)

Bangladesh: HCFC phase-out management plan (stage III – first tranche) (UNDP and UNEP)

194. The Executive Committee considered document UNEP/OzL.Pro/ExCom/97/37.

195. The representative of the Secretariat, noting that the 2024 verification report for HCFC consumption in Bangladesh had not been available at the time of the preparation of the document, provided an oral update. UNDP had subsequently submitted the report, which had been reviewed by the Secretariat and confirmed that 2024 HCFC consumption was in line with the Article 7 data and below the targets in the HPMP Agreement between the Executive Committee and the Government of Bangladesh and that the licensing and quota systems were functioning effectively for HCFCs in Bangladesh.

196. A member noted that the level of participation of women in the training workshops was very low and asked about barriers to greater involvement. She also noted the proposal to establish the country's first recovery and reclamation centre in cooperation with a major local enterprise and said that, while her delegation appreciated the willingness of the Government to develop an institutional legal framework on HCFC recovery and reclamation, it considered that it should be included in the proposed activities as a guarantee of the business model for the recovery and reclamation centres.

197. On the question of barriers to women's involvement in activities, the representative of the Secretariat said that UNDP had confirmed that the Government of Bangladesh was taking measures to implement the gender policy of the Fund. The representative of UNDP confirmed that Bangladesh followed relevant decisions of the Executive Committee, adding that the project itself was marketed by UNDP as intended to contribute meaningfully to gender issues in the country. Unfortunately, the initial assessment was that the refrigeration and air-conditioning servicing sector was male dominated, particularly in the field activities targeted by the training. To address the situation, UNDP was proposing to include a gender action plan under stage III of the HPMP to assess the conditions and propose further actions and had invited the Government of Bangladesh to participate in regional trainings to strengthen the national ozone unit's capacity in gender-related matters.

198. On the matter of HCFC recovery and reclamation regulation, the representative of the Secretariat reported that it would be a key parameter to be considered for the second and future recovery and reclamation programmes, but that the Government was not currently in a position to develop and to implement fully the policy and regulation. It nevertheless wished to undertake the project, with the help of a private enterprise, to enable a parallel process of initiating recovery and reclamation and developing policy. The representative of UNDP confirmed that the Government planned to initiate an environmental and social impact assessment on possible policies to enable the conditions for a fully-fledged reclamation programme, potentially including the prohibition of venting of refrigerants during servicing. That aspect would be addressed during the implementation of stage III of the HPMP and reported on in connection with the second tranche of funding.

199. The Executive Committee decided:

- (a) To approve, in principle, stage III of the HCFC phase-out management plan (HPMP) for Bangladesh for the period from 2025 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$2,399,415, consisting of US \$1,739,791, plus agency support costs of US \$121,785, for UNDP and US \$475,964, plus agency support costs of US \$61,875, for UNEP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Bangladesh to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To note also the commitment of the Government of Bangladesh to ban the import and manufacture of HCFC-22-based refrigeration and air-conditioning equipment from 1 January 2026;

- (d) To deduct 23.08 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To approve the Agreement between the Government of Bangladesh and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage III of the HPMP, contained in annex XLI to the present report;
- (f) That, to allow consideration of the final tranche of the HPMP, the Government of Bangladesh should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040;
 - (ii) If Bangladesh were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030; and
- (g) To approve the first tranche of stage III of the HPMP for Bangladesh, and the corresponding tranche implementation plan, in the amount of US \$1,199,942, consisting of US \$834,261, plus agency support costs of US \$58,398, for UNDP and US \$271,932, plus agency support costs of US \$35,351, for UNEP.

(Decision 97/42)

Cameroon: HCFC phase-out management plan (stage III – first tranche) (UNIDO)

200. The Executive Committee considered document UNEP/OzL.Pro/ExCom/97/42.

201. The Executive Committee decided:

- (a) To approve, in principle, stage III of the HCFC phase-out management plan (HPMP) for Cameroon for the period from 2025 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$2,131,201, plus agency support costs of US \$149,184, for UNIDO, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Cameroon to phase out HCFCs completely by 1 January 2030 and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To note also that the Government of Cameroon would ban the import and sale of new HCFC-based refrigeration, air-conditioning and heat-pump equipment starting 1 January 2028;
- (d) To deduct 23.55 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To approve the Agreement between the Government of Cameroon and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage III of the HPMP, contained in annex XLII to the present report;

- (f) To note that, upon submission of the second tranche of stage III of the HPMP for Cameroon, UNIDO would provide, on behalf of the Government of Cameroon, a detailed business plan for the recovery and reclamation programme for consideration by the Executive Committee;
- (g) That, to allow consideration of the final tranche of the HPMP, the Government of Cameroon should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040;
 - (ii) If Cameroon were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030; and
- (h) To approve the first tranche of stage III of the HPMP for Cameroon, and the corresponding tranche implementation plan, in the amount of US \$985,078, plus agency support costs of US \$68,955, for UNIDO.

(Decision 97/43)

China: HCFC phase-out management plan (stage II – overarching) (UNDP, UNEP, UNIDO, the World Bank and the Governments of Austria, Germany, Italy and Japan)

202. The representative of the Secretariat drew attention to paragraphs 1 to 29 of document UNEP/OzL.Pro/ExCom/97/44.

203. One member raised a number of issues and concerns arising from the information on the overarching strategy, relating to the low percentage of verified conversions for HCFC phase-out in the industrial and commercial refrigeration and air-conditioning (ICR) and solvent sectors indicated in table 6 of the document; the wide variation in the levels of disbursement to final beneficiaries in the various sectors, particularly in the extruded polystyrene (XPS) foam sector, as listed in table 7, which he said appeared to indicate implementation delays; and the very low level of returned interest on the large amounts of Multilateral Fund funding held by the Foreign Environmental Cooperation Center of the Government of China pending transfer to beneficiaries.

204. A second member echoed those concerns, noting that they related to issues such as the proper balance between necessary Multilateral Fund support and domestic capacity; tranche timing and size; approaches to incentives to safeguard market integrity; environmental impact; and the long-term sustainability of Multilateral Fund funding. She further noted that projects in all six sectors were in their final stages with significant approved funds still undisbursed, while there was evidence that enterprises in some sectors had undertaken conversion using their own resources, suggesting that further progress could be achieved without the immediate release of additional tranches.

205. Addressing the issue of low percentages of verified HCFC phase-out conversions shown in table 6 of the document, the representative of the Secretariat drew attention to the Agreement between China and the Executive Committee for HPMP implementation. Under approved performance-based agreements, performance was normally measured in compliance with targets. In the case of China, however, there were several sectors, each with a different target, and it had been decided that, in addition to the overall verification of consumption, each sector for which there was a target should have a manufacturing capacity conversion verification consisting of a random sample of at least 5 per cent of the manufacturing lines converted in the

year being verified. This was done on the understanding that the total aggregated HCFC consumption of the random sample represented at least 10 per cent of the sector consumption phased out that year. Consequently, in table 6, all verifications represented more than 5 per cent of the number of lines and more than 10 per cent of the amount of HCFC consumption. The percentages for the XPS foam, polyurethane (PU) foam and room air-conditioning manufacturing and heat pump water heaters (RAC) sectors were high because all the converted lines had been verified, which went beyond the obligation.

206. Turning to the concern raised regarding levels of disbursement to final beneficiaries, the representative of the Secretariat noted that each sector was different, but he provided an explanation of the figures for the XPS foam sector as an example. In that sector, table 7 showed that funding of US \$37 million had been approved to date; US \$35 million had been disbursed by UNIDO; and US \$32 million had been disbursed to beneficiaries by the Foreign Environmental Cooperation Center, leaving an undisbursed amount of US \$5 million. Table 1 on page 15 of the document, showing the status of progress on conversion at all XPS foam enterprises, indicated that contracts totalling US \$40 million had been signed, which was more than the funding approved to date; that two-thirds of the enterprises had completed their conversion; and that the remaining enterprises were at an advanced stage of implementation. The balances remaining with the agencies and with the Foreign Environmental Cooperation Center ultimately depended on the status of compliance with specific implementation milestones.

207. The representative of the Secretariat also confirmed that the overall amount not yet disbursed to beneficiaries for all sectors stood at around US \$40 million, as shown in table 7. With respect to the rate of return on the funds held by the Foreign Environmental Cooperation Center, the Secretariat had noticed that the level of interest had decreased over the years and had discussed the matter with UNDP, which had attributed it to the shorter amount of time that the funds spent in the accounts of the Foreign Environmental Cooperation Center and to lower balances.

208. The member that had originally raised the concerns, while voicing appreciation for the explanations provided, nevertheless pointed out that, for the ICR sector, the verification percentage was only 43 per cent and for just one line. He suggested that, given the sector's importance and high consumption, it would be helpful to have a higher verification percentage for the ICR sector in future reports.

209. Another representative of the Secretariat, responding to a query, provided an update on the information in paragraph 17 of the document regarding the verification report on the 2024 HCFC production and consumption figures in China. He reported that the Secretariat had reviewed the report submitted by the World Bank on behalf of the Government of China, which confirmed that the country was in compliance with the Montreal Protocol and with the specified targets. He also reported that, while there were some differences between the verified consumption and the consumption reported under Article 7 and the country's CP data report, they were very small.

210. Following the discussions on the individual sector plans in the HPMP for China, the Executive Committee agreed to hold informal discussions in an attempt to address members' residual concerns in relation to the HPMP.

211. On the basis of the informal discussions and subsequent bilateral discussions, the Executive Committee decided, with regard to the interest accrued by the Government of China, up to 31 December 2024, on funds previously transferred for the implementation of sector plans under stage II of the HCFC phase-out management plan (HPMP), as per decision 77/49(b)(iii), to request the Treasurer:

- (a) To offset future transfers to UNIDO by US \$1,721, representing interest accrued from funds previously transferred for the implementation of the extruded polystyrene foam sector plan under stage II of the HPMP;

- (b) To offset future transfers to the World Bank by US \$170, representing interest accrued from funds previously transferred for the implementation of the polyurethane foam sector plan under stage II of the HPMP;
- (c) To offset future transfers to UNDP by US \$7,244, representing interest accrued from funds previously transferred for the implementation of the industrial and commercial refrigeration and air-conditioning sector plan under stage II of the HPMP;
- (d) To offset future transfers to UNIDO by US \$14,697, representing interest accrued from funds previously transferred for the implementation of the room air-conditioning manufacturing and heat-pump water heater sector plan under stage II of the HPMP;
- (e) To offset future transfers to UNDP by US \$4,878, representing interest accrued from funds previously transferred for the implementation of the solvent sector plan under stage II of the HPMP; and
- (f) To offset future transfers to UNEP by US \$2,217, representing interest accrued from funds previously transferred for the implementation of the refrigeration and air-conditioning servicing sector plan and the national enabling programme under stage II of the HPMP.

(Decision 97/44)

China: HCFC phase-out management plan (extruded polystyrene foam sector plan) (stage II – eighth tranche) (UNIDO and the Government of Germany)

212. The Executive Committee considered the information set out in paragraphs 30 to 49 of document UNEP/OzL.Pro/ExCom/97/44.

213. One member noted, as a general concern, that the level of disbursement for the tranches approved in the past five years was quite low, for example, 30 per cent in the case of the tranche approved in 2023, and said that his delegation was reluctant to approve additional funding when large amounts of money were still available for implementation. He also asked for clarification regarding the actual versus planned pace of implementation for 2025.

214. The representative of the Secretariat responded that the various tranches were associated with different enterprises and different milestones, with the corresponding disbursements made once the milestones were reached; a more specific response regarding the reasons for a low disbursement rate for a specific tranche would require the consultation of tables and analysis and take more time to prepare, as would a precise response regarding actual versus planned progress for 2025. He nevertheless drew attention to paragraph 33 of the document, which indicated that 14 of 21 enterprises had completed their projects and the others were at various stages of implementation and expected to finish in 2025 or 2026.

215. Following the discussions on the other sector plans in the HPMP for China, the Executive Committee agreed to hold informal discussions in an attempt to address members' residual concerns in relation to the HPMP.

216. On the basis of the informal discussions and subsequent bilateral discussions, the Executive Committee decided:

- (a) To note the progress report on the implementation of the seventh tranche of the extruded polystyrene (XPS) foam sector plan of stage II of the HCFC phase-out management plan (HPMP) for China; and
- (b) To approve the eighth tranche of the XPS foam sector plan of stage II of the HPMP for

China, and the corresponding 2026 tranche implementation plan, in the amount of US \$4,000,000, plus agency support costs of US \$280,000, for UNIDO.

(Decision 97/45)

China: HCFC phase-out management plan (polyurethane foam sector plan) (stage II – sixth tranche) (World Bank)

217. The Executive Committee considered the information set out in paragraphs 50 to 76 of document UNEP/OzL.Pro/ExCom/97/44.

218. One member recalled his overarching questions regarding disbursement to beneficiaries, which also applied to the PU foam sector, and posed a number of additional questions, regarding the reference in paragraph 66 to an increase of some 10 per cent in consumption in 2024 and the possibly related postponement of the ban on the use of HCFCs in the PU foam sector, excluding spray foam. He also reiterated a request made at the 96th meeting to include specific references in such project documents to metrics about women's participation in the workforce and training.

219. Drawing attention to the table 4 on page 26 of the document, the representative of the Secretariat pointed out that, while consumption had indeed increased slightly from 2023, there had been a major reduction from the levels in 2022 and previous years. Consumption was controlled by government quotas for the enterprises, especially those with consumption above 100 metric tonnes. The Secretariat had noticed that consumption had increased slightly in 2024 from the 2023 level, but had not identified any particular reason for it, and noted that consumption remained below the maximum allowable level. Turning to the question of the postponement of the ban to 1 January 2026, he drew attention to page 22 of the document, showing the annual targets as per the Agreement with the Executive Committee, which indicated a drop from a maximum allowable consumption of 1,078 ODP tonnes to 330 ODP tonnes in 2025 and 0 ODP tonnes in 2026. In 2026, enterprises would have six months to continue using HCFC-141b, which would have to come from stocks set aside before that year. The Government had discussed those measures with the sector, and the World Bank had provided that explanation to the Secretariat.

220. Following the discussions on other sector plans in the HPMP for China, the Executive Committee agreed to hold informal discussions in an attempt to address members' residual concerns in relation to the HPMP.

221. On the basis of the informal discussions and subsequent bilateral discussions, the Executive Committee decided:

- (a) To note the progress report on the implementation of the fifth tranche of the polyurethane (PU) foam sector plan of stage II of the HCFC phase-out management plan (HPMP) for China; and
- (b) To approve the sixth tranche of the PU foam sector plan of stage II of the HPMP for China, and the corresponding 2026 tranche implementation plan, in the amount of US \$5,000,000, plus agency support costs of US \$350,000, for the World Bank.

(Decision 97/46)

China: HCFC phase-out management plan (industrial and commercial refrigeration and air-conditioning sector plan) (stage II – sixth tranche) (UNDP)

222. The Executive Committee considered the information set out in paragraphs 77 to 97 of document UNEP/OzL.Pro/ExCom/97/44.

223. Reiterating an overarching concern of his delegation, one member pointed out that just 21 per cent of the fifth tranche had been disbursed to beneficiaries to date and said that he did not see why, given the funding available, the Executive Committee should proceed to approve another tranche at the current meeting. More specifically, referring to paragraph 91, he requested more information on the relatively low utilization rate of the converted lines, noting that there appeared to be an implementation challenge, given that the converted lines were not producing equipment at anywhere near the expected rate. That might indirectly affect the HFC baseline, emissions and other aspects. He also asked for more information on the proposed end-user incentives referred to paragraph 93.

224. Responding, the representative of the Secretariat said that the fifth tranche had a low level of disbursement owing to the application of the overarching strategy for managing the transfer from UNDP to the Foreign Environmental Cooperation Center of China, which had started with the fifth tranche. In addition, the conversion of manufacturing lines was a step-by-step process that took time to complete. Nevertheless, the work had started and the approve funds were committed for the conversion of six manufacturing lines and other technical assistance activities. With regard to the low utilization rate reflected in paragraph 91 and whether analysis similar to that done for the RAC sector could be conducted, she recalled that manufacturing line capacity was somewhat different in the ICR sector from that in the RAC sector, as equipment was made to order, making it difficult to define line capacity. She nevertheless provided a general idea of the utilization of those lines, noting that they had produced 715,196 units, representing 17 per cent of total Chinese production of 4,142,000 units in that period. With respect to paragraph 93, which referred to seven demonstration projects at end-user sites to be funded under the sixth tranche, she explained that the projects would cover the three subsectors of the cold-chain sector and a range of applications using low-GWP alternative refrigerants, including cascade and secondary loop systems using carbon dioxide (CO₂), hydrofluoroolefins, R-290, ammonia and HFC-32. The Secretariat expected the demonstration projects to showcase low-GWP technologies and products and increase awareness among small and medium-sized enterprises and the public with regard to those technologies and products, thus supporting their adoption and the HCFC phase-out. Information on the demonstration projects would be disseminated through a final report on the demonstration projects, South–South cooperation, invitations to other Article 5 countries to visit the demonstration sites and annual exhibitions where the products, technology and information would be showcased. UNDP would also include the demonstration projects in its summary report in order to distribute the information internationally.

225. Following the discussions on the other sector plans in the HPMP for China, the Executive Committee agreed to hold informal discussions in an attempt to address members' residual concerns in relation to the HPMP.

226. On the basis of the informal discussions and subsequent bilateral discussions, the Executive Committee decided:

- (a) To note the progress report on the implementation of the fifth tranche of the industrial and commercial refrigeration and air-conditioning (ICR) sector plan of stage II of the HCFC phase out management plan (HPMP) for China;
- (b) To approve the sixth tranche of the ICR sector plan of stage II of the HPMP for China, and the corresponding 2026–2027 tranche implementation plan, in the amount of US \$7,559,464, plus agency support costs of US \$529,162, for UNDP; and
- (c) To request UNDP to submit detailed reports on the results of demonstration projects on technologies with low global-warming potential in the cold chain industry once they were completed, to enable the Secretariat to develop fact sheets that would inform future projects.

(Decision 97/47)

China: HCFC phase-out management plan (room air-conditioning manufacturing and heat-pump water heater sector plan) (stage II – fifth tranche) (UNIDO, the Governments of Austria and Italy)

227. The representative of the Secretariat drew attention to paragraphs 98 to 146 of document UNEP/OzL.Pro/ExCom/97/44.

228. Two members recalled that the sector had already been the subject of concerns raised in previous meetings and registered strong concern regarding the substantial funding that had been provided to the sector and the persistently low utilization of the converted lines. One of them, recalling that the original Agreement had been aimed to emphasize the conversion to R-290 in the sector, noted that, because manufacturing on those lines had not been commensurate with the conversions, there had instead been an increase in the manufacturing of high-GWP R-410A and HFC-32 systems. Both members questioned the Secretariat's estimate, in paragraph 132 of the document, of the average HFCs phased in between 2020 and 2022 to meet the demand associated with the idle HCFC-based manufacturing capacity converted to R-290 under the RAC sector plan. One asked whether the Secretariat had based its estimate on the refrigerant contained in equipment that would otherwise have been manufactured with alternatives, and both asked whether the estimate took the servicing of such equipment into account. One, recalling that the process of conversion had started in 2011, noted that the servicing build-up would have started in 2011 or 2012. Recalling that US \$75 million had been provided under stage I and additional funding under stage II, he also asked for confirmation that converted capacity averaged some 18 million units per year.

229. One member nevertheless highlighted positive points in the document, including the increase in the uptake of R-290 factory-sealed units. She also noted with appreciation regulatory tools already put in place or planned by the Government of China, which would start to have an impact in the following few years and would support the transition.

230. The representative of the Secretariat confirmed that stage I of the RAC sector plan had been approved in 2011 but said that the capacity to manufacture with R-290 had increased slowly as conversions progressed and had been well below 18 million units per year in the initial years. The Secretariat would need some time to work out the capacity converted per year, but he confirmed that, including lines that were still in the process of being converted, total capacity was currently 18 million units per year. As of 2022, the total converted capacity had been just under 12 million. Turning to the question of whether the Secretariat had included servicing in its calculations, he confirmed that it had not. Additional information could perhaps be provided given additional guidance from the Committee. He further clarified that, while the Secretariat had indeed restricted its analysis to the baseline years, the baseline was determined by the Ozone Secretariat, and neither the Multilateral Fund Secretariat nor the Executive Committee had any role in determining the country's baseline. He also confirmed the increased uptake of factory-sealed R-290 systems, with over 10 million units now sold, which was likely to facilitate the broader uptake of the technology.

231. The representative of UNIDO provided additional information on the production and sale plan for R290-based air-conditioning units in China in 2026. He reported that 10 manufacturing lines had been converted to R-290-based air conditioners under stage II of the RAC sector plan, for a total manufacturing capacity of 7 million units per year. Significant effort had been devoted to promoting the production and sale of R-290-based air conditioners. Following consultations with the Foreign Environmental Cooperation Center of China, the China Household Electric Appliances Association and the beneficiary enterprises, the planned manufacture and sale of R-290-based air conditioners was expected to increase significantly in 2026, to 2 million split units and 1.8 million R-290 factory-sealed units. Following approval of the current request, UNIDO planned to organize a meeting with beneficiary enterprises in January 2026 to discuss the implementation plan and identify the remaining challenges, including in relation to cost and safety. The Government of China was also working to address those issues through the policy, technology and market approaches described in the proposal. The year 2026 would therefore be a critical year for market adoption of R-290-based air conditioners in China. He also drew attention to the China–Austria and China–Italy bilateral component of the proposal, aimed at facilitating the uptake of R-290-based air conditioners in other

parts of the world. Implementation of the current project would enable China to further improve the safety, cost and energy efficiency of R-290-based air conditioners, making them easier to export.

232. Following the discussions on the other sector plans in the HPMP for China, the Executive Committee agreed to hold informal discussions in an attempt to address members' residual concerns in relation to the HPMP.

233. On the basis of the informal discussions and subsequent bilateral discussions, the Executive Committee decided:

- (a) To note the progress report on the implementation of the fourth tranche of the room air-conditioning manufacturing and heat-pump water heater sector plan of stage II of the HCFC phase-out management plan (HPMP) for China;
- (b) To note also the approach developed by the Secretariat, in consultation with UNIDO and in line with decision 94/34(c), to estimate the tonnage of possible HFCs phased in by Multilateral Fund-assisted enterprises to meet the demand associated with the HCFC-based manufacturing capacity converted to R-290 under the HPMP room air-conditioning manufacturing and heat-pump water heater sector plan, as contained in document UNEP/OzL.Pro/ExCom/94/29; and
- (c) To approve the fifth tranche of the room air-conditioning manufacturing and heat-pump water heater sector plan of stage II of the HPMP for China, and the corresponding 2025–2026 tranche implementation plan, in the amount of US \$8,717,105, plus agency support costs of US \$610,197, for UNIDO.

(Decision 97/48)

China: HCFC phase-out management plan (solvent sector plan) (stage II – seventh tranche) (UNDP)

234. The Executive Committee considered the information set out in paragraphs 147 to 168 of document UNEP/OzL.Pro/ExCom/97/44.

235. One member said that his previously stated concerns regarding the disbursement of funds also applied to the solvent sector in China, as well as the servicing sector, hence he also had misgivings about approving additional funding for those sectors. Addressing the concern as it related to the solvent sector, the representative of the Secretariat noted that, for the first three tranches, the approved funds had almost been fully disbursed and that, while disbursement of the fourth and fifth tranches had been slower, those funds should be disbursed in the near future. He also highlighted the fact that the Government of China was planning to ban the use of HCFC-141b in the solvent sector very soon, which would result, in early 2026, in the use of stockpiles only. The representative of UNDP added that most of the funds allocated under the tranches had been set aside, meaning that there were financial commitments to pay the conversion contracts in accordance with the procedures agreed with the Executive Committee for disbursement to Foreign Environmental Cooperation Center of China and then to the enterprises. The process involved a strict performance-based scheme of payments with verification, which accounted for the apparent mismatch between activity execution and fund disbursement.

236. Following the discussions on the other sector plans in the HPMP for China, the Executive Committee agreed to hold informal discussions in an attempt to address members' residual concerns in relation to the HPMP.

237. On the basis of the informal discussions and subsequent bilateral discussions, the Executive Committee decided:

- (a) To note the progress report on the implementation of the sixth tranche of the solvent sector plan of stage II of the HCFC phase-out management plan (HPMP) for China;
- (b) To request the Government of China and UNDP to submit progress reports on the implementation of the work programme associated with the final tranche, on a yearly basis until completion of the project, enterprise verification reports, and the project completion report to the first meeting of 2028; and
- (c) To approve the seventh and final tranche of the solvent sector plan of stage II of the HPMP for China, and the corresponding 2025–2026 tranche implementation plan, in the amount of US \$523,431, plus agency support costs of US \$36,640, for UNDP.

(Decision 97/49)

China: HCFC phase-out management plan (refrigeration and air-conditioning servicing sector plan and the national enabling programme) (stage II – eighth tranche) (UNEP, the Government of Germany and the Government of Japan)

238. The Executive Committee considered the information set out in paragraphs 169 to 191 of document UNEP/OzL.Pro/ExCom/97/44.

239. Responding to the question posed earlier regarding the low level of disbursements across the various sectors, the representative of the Secretariat said that, in the servicing sector, the operating modality of UNEP, the lead implementing agency, was based on the signature of a project cooperation agreement between UNEP and the Government for each tranche. That took time. Furthermore, the modality for disbursement of the funds that had been agreed with the Foreign Environmental Cooperation Center of China included disbursement according to cash-flow projections against the activities included in the servicing sector. There was a long list of activities that took time to implement. The disbursement level, shown in table 1 on page 71 of the document, indicated that, up to the third tranche, almost all the funds had been disbursed either from the agencies to the Government or from the Government to the beneficiaries and that undisbursed balances remained from the fourth tranche onwards. The funds sometimes remained with the implementing agencies for a longer period because Foreign Environmental Cooperation Center disbursed funds to the beneficiaries only once the activities had been completed.

240. Following the discussions on the other sector plans in the HPMP for China, the Executive Committee agreed to hold informal discussions in an attempt to address members' residual concerns in relation to the HPMP.

241. On the basis of the informal discussions and subsequent bilateral discussions, the Executive Committee decided:

- (a) To note the progress report on the implementation of the seventh tranche of the refrigeration and air-conditioning servicing sector plan and the national enabling programme of stage II of the HCFC phase-out management plan (HPMP) for China; and
- (b) To approve the eighth tranche of the refrigeration and air-conditioning servicing sector plan and the national enabling programme of stage II of the HPMP for China, and the

corresponding 2026–2027 tranche implementation plan, in the amount of US \$1,200,000, plus agency support costs of US \$131,680, for UNEP.

(Decision 97/50)

Djibouti: HCFC phase-out management plan (stage II – first tranche) (UNEP)

242. The Executive Committee considered document UNEP/OzL.Pro/ExCom/97/47.

243. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Djibouti for the period from 2025 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$423,000, plus agency support costs of US \$54,990, for UNEP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Djibouti:
 - (i) To phase out HCFCs completely 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
 - (ii) To ban the import of new and used HCFC-based equipment by 30 June 2026;
 - (iii) To establish regulatory measures to control intended emissions of refrigerant during the installation, servicing and decommissioning of refrigeration and air-conditioning equipment, within stage II of the HPMP;
- (c) To deduct 0.46 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Djibouti and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in annex XLIII to the present report;
- (e) That, to allow consideration of the final tranche of the HPMP, the Government of Djibouti should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040;
 - (ii) The expected annual HCFC consumption in Djibouti for the period 2030–2040; and
- (f) To approve the first tranche of stage II of the HPMP for Djibouti, and the corresponding tranche implementation plan, in the amount of US \$239,000, plus agency support costs of US \$31,070, for UNEP.

(Decision 97/51)

Egypt: HCFC phase-out management plan (stage III – first tranche) (UNIDO and UNEP)

244. The Executive Committee considered the information set out in paragraphs 1 to 52 of document UNEP/OzL.Pro/ExCom/97/49.

245. The representative of the Secretariat, responding to a question from one member regarding the possibility of reflecting in the decision on the project the fact that the intellectual property associated with the technical assistance project to develop liquid desiccant indirect evaporative cooling hybrid technology would belong to the Multilateral Fund rather than the beneficiary, indicated that the Executive Committee could do so if it wished but had not done so in other similar projects.

246. The Executive Committee agreed that interested parties would hold informal consultations on the matter.

247. Following the informal consultations, in which concerns about the clarity of the ownership of the intellectual property associated with the development of the liquid desiccant indirect evaporative cooling hybrid technology had been expressed, the representative of the Secretariat said that it was a common understanding that the enterprise provided with technical assistance to develop the technology would not own the intellectual property, as it would be owned by the Multilateral Fund. As such, the recommendation of the Secretariat could be approved as proposed in paragraph 52 of the document.

248. The Executive Committee decided:

- (a) To approve, in principle, stage III of the HCFC phase-out management plan (HPMP) for Egypt for the period from 2025 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$9,855,722, consisting of US \$8,208,315, plus agency support costs of US \$574,582, for UNIDO, and US \$957,500, plus agency support costs of US \$115,325, for UNEP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note:
 - (i) The commitment of the Government of Egypt to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
 - (ii) The commitment of the Government to ban the import and manufacture of HCFC-based equipment by 1 January 2030;
 - (iii) That, upon completion of the end-user demonstration projects included in stage III of the HPMP, UNIDO would submit a final report on their implementation in line with decision 92/36(g), including the HCFC phase-out and energy-efficiency gains achieved;
- (c) To deduct 98.20 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (d) To approve the Agreement between the Government of Egypt and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage III of the HPMP, contained in annex XLIV to the present report;

- (e) That, to allow consideration of the final tranche of its HPMP, the Government of Egypt should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040;
 - (ii) If Egypt were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030;
- (f) To request UNIDO to submit a final progress report on the implementation of the work programme associated with the fifth and final tranche of stage II of the HPMP as part of the request for the second tranche of stage III of the HPMP; and
- (g) To approve the first tranche of stage III of the HPMP for Egypt, and the corresponding tranche implementation plan, in the amount of US \$4,935,109, consisting of US \$4,104,387, plus agency support costs of US \$287,307, for UNIDO and US \$485,000, plus agency support costs of US \$58,415, for UNEP.

(Decision 97/52)

Mali: HCFC phase-out management plan (stage II – first tranche) (UNEP and UNDP)

249. The Executive Committee considered document UNEP/OzL.Pro/ExCom/97/58.

250. The Executive Committee decided:

- (a) To approve, in principle, stage II of the HCFC phase-out management plan (HPMP) for Mali for the period from 2025 to 2030 for the complete phase-out of HCFC consumption, in the amount of US \$1,148,640, consisting of US \$646,000, plus agency support costs of US \$81,060, for UNEP and US \$394,000, plus agency support costs of US \$27,580, for UNDP, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs;
- (b) To note the commitment of the Government of Mali to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;
- (c) To note also that the Government of Mali would ban the import of HCFC-based equipment and ban the import of controlled substances in non-refillable cylinders starting 1 January 2028;
- (d) To deduct 9.80 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;
- (e) To approve the Agreement between the Government of Mali and the Executive Committee for the reduction in consumption of HCFCs, in accordance with stage II of the HPMP, contained in annex XLV to the present report;

- (f) That, to allow consideration of the final tranche of the HPMP, the Government of Mali should submit:
 - (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040;
 - (ii) The expected annual HCFC consumption in Mali for the period 2030–2040; and
- (g) To approve the first tranche of stage II of the HPMP for Mali, and the corresponding tranche implementation plan, in the amount of US \$574,950, consisting of US \$276,500, plus agency support costs of US \$34,695, for UNEP, and US \$246,500, plus agency support costs of US \$17,255, for UNDP.

(Decision 97/53)

Senegal: HCFC phase-out management plan (stage II – second and third tranches) (UNEP and UNIDO)

251. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/73.

252. The representative of the Secretariat, responding to a question from one member, clarified that, as per paragraph 15 of the document, Senegal had adopted minimum energy performance standards for residential air-conditioning and domestic refrigeration appliances and that a proposal for minimum energy performance standards for commercial and industrial refrigeration equipment had been developed. The additional activity proposed to maintain energy efficiency would focus on those sectors.

253. The representative of UNEP, responding to concerns expressed by the same member regarding the capacity of the implementing agency to finish the proposed projects in the timeline specified, noted that activities were on track, that the national ozone unit was fully operational and that, with the appointment of the new ozone officer, there was excellent progress in project implementation.

254. The Executive Committee agreed that interested parties would consult with the Secretariat and the implementing agencies in the margins of the meeting.

255. Subsequently, the Executive Committee decided:

- (a) To note:
 - (i) The progress report on the implementation of the first tranche of stage II of the HCFC phase-out management plan (HPMP) for Senegal;
 - (ii) The submission of additional activities to maintain energy efficiency in the refrigeration servicing sector, in the amount of US \$120,000, plus agency support costs of US \$15,479, for UNEP;
- (b) To approve the extension of the duration of stage II of the HPMP to 31 December 2027, on the understanding that no further extension would be requested;
- (c) To note that the Fund Secretariat had updated the Agreement between the Government of Senegal and the Executive Committee, as contained in annex XLVI to the present report, specifically Appendix 2-A, to reflect the extension of the duration of stage II and the revised funding schedule, which combined the second (2023) and third (2025) tranches, and the

inclusion of the funding for additional activities for energy efficiency in the refrigeration servicing sector referred to in subparagraph (a)(ii) above, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 88th meeting (decision 88/54);

- (d) To request the Government of Senegal, UNEP and UNIDO to submit a progress report on the implementation of the work programme associated with the final tranche on a yearly basis until the completion of the project and the project completion report to the first meeting of the Executive Committee in 2028; and
- (e) To approve the combined second and third tranches of stage II of the HPMP for Senegal, and the corresponding 2026–2027 tranche implementation plan, in the amount of US \$507,730, consisting of US \$358,000, plus agency support costs of US \$46,180, for UNEP and US \$95,000, plus agency support costs of US \$8,550, for UNIDO, on the understanding that the Treasurer would be requested to transfer the approved funds to UNIDO only after receipt by the Secretariat of the results of the feasibility study for the establishment of a recovery and reclamation system in Senegal, by March 2026, and review of the report by the Secretariat, in line with decision 88/55(e).

(Decision 97/54)

South Sudan: HCFC phase-out management plan (stage I – third tranche) (UNEP and UNDP)

256. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/78.

257. Responding to two comments on the viability of the project moving forward as planned given the recurrent political instability and civil unrest faced by South Sudan, the representative of the Secretariat said that, on the basis of the discussions that had taken place with UNEP, the efforts made by the country to implement the HPMP, the fact that reported consumption was well below the country's HCFC baseline for compliance, the existence of the country's active national ozone unit and the steering committee that advised the government on implementation of the HPMP and all ozone-related matters, there was reason to be optimistic about the current momentum in the country, which should facilitate implementation of the remaining activities of stage I and ensure that the country was prepared for a seamless transition to stage II. The representative of UNEP added further assurances regarding the work of the national ozone unit and the good results of the institutional strengthening project and stated the agency's intention to submit stage II by the second meeting in 2026. He further said that, should an extension to stage I be approved by the Executive Committee, there would be no gap in the implementation of the activities of the HPMP, as stage II would begin when stage I ended.

258. Several members expressed support for the extension requested in the document, given the clear explanation of the extenuating circumstances faced by South Sudan and the efforts made by the country to implement the HPMP and go beyond its reduction targets.

259. The Executive Committee decided:

- (a) To note:
 - (i) The progress report on the implementation of the second tranche of stage I of the HCFC phase-out management plan (HPMP) for South Sudan;
 - (ii) The commitment of the Government of South Sudan to ban non-refillable cylinders and the import of HCFC-based equipment by June 2026;

- (iii) That the Fund Secretariat had updated the Agreement between the Government of South Sudan and the Executive Committee, as contained in annex XLVII to the present report, specifically Appendix 2-A, to reflect the extension of the duration of stage I, and paragraph 16, which had been amended to indicate that the updated Agreement superseded that reached at the 91st meeting (decision 91/41);
- (b) To request the Government of South Sudan, UNEP and UNDP to submit the project completion report to the first meeting of the Executive Committee in 2027;
- (c) To approve, on an exceptional basis, given the delays in implementing phase-out activities owing to the special circumstances in the country, and noting that no further extension of project implementation would be approved, an extension, to 31 December 2026, of the date of completion of stage I of the HPMP for South Sudan; and
- (d) To approve the third and final tranche of stage I of the HPMP for South Sudan, and the corresponding 2025–2026 tranche implementation plan, in the amount of US \$76,935, consisting of US \$29,500, plus agency support costs of US \$3,835, for UNEP and US \$40,000, plus agency support costs of US \$3,600, for UNDP.

(Decision 97/55)

C. Requests for stage I of Kigali HFC implementation plans (KIPs) and tranche requests, including a KIP request with an energy-efficiency project

Angola: Kigali HFC implementation plan (stage I – first tranche) (UNDP)

260. The Executive Committee considered the information set out in paragraphs 47 to 101 of document UNEP/OzL.Pro/ExCom/97/35.

261. Several members noted the fluctuations in HFC consumption, including a very significant increase in 2023, and requested further information in that regard, including on whether that increase was due to stockpiling. Members also noted that the consumption of HFCs in Angola was much higher than in surrounding countries with comparable economic growth and wished to know why.

262. One member asked when the updates to the licensing and quota system would be finalized and noted with concern that the system did not include exports. Two members noted with appreciation that Angola was one of the few countries that had proposed an actual reduction in consumption in stage I of its KIP.

263. Two members noted that Angola did not have a mandatory, competency-based refrigeration and air-conditioning technician certification scheme and requested further information in that regard, emphasizing the importance of establishing such a scheme. One member noted the low number of female technicians in Angola and asked what follow-up would be given to that issue and what obstacles needed to be overcome to increase the percentage of female technicians.

264. The representative of the Secretariat said that 2024 was the first year that Angola had exported a controlled substance, which it had done in very limited amounts, and that the inclusion of exports in the licensing and quota system had therefore not been a top priority. Nevertheless, work to include exports was currently under way. The other aspect of the update to the licensing and quota system was the conversion from a system based on metric tonnes to one based on CO₂-equivalent tonnes, which would make it easier for Angola to remain in compliance. With regard to the consumption trend, the substantial decrease seen in 2021 was likely due to restrictions related to the coronavirus disease (COVID-19) pandemic. While the country had experienced growth both in its gross domestic product and in its population, it was possible that stockpiling was also a factor in the large spike in consumption in 2023. The Secretariat had discussed with

UNDP the growth in HFC consumption relative to total refrigerant use in 2009 and 2010, which was higher than in other countries in the region, but it had yet to fully understand the phenomenon. Thanks to the work done by the verifier, UNDP was confident about the accuracy of the reported HFC consumption for the baseline years. Given the very high consumption reported in 2023, the Secretariat had recommended inviting the country to include the verification of 2023 consumption when it submitted its subsequent tranche. One of the goals of stage I of the KIP was to lay the groundwork to enable the country to establish a mandatory certification scheme for refrigeration and air-conditioning technicians in a subsequent stage.

265. A representative of UNDP said that the agency had noted with concern the increase in the consumption of HFCs and had asked the verifier to review the import data for the years in question. UNDP, with the support of the national ozone unit and international consultants, had developed a licensing and quota system for HFCs that was based on CO₂-equivalent tonnes, which was being enforced as from 2025 and would soon also include the export of HFCs. The spike in HFC consumption in 2023 was due to a large number of installations that year, which UNDP had noted with concern. Nevertheless, the new licensing and quota system was expected to address the issue, and the country had provided assurances that the system would allow it to remain in compliance. Stage I of the KIP and stage III of the HPMP had been prepared with a view to promoting synergies with regard to technician training and other matters that would help the country to remain compliant and to get more women into the workforce.

266. Two members, noting that the Secretariat was tasked with considering opportunities for coordination and linkages across HPMPs and KIPs, asked what was being done in that regard with respect to the work on certification schemes in Angola. The representative of the Secretariat replied that what was being developed under stage III of the HPMP was not a certification scheme but rather an electronic registry system through which trained technicians could record their training and technical qualifications. That system could be used in the context of the KIP. The representative of UNDP confirmed that Angola did not currently have a technician certification scheme but that development of such a scheme had been noted as a necessary activity. UNDP efforts to support the stage I of the KIP had included developing and updating labour competency standards. Those activities would be undertaken in synergy with the current phase-out of HFC consumption in the country.

267. One member emphasized his support for the recommendation to include the year 2023 in the verification of HFC consumption, which would be of value given the very large increase in consumption in that year. Another member said that he hoped that the development of a technician certification scheme would be given urgent consideration.

268. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Angola for the period from 2025 to 2030 to reduce HFC consumption by 10 per cent of the country's baseline, in the amount of US \$924,036, plus agency support costs of US \$64,682, for UNDP;
- (b) To note that 387,800 CO₂-equivalent tonnes of HFCs would be deducted from the starting point for sustained aggregate reductions in HFC consumption that would be established on the basis of guidance provided by the Executive Committee;
- (c) To further note that the Government of Angola would put in place a ban on the import of HFC-based domestic and stand-alone commercial refrigeration units by 1 January 2029;
- (d) To invite the Government of Angola, should it wish to do so, to include the year 2023 in its verification of HFC consumption;

- (e) To approve the Agreement between the Government of Angola and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XLVIII to the present report; and
- (f) To approve the first tranche of stage I of the KIP for Angola, and the corresponding tranche implementation plan, in the amount of US \$385,563, plus agency support costs of US \$26,989, for UNDP.

(Decision 97/56)

Botswana: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNIDO)

269. The Executive Committee considered document UNEP/OzL.Pro/ExCom/97/39.

270. Several members noted with appreciation the HFC consumption reduction target of 15 per cent of the country's baseline, which was greater than that required under the Montreal Protocol. One of those members, noting the ban on the import of HFC-based domestic refrigeration equipment, asked why the ban was limited to that type of equipment.

271. Two members, noting that Botswana was among the countries listed in decision XXXV/16, on addressing the impacts of the COVID-19 pandemic on HFC baseline consumption for certain parties, of the Thirty-Fifth Meeting of the Parties and that the proposed target represented an increase of more than 100 per cent in consumption relative to the HFC component of the country's baseline, requested further information about the consumption trends in the country and about the rationale for the proposed target. One of those members wished to know whether data on 2018 consumption were available, as they would help members understand whether the 2019 consumption was representative of consumption before the COVID-19 pandemic. He pointed out that, while Botswana had not shown an increase in consumption in 2022 or 2023, it had shown a marked increase in 2024, and he asked whether that increase might be due to stockpiling. Noting that the HCFC component was about 60 per cent of the HFC baseline, he asked about the status of HCFC consumption in the country and whether conversions from HCFC to HFC were likely to take place.

272. The representative of the Secretariat said that there had been significant fluctuations in the consumption trend in recent years, due in part to the COVID-19 pandemic but also to an economic downturn related to political events, the effects of which had been felt through 2022. When stability returned and the economy flourished, from 2023, consumption increased significantly. That trend had been validated during the preparation of the KIP, and the growth of the sector, which was even higher than the estimated 3.3 per cent overall economic growth, made additional reductions somewhat difficult. The ban on HFC-based domestic refrigeration equipment would not be implemented for another few years. Botswana had initially proposed a reduction of 10 per cent, but following discussions with the implementing agencies it had agreed to a reduction of 15 per cent. It considered domestic refrigeration equipment to be the most readily achievable target, whereas it would need to carry out further investigation during the implementation of stage I of the KIP to determine whether bans on use in other types of equipment could also be included at a later stage. The Secretariat did not have access to data on 2018 consumption.

273. The representative of UNEP confirmed that the official data available through the Ozone Secretariat started from 2019. For that year, consumption was over 500,000 CO₂-equivalent tonnes, while the baseline was 389,992 CO₂-equivalent tonnes and the quota for 2025 was issued at the level of 389,849 CO₂-equivalent tonnes.

274. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Botswana for the period from 2025 to 2029 to reduce HFC consumption by 15 per cent of the country's baseline, in the amount of US \$178,540, consisting of US \$109,000, plus agency support costs of US \$14,170, for UNEP and US \$49,000, plus agency support costs of US \$6,370, for UNIDO;
- (b) To note:
 - (i) The commitment of the Government of Botswana to supporting reductions in HFC consumption in advance of the Montreal Protocol targets;
 - (ii) That the Government of Botswana would ban the import of HFC-based domestic refrigerators from 1 January 2029;
 - (iii) That, if the HFC consumption level for Botswana for the year 2025 was above the Montreal Protocol control limits or the maximum allowable consumption in the future Agreement between the Government of Botswana and the Executive Committee, on the understanding that the Government of Botswana would continue to make every effort to meet those control limits, the Secretariat would inform and seek guidance from the Executive Committee on the procedure to follow in light of decision XXXV/16, on addressing the impacts of the COVID-19 pandemic on HFC baseline consumption for certain parties, of the Thirty-Fifth Meeting of the Parties;
- (c) To approve the Agreement between the Government of Botswana and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex XLIX to the present report; and
- (d) To approve the first tranche of stage I of the KIP for Botswana, and the corresponding tranche implementation plan, in the amount of US \$107,915, consisting of US \$62,500, plus agency support costs of US \$8,125, for UNEP and US \$33,000, plus agency support costs of US \$4,290, for UNIDO.

(Decision 97/57)

Eritrea: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNIDO)

275. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/51. She noted that, since the issuance of the document, Eritrea had revised its Article 7 data, bringing reported HFC consumption for 2024 below the baseline of 169,249 CO₂-equivalent tonnes. Consequently, the Secretariat suggested deleting the words “on the understanding that the approval is without prejudice to the operation of the Montreal Protocol's mechanism for addressing non-compliance” from subparagraph (a) of the recommendation set out in paragraph 47 of the document.

276. One member expressed appreciation for the focus on addressing the high level of HFC consumption in the mobile air-conditioning and marine refrigeration subsectors and on improving the operation of the quota system to avoid future deviations above the baseline. Another member asked whether the proposed pilot demonstration project in the commercial refrigeration sector was necessary and would be used to catalyse broader change; whether there had been deviations above the HFC consumption baseline in any years other than 2024; and whether inconsistencies in Article 7 and CP data were a systemic issue and, if so, what actions were envisaged to rectify the situation. He also wished to know whether the Government had

considered setting its annual quota for 2025 below the baseline to provide a buffer and whether there was a precedent for including the clause proposed for deletion from subparagraph 47(a) of the document.

277. In response, the representative of the Secretariat said that the demonstration project had been proposed in view of the high level of HFC consumption in the commercial refrigeration sector and the lack of market penetration of low-GWP alternatives. The total component cost of the demonstration project had been revised downwards, as noted in subparagraph 35(c). Adjustments had been needed to address the inconsistent classification of substances in Article 7 and CP data. The language related to non-compliance proposed in subparagraph 47(a) was based on an established precedent. The annual quota for 2025 had been set by the Government, which had introduced a licensing and quota system to ensure compliance with the HFC consumption baseline.

278. The representative of UNEP explained that the 2024 non-compliance had resulted from a decimal point error, that Eritrea had since returned to compliance and that revised data was available on the Ozone Secretariat website. An import monitoring system was in place to ensure that the annual quota was not exceeded. One of the activities of the KIP would involve exploring possible regulatory amendments and updates to improve the system. The representative of UNIDO added that the commercial refrigeration sector was responsible for around 15 per cent of the country's HFC consumption and that the demonstration project would provide an opportunity to transition to low-GWP technologies, which would be rolled out in public institutions first with a view to subsequent scaling.

279. The Executive Committee agreed to hold informal discussions among interested members in the margins of the meeting.

280. Subsequently, the Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Eritrea for the period from 2025 to 2029 to reduce HFC consumption by 10 per cent of the country's baseline, in the amount of US \$178,540, consisting of US \$90,230, plus agency support costs of US \$11,730, for UNEP and US \$67,770, plus agency support costs of US \$8,810, for UNIDO;
- (b) To note:
 - (i) That the Government of Eritrea would put in place a ban on import of HFC-based domestic and stand-alone commercial refrigeration by 1 January 2028 and a ban on the use of HFC-23 in refrigeration applications by 1 January 2029;
 - (ii) That, upon completion of the end-user project included in stage I of the KIP, UNIDO would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g);
- (c) To approve the Agreement between the Government of Eritrea and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex L to the present report; and
- (d) To approve the first tranche of stage I of the KIP for Eritrea, and the corresponding tranche implementation plan, in the amount of US \$101,596, consisting of US \$60,614, plus agency support costs of US \$7,880, for UNEP and US \$29,294, plus agency support costs of US \$3,808, for UNIDO.

(Decision 97/58)

Ethiopia: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNIDO)

281. The Executive Committee considered document UNEP/OzL.Pro/ExCom/97/52.

282. One member requested further information on the HFC consumption trend in the country. Another member, noting that Ethiopia was considering the possibility of introducing a ban on HFC-based equipment from 2028, asked whether the Government was open to setting a more ambitious HFC reduction target than 10 per cent from the baseline.

283. Responding, the representative of the Secretariat drew attention to the information contained in paragraph 9 of the document and noted that, even with the proposed ban, Ethiopia would struggle to achieve a reduction in excess of 10 per cent from the baseline, bearing in mind projections for economic recovery and growth. The representative of UNEP added that HFC consumption had been above the baseline in 2019, before decreasing for the reasons outlined in paragraph 9 and then rebounding in 2024. The scope for a more ambitious reduction target was limited by the relatively low contribution of the HCFC component of the baseline in the country.

284. Two members expressed an interest in receiving further clarifications on the project. Accordingly, the Executive Committee agreed that interested parties would hold informal discussions on the matter in the margins of the meeting.

285. Subsequently, the Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Ethiopia for the period from 2025 to 2029 to reduce HFC consumption by 10 per cent of the country's baseline, in the amount of US \$192,100, consisting of US \$106,000, plus agency support costs of US \$13,780, for UNEP, and US \$64,000, plus agency support costs of US \$8,320, for UNIDO;
- (b) To note that, upon completion of the end-user project included in stage I of the KIP, UNIDO would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g);
- (c) To note also:
 - (i) That the Government of Ethiopia would continue to monitor its HFC consumption to understand the extent to which reported consumption in baseline years was representative of the local market's needs and to assess what future HFC demand would be, and would provide that analysis when submitting the second tranche of its KIP;
 - (ii) That, on the basis of the information provided in subparagraph (c)(i) above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the Agreement between the Government of Ethiopia and the Executive Committee, would be revised when the Committee considered the second tranche of the KIP;
- (d) To note further that the Government of Ethiopia, through UNEP, would include in its submission of the second tranche of stage I of the KIP, the results of the foam sector assessment and any relevant information required under decision 96/52, if applicable;

- (e) To approve the Agreement between the Government of Ethiopia and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex LI to the present report; and
- (f) To approve the first tranche of stage I of the KIP for Ethiopia, and the corresponding tranche implementation plan, in the amount of US \$115,260, consisting of US \$62,500, plus agency support costs of US \$8,125, for UNEP and US \$39,500, plus agency support costs of US \$5,135, for UNIDO.

(Decision 97/59)

Fiji: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNDP)

286. The Executive Committee considered document UNEP/OzL.Pro/ExCom/97/53.

287. Two members sought clarification regarding the reasons for the significant increase in HFC consumption in 2022 and asked whether there was scope for a more ambitious reduction target under the KIP. One of them asked on what basis HFC consumption was projected to grow at a rate of 8.16 per cent per annum from 2025 to 2029 and whether any activities were planned to increase the number of women technicians, given that women accounted for only 10 of the 1,515 technicians in the country's refrigeration and air-conditioning servicing sector. The other member asked what percentage of the country's total HFC consumption stemmed from the fisheries sector.

288. In response, the representative of the Secretariat explained that the 2022 growth in HFC consumption, which had flattened out in 2023 and 2024, had been primarily due to the economic recovery from the COVID-19 pandemic, fuelled by a rebound in key sectors such as tourism and fisheries. Given the high HFC consumption levels in those sectors, the Government had concluded that committing to a more ambitious reduction target would carry too great a risk of non-compliance. Nevertheless, it was implementing measures to restrict growth in the domestic refrigeration and air-conditioning sector. The projected HFC consumption growth rate of 8.16 per cent per annum was a weighted average of growth rates for different HFCs estimated on the basis of market trends, which indicated very high growth in fisheries and air-conditioning applications. The Government was making significant efforts to boost women's participation in the refrigeration and air-conditioning servicing sector.

289. The representative of UNDP said that, in Fiji, as in other countries, servicing was a male-dominated sector. Conversely, women's representation at the management level in servicing sector enterprises was 50 per cent or higher. UNDP had proposed the development of an action plan to understand trends and identify actions to promote women's equal participation. Tourism, fisheries and agriculture, sectors heavily dependent on cooling equipment, were responsible for 70 per cent of the country's gross domestic product. Tourism, which had ground to a halt in 2020 on account of the COVID-19 pandemic, had experienced a resurgence in 2022, before stabilizing in 2023 and 2024. Fisheries accounted for approximately 20 per cent of the country's total HFC consumption. As could be seen from table 3 of the document, there had been significant recent growth in consumption of R-404A, a refrigerant used on fishing vessels in the country.

290. One member, noting that Fiji faced a difficult transition away from HCFC-22 and R-404A in the fisheries sector, said that a conservative reduction target would be helpful in ensuring that the country remained compliant as it navigated that challenge. Two members said that they would appreciate further discussions, with one citing ongoing concerns over the 2022 consumption data.

291. The Executive Committee agreed that interested parties would hold informal discussions on the matter in the margins of the meeting.

292. Subsequently, the Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Fiji for the period from 2025 to 2029 to reduce HFC consumption by 10 per cent of the country's baseline, in the amount of US \$192,100, consisting of US \$126,000, plus agency support costs of US \$16,380, for UNEP, and US \$44,000, plus agency support costs of US \$5,720, for UNDP;
- (b) To note that the Government of Fiji would ban the import and sale of HFC-134a-based domestic refrigerators and R-410A-based residential air conditioners from 1 January 2029;
- (c) To note also:
 - (i) That the Government of Fiji would continue to monitor its HFC consumption to understand the extent to which reported consumption in baseline years was representative of the local market's needs and to assess what future HFC demand would be, and would provide that analysis when submitting the second tranche of its KIP;
 - (ii) That, on the basis of the information provided in subparagraph (c)(i) above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the Agreement between the Government of Fiji and the Executive Committee, would be revised when the Committee considered the second tranche of the KIP;
- (d) To approve the Agreement between the Government of Fiji and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex LII to the present report; and
- (e) To approve the first tranche of stage I of the KIP for Fiji, and the corresponding tranche implementation plan, in the amount of US \$115,260, consisting of US \$58,000, plus agency support costs of US \$7,540, for UNEP and US \$44,000, plus agency support costs of US \$5,720, for UNDP.

(Decision 97/60)

Guinea-Bissau: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNIDO)

293. The Executive Committee considered the information set out in paragraphs 20 to 70 of document UNEP/OzL.Pro/ExCom/97/56. The representative of the Secretariat advised the Executive Committee of a proposed change in the draft recommendation to be more specific about the equipment to which an import ban and installation restrictions would apply.

294. During the ensuing discussion, several members sought clarification from the Secretariat regarding the revision to the recommendation and the rationale behind the change. The ambitious nature of the proposal by Guinea-Bissau was recognized. The inclusion of a demonstration project using R-290-based equipment, with the objective of showcasing the feasibility of hydrocarbon alternatives, was welcomed, as was the fact the proposal represented an actual reduction in consumption.

295. The representative of the Secretariat said that the initial project had requested a 15 per cent reduction from the baseline, but the Secretariat had observed that, with a slightly more ambitious project, Guinea-Bissau would be eligible for an additional 20 per cent of funding. The country had thus submitted a revised proposal with the additional funding and had adjusted its activities accordingly, including minor

adjustments to the legal and regulatory framework and capacity-building for technicians in the refrigeration and air-conditioning sector and for customs and trade officers. In addition, the demonstration project in the commercial refrigeration subsector would include an awareness-raising campaign and workshops aimed at promoting energy-efficient technologies in the country. Given that the recommendation on the ban was broad in nature, it had been adjusted to specify that the Government of Guinea-Bissau would put in place a ban on the import and restrictions on the installation of domestic refrigerators based on HFC-134a and commercial refrigeration equipment based on R-404A, by 1 January 2029.

296. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Guinea-Bissau for the period from 2025 to 2029 to reduce HFC consumption by 10 per cent of the country's average HFC consumption in the baseline years (17.48 per cent of the country's baseline), in the amount of US \$440,700, consisting of US \$250,000, plus agency support costs of US \$32,500, for UNEP and US \$140,000, plus agency support costs of US \$18,200, for UNIDO;
- (b) To note:
 - (i) The strong commitment of the Government of Guinea-Bissau to support reductions in HFC consumption in advance of the Montreal Protocol targets;
 - (ii) That, on completion of the end-user project included in stage I of the KIP, UNIDO would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g);
 - (iii) That the Government of Guinea-Bissau would put in place a ban on the import and restrictions on the installation of domestic refrigerators based on HFC-134a and commercial refrigeration equipment based on R-404A, and a ban on the import of controlled substances in non-refillable cylinders by 1 January 2029;
- (c) To approve the Agreement between the Government of Guinea-Bissau and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex LIII to the present report; and
- (d) To approve the first tranche of stage I of the KIP for Guinea-Bissau, and the corresponding tranche implementation plan, in the amount of US \$189,275, consisting of US \$129,500, plus agency support costs of US \$16,835, for UNEP and US \$38,000, plus agency support costs of US \$4,940, for UNIDO.

(Decision 97/61)

Mexico: Kigali HFC implementation plan (stage I – second tranche) (UNIDO, UNDP and UNEP)

297. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/60.

298. During the ensuing discussion, there were mixed views on whether the proposal should be approved at the present time. The commitment of the Government of Mexico and the implementing agencies was recognized, as the country was one of only a few that were submitting a proposal for the second tranche of the KIP, and the proposal had been submitted ahead of schedule. The country had gained experience during operationalization of activities under the project, and the pace of implementation had increased. Efforts should be made at the present meeting to resolve any issues and move the proposal forward.

299. Several members, however, viewed the submission of the proposal as premature. One member recalled that a condition for approval of the KIP under decision 93/68 was that the maximum allowable consumption limits for the remaining years of stage I of the KIP would be revised when considering the second tranche, in light of the data and analysis provided. Several members observed that inconsistencies in the consumption data for Mexico made it difficult to establish a baseline for the country. The high HFC consumption of 2022, which was over 95 million CO₂-equivalent tonnes, did not reflect the actual market dynamics or demand in the country, and the market had not fully adjusted since. Access to the 2025 data would provide the Executive Committee with more information on which to base its decision; in that regard, it would be preferable for the proposal to be resubmitted to the Executive Committee at its first meeting of 2026, when the data would be finalized and available. That would also enable the generation of more data on which to base calculation of the starting point.

300. One member expressed strong reservations about approving the proposal at the present meeting. The peak in consumption in 2022 as a consequence of new entrants flooding the market had distorted the baseline, with subsequent negative impacts on implementation. Even at the inception of the project in 2023, it had not been clear whether the obligations and commitments therein would produce measurable results and outputs. While the efforts of the Government had resulted in a number of helpful activities being undertaken, it remained the case that the maximum allowable consumption level was considerably higher than the actual market need. It was difficult, therefore, to ascertain whether the financing provided was making any positive impact, as the baseline was not reflective of the market reality. Having said that, the disbursements levels for the first tranche remained quite low, at around 20 per cent, and there seemed to be little need for immediate approval of an additional tranche when approximately 80 per cent of the first tranche remained unspent. Mexico also had at its disposal additional tools, such as its quota system, that could be used to impose a substantially lower level of consumption.

301. Responding to the issues raised, the representative of the Secretariat gave clarification of the schedule of the second tranche, which had been planned initially for 2025, and the proposal had therefore been submitted on schedule. Regarding the deductions from the starting point, the usual principles of making adjustments to accommodate distortions in the baseline due to specific circumstances would be applied at the time the starting point was determined to ensure that the funding provided addressed actual market needs. With regard to the import quotas, a mathematical formula had been applied in calculating the maximum quota limits per importer, as described in document UNEP/OzL.Pro/ExCom/97/60. The methodology had been modified to take account of the distorted levels of consumption in 2022, and he referred to the quota levels allocated in 2024 and 2025, as reflected in the document. There was, however, no current information on the level of use of the allocated quotas in 2025 or on the level of quotas for 2026.

302. The Executive Committee agreed to discuss the matter further among interested members.

303. Subsequently, the Secretariat reported that, despite constructive discussions, it had not been possible to reach consensus on the matter.

304. The Executive Committee decided:

- (a) To note with appreciation the submission of the request for the second tranche of stage I of the Kigali HFC implementation plan for Mexico;
- (b) To defer consideration of the project to the 98th meeting of the Executive Committee, for further discussion in light of additional consumption data, particularly for the year 2025.

(Decision 97/62)

Mongolia: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNIDO)

305. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/61.

306. Responding to questions and concerns raised by several members regarding the fact that the country's 2025 import quota level, for HFCs, of 207,742 CO₂-equivalent tonnes was 3.6 times higher than the baseline of 57,309 CO₂-equivalent tonnes, the representative of the Secretariat said that the quota level had been issued as a one-time temporary measure to address the persistent challenges faced by importers in bringing HFCs to Mongolia. Nevertheless, the country had only issued the license amount of 83,036 CO₂-equivalent tonnes, and, on the basis of discussions with the implementing agency, the country had agreed not to issue further licenses for 2025.

307. The representative of UNEP, also responding to the questions and concerns raised, further explained that Mongolia had previously imported a much larger volume of HFCs from one of its neighbour exporter countries but, from late 2018, consumption had dropped as importers faced challenges, such as tightening standards and requirements in relation to packaging, transportation and the storage of hazardous and dangerous goods, when it imported HFCs through the border of that country, which had limited the volumes imported. Further challenges, including trade restrictions owing to the COVID-19 pandemic from 2020 to 2022 and the increased cost of refrigerants due to the long route taken by imports through another neighbour country provided additional hurdles for HFC imports into Mongolia. The representative of UNEP said that the quota in the document was therefore to satisfy the one-time need and was applicable in 2025 only, noting that the country was subject to decision XXXV/16 of the Thirty-Fifth Meeting of the Parties. He also highlighted that the Government of Mongolia had assured UNEP that it would not consume more than the 83,036 CO₂-equivalent tonnes in the HFC licences already issued and that even that amount might not be utilized.

308. The Executive Committee agreed to conduct further informal discussions on the project.

309. Subsequently, the Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Mongolia for the period from 2025 to 2029 to reduce HFC consumption by 10 per cent of the country's baseline, in the amount of US \$152,550, consisting of US \$116,500, plus agency support costs of US \$15,145, for UNEP and US \$18,500, plus agency support costs of US \$2,405, for UNIDO;
- (b) To note:
 - (i) That, as Mongolia had issued HFC import licenses totalling 83,036 CO₂-equivalent tonnes in 2025 under extraordinary circumstances, which might have led the party to exceed significantly its consumption limit under the Montreal Protocol, approval of stage I of the KIP for the country was on an exceptional basis, recognizing Mongolia as a party listed under decision XXXV/16, on addressing the impacts of the COVID-19 pandemic on HFC baseline consumption for certain parties, of the Thirty-Fifth Meeting of the Parties;
 - (ii) The commitment of Mongolia not to issue additional HFC import licenses in 2025 and to comply with its Montreal Protocol control limits in subsequent years;
- (c) To approve the Agreement between the Government of Mongolia and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex LIV to the present report; and

- (d) To approve the first tranche of stage I of the KIP for Mongolia, and the corresponding tranche implementation plan, in the amount of US \$91,530, consisting of US \$62,500, plus agency support costs of US \$8,125, for UNEP and US \$18,500, plus agency support costs of US \$2,405, for UNIDO.

(Decision 97/63)

Oman: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNIDO)

310. The representative of the Secretariat drew attention to paragraphs 20 to 76 of document UNEP/OzL.Pro/ExCom/97/67.

311. Several members expressed support for the project and noted with appreciation the initiative shown by the Government of Oman in being the first Article 5, group 2 country to put forward the first stage of a KIP.

312. Responding to questions from several members regarding the use of the interim baseline, which could lead to a possible revision of the KIP, the representative of the Secretariat explained that the interim baseline would be used only for the purpose of setting interim targets for stage I of the KIP and that, once the actual HFC baseline had been established, the Agreement between the Government and the Executive Committee would be revised on the basis of establishment of the HFC baseline. The planned activities, funding levels and tonnage of the reduction would however be maintained. The reduction in CO₂-equivalent tonnes would be adjusted using the average GWP value of 2024 to 2026. Finally, she said that the Government of Oman did not expect a significant increase in HFC consumption in 2025 and 2026, because 91 per cent of the consumption in the country was in the servicing sector and it was not expected to increase dramatically.

313. Responding to questions from several members regarding the possibility of establishing a more ambitious target for HFC reduction in the presented KIP, the representative of the Secretariat said that, as a high-ambient-temperature country, with consumption mainly in the servicing sector, and given the uncertainties about the availability of alternatives, the country considered the proposed targets to be of the right level of ambition.

314. In response to a request from one member for a more detailed description of the cost calculation in paragraph 62, the representative of the Secretariat said that more detailed information could be provided bilaterally if required.

315. The Executive Committee agreed to continue informal discussions on the matter in the margins of the meeting.

316. Subsequently, the Secretariat reported that it had not been possible to reach consensus on the matter.

317. The Executive Committee decided:

- (a) To note with appreciation the submission of stage I of the Kigali HFC implementation plan (KIP) for Oman, which was the first KIP submitted by an Article 5, group 2 country; and
- (b) To defer consideration of the project to the 98th meeting of the Executive Committee, for further discussion in light of additional consumption data, particularly for the year 2025.

(Decision 97/64)

Serbia: Kigali HFC implementation plan (stage I – first tranche) (UNIDO and UNEP)

318. The Executive Committee considered the information set out in paragraphs 19 to 65 of document UNEP/OzL.Pro/ExCom/97/74.

319. Responding to one member who sought clarification regarding the HFC consumption of specific sectors detailed in the document, the representative of the Secretariat said that HFC consumption in the manufacturing sector was limited to local installation and assembly with no established assembly lines for certain direct activities within the sector; some enterprises, particularly those supplying European Union clients, assembled products using low GWP or zero GWP refrigerants. This was reflected in stage I of the KIP, under activity 2.1, which described an activity comprising a detailed study of the assembly sector and awareness-raising regarding low-GWP technologies. On the basis of the findings of that study, specific activities targeting the local assembly sector were expected to be submitted in stage II. She further explained that there was also small amount of HFC consumption in the firefighting sector, specifically 1.81 metric tonnes of HFC-227ea imported in 2022 and 1.29 metric tonnes imported in 2024, and that there were no HFC imports for the firefighting sector in 2020, 2021 or 2023. The national ozone unit was controlling the import of HFC-227ea through an allocated quota, with only one company importing, and would be working on adjusting national regulations in the sector, as it had been identified as a key step to facilitate the transition to non-controlled substances.

320. Responding to the same member's question about the cost-effectiveness figure used to calculate the funding for the present project, the representative of the Secretariat said that there had been many discussions with the implementing agency regarding the initial figure of \$5.10 per kilogram, and a number of recalculations had been performed before arriving at the final calculation of \$4.67 per kilogram. That was a value that the country felt comfortable absorbing.

321. Responding to a question from another member regarding notable increases in consumption in 2022 and 2023, the representative of the Secretariat referred to paragraph 27 of the document, which detailed how low levels in 2020 and 2021 were due to the COVID-19 pandemic. She explained that there had been a rebound in 2023 and somewhat in 2024, and that levels in 2023 were due to stockpiling. Nevertheless, as 2023 fell outside the baseline years, it would not have much of an impact on the level of funding.

322. Responding to a question from the same member regarding inconsistencies in Article 7 and CP data from 2021 to 2024, the representative of the Secretariat said that the CP data for 2022 had been updated in the system as at 18 November 2025 and that, for 2023 and 2024, the only discrepancy related to R-448, of which exports had been higher than imports. In the CP data, the use of R-448 was therefore recorded as zero, with a note that indicated that the exported quantities came from stockpiles. The small difference for R-404A in 2023 was due to rounding.

323. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Serbia for the period from 2025 to 2029 to reduce HFC consumption by 10 per cent of the country's baseline, in the amount of US \$748,645, consisting of US \$583,500, plus agency support costs of US \$40,845, for UNIDO and US \$110,000, plus agency support costs of US \$14,300, for UNEP;
- (b) To note that 326,187 CO₂-equivalent tonnes of HFCs would be deducted from the starting point for sustained aggregate reductions in HFC consumption that would be established on the basis of guidance provided by the Executive Committee;
- (c) To approve the Agreement between the Government of Serbia and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained

in annex LV to the present report; and

- (d) To approve the first tranche of stage I of the KIP for Serbia, and the corresponding tranche implementation plan, in the amount of US \$324,900, consisting of US \$235,000, plus agency support costs of US \$16,450, for UNIDO and US \$65,000, plus agency support costs of US \$8,450, for UNEP.

(Decision 97/65)

Serbia: Pilot project to maintain and enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down and a demonstration project to replace centralized R-404A refrigeration systems in three medium-sized supermarkets with decentralized self-contained plug-in cabinets using propane (non-investment activities) (decision 91/65) (UNIDO)

324. The representative of the Secretariat drew attention to paragraphs 66 to 94 of document UNEP/OzL.Pro/ExCom/97/74.

325. Responding to a question from one member regarding the demonstration of the R-404A refrigeration system in the project, the representative of the Secretariat explained that, following discussions with UNIDO, the demonstration project was deemed important as the country had a sensitivity regarding flammable alternatives and the demonstration project would help show the viability and energy efficiency of the technology within the country.

326. Responding to a question from the same member regarding replicability and the outcomes of the project, the representative of the Secretariat said that it was clear that the demonstration project would provide validated data for energy savings, safety and maintenance practices and that documentation of the technical feasibility of the alternative would further aid the rest of the country in adopting the technology.

327. Responding to a question from the same member regarding the commitment to minimum energy performance standards in the project, the representative of the Secretariat said the recommendation itself would commit the Government of Serbia to preparing specific minimum energy performance standards for retail display cabinets and developing a road map for the minimum energy performance standards, but noted that the Executive Committee could discuss other options. The representative of UNIDO added that the minimum energy performance standards were outdated, and through the present project Serbia would update them and align them with European Union standards.

328. The Executive Committee agreed that interested parties would discuss the language used in subparagraph (b) of the recommendation in the document with the Secretariat and the implementing agency in the margins of the meeting.

329. Subsequently, the Executive Committee decided to approve the pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down and a demonstration project to replace centralized R-404A refrigeration systems in three medium-sized supermarkets with decentralized self-contained plug-in cabinets using R-290 for Serbia (non-investment activities), in the amount of US \$316,000, plus agency support costs of US \$22,120 for UNIDO, noting:

- (a) That the Government of Serbia had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.;
- (b) That the Government of Serbia would establish specific minimum energy performance standards for retail display cabinets and develop a roadmap for minimum energy performance standards for condensing units and centralized systems; and

- (c) That the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project, including a detailed description of the activities undertaken to disseminate the results of the technology demonstration and to promote the adoption of the selected energy-efficient alternative technologies.

(Decision 97/66)

Somalia: Kigali HFC implementation plan (stage I – first tranche) (UNIDO and UNEP)

330. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/76.

331. Seeking clarification, one member asked whether, if the requested revisions to Article 7 data were approved, the country intended to maintain the KIP targets in the current CO₂-equivalent tonnage. The representative of the Secretariat confirmed that that was the case. The target would be maintained as confirmed by the country through UNIDO, and the reduction target would change from 10 per cent to 22 per cent from the new baseline.

332. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for Somalia for the period from 2025 to 2029, to reduce HFC consumption by 10 per cent of the country's baseline, in the amount of US \$367,250, consisting of US \$238,000, plus agency support costs of US \$30,940, for UNIDO and US \$87,000, plus agency support costs of US \$11,310, for UNEP;
- (b) To note:
 - (i) That 127,667 CO₂-equivalent tonnes of HFCs would be deducted from the starting point for sustained aggregate reductions in HFC consumption that would be established on the basis of guidance provided by the Executive Committee;
 - (ii) That the Government of Somalia had submitted to the Ozone Secretariat a request for revision of the country's HFC baseline, which would continue to be considered by the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol at its 76th meeting;
- (c) To approve the Agreement between the Government of Somalia and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex LVI to the present report;
- (d) To request the Fund Secretariat, in the event that the country's baseline was revised, to update Appendix 2-A of the Agreement to include the revised figures for maximum allowable consumption and funding level and to notify the Executive Committee of the resulting levels of maximum allowable consumption, with any necessary adjustments being made at the 99th meeting; and
- (e) To approve the first tranche of stage I of the KIP for Somalia, and the corresponding tranche implementation plan, in the amount of US \$219,220, consisting of US \$151,000, plus agency support costs of US \$19,630, for UNIDO and US \$43,000, plus agency support costs of US \$5,590, for UNEP.

(Decision 97/67)

South Africa: Kigali HFC implementation plan (stage I – first tranche) (UNIDO)

333. The representative of the Secretariat drew attention to paragraphs 27 to 89 of document UNEP/OzL.Pro/ExCom/97/77.

334. One member asked about the corrections made to the data for previous years and requested an update on whether the data corrections had been submitted to the Ozone Secretariat, as required. She also asked about the calculation method used for the cost-effectiveness threshold for the small commercial refrigeration project in the manufacturing sector, noting that the threshold agreed in table 14 was US \$32.67 per kilogram, substantially higher than the cost-effectiveness figure for commercial refrigeration specified in the HFC cost guidelines, which was US \$16.50.

335. With respect to the cost-effectiveness calculation, the representative of the Secretariat explained that the subsector consisted of three micro-enterprises, each with a consumption of less than 1.5 metric tonnes. The Secretariat had used the cost guidelines in decision 95/86, and specifically in subparagraph (e) of that decision, which indicated that small and medium-sized enterprises with consumption of less than 1.5 metric tonnes that were part of an umbrella project could receive funding of up to 2.5 times the agreed cost-effectiveness threshold specified for the sector, as long as the overall cost-effectiveness of the umbrella project was not more than 1.5 times the sectoral threshold specified in paragraph (d) of the decision. For the present case, the sectoral threshold specified in paragraph (d) was 32 per cent above the cost-effectiveness threshold. On that basis, the Secretariat had calculated a threshold of US \$21.78, which was 32 per cent higher than the US \$16.50 threshold for the commercial refrigeration sector, and had then applied the cap of 1.5 times to that threshold, leading to a figure of US \$32.67. He noted that the figure was slightly lower than had been requested, as the original proposal had used 2020, 2021 and 2022 as the reference years while the Secretariat had used the last three years, in accordance with common practice.

336. The representative of UNIDO addressed the question of the data corrections, explaining that, in developing the proposal, the agency had reviewed the CP and Article 7 data and realized that the CP data, which provided disaggregated data for the sectors and applications, was far more realistic. It had therefore reviewed the survey data and the verification and had found small differences in the data for 2023. Those differences were behind the requested revision to the baseline data, which was expected to be revised downward from 13.8 million CO₂-equivalent tonnes to 13.1 million CO₂-equivalent tonnes.

337. Another member expressed overall support for the proposal, highlighting with particular appreciation the way in which the revision of the baseline data would be addressed, where the maximum allowable consumption limits would not change but the reduction percentage to be achieved would be slightly lower if the data correction were to be approved. He nevertheless noted that a significant percentage of the country's consumption was in manufacturing, but only a very small amount of manufacturing was included following the Secretariat's review. He expressed the hope that it would be addressed to a greater degree in the subsequent stage of the KIP. That hope was echoed by a second member, who also asked for clarification of any bans expected to be put in place, in particular the planned ban on commercial refrigeration as of 2029.

338. Addressing the question of bans, the representative of the Secretariat drew attention to paragraph 69 of the document and said that the ban in question referred to small HFC-based commercial refrigeration equipment, as the conversion of the last three enterprises in that subsector would be completed. There would not be any other bans on specific manufacturing subsectors but, as described in paragraph 67 of the document, additional policies would be gradually introduced in the country, mainly for the servicing sector, including regulatory measures to prevent venting during installation, servicing and decommissioning of refrigeration and air-conditioning equipment, with penalties for non-compliance; periodic reporting on the quantities of recovered, reclaimed and reused refrigerants; limitation of purchases and sales of refrigerants to certified technicians only; and orders on record-keeping.

339. Two members expressed interest in the potential for increasing the ambition of the plan, and the Executive Committee agreed to hold informal discussions on the matter.

340. Following the informal discussions, the Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for South Africa for the period from 2025 to 2029 to reduce HFC consumption by 14.60 per cent of the country's baseline, in the amount of US \$3,027,401, plus agency support costs of US \$211,918, for UNIDO;
- (b) To note:
 - (i) The Government's commitment to establish a ban on the import and manufacturing of small stand-alone commercial refrigeration equipment using HFCs by 1 January 2029;
 - (ii) That 2,020,653 CO₂-equivalent tonnes of HFCs would be deducted from the starting point for sustained aggregate reductions in HFC consumption to be established based on guidance provided by the Executive Committee;
 - (iii) That the Government would submit a request for the HFC baseline revision to the Ozone Secretariat for consideration by the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol;
 - (iv) That the Government would be allowed to submit a proposal for stage II of the KIP by 2028;
- (c) To note also:
 - (i) That the Government of South Africa would continue to monitor its HFC consumption to understand the extent to which reported consumption in baseline years was representative of the local market's needs and to assess what future HFC demand would be, and would provide that analysis when submitting the second tranche of its KIP;
 - (ii) That, on the basis of the information provided in subparagraph (c)(i) above, the maximum allowable consumption limits for the remaining years of stage I of the KIP as contained in Appendix 2-A of the Agreement between the Government of South Africa and the Executive Committee, would be revised when the Committee considered the second tranche of the KIP;
- (d) To encourage the Government of South Africa to initiate, during the implementation period of stage I of the KIP, the development of a strategic approach to sustaining the phase-out of HFC consumption in the local assembly and installation subsector for commercial refrigeration, including a consideration of incentives and policy measures to sustain the achieved phase-out and taking into account document UNEP/OzL.Pro/ExCom 95/89, for possible inclusion in stage II;
- (e) To request the Fund Secretariat, in the event that the country's baseline was revised, to update Appendix 2-A of the Agreement to include the revised figures for the Montreal Protocol HFC consumption limits, maximum allowable consumption for stage I of the KIP and deductions of HFCs under the Agreement, and to notify the Executive Committee of

the resulting levels of maximum allowable consumption, with any necessary adjustments being made at the 99th meeting;

- (f) To approve the Agreement between the Government of South Africa and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex LVII to the present report; and
- (g) To approve the first tranche of stage I of the KIP for South Africa, and the corresponding tranche implementation plan, in the amount of US \$1,720,164, plus agency support costs of US \$120,411, for UNIDO.

(Decision 97/68)

United Republic of Tanzania: Kigali HFC implementation plan (stage I – first tranche) (UNEP and UNIDO)

341. The Executive Committee considered document UNEP/OzL.Pro/ExCom/97/82.

342. Noting that two demonstration projects accounted for a significant proportion of the requested funding, one member asked for clarifications regarding the projects, specifically the strategies envisioned for replicating their results. The representative of the Secretariat drew attention to paragraph 35 of the document, where the scalability and sustainability of and monitoring arrangement for the demonstration projects was discussed. He explained that the Government was aiming to address, in parallel, the two sectors that represented the largest use of HFCs, namely commercial refrigeration, accounting for 32.2 per cent of HFC use, and residential air-conditioning, accounting for 10.5 per cent. The representative of UNIDO added that the agency had also discussed with the country the possibility of addressing the mobile air-conditioning sector, but the Government had indicated that it preferred to take the project demonstration approach for the two sectors with substantial HFC consumption, to generate lessons and adopt technologies that were already available and deployable and could be replicated at a later stage.

343. The Executive Committee decided:

- (a) To approve, in principle, stage I of the Kigali HFC implementation plan (KIP) for the United Republic of Tanzania for the period from 2025 to 2029 to reduce HFC consumption by 10 per cent of the country's baseline, in the amount of US \$192,100, consisting of US \$106,000, plus agency support costs of US \$13,780, for UNEP and US \$64,000, plus agency support costs of US \$8,320, for UNIDO;
- (b) To note that, upon completion of the end-user project included in stage I of the KIP, UNIDO would submit a final report on the implementation of this project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g);
- (c) To approve the Agreement between the Government of the United Republic of Tanzania and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the KIP, contained in annex LVIII to the present report; and
- (d) To approve the first tranche of stage I of the KIP for the United Republic of Tanzania, and the corresponding tranche implementation plan, in the amount of US \$107,915, consisting of US \$61,500, plus agency support costs of US \$7,995, for UNEP and US \$34,000, plus agency support costs of US \$4,420, for UNIDO.

(Decision 97/69)

D. Stand-alone pilot projects related to energy efficiency

Albania: Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65): Introduction of leakage detection systems in refrigeration and air-conditioning equipment (UNIDO)

344. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/34.

345. One member said that, while she understood the need for and benefits of leakage detection systems, she was surprised that the project had been submitted as an energy-efficiency project. She requested information on the added value that it would provide and on linkage with the KIP and said that she wished to know the expected energy-efficiency benefits and how the results would be monitored and reported on.

346. The representative of the Secretariat explained that the leakage detection system would detect leakage early and reduce both further leaks and HFC consumption related to refilling, thereby supporting HFC phase-down. The energy efficiency of refrigeration and air-conditioning equipment was measured as the ratio of cooling output to electrical power input. When a refrigerant leak occurred, it caused the evaporator to function less efficiently and the system's cooling capacity to drop significantly. Established research and practical experience showed that leaks had a severe impact on performance, resulting in a dramatic drop in energy efficiency. When the refrigerant charge dropped to 80 per cent, the energy efficiency could decrease by as much as 30 per cent. Refrigerant-leak detection systems acted as early-warning systems, identifying leaks when they were small so that repairs could be initiated before the charge dropped to a level that impaired performance. By ensuring that the equipment always operated at or near its optimal charge level, the system guaranteed energy-efficient operation and consistent cooling and prevented system breakdown. Essentially, refrigerant-leak detection systems did not simply detect leaks and reduce HFC emissions; they were also a crucial tool for energy management, cost control and asset protection. With regard to the monitoring of energy-efficiency improvement, the country already had a mandatory requirement in place for leakage detection, record-keeping and regular reporting that could be utilized to monitor energy-efficiency improvement. The pilot project would also include a monitoring element, and the final report would include information on the energy consumption level before and after the installation of the leak detection system.

347. Two members expressed their strong support for the project, noting that a similar project in North Macedonia had already been approved at the Committee's previous meeting.

348. The member who had asked about the expected energy-efficiency benefits clarified that, while the connection between leakage detection and energy efficiency was quite clear, she wished to have a detailed analysis of the results of the project with regard to improving energy efficiency.

349. The Executive Committee decided to approve the pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities): Introduction of leakage detection systems in refrigeration and air-conditioning equipment for Albania, in the amount of US \$219,000, plus agency support costs of US \$19,710, for UNIDO, noting:

- (a) That the Government of Albania had committed to the conditions referred to in decision 91/65(b)(iv)b. to (b)(iv)d.; and
- (b) That the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.

(Decision 97/70)

Bosnia and Herzegovina: Pilot project to improve the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65): Improving minimum energy performance standards, and two demonstration projects on introducing low-global-warming-potential alternatives for enhancing the energy efficiency of small stand-alone equipment used in the commercial refrigeration sector and on introducing leak detection systems in stationary refrigeration and air-conditioning equipment (UNIDO)

350. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/38.

351. Two members noted the small scale of the project and said that they wished to understand better how it might result in broader change. One of those members said that she thought that the project could perhaps be carried out as part of a KIP rather than a stand-alone project.

352. One member expressed his full support for the project, which was highly replicable and could be scaled up. In addition, the project could help to raise awareness about the benefits of the R-290 technology, perhaps leading other countries to adopt it. Another member inquired about the prospects for change in the country with regard to minimum energy performance standards.

353. The representative of the Secretariat said that Bosnia and Herzegovina had committed to establishing mandatory minimum energy performance standards for refrigeration, air-conditioning and heat pump equipment by 2030. The demonstration project would consist of installing three R-290 small stand-alone units (display cabinets) at three different locations, to work in parallel with existing R-404A display cabinets or refrigeration plug-in units, and energy consumption would then be measured under real operating conditions. That comparison would be very helpful for understanding the potential energy and cost savings, with a view to raising awareness among similar-sized retail establishments. The project had a high potential for replication in the country, with 12,000 to 15,000 units that could be replaced each year.

354. The Executive Committee decided to approve the pilot project to maintain and enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) on improving the minimum energy performance standards, and two demonstration pilot projects on introducing low-global-warming-potential alternatives for enhancing the energy efficiency of small stand-alone equipment used in the commercial refrigeration sector and on introducing leak detection systems in stationary refrigeration, air-conditioning and heat pump equipment in Bosnia and Herzegovina, in the amount of US \$278,000, plus agency support costs of US \$19,460, for UNIDO, noting:

- (a) That the Government of Bosnia and Herzegovina had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.;
- (b) That the Government of Bosnia and Herzegovina would enhance the standards and energy labelling for stationary refrigeration, air-conditioning and heat pump equipment upon the completion of the project; and
- (c) That the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project, including a detailed description of the activities undertaken to disseminate the results of the technology demonstration and to promote the adoption of the selected energy-efficient alternative technologies.

(Decision 97/71)

Dominican Republic: Pilot project to maintain and/or improve the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65): Integrated energy-efficiency transition in the cooling sector (UNIDO and UNEP)

355. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/48.

356. One member asked if a target date had been set for the adoption of the updated minimum energy performance standards. The representative of the Secretariat replied that, while no exact target date had been set, the recommendation contained the condition that the updated minimum energy performance standards should be drafted and issued by the time of completion of the project. The country was currently working with the Caribbean Community (CARICOM) on the revision of the regional minimum energy performance standards, which would be used as the basis for the update and for the benchmarking of the road map to be developed as part of the project.

357. One member said that the hotel sector in island States, especially in the Caribbean, faced significant energy inefficiencies. Single-split air conditioners were widely used and accounted for over 50 per cent of total energy consumption on most islands. In addition, awareness-raising on the use of R-290 air conditioners was urgently needed in the hotel and tourism sector. The project was well-positioned to address all those points, and he therefore strongly supported it. He further highlighted that CARICOM had recently updated its minimum energy performance standards for refrigerating and unitary air-conditioning appliances, and countries in the region, including the Dominican Republic, were in the process of adopting those more ambitious minimum energy performance standards.

358. The Executive Committee decided to approve the pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities): Integrated energy-efficiency transition in the cooling sector for the Dominican Republic, in the amount of US \$331,000, consisting of US \$200,000, plus agency support costs of US \$18,000, for UNIDO and US \$100,000, plus agency support costs of US \$13,000, for UNEP, noting:

- (a) That the Government of the Dominican Republic had committed to the conditions referred to in decision 91/65(b)(iv)b. to (b)(iv)d.;
- (b) That the Government of the Dominican Republic would update the energy-efficiency standards for non-ducted single-split air conditioners and household refrigerators and freezers upon completion of the project; and
- (c) That the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project, including a detailed description of the activities undertaken to disseminate the results of the technology demonstration and promote the adoption of the selected energy-efficiency technologies and practices.

(Decision 97/72)

Egypt: Project to convert hermetic compressors at Fresh Compressor Factory to inverter compressor technology (decision 95/87) (UNIDO)

359. The representative of the Secretariat drew attention to paragraphs 53 to 80 of document UNEP/OzL.Pro/ExCom/97/49.

360. One member expressed support for the proposal. Another member asked whether Fresh Compressor Factory was a sustainable enterprise, given its low manufacturing volumes between 2022 and 2024, despite a reported installed capacity of 2 million compressors annually, and whether domestic manufacturers other

than Fresh Group were likely to purchase locally produced R-600a compressors if similar imported models were available at a lower price. Another member requested an update on the status of the pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down for Egypt approved by the Committee at its 93rd meeting under decision 93/81.

361. Responding, the representative of the Secretariat said that, while manufacturing volumes were currently very low, UNIDO expected the enterprise to be manufacturing close to its nominal capacity of 1 million units per year once it had completed the conversion process from HFC-134a- to R-600a-based compressors. As there was an open market for compressors in Egypt, imports could not be banned. The advantages of locally produced compressors were that they shortened procurement turnaround time and enabled manufacturers to avoid costs associated with importation and the need for foreign currencies. Those factors contributed to making the enterprise sustainable. Efforts were ongoing to strengthen minimum energy performance standards under the pilot project approved by decision 93/81. The representative of UNIDO confirmed that the pilot project was in the process of being implemented.

362. One member said that he would appreciate further clarifications on the proposal. Accordingly, the Chair invited interested parties, the Secretariat and the representative of UNIDO to engage in informal discussions on the matter in the margins of the meeting.

363. Subsequently, the Executive Committee decided to approve the project to convert hermetic compressors at Fresh Compressor Factory to manufacture inverter compressor technology in Egypt, in the amount of US \$1,255,250, plus agency support costs of US \$87,868, for UNIDO, noting:

- (a) That the Government of Egypt had committed to the conditions referred to in paragraphs 7 to 17 of document UNEP/OzL.Pro/ExCom/95/87;
- (b) The commitment of Fresh Compressor Factory to manufacture only inverter compressors by the completion of the project;
- (c) That the funding agreed for Fresh Compressor Factory, including agency support costs, would be allocated to the funding window approved under decision 94/60; and
- (d) That the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.

(Decision 97/73)

Egypt: Project to enhance energy efficiency in the manufacturing of domestic refrigerators, chest freezers, and residential air conditioners (decision 94/60) (UNIDO)

364. The representative of the Secretariat drew attention to paragraphs 81 to 116 of document UNEP/OzL.Pro/ExCom/97/49.

365. One member said that he supported the proposal. Several others expressed concern about the fact that it was not currently possible for the Government of Egypt to commit to achieving, by a set date, the minimum United for Efficiency (U4E) energy efficiency levels specified in the Model Regulation Guidelines for Energy-Efficient and Climate-Friendly Air Conditioners and the Model Regulation Guidelines for Energy-Efficient and Climate-Friendly Refrigerators. One member said that the commitments outlined in paragraph 100 of the document should be clearly set out in the recommendation. He agreed with the proposed outcomes of the project, but in light of the considerable amount of funding approved for HCFC phase-out, HFC phase-down and energy-efficiency initiatives in Egypt since the Committee's 95th meeting, he would be grateful for a description of the intended environmental benefits of all approved and proposed projects

for Egypt, together with an explanation of the measures in place to ensure that the projects were implemented within specified time frames and met agreed objectives.

366. One member asked which U4E standards Egypt was aiming to meet by 1 January 2030, what percentage of air-conditioning equipment being sold in the country had a Seasonal Energy Efficiency Ratio (SEER) rating of S1, according to the labelling standards referred to in paragraph 85 of the document, and who would be responsible for reporting to the Committee on the outcomes of the project, bearing in mind that follow-up and reporting was envisaged for an additional two years after project completion. Another member said that, as energy efficiency was not a compliance obligation under the Montreal Protocol, support for enhancing the energy efficiency of equipment using controlled substances was not justified or a cost-effective way of allocating Multilateral Fund resources. Moreover, the target energy-efficiency levels under the project were significantly below international benchmarks such as those recommended by U4E. It would be helpful, in that regard, for the Secretariat to illustrate the ambition level of minimum energy performance standards and energy-efficiency labels in future project proposals by comparing them with best practices, including U4E benchmarks, perhaps in the form of a graph. The transition to highly efficient equipment required commitment from enterprises and regulators. The project proposal, however, gave the impression that regulators were reluctant to implement ambitious minimum energy performance standards and labels. It was regrettable that firm and concrete commitments had not been obtained from regulators in that regard. She noted that, according to table 9 of the document, the percentage of domestic refrigerators manufactured qualifying for the energy-efficiency incentive remained below 50 per cent for five of the 11 enterprises listed. With that in mind, she would welcome an additional guarantee or assurances to mitigate the risk that the manufacturing volume of models qualifying for an incentive decreased while the manufacturing volume of models with an insufficient target for energy efficiency increased. Lastly, she requested clarification of the information provided in paragraph 107, which appeared to suggest that fewer than 1 per cent of the air-conditioning models manufactured by the enterprises included in the project qualified for an incentive.

367. In response, the representative of the Secretariat said that, while there was a strong desire to reach substantially improved levels of performance, the Government could not currently commit to achieving the minimum U4E levels specified in the Model Regulations, as revising the country's minimum energy performance standards required detailed consultations with industry and other stakeholders and followed an administrative approval process. The project was expected to result in annual savings of approximately 3.131 million CO₂-equivalent tonnes, consisting of 2.438 million CO₂-equivalent tonnes from transitioning to lower-GWP alternatives and 692,000 CO₂-equivalent tonnes from reducing indirect emissions. Those figures did not take account of growth or equipment life cycles, nor did they include the energy-efficiency improvements and emission reductions that would be achieved through the HPMP for Egypt. The commitments outlined in paragraph 100 of the document had not been spelled out in the recommendation in the interests of brevity but could be incorporated if desired. SEER labelling values were revised periodically. He did not have information on hand on the percentage of air-conditioning equipment being sold in the country with a SEER level of S1. In discussions with the Government, however, a clear willingness had been expressed to achieve higher energy-efficiency levels in the air-conditioning market. Project reporting would be carried out on a periodic basis from the outset. Verification would be required at the end of years 3 and 4, and reports on performance levels and regulatory standards were expected to be submitted in due course. The majority of the models mentioned in paragraph 107 qualified for the incentive.

368. Given that further clarifications on the project were required, the Chair invited interested parties, the Secretariat and the representative of UNIDO to engage in informal discussions on the matter in the margins of the meeting.

369. Subsequently, the Executive Committee decided to approve the project to enhance energy efficiency in the manufacturing of domestic refrigerators, chest freezers and residential air conditioners in Egypt, in the amount of US \$16,004,281, plus agency support costs of US \$1,120,300, for UNIDO, noting:

- (a) That the Government of Egypt had committed to ensuring that the enterprises participating in the project would continue to manufacture energy-efficient products after the date of completion of the project and in line with decision 94/60 of the Executive Committee according to the conditions referred to in subparagraphs (i) to (vii) below:
 - (i) In line with paragraph 36 of document UNEP/OzL.Pro/ExCom/94/61, ensure that project implementation was operationally completed no later than 36 months from the date of approval and return the funding relating to the additional component costs and any other remaining balances that had not already been obligated if the project was not completed within 36 months;
 - (ii) In line with paragraph 37 of document UNEP/OzL.Pro/ExCom/94/61, monitor the energy-efficiency performance of the products covered under the project for a period of two years from the date of completion of the project with support from UNIDO, and confirm that the enterprises were making their best efforts to continue to improve the energy efficiency of the products beyond the project implementation duration;
 - (iii) In line with paragraph 38 of document UNEP/OzL.Pro/ExCom/94/61, ensure the periodic upgrading of regulations on minimum energy performance standards, labelling programmes and awareness and outreach activities to ensure that the target energy-efficiency levels under the project for the equipment were publicized among different stakeholders; and take steps to implement regulations to ensure that the manufacturing, import and sale of the equipment at least achieved the target energy-efficiency performance levels, at the latest three years after the date of completion of the project;
 - (iv) Implement awareness and outreach initiatives to publicize the activities undertaken under the project including implementation timelines for minimum energy performance standards for domestic refrigerators, chest freezers and residential air-conditioners, including coordination with stakeholders and alignment with other national or regional programmes promoting energy-efficient refrigeration, air-conditioning and heat-pump technologies;
 - (v) To the extent feasible, introduce and implement other complementary policies and measures that promoted the adoption of energy-efficient equipment in refrigeration and air-conditioning applications, ensuring long-term sustainability for project beneficiaries;
 - (vi) Ensure timely implementation both of the projects in stage I of the Kigali HFC implementation plan and of the proposed energy-efficiency initiatives in the refrigeration, air-conditioning and heat-pump sector, in accordance with agreed timelines, policies and regulatory frameworks;
 - (vii) Submit a detailed report on the implementation of the project, including the additional capital and component costs incurred for the models covered in the project, the energy-efficiency gains accrued and challenges faced while implementing the project;

- (b) That the Government of Egypt had committed to revising the minimum energy performance standards for domestic refrigerators, chest freezers and air conditioners by 1 January 2030 with a view to achieving at least the levels specified in the United for Energy (U4E) 2019 and 2021 model regulations for relevant equipment;
- (c) That the project would be operationally completed no later than December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project;
- (d) That, after the submission of the report referred to in subparagraph (c) above, the Government of Egypt, through UNIDO, would submit to the last meeting of the year an update on the status of its revision of the minimum energy performance standards for domestic refrigerators, chest freezers and air conditioners, until the minimum energy performance standards achieved at least the levels specified in the U4E 2019 and 2021 model regulations for relevant equipment; and
- (e) That, if the Government did not comply with the conditions specified in subparagraphs (a)(i) to (vii) above, the Executive Committee would take that into account when considering future projects submitted by Egypt not related to compliance.

(Decision 97/74)

Georgia: Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65): Improvement of the framework for energy efficiency in the refrigeration, air-conditioning and heat pump sector (UNEP)

370. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/54.

371. The Executive Committee decided to approve the pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities): Improvement of the framework for energy efficiency in the refrigeration, air-conditioning and heat pump sector for Georgia, in the amount of US \$223,000, plus agency support costs of US \$28,990, for UNEP, noting:

- (a) That the Government of Georgia had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.; and
- (b) That the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.

(Decision 97/75)

Global: Pilot project to improve the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65): Demonstration project for digital monitoring and management tools to enhance energy efficiency and reduce emissions of greenhouse gases in the cold chain sector in Colombia, Lebanon, and Trinidad and Tobago (UNDP)

372. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/55.

373. During the ensuing discussion, a number of members expressed support for and commended the ambition of the proposal, which could be an effective tool for promoting innovation in project development

and implementation. One member highlighting the technical benefits, including leakage reduction, which would be of considerable benefit to the cold chain. Another member said the Multilateral Fund needed to embrace the rapidly growing and irreversible global trend towards digitalization and smart technology, which had the potential to bring immense benefits to the work of the Multilateral Fund. The present project was the first of its kind, and the countries selected represented a wide range of regional characteristics and national circumstances that could inform a large number of different activities globally. It was important, therefore, to grasp the opportunities being offered by the project.

374. A number of reservations were, however, raised by members. One of them asked for more information on who would pay for the initial retrofit alluded to in document UNEP/OzL.Pro/ExCom/97/55; how data analysis would take place in the respective countries; how the collected data in each country could be used to support the setting of energy-efficiency standards; who would take ownership of the global platform after the five-year post-completion period; how data from additional sites would be obtained and integrated; and what would be the added value of the Multilateral Fund portion of the funding.

375. Another member expressed concerns as to whether the project met the criteria for improving energy efficiency while phasing down HFCs. There was little information in the document on the project about how retrofits would be carried out. Also, while decision 91/65 required that project countries should have minimum energy performance standards in place, only one of the pilot project countries had such standards in place. In summary, it was not clear that the proposed project had relevance to phasing down HFCs or met the requirements set out in the project preparation guidance.

376. Another member, while expressing appreciation for the efforts of UNDP to take into account comments and concerns of members during the preparation phase of the present project, said that it remained unclear how the proposal fitted into the funding window described in decision 91/65, which was intended for pilot projects to maintain or enhance the energy of replacement technologies and equipment in the context of the HFC phase-down. He raised a number of concerns, including a lack of linkage between energy efficiency activities and the phase-down of HFCs; inadequate information on all the HFCs currently being used, some of which had high GWP values; limited information on the low-GWP alternatives that would be used to demonstrate energy efficiency; the fact that there was no clear commitment by enterprises to move to low-GWP alternatives; and lack of a strong link to the promotion of minimum energy performance standards and labelling. Some integration of digitalization in the servicing sector had already been apparent under HPMPs and KIPs, and such activities could be integrated by countries into their servicing funding. With regard to the impact of the projects, it remained uncertain whether they would directly support the HFC phase-down. The core activities seemed more focused on demonstrating the digital tools and generating data for users rather than on capacity-building, and it was unclear what would be the role of the energy-efficiency guidelines for commercial refrigeration that were a proposed outcome of the project. With regard to the sustainability of outcomes, it was not apparent how the global platform and team to be created under the project would be managed following completion of the project or how the proposed global analytical tool would be developed and carried forward. Further questions pertained to the reduction in financing requested compared to the amount initially proposed, and co-financing arrangements.

377. Responding to the issue raised, the representative of the Secretariat clarified that the project had both a national component and an international component in the form of a digital platform. Activities at national locations would commence with an energy audit and retrofit plan, which would help improve equipment performance and reduce leakage. The retrofit plan would focus on low-GWP alternatives and would use digital monitoring tools to improve energy-efficiency performance. The global platform would use the data collected as a basis for intelligent and predictive maintenance at other sites globally, helping them to implement similar tools to reduce leakage and enhance the energy performance of equipment. Regarding the minimum energy performance standards, the projects would provide data for the future development of those standards where they were lacking. Regarding ownership of the global analytical tool, UNDP was developing a plan as to how the tool could be utilized by other entities. With regard to the guidelines document, it was intended to provide inputs for the utilization of digital monitoring tools and the associated

benefits. Finally, on the matter of the reduced budget for the project, he said that the funding had been adjusted in the light of further information on the costs that would be incurred at the various sites, both for analytical assessments and for digital infrastructure, and the co-financing available.

378. The representative of UNDP responded to several of the issues raised. She clarified that the project aimed to replace higher-GWP HFCs with low-GWP alternatives in commercial refrigeration systems, leading to significant reductions in the global CO₂-equivalent footprint and combating the high levels of leakage often observed in such cooling system. The best practices piloted, including the digital tools applied, could be replicated elsewhere. Regarding sustainability, UNDP would retain ownership of the tools but would make them accessible and available as open-source models for other prospective users. Retrofit costs would be paid by the beneficiaries. Further activities were planned under the funding window. As mentioned by the Secretariat, efforts were being made to overcome the challenges related to the development and improvement of minimum energy efficiency standards for commercial refrigeration at the different locations. Finally, she stressed the importance of employing transformative digital technology applications in the area of energy efficiency.

379. The Executive Committee agreed to undertake further discussions of the matter on an informal basis.

380. Subsequently, the representative of the Secretariat said that, following informal discussions, it had been agreed that the project would focus on Lebanon only.

381. The Executive Committee decided to approve a demonstration project for digital monitoring and management tools to enhance energy efficiency and reduce emission of greenhouse gases in the cold-chain sector in Lebanon, in the amount of US \$186,000, plus agency support costs of US \$16,740, for UNDP, noting:

- (a) That the global component of the project set out in document UNEP/OzL.Pro/ExCom/97/55 had been removed;
- (b) That the Government of Lebanon had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.;
- (c) That the Government of Lebanon would develop energy-efficiency guidelines for commercial refrigeration applications for improving energy efficiency in the retail sector upon the completion of the project;
- (d) That co-financing of US \$50,000 had been committed by the Government of Lebanon and beneficiaries;
- (e) That US \$70,000 of the total cost of the demonstration project referred to in paragraph 381 above would relate to national technical assistance activities covering the development of digital tools for data analysis to identify adjustments and opportunities for optimization of performance, the prevention of refrigerant leakages and the enhancement of energy efficiency; and
- (f) That the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.

(Decision 97/76)

Morocco: Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65): Creation of an enabling environment for the uptake of energy-efficient refrigeration and air-conditioning equipment (UNIDO)

382. The representative of the Secretariat drew attention to paragraphs 1 to 29 of document UNEP/OzL.Pro/ExCom/97/63.

383. One member expressed his delegation's full support of the project as recommended by the Secretariat, noting with appreciation the reduction in CO₂ emissions, the application of minimum energy performance standards and the improvement of energy efficiency in domestic refrigeration.

384. Responding to questions from several members regarding the minimum energy performance standards set out in the project, the representative of the Secretariat said that the current level of minimum energy performance standards as initially established at the level of less than 55, on the energy efficiency index scale, had already been committed and enforced, with an upgrade to reach the level of less than 42 in three years' time, allowing time for the industry and importers to align themselves with the target. He further explained that the project and the manufacturing enterprise involved had committed to updating the minimum energy performance standards for products after the three-year grace period, but that the new level had not yet been determined.

385. In response to a question from one member regarding the use of the testing laboratory, the representative of the Secretariat said that the laboratory was covering the national capacities, either for imported or locally manufactured products, which had been essential to ensure the proper enforcement of minimum energy performance standards. The representative of UNIDO added that the Government of Morocco would be open to upgrading the national laboratory so that it functioned at the regional level, but that would depend on the Agreements of neighbouring countries and on the availability of additional funding for the further improvement of the laboratory, especially certification.

386. Responding to one member seeking clarification on the training and workshop activities in the project, the representative of the Secretariat said that there was a clear outline, in annex I to document UNEP/OzL.Pro/ExCom/97/63, of the differences in training sessions and workshops for the different stakeholders in the project and the activities under the KIP. While there was some overlap between activities under the project and those under the KIP, he explained that the Secretariat had discussed with UNIDO whether the training events could be combined, but that had proven difficult owing to the different stakeholders involved in the training activities and the length of the events. The project was therefore designed in a way that there would be no duplication of the content nor the target groups, and it would be complimentary to the KIP. He further explained that training and workshop activities were important for creating well-informed stakeholders and sectors that could enforce and implement the minimum energy performance standards and labelling, either at the technology selection level or at the equipment operation level.

387. The Executive Committee decided to approve the pilot project to enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities): Creation of an enabling environment for the uptake of energy-efficient refrigeration and air-conditioning equipment for Morocco, in the amount of US \$266,000, plus agency support costs of US \$18,620 for UNIDO, noting:

- (a) That the Government of Morocco had committed to the conditions referred to in decision 91/65(b)(iv)b to b(iv)d.; and

- (b) That the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.

(Decision 97/77)

Morocco: Pilot project to enhance energy efficiency in the domestic refrigeration manufacturing sector in the context of HFC phase-down (decision 94/60) (UNIDO)

388. The representative of the Secretariat drew attention to paragraphs 30 to 62 of document UNEP/OzL.Pro/ExCom/97/63.

389. Several members expressed support for the project, noting with appreciation its potential to achieve significant energy-efficiency benefits and technological innovation in the domestic refrigeration manufacturing sector in a relatively cost-effective way; its application of the energy-efficiency funding framework for the manufacturing sector that was agreed under decision 94/60; and how it complimented stage I of the KIP by enhancing energy efficiency in an enterprise that would phase down HFCs. One member further noted his delegation's view regarding the importance of the testing laboratory, as its contribution would help monitor the implementation of the new minimum energy performance standards.

390. Two members, noting that the Executive Committee had on its agenda discussions on the operationalization, and financing for the upgrading, of testing centres for energy efficiency, under agenda item 10, commented on the funding request for the testing laboratory in the project and noted their preference not to move forward with the project before considering agenda item 10, so as to not set a precedent before reaching an agreement on a policy matter.

391. Responding to a question from one member, the representative from the Secretariat said that chest freezers were excluded from all calculations, including cost calculations, energy-efficiency and energy saving calculations, and that the manufacturing enterprise was committed to having shift freezers produced at the minimum required energy efficiency and the labelling established by the country at its own cost.

392. In response to a question about the monitoring of energy-efficiency performance, the representative of UNIDO said that the manufacturing enterprise would report its energy savings to the national ozone unit, which would make the information available even beyond project completion.

393. Responding to questions from two members regarding the project's co-financing, the representative of the Secretariat explained that the implementation of the project required additional resources beyond what was being requested from the Multilateral Fund, as detailed in paragraph 44 of the document, and that the manufacturing company was working on securing additional co-financing outside the Multilateral Fund to support the project. Nevertheless, it had yet to guarantee any external co-financing sources, as indicated in paragraphs 44 and 57. The enterprise was still fully committed, however, to continuing the implementation of the project with its own resources even if no co-financing were to be secured from outside the Multilateral Fund. The representative from UNIDO added that the enterprise had confirmed in writing that it would try its best to secure co-financing for the completion of the project and that it had already made informal inquiries with international development partners, including multilateral development banks and climate-related investment platforms, to assess the viability of securing additional financing support.

394. Responding to questions from several members regarding the minimum energy performance standards for the project, the representative of the Secretariat, referring to table 4, that, at 51.9 on the energy efficiency index scale, the current average baseline performance level of the company's products was lower than the minimum energy performance standards currently established by the country. Furthermore, he recalled that the plan was for the Government's existing minimum energy performance standards to reach the level of 42 in three years' time and be mandatory. He further explained that the project's target average

performance level of 35 would even go beyond that and that those minimum energy performance standards were comparable to the thresholds included in document 94/61 as the required starting, intermediate and optimum minimum energy performance standards to be reached by the sector. Finally, he noted that, despite the discrepancy between minimum energy performance standards implemented and European Union standards, the upgrading of minimum energy performance standards in the refrigeration manufacturing sector was a major priority for the Government of Morocco owing to the fact that the sector accounted for 31 per cent of the total electricity demand. The upgrading of the standards would take some time and would have to be done in stages to allow the industry and end users to adjust to the new targets and levels.

395. The Executive Committee agreed to continue discussions on the matter in the margins of the meeting.

396. Subsequently, the Executive Committee decided to approve the pilot project to enhance energy efficiency in the domestic refrigeration manufacturing sector in the context of HFC phase-down for Morocco, in the amount of US \$1,234,756 plus agency support costs of US \$86,433 for UNIDO, noting:

- (a) That the agreed funding of US \$1,234,756, plus agency support costs of US \$86,433 for UNIDO, would be allocated to the funding window approved under decision 96/40, including US \$50,000 plus agency support costs of US \$3,500 for UNIDO, associated with further upgrades to the local laboratory for testing of refrigeration and air-conditioning appliances with flammable refrigerants;
- (b) That, in line with paragraph 37 of document UNEP/OzL.Pro/ExCom/94/61, the enterprise committed to manufacturing equipment with at least the target energy efficiency performance after project completion, and to continuing to make best efforts to improve further the energy efficiency of those products, at its own cost, beyond the project duration;
- (c) That, in line with paragraph 38 of document UNEP/OzL.Pro/ExCom/94/61, the Government committed to upgrading periodically the minimum energy performance standards regulations, labelling programmes and awareness and outreach activities to ensure that the target energy-efficiency levels under the project for the equipment were publicized among different stakeholders; and to taking steps to implement the regulations to ensure that the manufacturing, import and sale of the equipment achieved at least the target energy efficiency performance levels, at the latest three years after the date of completion of the project;
- (d) That the enterprise involved in the project committed to ensuring the necessary counterpart financing to implement the pilot project; and
- (e) That the project would be operationally completed no later than 31 December 2028, and a detailed project report would be submitted to the Executive Committee within six months.

(Decision 97/78)

Panama: Pilot project to maintain and/or improve the energy efficiency of replacement technologies and equipment in the context of HFC phase-down and a demonstration project for a carbon dioxide transcritical cooling plant to replace a R-410A-based chiller used for four cold rooms in the San Felipe Neri Market (non-investment activities) (decision 91/65) (UNDP)

397. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/68.

398. Several members asked what the country's intention was in terms of the development of minimum energy performance standards and how the Secretariat had handled the issue, as it was not indicated in the

document. One also questioned the need for a demonstration project to drive the adoption of transcritical CO₂ technology when its uptake was already growing in the country. The same member noted that project as proposed focused on the demonstration and installation of a single chiller system serving cold rooms in a supermarket, with 80 per cent of the total cost allocated to system installation and set-up alone, and asked how just system installation alone could be expected to drive broader change. Another member, however, expressed support for the project and the fact that it drew on experiences in Chile and would be replicable in Panama itself.

399. The representative of the Secretariat responded that the implementing agency, when asked about the development of minimum energy performance standards, had reported that the existing standards did not cover the type of refrigeration and air-conditioning systems targeted by the project and that no energy efficiency standards for cold rooms had been identified in either the country or the region, but that the Government planned to develop a standard establishing energy efficiency criteria for equipment with over 5 tonnes of refrigerant, drawing on the results of the proposed project and other regional and global experience. In terms of the need for the demonstration project, she said that the project was feasible, with real energy savings, and would be easily replicated as the city council oversaw five other local markets. Most of the funding was allocated to the hardware because that was where it was needed. That said, the project had over 50 per cent co-financing and was highly complementary with the KIP activities.

400. One member suggested that the country's intention to work towards the development of a standard for commercial refrigeration equipment above a certain threshold as a result of this project be reflected in the decision. Another member agreed and also indicated that his delegation had additional questions on how the activity would be leveraged in the country to replicate its results. The Executive Committee agreed to hold informal discussions in the margins of the meeting to refine the decision language and address any outstanding questions.

401. Following the informal discussions, the Executive Committee decided to approve the pilot project to maintain and/or improve the energy efficiency of replacement technologies and equipment in the context of HFC phase-down and a demonstration project for a transcritical carbon dioxide cooling plant to replace a R-410A-based chiller used for four cold rooms in the San Felipe Neri Market (non-investment activities) in Panama, in the amount of US \$342,000, plus agency support costs of US \$23,940, for UNDP, noting:

- (a) That the Government of Panama had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.;
- (b) That the Government of Panama, upon completion of the project, would develop energy efficiency guidelines for the selection of technology and improvement of energy efficiency in chillers and cold rooms; and
- (c) That the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project, including a detailed description of the activities undertaken to disseminate the results of the technology demonstration and to promote the adoption of the selected energy-efficient alternative technologies.

(Decision 97/79)

Paraguay: Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65): Establishment of an energy-efficiency labelling scheme and introduction of minimum energy performance standards for residential air-conditioning equipment (UNDP)

402. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/69.

403. One member noted that minimum energy performance standards were not yet established for the residential air-conditioning subsector; that the pilot project was in part aimed at supporting their establishment, as reflected in many smaller activities that supported that goal; and that the document referred to the objectives of designing, developing and implementing agreed minimum energy performance standards for residential air conditioners and labelling measures. He then asked for confirmation that the country was in fact committed to adopting minimum energy performance standards and associated labelling as a result of the project, suggesting that, if it were the case, the Government's commitment be reflected in the decision. Another member expressed support for the project but also noted the proposed activity on assessing the availability of testing laboratories and asked whether the laboratories were intended for national or regional use.

404. Responding to the question on testing laboratories, the representative of the Secretariat reported that, according to UNDP, the intention was for the testing laboratories to review the results of other, larger countries; the related activities involved the purchase of the software that would enable them to do so. Rather than creating a national testing laboratory, the intention was to build the capacity of the existing facilities, particularly as their equipment was imported from other, larger countries in the region, and they wished to leverage the information from those countries. Turning to the question of the minimum energy performance standards, she confirmed the Government's intention was to establish such standards and proposed text in that regard for the decision.

405. As one member still had minor concerns, the Executive Committee agreed to hold informal consultations to refine the language for inclusion in the decision.

406. Subsequently, the Executive Committee decided to approve the pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities): Establishment of an energy efficiency labelling scheme and introduction of minimum energy performance standards for residential air-conditioning equipment in Paraguay, in the amount of US \$211,500, plus agency support costs of US \$19,035, for UNDP, noting:

- (a) That the Government of Paraguay had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.;
- (b) That the Government of Paraguay would improve the energy-efficiency labelling scheme and adopt minimum energy performance standards for residential air conditioners; and
- (c) That the project would be operationally completed no later than 31 December 2028, and that a detailed report would be submitted to the Executive Committee within six months of the date of completion of the project.

(Decision 97/80)

Republic of Moldova: Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65): Strengthening of the national framework for energy efficiency in the refrigeration, air-conditioning and heat pump sector (UNEP)

407. The Executive Committee considered document UNEP/OzL.Pro/ExCom/97/71.

408. The Executive Committee decided to approve the pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities): Strengthening of the national framework for energy efficiency in the refrigeration,

air-conditioning and heat pump sector for the Republic of Moldova, in the amount of US \$180,000, plus agency support costs of US \$23,400, for UNEP, noting:

- (a) That the Republic of Moldova had committed to the conditions referred to in decision 91/65(b)(iv)b to b(iv)d; and
- (b) That the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.

(Decision 97/81)

Sierra Leone: Pilot project to maintain and/or improve the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65): Demonstration for the use of R-290 as the refrigerant in commercial refrigeration (United Kingdom of Great Britain and Northern Ireland)

409. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/75.

410. One member asked about the co-financing of the proposed demonstration project, noting that some of the co-financing costs had been removed during project review and that the final financing stood at approximately 89 per cent from the Multilateral Fund and 11 per cent from the enterprise. He found the level of co-financing quite low given the expected energy-efficiency savings. He also noted that a large portion of the cost was allocated to equipment replacement, with a limited amount to support activities to maximize project impact. He asked whether only the most energy-intensive equipment could be replaced, rather than all the equipment as planned. Furthermore, in the light of the reported progress in the uptake of hydrocarbon refrigeration systems, he questioned whether such a project was even needed. Finally, he asked about the timeline for the adoption of minimum energy performance standards and the labelling that was to result from the project and how the involvement of the bilateral agency was related to the development of minimum energy performance standards, as mentioned in connection with in-kind contributions.

411. Another member expressed strong support for the project, noting that it would reduce energy consumption by 40 per cent, replace the old system with an R-290-based system and, in his view, had good prospects for replicability in other supermarkets.

412. Addressing the question on co-financing, the representative of the Secretariat said that the original proposal had included co-financing that represented 15 years of repair and maintenance. It had not, however, been considered as part of the project discussion, because beneficiaries were expected to perform regular maintenance over the life span of their assets. The implementing agency had explained that, for a country like Sierra Leone, it was very difficult to get a supermarket to volunteer for the kind of change that was needed for the HFC phase-down. Given the strong growth in the supermarket sector, which currently relied on HFC-based refrigeration systems using high-GWP refrigerants like R-404A and HFC-134A, the proposed project would provide good support for the penetration of alternative systems. The pilot project was designed to demonstrate the performance and energy efficiency of supermarkets based on a fully hydrocarbon-based refrigerant that would cut energy consumption by about 40 per cent and lower electricity costs while supporting the HFC phase-down. The funding from the Multilateral Fund would be used mainly for the equipment because other enabling factors were already in place. Training in R-290, for instance, was already ongoing under the KIP, and the German Agency for International Cooperation had agreed to support training and the development of minimum energy performance standards. In terms of the timeline, the proposed project period was 24 months, which was the expected to be the time needed to develop the minimum energy performance standards, although their implementation might take longer.

413. One member indicated that his delegation had residual concerns regarding co-financing and had questions regarding the arrangements with the implementing agency. The Executive Committee agreed to hold informal discussions on the matter.

414. Following the informal discussions, the Executive Committee decided to approve the pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities): Demonstration for the use of R-290 as the refrigerant in commercial refrigeration in Sierra Leone, in the amount of US \$256,139, plus agency support costs of US \$33,298, for the Government of the United Kingdom of Great Britain and Northern Ireland, noting:

- (a) That the Government of Sierra Leone had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.;
- (b) That the Government of Sierra Leone would develop minimum energy performance standards and labels for commercial refrigeration equipment by 31 December 2027; and
- (c) That the project would be operationally completed no later than 31 December 2027, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project, including a detailed description of the activities undertaken to disseminate the results of the technology demonstrations and to promote the adoption of the selected energy-efficient alternative technologies.

(Decision 97/82)

Togo: Pilot project to enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65): Demonstration of R-290-based air-conditioning technology, and the benefits of proper refrigerant handling and management and refrigeration and air-conditioning maintenance practices (United Kingdom of Great Britain and Northern Ireland)

415. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/79.

416. Two members, pointing out that the aim of such pilot projects was to demonstrate the use of a technology that was not yet widely accepted in the country, with a view to promoting its deployment and wider adoption, questioned the need to replace such a large number of units in three different hospitals. It was not necessary to replace all the units in an institution for the purposes of demonstration; the same objective could be achieved with a much smaller number of units. One of those members also pointed out that the age of the equipment to be replaced ranged from newly installed to, at most, 10 years old, which did not seem to be a good use of funding. The lack of co-financing commitments from the beneficiaries was also unusual. Lastly, she requested clarification of which entity would be implementing the project.

417. The representative of the Secretariat said that the number of units to be replaced represented only one third of the total capacity of the hospitals and that the aim of the demonstration was to show that significant savings could be achieved and to inspire both the public and private sectors to carry out such replacements on a larger scale subsequently. A pilot project involving a limited number of units would not generate significant savings and therefore might not create the desired momentum. As the technology was not yet widely available in the country, uptake by the private sector would also help to create a local supply chain. The project would be executed by the German Agency for International Cooperation. Because the beneficiaries were in the public sector, it had been difficult to obtain co-financing commitments. The Government had however pledged to complete the conversion of the remaining units in the same buildings after the project's successful completion and to incorporate the technology into its public procurement guidelines. Although the age of the existing equipment ranged from newly installed to 10 years, the units selected for replacement would be mid-aged, still operational and not expected to be replaced soon.

418. The Executive Committee agreed to continue discussions on the project in the margins of the meeting.

419. Following informal discussions among interested members, the Secretariat reported the agreement that the project would involve demonstrating only 150 R-290-based air-conditioning units in two public hospitals in Togo.

420. The Executive Committee decided to approve the pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities): Demonstration of R-290-based air-conditioning technology, and the benefits of proper refrigerant handling and management and refrigeration and air-conditioning maintenance practices, in the amount of US \$281,800, plus agency support costs of US \$36,634, for the Government of the United Kingdom of Great Britain and Northern Ireland, noting:

- (a) That the Government of Togo had committed to the conditions referred to in decision 91/65(b)(iv)b. to (b)(iv)d.;
- (b) That the Government of Togo would update its minimum energy performance standards and adopt those currently being updated by the Economic Community of West African States upon the completion of the project; and
- (c) That the project would be operationally completed no later than 30 June 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.

(Decision 97/83)

Tunisia: Pilot project to enhance energy efficiency in the residential air-conditioning manufacturing sector in the context of HFC phase-down (decision 94/60) (UNIDO)

421. The representative of the Secretariat drew attention to paragraphs 35 to 73 of document UNEP/OzL.Pro/ExCom/97/80.

422. Some members expressed their support for the project, highlighting the importance of the funding for the calorimetric testing laboratory, the services of which would improve the competitiveness of local manufacturers and facilitate the transition to better technologies.

423. Other members, noting that the local industry was already capable of performing above the standards in the revised minimum energy performance standards, asked why Tunisia did not raise the minimum energy performance standards accordingly. Failure to do so would put the local industry at a disadvantage, because it would be competing against less-energy-efficient products that were allowed to be sold in the country. One of those members asked whether the testing laboratory was national or regional. Lastly, he wished to know what guarantees were in place with regard to the CKD kits to ensure that they would continue to be used after the completion of the project.

424. A member suggested adding clauses in the recommendation regarding the provision of counterpart funding and a commitment to manufacture only equipment that met the target energy-efficiency level after completion of the project. It should also be made clear that the funding for the laboratory was not understood to set a precedent until the discussions on testing centres under agenda item 10 had been concluded. While he was not opposed to the approach taken with regard to CKD kits in the project at hand, that approach might need to be reconsidered in the future.

425. Another member questioned the financing of projects that involved the use of controlled substances, as second conversions did not constitute a sustainable investment. She did not find the energy-efficiency target to be convincing, as it was based on the national minimum energy performance standards, which were low compared with international best practice. She asked the Secretariat to clarify the rationale for the methodology used to calculate the manufacturing volume for the additional component cost and to provide more information about the manufacturing volume used for the other projects under decision 94/60 considered at the present meeting and the extent of the difference between the two. Lastly, she asked whether the Secretariat had been able to collect data to confirm that purchasing CKD kits that provided a specified level of energy-efficiency enhancement would be more expensive than purchasing components individually.

426. A member requested details regarding the financial commitments made by the enterprises involved in the project, as well as confirmation that the incentive would be available for conversion to refrigerants that provided a path forward for the country's implementation of the Kigali Amendment.

427. The representative of the Secretariat, in answer to the question about the incentive, confirmed that to be the case. The project submission included information on the costs requested to enable the enterprises to manufacture more energy-efficient equipment. The total amount submitted was higher than what had been approved, in line with the methodology agreed, in that the incentive provided on the additional component costs would cover only one third of the costs. Tunisia would update the minimum energy performance standard, first in 2027, followed by a further update by 2031. Minimum energy performance standards needed to be high enough to preclude the market from being flooded by cheap, energy-inefficient equipment, but not so high that local industry was unable to meet the standards. He clarified that the laboratory was currently serving only national equipment. The enterprises had committed to continue manufacturing equipment at least at the target energy-efficiency performance levels after the completion of the project.

428. Regarding the three projects considered at the present meeting under decision 94/60, one had used the manufacturing volume that existed immediately prior to project submission, another project had used the average of three years and the project currently under discussion had followed a different methodology, whereby the maximum, by model, in a given year was used. The Secretariat had not specified an appropriate level of manufacturing volume when it had presented the operational framework at the 94th meeting; the Secretariat had therefore suggested using an approach similar to that used in the consumption sector, whereby either the year immediately preceding the project submission or the average of the three years would be used.

429. A member asked what enterprise was manufacturing the CKD kits and whether they were manufactured in the country or imported. The representative of the Secretariat said that the kits were imported, and the representative of UNIDO added that the suppliers of the kits were the same as equipment suppliers.

430. The Executive Committee agreed to continue the discussion in the margins of the meeting.

431. Following informal discussions among interested members, the Executive Committee decided to approve the pilot project to enhance energy efficiency in the residential air-conditioning manufacturing sector in Tunisia in the context of HFC phase-down, in the amount of US \$1,347,360, plus agency support costs of US \$94,315, for UNIDO, noting:

- (a) That the agreed funding would be allocated under the funding window established by decision 94/60, including US \$80,262, plus agency support costs of US \$5,618, for UNIDO, associated with further upgrades to the Technical Centre of Mechanical and Electric Industries calorimetric laboratory, on the understanding that no additional funding would be requested to support the laboratory and that the approach used for calculating funding associated with complete knock-down kits under the present project would not set a precedent for future projects;

- (b) The commitment of the enterprises participating in the project to manufacture only air-conditioning units with variable-speed technology upon completion of the project;
- (c) That, in line with paragraph 37 of document UNEP/OzL.Pro/ExCom/94/61, the enterprises committed to manufacturing equipment with at least the target energy efficiency performance after project completion, and to make their best efforts to continue to improve the energy efficiency of those products beyond the project duration at their own cost;
- (d) That, in line with paragraph 38 of document UNEP/OzL.Pro/ExCom/94/61, the Government committed to upgrading periodically minimum energy performance standards, labelling programmes and awareness and outreach activities to ensure that the target energy-efficiency levels under the project for the equipment were publicized among different stakeholders, and that the Government would also take steps to implement regulations to ensure that the manufacturing, import and sale of the equipment at least achieved the target energy-efficiency performance levels, at the latest three years after completion of the project;
- (e) That the enterprises had committed to ensuring the necessary counterpart financing to implement the pilot project;
- (f) That UNIDO would include, in the report to be submitted in line with decision 94/57(a)(ii), a detailed comparison of the minimum energy performance standards that Tunisia planned to implement by December 2027 with those specified in the model regulation guidelines for energy-efficient and climate-friendly air conditioners published by United for Efficiency, and an assessment of how the next update of the minimum energy performance standards would compare with the levels specified in those model regulations; and
- (g) That the project would be operationally completed no later than December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.

(Decision 97/84)

(e) UNEP Compliance Assistance Programme budget for 2026

432. The representative of the Secretariat introduced documents UNEP/OzL.Pro/ExCom/97/83 and Add.1.

433. One member expressed appreciation for the assistance that the UNEP CAP provided to Article 5 countries and for the fact that the CAP was flexible and focused on Article 5 countries' needs, that the proposed CAP budget for 2026 was similar to that approved for 2025 and that the balances from the 2024 CAP were being returned to the Multilateral Fund at the present meeting. She requested an update on the allocation of US \$150,000, approved in the 2025 budget under the global services budget line, to support Article 5 countries in improving energy efficiency. The representative of the Secretariat replied that UNEP had confirmed that a contract for the recruitment of a consultant to provide support for energy-efficiency projects to low-volume-consuming Article 5 countries in Africa, the Caribbean and the Pacific Island region, was at the final approval stage.

434. The Executive Committee decided:

- (a) To note the 2025 progress report and the 2026 work plan and budget for the UNEP Compliance Assistance Programme (CAP), as contained in document UNEP/OzL.Pro/ExCom/97/83;

- (b) To approve the CAP activities and budget for 2026, as set out in annex LIX to the present report, in the amount of US \$11,276,967, plus agency support costs of 8 per cent amounting to US \$902,157, noting the adjustments proposed therein;
- (c) That the human and financial resources approved for UNEP through the CAP budget should continue to be used only for activities approved by the Executive Committee in accordance with the terms of reference for the financial mechanism contained in Article 10 of the Montreal Protocol and in line with decisions 50/26(c) and 73/53;
- (d) To request UNEP, in future submissions of the CAP budget, to continue:
 - (i) Providing detailed information on the activities for which the global funds would be used;
 - (ii) Extending the prioritization of funding between CAP budget lines to accommodate changing priorities, and to provide details, pursuant to decisions 47/24 and 50/26, on the reallocations made;
 - (iii) Reporting on the current post levels of staff and informing the Executive Committee of any changes thereto, particularly with respect to any increased budget allocations; and
 - (iv) Providing a budget for the year in question, and a report on the costs incurred in the year prior to the previous year, noting subparagraphs (d)(ii) and (d)(iii) above.

(Decision 97/85)

(f) 2026 core unit costs for UNDP, UNIDO and the World Bank

435. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/84.

436. The Executive Committee decided:

- (a) To note:
 - (i) The report on the 2026 core unit costs for UNDP, UNIDO and the World Bank contained in document UNEP/OzL.Pro/ExCom/97/84;
 - (ii) With appreciation, that the core unit operations of the World Bank were below its budgeted levels and that the World Bank would return unused balances of US \$10,220 to the Multilateral Fund at the 97th meeting;
- (b) To approve the requested 2026 core unit budgets for:
 - (i) UNDP, in the amount of US \$2,388,151;
 - (ii) UNIDO, in the amount of US \$2,293,768; and
 - (iii) The World Bank, in the amount of US \$1,947,145.

(Decision 97/86)

AGENDA ITEM 10: UPDATE ON THE OPERATIONALIZATION OF CENTRES OF EXCELLENCE FOR SUSTAINABLE COOLING AND TESTING CENTRES FOR ENERGY EFFICIENCY (DECISION 95/87(e))

Update on the operationalization of centres of excellence for sustainable cooling (decision 95/87(e))

437. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/85.

438. During the ensuing discussion, members were generally appreciative of the update prepared by the Secretariat, although some pointed out that the document went beyond the scope of the request in decision 95/87(e) in terms of the details and of funding options provided.

439. Several members indicated that they were in favour of the proposal to designate the regional centres as thematic rather than centres of excellence and echoed the Secretariat's caution regarding the need to avoid duplication with services offered by other regional centres. Overall, however, members agreed that many questions remained to be answered, including with regard to the sustainability of the centres beyond the five-year involvement of the Multilateral Fund; the sources of income required beyond the portion to be provided by the Fund; what the support to be provided by the Multilateral Fund was intended to cover; the potential for including the required activities within the scope of existing mechanisms; the criteria for the selection of host regions and institutions; the potential for merging the centres with existing regional centres; and the role of the centres in the context of compliance. One member questioned the feasibility of the Multilateral Fund implementing the concept in practice, particularly given the complexity of the regional approach, with its inherent need for the participation and long-term commitment of multiple Governments.

440. With regard to the recommendation, one member expressed support for the stepwise approach indicated, but two others were of the view that it was premature to consider project preparation proposals, with one saying that, while there would be no obligation for the Committee to approve a proposal, expectations would still be created. One member, noting that the Committee needed a better understanding of how existing centres worked, was in favour of the proposed involvement of the UNEP CAP to facilitate the consultation of existing centres in order to gather information on the services provided, modes of operation and income generation, and suggested that the UNIDO Regional Sustainable Energy Centres and the Africa Centre of Excellence for Sustainable Cooling and Cold Chain Systems could be good sources of such information. Another member also recommended drawing on the experience of long-standing regional centres under other multilateral environmental agreements, such as the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal or the Convention on Biological Diversity.

441. Two members voiced strong support for the establishment of thematic centres, saying that it responded well to the call of Article 5 countries for the provision of services through regional centres, with one member urging the Committee to find a way to move forward with the proposal at the present meeting.

442. Given the many questions and concerns raised, the Executive Committee agreed to establish a contact group to pursue the discussion.

443. Following discussion in the contact group, the Executive Committee decided:

- (a) To request the Multilateral Fund Secretariat and UNEP Compliance Assistance Programme, through its networks of national ozone units and the energy-efficiency twinning project, to facilitate regional or subregional consultations, including with interested bilateral and implementing agencies, to collect information in interested regions/subregions on:
 - (i) Existing centres of excellence that provided services in the refrigeration, air-conditioning and heat pump sector, including the particular services they

provided, their mode of operation and financing, whether they generated revenue and if so, how, and their potential to serve as regional thematic centres;

- (ii) The interest of various subregions in hosting a thematic regional centre, including the particular themes of interest of the subregion and the possibility of the relevant/applicable Governments providing counterpart support for the long-term operation of the centres;
- (b) To request the Secretariat to prepare, for the 99th meeting, an update to document UNEP/OzL.Pro/ExCom/97/85 on regional thematic centres, including specific information on existing relevant regional centres and the countries interested in hosting them, any outcome of paragraph (a) above and information prepared by the Ozone Secretariat as per decision XXXVII/5, on national and regional initiatives to support the implementation of the Kigali Amendment to the Montreal Protocol, of the Thirty-Seventh Meeting of the Parties, if available, and options for securing long-term support after project completion, taking into account the discussion at the 97th meeting of the Executive Committee.

(Decision 97/87)

Update on the operationalization of testing centres for energy efficiency (decision 95/87(e))

444. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/86.

445. In the ensuing discussion, there was broad recognition of the potential value of the proposed testing centres for energy efficiency, particularly in an era of rapid technological development. The proposed process for establishment of regional testing centres for energy efficiency followed a logical path and covered many of the elements required to assess the long-term viability of such centres. Given that the projects approved under decisions 94/60 and 95/87 required a strong system for monitoring, verification and reporting of energy-efficient performance, sufficient coverage of testing centres was needed, and that could be attained through financial support from the Multilateral Fund to assist in upgrading existing national testing centres or establishing new testing centres on a case-by-case basis.

446. Greater clarity was needed in certain areas, however, supported by further analysis of the modalities for the operationalization of testing centres before members could commit to funding the establishment or upgrade of such facilities. Areas that would benefit from additional information included the business model for the operation of a centre; synergies with existing testing centres; the benefits that might be gained from regional cooperation; and the circumstances in which the Multilateral Fund would be an appropriate financing mechanism for such centres.

447. On the matter of regional testing centres, there was recognition of the advantages offered by a regional network of testing centres. A staged approach using preparatory projects would facilitate the preparation of the testing centres. Nevertheless, questions remained as to how regional testing centres would work, for example with regard to the extent of their coverage, how they would be financed and how cross-border transfer of items for testing would be managed. There was also the important question of how regional centres could achieve the main objective of testing centres, namely, to enable the enforcement of minimum energy performance standards or equivalent mechanisms for the performance of various items of equipment, in situations where there was a lack of consistency in national standards.

448. Regarding synergies, it was to be recognized that a number of testing centres were already in existence for aspects of energy efficiency, but they were not necessarily aligned with the specific requirements of the Montreal Protocol. Options should be explored for alignment with such facilities to enable cost savings and avoid duplication of efforts.

449. With regard to the funding of testing centres under the Multilateral Fund, one member said that the Multilateral Fund might not be an appropriate source of finance for the activities envisioned, given that support for testing centres for energy efficiency was not required for compliance, and further clarity was needed as to why such activities should be supported. Clarification was also needed regarding the potential scale of capital costs and operating costs, which were relevant to the long-term viability of the testing centres, the envisaged scale of co-financing and the timeline for gradually reducing Multilateral Fund support.

450. Another member said that further clarity was also needed as to how the proposed establishment of energy-efficiency testing centres would support implementation of countries' KIPs and energy-efficiency pilot projects. Projects approved for funding under decision 94/60 or 95/87 should clearly demonstrate that the establishment or upgrade of testing centres was required in order to monitor, verify and report on the energy-efficiency performance of converted equipment. The establishment of a regional testing centre would require further analysis to clarify what the demand for such a centre was, its business viability and what it would contribute to the implementation of KIPs and the associated energy-efficiency objectives of the countries within its ambit. An initial mapping and analysis of existing regional centres for testing and certification would be a useful exercise to build knowledge on how a regional approach could work in practice.

451. The representative of the Secretariat responded to the issues raised. He first confirmed that regional minimum energy performance standards were not a prerequisite for setting up a regional testing centre, although they could constitute a platform whereby regional testing centres could be quickly established within a framework of standardized methods and processes of testing. It was however recognized that regional testing modalities would have to take into account the fact that each country had its own standards. Regarding the costs, estimates of the capital costs for setting up a new testing centre had been provided; costs of upgrading a centre were, however, more difficult to estimate, as they were dependent on the specific situation pertaining to a centre, and cases needed to be considered on an individual basis. With respect to operating costs, the range was very wide and was dependent upon such factors as the technical personnel employed, associated training and the operation of the testing facility. The business model would drive the viability of the operations to be performed. In terms of the approach adopted, prioritization would be given to projects funded under decision 94/60 that focused on improvement of energy efficiency in the manufacturing facility while phasing down HFCs. Consideration needed to be given to the most cost-effective way of operationalizing testing centres in non-manufacturing countries and to improving understanding of the effectiveness of private and public models.

452. The Executive Committee agreed to refer further consideration of issues pertaining to the operationalization of testing centres for energy efficiency to the contact group already established under the present agenda item to consider the operationalization of centres of excellence for sustainable cooling and testing centres for energy efficiency.

453. The Executive Committee decided:

- (a) To note the information provided in document UNEP/OzL.Pro/ExCom/97/86 related to the update on the operationalization of testing centres for energy efficiency (decision 95/87(e));
- (b) To consider providing funding to strengthen or upgrade existing energy-efficiency testing centres in manufacturing countries, in the context of proposals made or submitted under decision 94/60, taking into account the information provided in document UNEP/OzL.Pro/ExCom/97/86; and
- (c) To request the Secretariat to prepare, for the 98th meeting, a document providing additional information on the purpose, objective and sustainability of new energy-efficiency testing centres in non-manufacturing countries, possibly identifying one or more subregions where

such centres would be needed to assist Article 5 countries in meeting minimum energy performance standards developed with Multilateral Fund support.

(Decision 97/88)

AGENDA ITEM 11: REPORT PURSUANT TO DECISION 93/104 ON LIFE-CYCLE REFRIGERANT MANAGEMENT WITH A VIEW TO CONSIDERING THE ESTABLISHMENT OF A FUNDING WINDOW IN LINE WITH DECISION XXXV/11 OF THE THIRTY-FIFTH MEETING OF THE PARTIES

454. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/87. He noted that, with regard to the transboundary movement of controlled substances, the Secretariat was still learning about some of the intricacies related to the Basel Convention. Issues had been brought to the attention of the Secretariat after publication of the document. Those issues required careful analysis and the Secretariat could provide further information at a future meeting.

455. Several members thanked the Secretariat for the well-structured and detailed document, noting the importance of life-cycle refrigerant management and the long history of discussions on the subject, which had yet to result in comprehensive global measures to tackle the issue. They expressed their appreciation for the strong interest shown in life-cycle refrigerant management, as evidenced by several recent decisions taken by the Committee and by the Meeting of the Parties and the large number of countries that had initiated projects to establish inventories and national plans under decision 91/66. While several members supported the recommendation by the Secretariat to prepare a document for presentation at the 99th meeting, which would include draft cost guidelines and funding modalities, others said that doing so would be premature, given the low number of inventories and national plans that had been finalized thus far.

456. In that regard, one member suggested a two-step approach, whereby the Committee would first ask the Secretariat to provide a summary of the inventories and national plans and then, at a second stage, information on draft cost guidelines and the establishment of a funding window. With that in mind, she asked the Secretariat how many plans under decision 91/66 it expected to receive by December 2026 and how many by May 2027. She also encouraged Article 5 countries to consider possible synergies with HPMPs and KIPs as they completed their inventories and national plans, in order to determine which new activities not already covered by current funding they wished to include in those plans. She appreciated the suggestion related to regulations mandating the use of reclaimed refrigerants in manufacturing so as to increase the need for and attractiveness of such refrigerants, noting that her country had successfully used that approach in certain sectors. Another member offered to provide alternative text to replace the recommendation contained in subparagraph 49(c) of the document, and several members expressed their interest in being involved in the drafting discussions related to that proposal.

457. One member said that many elements of life-cycle refrigerant management were already covered in existing HPMPs and KIPs and could be implemented without delay. Any new funding window must clearly define complementary activities to avoid duplication and maximize impact. Robust regulatory foundations, a mandatory national legal framework covering the entire life cycle and regulations that defined the roles of all stakeholders were essential elements to strengthen the impact of any future funding. Extended producer responsibility was a crucial mechanism for sustainable waste management, and extended producer responsibility schemes involving large manufacturers and importers had significant potential and could be scaled up. For countries that engaged in HFC-based refrigeration and air-conditioning manufacturing, feasibility studies to incentivize the use of reclaimed HFC in such manufacturing could offer significant benefits.

458. Another member said that funding was needed not only to support the creation of inventories and national plans but also to address a number of emerging and complex issues. He highlighted three principal reasons why such funding should be provided: the fact that the baselines for HFCs made it necessary to find

ways of recycling and reusing refrigerants; the need to avoid undoing progress already achieved and thus to prevent emissions from banks of used or unwanted controlled substances; and the importance of maintaining stakeholder confidence.

459. Several members expressed interest in the possibility of using mobile destruction units or regional approaches to the reclamation of controlled substances and said that they wished to know more about the feasibility of those options.

460. One member highlighted the multiple challenges faced by Article 5 countries regarding the recycling and reuse of refrigerants, noting that those difficulties stemmed from a lack of incentives, sound regulatory frameworks and sustainable business models. As a result, the rate of recovery and recycling of refrigerants remained very low. She therefore supported the establishment of a dedicated funding window and stressed the urgent need to design an appropriate regulatory framework. She welcomed the innovative ideas presented in the document, such as the proposed mobile destruction units, but sought clarification of whether such measures would be permissible under the Basel Convention.

461. Some of the members who supported the Secretariat's recommendation, including subparagraph 49(c) of the document, stressed the need for swift action, warning that the progress achieved so far could be undermined by emissions from banks of used or unwanted controlled substances. They emphasized that the Committee must strike a careful balance between acting quickly and ensuring quality and due diligence.

462. Some members expressed concern about delays in finalizing inventories and national plans and urged the bilateral and implementing agencies to assist the countries concerned in finalizing them as soon as possible. Two of those members suggested that the implementing agencies identify the obstacles hindering the completion of those projects, and one of them requested the Secretariat's views on the matter.

463. One member, expressing his support for the establishment of a funding window, emphasized the importance of having mechanisms in place to manage and recycle the large amounts of used or unwanted controlled substances. This view was supported by another member, who noted that the increased decommissioning of HCFC-based equipment was expected with the HCFC phase-out and that recovery and reclamation of refrigerants would help to avoid new production. Another member highlighted that some Article 5 countries had already collected waste controlled substances and that assistance was needed to address such stockpiles, so as to avoid their release into the atmosphere.

464. Another member noted that legal obstacles also needed to be considered and expressed hope that such challenges would be identified and addressed in the national plans. He recommended a cautious approach, recalling the Committee's recent experience in evaluating pilot projects for the disposal of ozone-depleting substances, which had ultimately revealed that only a limited quantity of substances could be collected and destroyed. He stressed the importance of drawing on lessons learned through that experience and focusing on steps that countries could already take without additional support, such as implementing extended producer responsibility schemes and improving leakage prevention.

465. Finally, one member referred to decision XXXVII/3, on a study on quantities of and options for used and unwanted controlled substances under the Montreal Protocol, including those at their end of life, of the Thirty-Seventh Meeting of the Parties, emphasizing the importance of the comprehensive report to be prepared, as it could provide the Committee with valuable ideas on possible next steps.

466. The representative of the Secretariat said that, taking into account the fact that the implementing agencies had six months from the date of completion of the projects to submit their final reports on the inventories and national plans, the Secretariat expected to receive at least 26 such final reports by the end of 2026 and about 70 by May 2027. While he was not aware of any reason why the use of mobile destruction units would trigger requirements under the Basel Convention, he would update the Committee on that point

once further analysis had been conducted. In that regard, possible limitations imposed by national regulations would also need to be taken into consideration.

467. The Executive Committee agreed to establish a contact group to discuss the matter further.

468. Following the discussion in the contact group, the Executive Committee decided:

- (a) To note the report prepared pursuant to decision 93/104 on life-cycle refrigerant management with a view to considering the establishment of a funding window in line with decision XXXV/11 of the Thirty-Fifth Meeting of the Parties contained in document UNEP/OzL.Pro/ExCom/97/87;
- (b) To encourage the bilateral and implementing agencies to intensify their efforts to assist Article 5 countries in finalizing projects under decision 91/66 as soon as feasible and in submitting the final reports and a copy of the resulting national inventories and national action plans in line with decision 91/66(e)(iii);
- (c) To request the Secretariat to update, for the 99th meeting, the information in document UNEP/OzL.Pro/ExCom/97/87 in light of completed inventory projects and national plans and other relevant information, including on the movement of controlled substances for destruction or reclamation; and
- (d) To request the Secretariat to prepare, for the 100th meeting, a document on funding modalities, including elements for draft cost guidelines to implement plans developed in accordance with decision 91/66, with a view to considering the establishment of a funding window in line with decision XXXV/11, taking into consideration the information provided in the report referred to in subparagraph (c) and the views on that report expressed by the Executive Committee.

(Decision 97/89)

AGENDA ITEM 12: REVIEW OF THE POSSIBILITY OF INTEGRATION OF REPORTING THROUGH PROJECT COMPLETION REPORTS AND DETAILED FINAL PROJECT REPORTS (DECISION 95/91(e))

469. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/88.

470. One member, appreciating the Secretariat's idea of streamlining reporting, commented that it was the experience of many Article 5 countries that preparation of the final project reports and the project completion reports constituted double work as they contained overlapping technical, financial and sustainability information. That required additional efforts from the national ozone units and the implementing and bilateral agencies, creating an additional administrative burden and putting more strain on already limited resources.

471. The same member commented that the circumstances triggering the request for a final project report were not clearly defined in existing Executive Committee decisions, which could lead to unpredictability and inconsistency. She said that it might be useful for the Executive Committee to consider establishing clear criteria for when a final project report was required and proposed that, when a final project was requested, it be allowed to serve as the project completion report, provided it contained the necessary assessment elements.

472. Two members, stating their agreement with the recommendation by the Secretariat, sought clarification regarding the process of preparing final progress reports. One of them cited the development of

the knowledge management system as an opportunity to make targeted adjustments to reporting practices to reduce the reporting burden on implementing and bilateral agencies and Article 5 countries. The other member expressed support for the idea.

473. The representative of the Secretariat confirmed that the only overlap for reporting was for pilot and demonstration projects and noted that, while there might have been confusion with regard to the progress reports for stages of multi-year agreements, such reports needed to be requested by the Executive Committee and required a decision to identify clearly why the reports were being requested. Furthermore, such reports covered the implementation of the last tranche of the implementation plan only, not the whole stage of the multi-year agreement.

474. The Executive Committee decided:

- (a) To note the review of the possibility of integration of reporting through project completion reports and detailed final project reports contained in document UNEP/OzL.Pro/ExCom/97/88;
- (b) To continue the current practice of final reporting by bilateral and implementing agencies for different types of projects, except for individual demonstration or pilot projects, as reflected in table 1 of the document referred to in subparagraph (a) above; and
- (c) For demonstration or pilot projects, where a detailed final report was required, to request the Secretariat, when developing the format for the final reports, to align it with the universal format for project completion reports, where applicable, noting that a separate submission of a project completion report would no longer be required for that type of project.

(Decision 97/90)

AGENDA ITEM 13: PROGRESS REPORT ON THE IMPLEMENTATION OF THE RESULTS FRAMEWORK (DECISION 93/97(c))

475. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/89.

476. One member noted that the performance report would ultimately cover the period 2024-2026 and hence, at present, was a midterm report, primarily providing information on 2024. He therefore said that it was interesting to see how the elements such as outputs, outcomes, targets and indicators were laid out for each of the three years, and he anticipated that the report would prove to be a useful tool for representing the results of the Fund's work and communicating results to wider audiences. He also posed a number of questions regarding the targets for the numbers of conversions and closures, policies, regulations, customs officers and refrigeration technicians trained and outcomes with respect to the CO₂-equivalent tonnes phased out. He noted that the indicator on aggregate consumption against aggregated baseline appeared to reflect the amount of HCFCs remaining to be phased out and suggested that, for clarity and impact, the Secretariat might consider instead reporting the amount that had already been phased out, which was the higher figure.

477. The representative of the Secretariat began her response by confirming that the indicator on aggregate consumption against aggregated baseline reflected the remaining amount of HCFCs to be phased out, but noted the member's suggestion for future reporting. Regarding the phase-out expressed in CO₂-equivalent tonnes, she clarified that it referred to HFC projects only and promised to make that clearer in the final report. On the broader question of targets, she said that all the indicators in question related to project-related targets. For projects approved since the start of implementation of the results framework in 2024, the Secretariat had manually extracted the information from the tranche action plan and then added it together. For projects approved before 2024 that had an implementation plan covering any year of the triennium 2024–2026, the Secretariat had calculated an average and then added the target for the relevant

years. Members might have noticed that the achievements were now lower, owing to the change, by the Secretariat, in the format for collecting data on achievements: instead of asking the implementing agency to report yearly, the Secretariat, when it received a new tranche, went back to the progress report on the implementation of the previous tranche, extracted the data from there and performed a manual calculation. She cautioned that, with regard to enterprises with conversions, the Secretariat was facing challenges in arriving at the precise number of conversions for each year and was considering using a period longer than a year or a triennium, such as a stage of a multi-year agreement.

478. The Executive Committee took note of the midterm progress report on the implementation of the results framework contained in document UNEP/OzL.Pro/ExCom/97/89.

AGENDA ITEM 14: REPORT OF THE SUB-GROUP ON THE PRODUCTION SECTOR

479. The facilitator of the Sub-group on the Production Sector introduced the report of the Sub-group, as contained in document UNEP/OzL.Pro/ExCom/97/90. She said that the Sub-group had held three meetings and had discussed two substantive items: the 2024 verification report of the HCFC production sector in China, and matters related to HFC-23.

480. In relation to the 2024 verification report, the report had confirmed that China was in compliance with the Montreal Protocol targets for HCFC production and consumption and with the targets specified in the agreements with the Executive Committee; there were some differences between the verified 2023 production for controlled uses and that reported under Article 7; recent information on new HCFC-142b production lines requiring one-off verification was also considered by the Sub-group; and the matter of HCFCs contained in high-boiling waste residue would be considered further at the next meeting of the Sub-group. The facilitator informed the Executive Committee of some amendments to the report of the Sub-group on the present sub-item.

481. In relation to the matter of HFC-23, the Sub-group considered information on the workshop on HFC-23 emissions at the scientific level that had taken place in September 2025 in China; a summary of information from relevant recent scientific studies related to the matter of HFC-23 by-product emissions; and an update on the Secretariat's confirmation that the Government of China had taken appropriate measures to manage HFC-23 by-product in accordance with paragraph 10 of its Agreement with the Executive Committee. The facilitator highlighted paragraphs 27 and 28 of the document. No recommendation was made with regard to the sub-item.

482. The Executive Committee took note of the report of the Sub-group on the Production Sector contained in document UNEP/OzL.Pro/ExCom/97/90 and agreed on the recommendations made.

HCFC production phase-out management plan (HPPMP) for China: 2024 verification report of the HCFC production sector

483. The Executive Committee decided:

- (a) To note the 2024 verification report of the HCFC production sector in China considered by the Sub-group on the Production Sector;
- (b) To request the World Bank to include in the 2025 HCFC production verification:
 - (i) An explanation of the differences between the verified 2024 HCFC production for controlled uses, the verified 2024 HCFC consumption and that reported under Article 7 of the Montreal Protocol, and between the quantities of HFC-23 by-product reported to have been destroyed under Article 7 and contained in the 2024 HCFC production verification report;

- (ii) An update on the status of:
 - a. The HCFC-22 production line at Zhejiang Pengyou Chemical Co. Plant that was relocated to Jiangxi Province to be operated by Jiangxi Pengyou Chemical Co., Ltd;
 - b. The HCFC-22 production line at Jiangsu Meilan Chemical Co. Ltd that was relocated to Jiangxi Province to be operated by Jiujiang Jiuhong New Materials Co;
 - c. The closure and dismantling of the second HCFC-142b line that had been established at Taixing Meilan for feedstock use and that the enterprise had decided to close;
 - d. The closure and dismantling of the HCFC-141b/HCFC-142b production line at Changshu 3F Fluorochemical Industry Co., Ltd and of the HCFC-22 production line at Shandong Dongyue;
- (c) To request the World Bank to verify, on a one-off basis, that the newly established HCFC-142b production line at Changshu 3F Fluorochemical Industry that had been reported on at the 95th meeting and that was expected to start production in 2025 was vertically integrated with the downstream facility and that all HCFC-142b produced on the line would be exclusively for feedstock use, and to submit a report thereon to the last meeting of 2026;
- (d) To request the World Bank to verify, on a one-off basis, that the newly established production lines identified in document UNEP/OzL.Pro/ExCom/97/SGP/2/Add.1 were vertically integrated with the downstream facilities and that all HCFCs produced on the lines would be exclusively for feedstock use, and to submit a report thereon to the last meeting of 2026;
- (e) To request the World Bank to verify, on a one-off basis, that the newly established HCFC-142b and HCFC-22 production lines at Zhejiang Sanmei that had been reported to the 95th meeting and that were expected to start production in 2026 were vertically integrated with the downstream facilities and that all HCFCs produced on those lines would be exclusively for feedstock use, and to submit a report thereon to the last meeting of 2027; and
- (f) To continue to consider the issue of HCFCs in high-boiling waste residue at the 98th meeting, taking into account decision 94/61 and information prepared by the Secretariat.

(Decision 97/91)

AGENDA ITEM 15: OTHER MATTERS

Dates and venues of the 102nd and 103rd meetings of the Executive Committee

- 484. The representative of the Secretariat introduced document UNEP/OzL.Pro/ExCom/97/Inf.2.
- 485. The Executive Committee decided:
 - (a) To hold its 102nd meeting from 29 May to 2 June 2028, in Montreal, Canada, at the International Civil Aviation Organization (ICAO); and

- (b) To hold its 103rd meeting from 4 to 8 December 2028, also at ICAO.

(Decision 97/92)

AGENDA ITEM 16: ADOPTION OF THE REPORT

486. The Executive Committee adopted the present report on the basis of the draft report contained in document UNEP/OzL.Pro/ExCom/97/L.1.

AGENDA ITEM 17: CLOSURE OF THE MEETING

487. The Chief Officer wished Nelson Espinosa from Cuba all the best for his retirement. She thanked him for his contributions over the years, noting that he was one of the first national ozone officers to work on a demonstration project for chillers without CFCs and on a conversion related to metered-dose inhalers. His example had helped not only Cuba, but also other countries in his region. She also paid tribute to Cornelius Rhein (European Union) and Margaret Aanyu (Uganda) who passed away in 2025.

488. Following the customary exchange of courtesies, the Chair closed the meeting at 7.30 p.m. on Friday, 5 December 2025.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 1 : STATUS OF THE FUND FROM 1991-2025 (IN US DOLLARS)

As at 26/11/2025

INCOME		
Contributions received:		
- Cash payments including note encashments		4,588,586,266
- Promissory notes held		0
- Bilateral cooperation		201,376,390
- Interest earned *		345,952,878
- Miscellaneous income		26,422,453
Total Income		5,162,337,987
ALLOCATIONS** AND PROVISIONS		
- UNDP	1,103,799,497	
- UNEP	494,313,903	
- UNIDO	1,114,862,522	
- World Bank	1,357,344,426	
Unspecified projects	-	
Less Adjustments	-	
Total allocations to implementing agencies		4,070,320,348
Secretariat and Executive Committee costs (1991-2027)		
- includes provision for staff contracts into 2027		180,937,160
Treasury fees (2003-2027)		12,556,982
Monitoring and Evaluation costs (1999-2025)		3,931,189
Technical Audit costs (1998-2010)		1,699,806
Information Strategy costs (2003-2004)		
- includes provision for Network maintenance costs for 2004		104,750
Bilateral cooperation		201,376,390
Provision for fixed-exchange-rate mechanism's fluctuations		
- losses/(gains) in value		29,572,339
Total allocations and provisions		4,500,498,964
Cash		661,839,023
Promissory Notes:		
BALANCE AVAILABLE FOR NEW ALLOCATIONS		
		661,839,023

* Includes interest amount US \$1,627,192 earned by FECO/MEP (China).

** Amounts reflect net approvals for which resources are transferred to Implementing Agencies. The Secretariat budget reflects actual costs as per the final 2024 and approved amounts from 1991 - 2027.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 2 : 1991 - 2025 SUMMARY STATUS OF CONTRIBUTIONS AND OTHER INCOME (US\$)

BALANCE AVAILABLE FOR NEW ALLOCATIONS
As at 26/11/2025

Description	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	2009-2011	2012-2014	2015-2017	2018-2020	2021-2023	2024-2025	1991-2025
Pledged contributions	235,029,241	424,841,347	472,567,009	440,000,001	474,000,001	368,975,910	399,640,706	396,815,725	436,198,530	496,274,667	473,714,767	349,440,723	4,967,498,628
Cash payments/received	206,611,034	381,594,829	418,966,144	406,691,769	421,323,976	340,173,233	376,678,075	379,922,493	418,564,012	478,262,866	438,030,498	321,767,338	4,588,586,266
Bilateral assistance	4,366,255	11,870,240	20,836,903	22,591,302	44,246,306	19,671,519	14,151,636	11,412,900	14,168,565	13,681,572	11,711,760	12,667,431	201,376,390
Promissory notes	0	0	0	0	0	0	0	0	0	0	0	0	0
Total payments	210,977,289	393,465,069	439,803,048	429,283,071	465,570,282	359,844,752	390,829,712	391,335,393	432,732,577	491,944,438	449,742,258	334,434,769	4,789,962,656
Disputed contributions	0	8,098,267	0	0	0	31,524,212	405,792	3,477,910	1,301,470	3,725,331	1,285,232	959,275	50,777,489
Outstanding pledges	24,051,952	31,376,278	32,763,961	10,716,930	8,429,719	9,131,159	8,810,995	5,480,332	3,465,953	4,330,229	23,972,509	15,005,955	177,535,972
Payments %age to pledges	90%	93%	93%	98%	98%	98%	98%	99%	99%	99%	95%	96%	96%
Interest earned	5,323,644	28,525,733	44,685,516	53,946,601	19,374,449	43,537,814	10,544,631	6,615,053	8,836,637	25,295,186	37,330,031	61,937,584	345,952,878
Miscellaneous income	1,442,103	1,297,366	1,223,598	1,125,282	1,386,177	3,377,184	3,547,653	5,804,410	1,782,834	2,666,182	2,769,663		26,422,453
TOTAL INCOME	217,743,036	423,288,168	485,712,161	484,354,955	486,330,908	406,759,750	404,921,996	403,754,856	443,352,048	519,905,805	489,841,951	396,372,353	5,162,337,987
Accumulated figures	1991-1993	1994-1996	1997-1999	2000-2002	2003-2005	2006-2008	2009-2011	2012-2014	2015-2017	2018-2020	2021-2023	2024-2025	1991-2025
Total pledges	235,029,241	424,841,347	472,567,009	440,000,001	474,000,001	368,975,910	399,640,706	396,815,725	436,198,530	496,274,667	473,714,767	349,440,723	4,967,498,628
Total payments	210,977,289	393,465,069	439,803,048	429,283,071	465,570,282	359,844,752	390,829,712	391,335,393	432,732,577	491,944,438	449,742,258	334,434,769	4,789,962,656
Payments %age to pledges	90%	93%	93%	98%	98%	98%	97.80%	98.62%	99.21%	99.13%	94.94%	95.71%	96.43%
Total income	217,743,036	423,288,168	485,712,161	484,354,955	486,330,908	406,759,750	404,921,996	403,754,856	443,352,048	519,905,805	489,841,951	396,372,353	5,162,337,987
Total outstanding contributions	24,051,952	31,376,278	32,763,961	10,716,930	8,429,719	9,131,159	8,810,995	5,480,332	3,465,953	4,330,229	23,972,509	15,005,955	177,535,972
As % to total pledges	0	0	0	0	0	0	2.20%	1.38%	0.79%	0.87%	5.06%	4.29%	3.57%
Outstanding contributions for certain Countries with Economies in Transition (CEITs)	24,051,952	31,376,278	32,763,961	9,811,798	7,511,984	5,940,206	6,211,155	3,520,928	1,065,047	1,384,168	18,539,890	10,097,519	152,274,886
CEITs' outstandings %age to pledges	10.23%	7.39%	6.93%	2.23%	1.58%	1.61%	1.55%	0.89%	0.24%	0.28%	3.91%	2.89%	3.07%

PS: CEITs are Azerbaijan, Belarus, Bulgaria, Czech Republic, Estonia, Hungary, Kazakhstan, Latvia, Lithuania, Poland, Russian Federation, Slovakia, Slovenia, Tajikistan, Ukraine and Uzbekistan, including Turkmenistan up to 2004 as per decision XVI/39.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 3 : 1991-2025 Summary Status of Contributions (US\$)

As at 26/11/2025

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions	Exchange (Gain)/Loss. NB:Negative amount = Gain
Andorra	233,148	233,148	0	0	0	0
Australia*	123,753,144	120,408,567	3,344,576	0	1	3,029,178
Austria	53,753,509	52,151,050	1,307,290	0	295,169	495,475
Azerbaijan	2,226,466	311,683	0	0	1,914,783	0
Belarus	4,460,363	1,311,056	0	0	3,149,307	0
Belgium	66,496,603	66,496,604	0	0	0	2,648,092
Bulgaria	2,759,851	2,759,851	0	0	0	0
Canada*	192,765,776	181,963,594	10,802,182	0	-1	-605,986
Croatia	2,817,637	2,379,606	0	0	438,031	182,157
Cyprus	1,896,881	1,896,881	0	0	0	47,318
Czech Republic	19,228,303	18,951,370	276,933	0	0	726,085
Denmark	44,231,668	44,070,615	161,053	0	0	-70,387
Estonia	1,570,222	1,570,222	0	0	1	52,451
Finland	34,384,214	34,061,911	322,303	0	0	-43,861
France	377,199,105	360,577,562	16,621,543	0	0	-4,336,560
Germany	529,627,431	433,865,999	96,125,505	0	-364,073	6,504,567
Greece	31,215,241	31,215,241	0	0	0	-1,265,648
Holy See	32,397	32,397	0	0	0	0
Hungary	12,583,639	12,537,145	46,494	0	0	102,932
Iceland	2,091,558	1,659,567	0	0	431,991	51,218
Ireland	22,515,914	22,515,914	0	0	0	939,458
Israel	26,329,429	3,824,671	70,453	0	22,434,305	0
Italy	294,082,811	275,013,241	19,069,571	0	0	7,351,279
Japan	873,055,484	853,428,895	19,626,592	0	-3	0
Kazakhstan	4,483,663	4,130,352	0	0	353,311	0
Kuwait	286,549	286,549	0	0	0	0
Latvia	2,000,047	2,000,047	0	0	0	-24,194
Liechtenstein	556,858	556,858	0	0	0	0
Lithuania	3,068,057	2,575,089	0	0	492,968	-16,186
Luxembourg	4,847,300	4,847,300	0	0	0	17,635
Malta	730,858	730,858	0	0	0	15,485
Monaco	502,291	502,291	0	0	0	-572
Netherlands	106,476,259	106,476,258	0	0	0	0
New Zealand	17,169,464	17,169,463	0	0	0	575,996
Norway	47,480,034	47,480,033	0	0	0	2,071,718
Panama	16,915	16,915	0	0	0	0
Poland	37,346,422	37,233,422	113,000	0	0	1,436,467
Portugal	26,189,544	26,141,803	47,743	0	-1	203,081
Romania	7,500,206	5,474,541	0	0	2,025,665	-1,286
Russian Federation	181,202,339	45,911,441	666,676	0	134,624,222	6,576,265
San Marino	95,195	95,196	0	0	-1	3,429
Singapore	531,221	459,245	71,976	0	0	0
Slovak Republic	7,500,277	7,483,755	16,523	0	-1	161,248
Slovenia	4,233,721	4,233,721	0	0	0	25,851
South Africa	3,793,691	3,763,691	30,000	0	0	0
Spain	166,349,146	159,906,394	6,442,752	0	0	3,101,031
Sweden	68,365,229	66,790,901	1,574,328	0	0	761,753
Switzerland	77,577,375	75,664,144	1,913,230	0	1	-2,328,380
Tajikistan	213,890	57,991	0	0	155,899	0
Turkmenistan**	293,245	5,764	0	0	287,481	0
Ukraine	11,817,148	1,303,750	0	0	10,513,398	0
United Arab Emirates	559,639	559,639	0	0	0	0
United Kingdom	350,511,202	349,352,726	1,158,476	0	0	1,185,229
United States of America	1,115,073,731	1,093,506,540	21,567,191	0	0	0
Uzbekistan	1,416,316	632,800	0	0	783,516	0
SUB-TOTAL	4,967,498,628	4,588,586,266	201,376,390	0	177,535,972	29,572,339
Disputed Contributions***	50,777,489	0	0	0	50,777,489	
TOTAL	5,018,276,117	4,588,586,266	201,376,390	0	228,313,461	

NB: (*) The bilateral assistance recorded for Australia and Canada was adjusted following approvals at the 39th meeting and taking into consideration a reconciliation carried out by the Secretariat through the progress reports submitted to the 40th meeting to read US \$1,208,219 and US \$6,449,438 instead of US \$1,300,088 and US \$6,414,880 respectively.

(**) In accordance with decisions VI/5 and XVI/39 of the meeting of the Parties to the Montreal Protocol, Turkmenistan has been reclassified as operating under Article 5 in 2004 and therefore its contribution of US \$5,764 for 2005 should be disregarded.

(***) Amount netted off from outstanding contributions and are shown here for records only.

TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 4 : Status of Contributions for 2024-2025 (US\$)

As at 26/11/2025

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	29,684	29,684	0	0	0
Australia	12,532,564	11,772,547	760,017		0
Austria	4,031,080	3,247,413	783,667		0
Azerbaijan	178,104	0	0		178,104
Belarus	243,408	243,408	0		0
Belgium	4,915,662	4,915,662	0		0
Bulgaria	332,460	332,460	0		0
Canada	15,601,884	15,601,884	0		0
Croatia	540,248	102,216	0		438,032
Cyprus	213,724	213,724	0		0
Czech Republic	2,018,508	2,018,508	0		0
Denmark	3,283,044	3,283,044	0		0
Estonia	261,218	261,218	0		0
Finland	2,475,642	2,475,642	0		0
France	25,635,060	25,635,060	0		0
Germany	36,279,724	25,749,453	10,530,271		0
Greece	1,929,456	1,929,456	0		0
Holy See	5,936	5,936	0		0
Hungary	1,353,588	1,353,588	0		0
Iceland	213,724	0	0		213,724
Ireland	2,606,250	2,606,250	0		0
Israel	3,330,540	0	0		3,330,540
Italy	18,932,424	18,932,424	0		0
Japan	47,690,234	47,690,234	0		0
Kazakhstan	789,594	789,594	0		0
Latvia	296,840	296,840	0		0
Liechtenstein	59,368	59,368	0		0
Lithuania	457,132	457,132	0		0
Luxembourg	403,702	403,702	0		0
Malta	112,800	112,800	0		0
Monaco	65,304	65,304	0		0
Netherlands	8,174,960	8,174,960	0		0
New Zealand	1,834,468	1,834,468	0		0
Norway	4,031,080	4,031,080	0		0
Poland	4,969,094	4,969,094	0		0
Portugal	2,095,686	2,095,686	0		0
Romania	1,852,278	926,139	0		926,139
Russian Federation	11,078,050	1,500,000	0		9,578,050
San Marino	11,874	11,874	0		0
Slovak Republic	920,202	920,202	0		0
Slovenia	469,006	469,006	0		0
Spain	12,669,110	12,669,110	0		0
Sweden	5,170,944	5,170,944	0		0
Switzerland	6,732,320	6,732,320	0		0
Tajikistan	17,810	8,905	0		8,905
Ukraine	332,460	0	0		332,460
United Kingdom	25,973,456	25,379,980	593,476		0
United States of America	76,128,725	76,128,725	0		0
Uzbekistan	160,294	160,294	0		0
TOTAL	349,440,723	321,767,338	12,667,431		15,005,955
Disputed Contributions(*)	959,275		0		959,275
TOTAL	350,399,998	321,767,338	12,667,431		15,965,229

(*) Additional amount on disputed contributions from the United States of America.

CEITs	23,877,768	13,780,249	0		10,097,519
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 5 : Status of Contributions for 2025 (US\$)

As at 26/11/2025

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	14,842	14,842			0
Australia	6,266,282	6,266,282			0
Austria	2,015,540	2,015,540			0
Azerbaijan	89,052				89,052
Belarus	121,704	124,219			-2,515
Belgium	2,457,831	2,457,831			0
Bulgaria	166,230	166,230			0
Canada	7,800,942	7,800,942			0
Croatia	270,124				270,124
Cyprus	106,862	106,862			0
Czech Republic	1,009,254	1,009,254			0
Denmark	1,641,522	1,641,522			0
Estonia	130,609	130,609			0
Finland	1,237,821	1,237,821			0
France	12,817,530	12,817,530			0
Germany	18,139,862	15,699,777	410,125		2,029,960
Greece	964,728	964,728			0
Holy See	2,968	2,968			0
Hungary	676,794	676,794			0
Iceland	106,862				106,862
Ireland	1,303,125	1,303,125			0
Israel	1,665,270				1,665,270
Italy	9,466,212	9,466,212			0
Japan	23,845,117	23,845,117			0
Kazakhstan	394,797	394,797			0
Latvia	148,420	148,420			0
Liechtenstein	29,684	29,684			0
Lithuania	228,566	228,566			0
Luxembourg	201,851	201,851			0
Malta	56,400	56,400			0
Monaco	32,652	32,652			0
Netherlands	4,087,480	4,087,480			0
New Zealand	917,234	917,234			0
Norway	2,015,540	2,015,540			0
Poland	2,484,547	2,484,547			0
Portugal	1,047,843	1,047,843			0
Romania	926,139				926,139
Russian Federation	5,539,025				5,539,025
San Marino	5,937	5,937			0
Slovak Republic	460,101	460,101			0
Slovenia	234,503	234,503			0
Spain	6,334,555	6,334,555			0
Sweden	2,585,472	2,585,472			0
Switzerland	3,366,160	3,366,160			0
Tajikistan	8,905				8,905
Ukraine	166,230				166,230
United Kingdom	12,986,728	12,461,052	33,900		491,776
United States of America	37,951,870	37,951,870			0
Uzbekistan	80,147	80,147			0
TOTAL	174,607,869	162,873,016	444,025		11,290,828
Disputed Contributions(*)	592,130				592,130
TOTAL	175,199,999	162,873,016	444,025		11,882,958

(*) Additional amount on disputed contributions from the United States of America.

CEITs	11,938,884	6,138,187	0	0	5,800,697
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 6 : Status of Contributions for 2024 (US\$)

As at 26/11/2025

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	14,842	14,842			0
Australia	6,266,282	5,506,265	760,017		0
Austria	2,015,540	1,231,873	783,667		0
Azerbaijan	89,052				89,052
Belarus	121,704	120,657			1,047
Belgium	2,457,831	2,457,831			0
Bulgaria	166,230	166,230			0
Canada	7,800,942	7,800,942			0
Croatia	270,124	102,216			167,908
Cyprus	106,862	106,862			0
Czech Republic	1,009,254	1,009,254			0
Denmark	1,641,522	1,641,522			0
Estonia	130,609	130,609			0
Finland	1,237,821	1,237,821			0
France	12,817,530	12,817,530			0
Germany	18,139,862	10,049,676	10,120,146		-2,029,960
Greece	964,728	964,728			0
Holy See	2,968	2,968			0
Hungary	676,794	676,794			0
Iceland	106,862				106,862
Ireland	1,303,125	1,303,125			0
Israel	1,665,270				1,665,270
Italy	9,466,212	9,466,212			0
Japan	23,845,117	23,845,117			0
Kazakhstan	394,797	394,797			0
Latvia	148,420	148,420			0
Liechtenstein	29,684	29,684			0
Lithuania	228,566	228,566			0
Luxembourg	201,851	201,851			0
Malta	56,400	56,400			0
Monaco	32,652	32,652			0
Netherlands	4,087,480	4,087,480			0
New Zealand	917,234	917,234			0
Norway	2,015,540	2,015,540			0
Poland	2,484,547	2,484,547			0
Portugal	1,047,843	1,047,843			0
Romania	926,139	926,139			0
Russian Federation	5,539,025	1,500,000			4,039,025
San Marino	5,937	5,937			0
Slovak Republic	460,101	460,101			0
Slovenia	234,503	234,503			0
Spain	6,334,555	6,334,555			0
Sweden	2,585,472	2,585,472			0
Switzerland	3,366,160	3,366,160			0
Tajikistan	8,905	8,905			0
Ukraine	166,230				166,230
United Kingdom	12,986,728	12,918,928	559,576		-491,776
United States of America	38,176,855	38,176,855			0
Uzbekistan	80,147	80,147			0
TOTAL	174,832,854	158,895,790	12,223,406		3,713,658
Disputed Contributions(*)	367,145				367,145
TOTAL	175,199,999	158,895,790	12,223,406		4,080,803

(*) Additional amount on disputed contributions from the United States of America.

CEITs	11,938,884	7,643,530	0	0	4,295,354
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 7 : Status of Contributions for **2021-2023 (US\$)**

As at 26/11/2025

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	38,976	38,976	0		0
Australia	17,227,482	16,675,094	552,388		0
Austria	5,277,378	4,590,376	391,833		295,169
Azerbaijan	381,967	0	0		381,967
Belarus	381,967	381,966	0		1
Belgium	6,399,893	6,399,893	0		0
Bulgaria	358,581	358,581	0		0
Canada	21,312,188	21,312,189	0		-1
Croatia	600,234	600,234	0		0
Cyprus	280,629	280,629	0		0
Czech Republic	2,424,320	2,424,320	0		0
Denmark	4,318,563	4,318,563	0		0
Estonia	304,014	304,014	0		0
Finland	3,281,796	3,281,796	0		0
France	34,509,531	33,870,267	639,264		0
Germany	47,473,016	37,978,413	9,494,603		0
Greece	2,853,058	2,853,058	0		0
Holy See	7,795	7,795	0		0
Hungary	1,605,820	1,605,820	0		0
Iceland	218,267	0	0		218,267
Ireland	2,892,034	2,892,034	0		0
Israel	3,819,668	0	0		3,819,668
Italy	25,778,861	25,514,021	264,840		0
Japan	66,758,442	66,389,610	368,832		0
Kazakhstan	1,387,553	1,034,242	0		353,311
Latvia	366,376	366,376	0		0
Liechtenstein	70,157	70,157	0		0
Lithuania	553,462	553,462	0		0
Luxembourg	522,281	522,281	0		0
Malta	132,519	132,519	0		0
Monaco	85,748	85,748	0		0
Netherlands	10,570,347	10,570,347	0		0
New Zealand	2,268,415	2,268,415	0		0
Norway	5,877,612	5,877,612	0		0
Poland	6,251,783	6,251,783	0		0
Portugal	2,728,334	2,728,334	0		0
Romania	1,543,458	443,942	0		1,099,516
Russian Federation	18,747,554	1,500,000	0		17,247,554
San Marino	15,590	15,591	0		-1
Slovak Republic	1,192,672	1,192,672	0		0
Slovenia	592,438	592,438	0		0
Spain	16,728,587	16,728,587	0		0
Sweden	7,062,488	7,062,488	0		0
Switzerland	8,972,322	8,972,322	0		0
Tajikistan	31,181	0	0		31,181
Ukraine	444,329	0	0		444,329
United Kingdom	35,600,865	35,600,865	0		0
United States of America	103,214,768	103,214,767	0		1
Uzbekistan	249,448	167,900	0		81,548
TOTAL	473,714,767	438,030,498	11,711,760		23,972,509
Disputed Contributions(*)	1,285,232	0	0		1,285,232
TOTAL	474,999,999	438,030,498	11,711,760		25,257,741

(*) Additional amount on disputed contributions from the United States of America.

CEITs	35,273,465	16,733,575	0		18,539,890
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 8 : Status of Contributions for 2023 (US\$)

As at 26/11/2025

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	12,992	12,992			0
Australia	5,742,494	6,371,886	552,388		-1,181,780
Austria	1,759,126	1,415,621			343,505
Azerbaijan	127,322				127,322
Belarus	127,322	127,322			0
Belgium	2,133,298	1,820,103			313,195
Bulgaria	119,527	131,915			-12,388
Canada	7,104,063	6,939,023			165,039
Croatia	200,078	97,650			102,428
Cyprus	93,543	58,173			35,370
Czech Republic	808,107	690,320			117,787
Denmark	1,439,521	1,306,566			132,955
Estonia	101,338	58,241			43,097
Finland	1,093,932	1,093,923			9
France	11,503,177	11,503,177			0
Germany	15,824,339	12,861,009	924,834		2,038,496
Greece	951,019	683,308			267,711
Holy See	2,598	2,599			-1
Hungary	535,273	757,369			-222,096
Iceland	72,756				72,756
Ireland	964,011	964,003			8
Israel	1,273,223				1,273,223
Italy	8,592,954	8,592,877			77
Japan	22,252,814	24,871,335	67,800		-2,686,321
Kazakhstan	462,518	109,206			353,312
Latvia	122,125	107,640			14,485
Liechtenstein	23,386	23,385			1
Lithuania	184,487	180,760			3,727
Luxembourg	174,094	190,991			-16,897
Malta	44,173	44,173			0
Monaco	28,583	28,582			1
Netherlands	3,523,449	3,100,681			422,768
New Zealand	756,138	1,068,869			-312,731
Norway	1,959,204	2,178,456			-219,252
Poland	2,083,928	2,083,928			0
Portugal	909,445	700,180			209,265
Romania	514,486				514,486
Russian Federation	6,249,185				6,249,185
San Marino	5,197	5,197			0
Slovak Republic	397,557	364,788			32,769
Slovenia	197,479	157,790			39,689
Spain	5,576,196	4,085,805			1,490,391
Sweden	2,354,163	2,354,186			-23
Switzerland	2,990,774	1,919,582			1,071,192
Tajikistan	10,394				10,394
Ukraine	148,110				148,110
United Kingdom	11,866,955	12,792,603			-925,648
United States of America	34,514,874	34,514,874			0
Uzbekistan	83,149	55,200			27,949
TOTAL	158,014,874	146,426,288	1,545,022		10,043,564
Disputed Contributions(*)	318,459				318,459
TOTAL	158,333,333	146,426,288	1,545,022		10,362,023

(*) Additional amount on disputed contributions from the United States of America.

CEITs	11,757,822	4,824,480	0	0	6,933,342
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 9 : Status of Contributions for **2022 (US\$)**

As at 26/11/2025

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	12,992	10,817			2,175
Australia	5,742,494	5,151,604			590,890
Austria	1,759,126	1,415,621	391,833		-48,328
Azerbaijan	127,322				127,322
Belarus	127,322	113,477			13,845
Belgium	2,133,298	2,289,845			-156,547
Bulgaria	119,527	113,333			6,194
Canada	7,104,063	7,111,395			-7,332
Croatia	200,078	251,292			-51,214
Cyprus	93,543	111,228			-17,685
Czech Republic	808,107	867,000			-58,893
Denmark	1,439,521	1,505,999			-66,478
Estonia	101,338	98,394			2,944
Finland	1,093,932	1,007,992			85,940
France	11,503,177	10,433,663			1,069,514
Germany	15,824,339	5,540,479	4,253,137		6,030,723
Greece	951,019	951,024			-5
Holy See	2,598	2,598			0
Hungary	535,273	428,657			106,616
Iceland	72,756				72,756
Ireland	964,011	1,061,131			-97,120
Israel	1,273,223				1,273,223
Italy	8,592,954	7,488,030			1,104,924
Japan	22,252,814	24,395,165			-2,142,351
Kazakhstan	462,518	462,518			0
Latvia	122,125	129,368			-7,243
Liechtenstein	23,386	23,386			0
Lithuania	184,487	186,351			-1,864
Luxembourg	174,094	165,645			8,449
Malta	44,173	44,173			0
Monaco	28,583	28,583			0
Netherlands	3,523,449	3,734,833			-211,384
New Zealand	756,138	599,773			156,365
Norway	1,959,204	1,849,578			109,626
Poland	2,083,928	2,217,357			-133,429
Portugal	909,445	1,014,236			-104,791
Romania	514,486				514,486
Russian Federation	6,249,185				6,249,185
San Marino	5,197	5,197			0
Slovak Republic	397,557	413,942			-16,385
Slovenia	197,479	217,324			-19,845
Spain	5,576,196	6,321,391			-745,195
Sweden	2,354,163	2,493,780			-139,617
Switzerland	2,990,774	2,990,774			0
Tajikistan	10,394				10,394
Ukraine	148,110				148,110
United Kingdom	11,866,955	12,610,340			-743,385
United States of America	34,000,879	34,000,879			0
Uzbekistan	83,149	54,700			28,449
TOTAL	157,500,879	139,912,872	4,644,970		12,943,037
Disputed Contributions(*)	832,454				832,454
TOTAL	158,333,333	139,912,872	4,644,970		13,775,491

(*) Additional amount on disputed contributions from the United States of America.

CEITs	11,757,822	5,302,422	0	0	6,455,400
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 10 : Status of Contributions for **2021** (US\$)

As at 26/11/2025

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	12,992	15,167			-2,175
Australia	5,742,494	5,151,604			590,890
Austria	1,759,126	1,759,134	0		-8
Azerbaijan	127,322				127,322
Belarus	127,322	141,167			-13,845
Belgium	2,133,298	2,289,945			-156,647
Bulgaria	119,527	113,333			6,194
Canada	7,104,063	7,160,896			-56,834
Croatia	200,078	251,292			-51,214
Cyprus	93,543	111,228			-17,685
Czech Republic	808,107	867,000			-58,893
Denmark	1,439,521	1,505,999			-66,478
Estonia	101,338	147,378			-46,040
Finland	1,093,932	1,179,881			-85,949
France	11,503,177	11,933,427	639,264		-1,069,514
Germany	15,824,339	19,576,925	4,316,632		-8,069,218
Greece	951,019	1,218,726			-267,707
Holy See	2,598	2,598			0
Hungary	535,273	419,794			115,479
Iceland	72,756				72,756
Ireland	964,011	866,900			97,111
Israel	1,273,223				1,273,223
Italy	8,592,954	9,433,114	264,840		-1,105,001
Japan	22,252,814	17,123,110	301,032		4,828,672
Kazakhstan	462,518	462,518			0
Latvia	122,125	129,368			-7,243
Liechtenstein	23,386	23,386			0
Lithuania	184,487	186,351			-1,864
Luxembourg	174,094	165,645			8,448
Malta	44,173	44,173			0
Monaco	28,583	28,583			0
Netherlands	3,523,449	3,734,833			-211,384
New Zealand	756,138	599,773			156,365
Norway	1,959,204	1,849,578			109,626
Poland	2,083,928	1,950,498			133,429
Portugal	909,445	1,013,918			-104,473
Romania	514,486	443,942			70,544
Russian Federation	6,249,185	1,500,000			4,749,185
San Marino	5,197	5,197			0
Slovak Republic	397,557	413,942			-16,385
Slovenia	197,479	217,324			-19,845
Spain	5,576,196	6,321,391			-745,195
Sweden	2,354,163	2,214,522			139,641
Switzerland	2,990,774	4,061,965			-1,071,191
Tajikistan	10,394				10,394
Ukraine	148,110				148,110
United Kingdom	11,866,955	10,197,922			1,669,033
United States of America	34,699,014	34,699,014			0
Uzbekistan	83,149	58,000			25,149
TOTAL	158,199,014	151,590,463	5,521,768	0	1,086,783
Disputed Contributions(*)	134,319				134,319
TOTAL	158,333,333	151,590,463	5,521,768	0	1,221,102

(*) Additional amount on disputed contributions from the United States of America.

CEITs	11,757,822	6,606,673	0	0	5,151,148
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 11 : Status of Contributions for **2018-2020** (US\$)

As at 26/11/2025

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	45,501	45,501	0	0	0
Australia	17,669,001	17,247,737	421,264	0	0
Austria	5,443,500	5,443,500	0	0	0
Azerbaijan	453,501	0	0	0	453,501
Belarus	423,501	359,334	0	0	64,167
Belgium	6,690,999	6,690,999	0	0	0
Bulgaria	339,999	339,999	0	0	0
Canada	22,083,999	21,029,237	1,054,762	0	0
Croatia	748,500	748,500	0	0	0
Cyprus	324,999	324,999	0	0	0
Czech Republic	2,601,000	2,601,000	0	0	0
Denmark	4,415,499	4,415,499	0	0	0
Estonia	287,499	287,499	0	0	0
Finland	3,447,501	3,447,501	0	0	0
France	36,736,500	36,596,945	139,555	0	0
Germany	48,303,999	38,948,149	9,660,801	0	-304,951
Greece	3,561,000	3,561,000	0	0	0
Holy See	7,500	7,500	0	0	0
Hungary	1,217,001	1,217,001	0	0	0
Iceland	174,000	174,000	0	0	0
Ireland	2,532,999	2,532,999	0	0	0
Israel	3,251,001	0	0	0	3,251,001
Italy	28,336,500	27,399,738	936,762	0	0
Japan	71,890,118	71,614,421	275,697	0	0
Kazakhstan	1,443,999	1,443,999	0	0	0
Latvia	378,000	378,000	0	0	0
Liechtenstein	53,001	53,001	0	0	0
Lithuania	544,500	544,500	0	0	0
Luxembourg	483,999	483,999	0	0	0
Malta	120,999	120,999	0	0	0
Monaco	75,501	75,501	0	0	0
Netherlands	11,204,499	11,204,499	0	0	0
New Zealand	2,025,999	2,025,999	0	0	0
Norway	6,419,001	6,419,001	0	0	0
Poland	6,358,500	6,358,500	0	0	0
Portugal	2,963,499	2,963,499	0	0	0
Romania	1,391,001	1,390,991	0	0	10
Russian Federation	23,346,999	23,346,999	0	0	0
San Marino	22,500	22,500	0	0	0
Slovak Republic	1,209,501	1,209,501	0	0	0
Slovenia	635,001	635,001	0	0	0
Spain	18,470,499	17,277,768	1,192,731	0	0
Sweden	7,227,999	7,227,999	0	0	0
Switzerland	8,619,000	8,619,000	0	0	0
Tajikistan	30,000	0	0	0	30,000
Ukraine	778,500	0	0	0	778,500
United Kingdom	33,742,500	33,742,500	0	0	0
United States of America	107,570,053	107,570,053	0	0	0
Uzbekistan	174,000	116,000	0	0	58,000
TOTAL	496,274,667	478,262,866	13,681,572	0	4,330,229
Disputed Contributions(*)	3,725,331	0	0	0	3,725,331
TOTAL	499,999,998	478,262,866	13,681,572	0	8,055,560

*Additional amount on disputed contributions relates to the United States of America (US \$2,429,948) and Japan (US \$1,295,383).

CEITs	40,221,501	38,837,333	0	0	1,384,168
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 12 : Status of Contributions for 2020 (US\$)

As at 26/11/2025

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	15,167	15,167			0
Australia	5,889,667	5,468,403	421,264		0
Austria	1,814,500	1,814,500			0
Azerbaijan	151,167				151,167
Belarus	141,167	141,167			0
Belgium	2,230,333	2,230,333			0
Bulgaria	113,333	113,333			0
Canada	7,361,333	6,936,571	424,762		0
Croatia	249,500	249,500			0
Cyprus	108,333	108,333			0
Czech Republic	867,000	867,000			0
Denmark	1,471,833	1,471,833			0
Estonia	95,833	95,833			0
Finland	1,149,167	1,149,167			0
France	12,245,500	12,218,945	26,555		0
Germany	16,101,333	12,913,708	3,187,625		0
Greece	1,187,000	1,187,000			0
Holy See	2,500	2,500			0
Hungary	405,667	405,667			0
Iceland	58,000	58,000			0
Ireland	844,333	844,333			0
Israel	1,083,667				1,083,667
Italy	9,445,500	9,445,500			0
Japan	24,395,167	24,395,167			0
Kazakhstan	481,333	481,333			0
Latvia	126,000	126,000			0
Liechtenstein	17,667	17,667			0
Lithuania	181,500	181,500			0
Luxembourg	161,333	161,333			0
Malta	40,333	40,333			0
Monaco	25,167	25,167			0
Netherlands	3,734,833	3,734,833			0
New Zealand	675,333	675,333			0
Norway	2,139,667	2,139,667			0
Poland	2,119,500	2,119,500			0
Portugal	987,833	987,833			0
Romania	463,667	463,667			0
Russian Federation	7,782,333	7,782,333			0
San Marino	7,500	7,500			0
Slovak Republic	403,167	403,167			0
Slovenia	211,667	211,667			0
Spain	6,156,833	6,156,833			0
Sweden	2,409,333	2,409,333			0
Switzerland	2,873,000	2,873,000			0
Tajikistan	10,000				10,000
Ukraine	259,500				259,500
United Kingdom	11,247,500	11,247,500			0
United States of America	35,479,891	35,479,891			0
Uzbekistan	58,000	58,000			0
TOTAL	165,479,890	159,915,350	4,060,206	0	1,504,334
Disputed Contributions(*)	1,186,776				1,186,776
TOTAL	166,666,666	159,915,350	4,060,206	0	2,691,110

(*) Additional amount on disputed contributions from the United States of America.

CEITs	13,407,167	12,986,500	0	0	420,667
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TRUST FUND FOR THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

TABLE 13 : Status of Contributions for **2019** (US\$)

As at 26/11/2025

Party	Agreed Contributions	Cash Payments	Bilateral Assistance	Promissory Notes	Outstanding Contributions
Andorra	15,167	15,167			0
Australia	5,889,667	5,889,667			0
Austria	1,814,500	1,814,500			0
Azerbaijan	151,167				151,167
Belarus	141,167	141,167			0
Belgium	2,230,333	2,230,333			0
Bulgaria	113,333	113,333			0
Canada	7,361,333	7,031,333	330,000		0
Croatia	249,500	249,500			0
Cyprus	108,333	108,333			0
Czech Republic	867,000	867,000			0
Denmark	1,471,833	1,471,833			0
Estonia	95,833	95,833			0
Finland	1,149,167	1,149,167			0
France	12,245,500	12,245,500			0
Germany	16,101,333	15,005,907	1,400,376		-304,950
Greece	1,187,000	1,187,000			0
Holy See	2,500	2,500			0
Hungary	405,667	405,667			0
Iceland	58,000	58,000			0
Ireland	844,333	844,333			0
Israel	1,083,667				1,083,667
Italy	9,445,500	8,880,500	565,000		0
Japan	24,395,167	24,209,870	185,297		0
Kazakhstan	481,333	481,333			0
Latvia	126,000	126,000			0
Liechtenstein	17,667	17,667			0
Lithuania	181,500	181,500			0
Luxembourg	161,333	161,333			0
Malta	40,333	40,333			0
Monaco	25,167	25,167			0
Netherlands	3,734,833	3,734,833			0
New Zealand	675,333	675,333			0
Norway	2,139,667	2,139,667			0
Poland	2,119,500	2,119,500			0
Portugal	987,833	987,833			0
Romania	463,667	463,657			10
Russian Federation	7,782,333	7,782,333			0
San Marino	7,500	7,500			0
Slovak Republic	403,167	403,167			0
Slovenia	211,667	211,667			0
Spain	6,156,833	6,156,833			0
Sweden	2,409,333	2,409,333			0
Switzerland	2,873,000	2,873,000			0
Tajikistan	10,000				10,000
Ukraine	259,500				259,500
United Kingdom	11,247,500	11,247,500			0
United States of America	35,614,904	35,614,904			0
Uzbekistan	58,000	58,000			0
TOTAL	165,614,903	161,934,836	2,480,673	0	1,199,394
Disputed Contributions(*)	1,051,763				1,051,763
TOTAL	166,666,666	161,934,836	2,480,673	0	2,251,157

(*) Additional amount on disputed contributions from the United States of America.

CEITs	13,407,167	12,986,500	0	0	420,667
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Annex II

APPROVED REVISED 2026 AND 2027, AND 2028 BUDGETS OF THE FUND SECRETARIAT

Budget Lines	Cost Category	Revised 2026 ^b	Revised 2027	Approved 2028
1000	Employee Salaries and Entitlements^a			
1100	Professional Staff	4,350,408	4,480,920	4,532,256
1200	General Services Staff ^b	1,094,802	989,413	1,019,095
Total Employee Salaries and Entitlements		5,445,210	5,470,333	5,551,351
2000	Other Personnel			
2101	Temporary Assistance	51,600	51,600	51,600
2201	Consultants and Individual Contractors	105,000	105,000	105,000
2303	United Nations Volunteers (UNVs)			
Total Other Personnel		156,600	156,600	156,600
3000	Meetings and Travel Costs			
3100	Meeting Costs			
3101	Conference Services - ExCom 1	598,750	598,750	598,750
3102	Conference Services - ExCom 2	598,750	598,750	598,750
3103	Conference Services - ExCom 3			
3104	Hospitality	35,200	35,200	35,200
Subtotal Meeting Costs		1,232,700	1,232,700	1,232,700
3200	Travel			
3201	Travel of Chairperson and Vice-Chairperson	15,000	15,000	15,000
3202	Travel of Article 5 delegates	210,000	210,000	210,000
3203	Staff Travel for Conference Meetings			
3204	Staff Travel on Official Business	283,800	283,800	283,800
Subtotal Travel Total		508,800	508,800	508,800
Total Meetings and Travel Costs		1,741,500	1,741,500	1,741,500
4000	Contractual Services			
4101	Treasury	500,000	500,000	500,000
4102	Knowledge Management System	200,000	100,000	100,000
Total Contractual Services		700,000	600,000	600,000
5000	Operational, Equipment and Supplies			
5100	Supplies, Furniture and Equipment			
5101	Non-expendable Computer and ICT Equipmen	20,000	20,000	20,000
5102	Other non-expendable Supplies and Equipment	5,850	5,850	5,850
Subtotal Supplies, Furniture and Equipment		25,850	25,850	25,850
5200	Other Operating Costs			
5201	Rental and Maintenance of Premises ^a	878,282	878,282	878,282
5202	Rental of photocopiers and Telecomm Equipm	28,710	28,710	28,710
5203	Telecommunication Costs	45,000	45,000	45,000
5204	Expendable ICT Equipment and Maintenance	28,630	28,630	28,630
5205	Expendable Stationery and Other Supplies	12,000	12,000	12,000
5206	Miscellaneous Sundry Supplies and Services	8,500	8,500	8,500
5207	Staff training and Development	34,000	34,000	34,000
5208	Umoja Support Costs	60,000	60,000	60,000
Subtotal Other Operating Costs		1,095,122	1,095,122	1,095,122
Total Operational, Equipment and Supplies		1,120,972	1,120,972	1,120,972
Total Direct Costs		9,164,282	9,089,405	9,170,423
Programme Support Cost^b		505,763	492,330	499,622
Grand Total		9,670,045	9,581,735	9,670,045
<i>Previous budget schedule</i>		<i>9,354,175</i>	<i>9,423,228</i>	<i>-</i>
<i>Increase/decrease</i>		<i>315,871</i>	<i>158,508</i>	<i>9,670,045</i>

^a Personnel and rental of premises actual costs will be reduced by a credit to the overall Multilateral Fund balance; paid through the voluntary contribution from the Government of Canada for the cost differential of having the Fund Secretariat in Montreal, Canada, instead of Nairobi, Kenya.

^b The 2026 budget includes the 2024 and 2025 retroactive cost related to the revised salary scale of the General Service staff.

Annex III

APPROVED EVALUATION WORK PROGRAMME FOR THE YEAR 2026

#	Type of Activity	For presentation to the Executive Committee (meeting #)
Component 1: Carried forward approved evaluation activities from 2025 work programme		
1.	Terms of Reference (TOR) for the second phase of the evaluation of the Compliance Assistance Programme (CAP), including the follow-up to the Regional Networks evaluation and UNEP's report to the 96 th meeting on the implementation of the roadmap. Prepare and present TOR for the second phase of the CAP evaluation, as per decision 95/9(b), taking into account progress update by UNEP OzonAction on the implementation of the roadmap contained in the final report on the evaluation of regional networks of National Ozone Officers (UNEP/OzL.Pro/ExCom/96/10), as per decision 92/5(f).	To be determined (TBD) (98 th or 99 th meeting)
2.	Desk study for the evaluation of the recovery, recycling and reclamation projects.	TBD (99 th meeting or in 2027)
3.	Desk study for the evaluation of the contribution of HCFC phase-out management plans (HPMPs) to the development of policies, regulations and national strategies to ensure compliance with the Montreal Protocol and the sustainability of achievements.	TBD (99 th meeting or in 2027)
4.	Desk study for the evaluation of training, capacity-building and certification schemes in the refrigeration servicing sector under the HPMPs.	TBD (99 th meeting or in 2027)
Component 2: Regular evaluation activities		
5.	Annual report on the implementation of the evaluation work programme for 2026 and biannual evaluation work programme and budget for 2027 and 2028.	99 th meeting
6.	Prepare the annual evaluation newsletter.	99 th meeting
7.	Consolidated analysis of lessons learned and reasons for delays in project implementation from project completion reports.	98 th meeting
Component 3: Implementing actions derived from decision 96/4 on the management response to the external assessment of the evaluation function		
8.	To prepare a proposal for a system to follow up on recommendations, which could include the consideration of digital tools for an online follow-up system and possible integration with the knowledge management system of the Multilateral Fund.	Requested for the 98 th meeting. More likely to be ready for the 99th meeting.
9.	To develop a framework for evaluating non-investment activities that clearly define expected outputs, outcomes and ultimate results of these evaluations.	Requested for the 98 th meeting. More likely to be ready for 99th meeting.
10.	To prepare guidelines and tools for awareness-raising on the evaluation function.	For information to the Executive Committee as part of the annual report.

Annex IV

**ACTIONS ON ONGOING PROJECTS WITH OUTSTANDING ISSUES
IN THE PROGRESS REPORT FOR BILATERAL AGENCIES**

Country/project code	Agency	Project title	Actions
Indonesia IDS/PHA/92/INV/221	Australia	HCFC phase-out management plan (stage III, first tranche)	To request the Government of Australia to report to the 98 th meeting on this project with implementation delays
Zimbabwe ZIM/REF/82/INV/56	France	Conversion from HFC-134a to isobutane in the manufacture of domestic refrigerators at Capri (SME Harare)	Noting decision 77/8(j), to request the Government of France to report to the 98 th meeting on this project with implementation delays
Mauritius MAR/PHA/86/INV/30	Germany	HCFC phase-out management plan (stage I, fourth tranche)	To request the Government of Germany to report to the 98 th meeting on this project with implementation delays
Mauritius MAR/PHA/88/TAS/33	Germany	Verification report on the implementation of stage I of the HCFC phase-out management plan	To request the Government of Germany to report to the 98 th meeting on this project with implementation delays
Namibia NAM/PHA/92/TAS/29	Germany	Verification report on the implementation of the HCFC phase-out management plan	To request the Government of Germany to report to the 98 th meeting on this project with implementation delays
Papua New Guinea PNG/PHA/92/TAS/17	Germany	Verification report on the implementation of stage I of the HCFC phase-out management plan	To request the Government of Germany to report to the 98 th meeting on this project with implementation delays
Seychelles SEY/PHA/92/TAS/30	Germany	Verification report on the implementation of stage I of the HCFC phase-out management plan	To request the Government of Germany to report to the 98 th meeting on this project with implementation delays
Seychelles SEY/EEF/93/TAS/32	Germany	HCFC phase-out management plan (stage I) (Additional activities to maintain energy efficiency in the servicing sector under decision 89/6(b))	To request the Government of Germany to submit a status report to the 98 th meeting on implementation progress
Mongolia MON/PHA/86/INV/32	Japan	HCFC phase-out management plan (stage II, first tranche)	To request the Government of Japan to report to the 98 th meeting on this project with implementation delays

Annex V

**ACTIONS ON ONGOING PROJECTS WITH OUTSTANDING ISSUES
IN THE PROGRESS REPORT FOR UNDP**

Country/project code	Project title	Actions
Barbados BAR/PHA/91/INV/33	HCFC phase-out management plan (stage II, first tranche)	To request UNDP to report to the 98 th meeting on this project with implementation delays
Democratic Republic of the Congo (the) DRC/PHA/88/INV/49	HCFC phase-out management plan (stage II, first tranche)	To request UNDP to report to the 98 th meeting on this project with implementation delays
El Salvador ELS/PHA/91/TAS/45	Verification report on the implementation of stage II of the HCFC phase-out management plan	To request UNDP to report to the 98 th meeting on this project with implementation delays
Fiji FIJ/PHA/88/INV/39	HCFC phase-out management plan (stage II, first tranche)	To request UNDP to report to the 98 th meeting on this project with implementation delays
Fiji FIJ/PHA/92/TAS/44	Verification report on the implementation of the HCFC phase-out management plan	To request UNDP to report to the 98 th meeting on this project with implementation delays
Guyana GUY/PHA/83/INV/32	HCFC phase-out management plan (stage II, second tranche)	To request UNDP to submit a status report to the 98 th meeting on implementation progress
Guyana GUY/PHA/92/INV/36	HCFC phase-out management plan (stage II, third tranche)	To request UNDP to report to the 98 th meeting on this project with implementation delays
India IND/PHA/91/INV/495	HCFC phase-out management plan (stage III, first tranche) (air-conditioning manufacturing sector)	To request UNDP to report to the 98 th meeting on this project with implementation delays
India IND/PHA/91/INV/498	HCFC phase-out management plan (stage III, first tranche) (servicing sector)	To request UNDP to report to the 98 th meeting on this project with implementation delays
India IND/PHA/91/INV/500	HCFC phase-out management plan (stage III, first tranche) (Technical assistance for MSMEs)	To request UNDP to report to the 98 th meeting on this project with implementation delays
Indonesia IDS/PHA/92/INV/222	HCFC phase-out management plan (stage III, first tranche)	To request UNDP to report to the 98 th meeting on this project with implementation delays
Iran (Islamic Republic of) IRA/PHA/86/INV/245	HCFC phase-out management plan (stage II, third tranche) (foam sector)	To request UNDP to report to the 98 th meeting on this project with implementation delays
Iran (Islamic Republic of) IRA/PHA/92/INV/266	HCFC phase-out management plan (stage II, fourth tranche) (commercial refrigeration sector)	To request UNDP to report to the 98 th meeting on this project with implementation delays
Iran (Islamic Republic of) IRA/PHA/92/INV/267	HCFC phase-out management plan (stage II, fourth tranche) (foam sector)	To request UNDP to report to the 98 th meeting on this project with implementation delays
Sri Lanka SRL/PHA/86/INV/58	HCFC phase-out management plan (stage II, first tranche)	To request UNDP to report to the 98 th meeting on this project with implementation delays
Zimbabwe ZIM/REF/82/INV/55	Conversion from HFC-134a to isobutane in the manufacture of domestic refrigerators at Capri (SME Harare)	To request UNDP to report to the 98 th meeting on this project with implementation delays

Annex VI

**ACTIONS ON ONGOING PROJECTS WITH OUTSTANDING ISSUES
IN THE PROGRESS REPORT FOR UNEP**

Country/project code	Project title	Actions
Bahamas (the) BHA/PHA/94/TAS/35	Verification report on the implementation of stage II of the HCFC phase-out management plan	To request UNEP to report to the 98 th meeting on this project with implementation delays
Barbados BAR/PHA/91/TAS/34	HCFC phase-out management plan (stage II, first tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Barbados BAR/PHA/94/TAS/36	Verification report on the implementation of stage II of the HCFC phase-out management plan	To request UNEP to report to the 98 th meeting on this project with implementation delays
Benin BEN/PHA/92/TAS/46	Verification report on the implementation of stage II of the HCFC phase-out management plan	To request UNEP to report to the 98 th meeting on this project with implementation delays
Botswana BOT/PHA/86/TAS/26	HCFC phase-out management plan (stage II, first tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Cabo Verde CBI/PHA/91/TAS/31	Verification report on the implementation of stage II of the HCFC phase-out management plan	To request UNEP to report to the 98 th meeting on this project with implementation delays
Chile CHI/PHA/88/TAS/206	HCFC phase-out management plan (stage III, first tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Democratic Republic of the Congo (the) DRC/PHA/88/TAS/48	HCFC phase-out management plan (stage II, first tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Democratic Republic of the Congo (the) DRC/PHA/92/TAS/50	Verification report on the implementation of stage II of the HCFC phase-out management plan	To request UNEP to report to the 98 th meeting on this project with implementation delays
Dominican Republic (the) DOM/PHA/92/TAS/75	HCFC phase-out management plan (stage III, second tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Gabon GAB/PHA/94/TAS/47	Verification report on the implementation of stage II of the HCFC phase-out management plan	To request UNEP to report to the 98 th meeting on this project with implementation delays
Gambia (the) GAM/PHA/86/TAS/40	HCFC phase-out management plan (stage II, first tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Grenada GRN/PHA/90/TAS/32	HCFC phase-out management plan (stage II, first tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Grenada GRN/PHA/94/TAS/36	Verification report on the implementation of stage II of the HCFC phase-out management plan	To request UNEP to report to the 98 th meeting on this project with implementation delays
Guyana GUY/PHA/92/TAS/35	HCFC phase-out management plan (stage II, third tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Guyana GUY/PHA/94/TAS/39	Verification report on the implementation of stage II of the HCFC phase-out management plan	To request UNEP to report to the 98 th meeting on this project with implementation delays
Honduras HON/EEF/92/TAS/60	HCFC phase-out management plan (stage II, second tranche) (energy efficiency - related activities under decision 89/6)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Honduras HON/PHA/92/TAS/57	HCFC phase-out management plan (stage II, second tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Iran (Islamic Republic of) IRA/PHA/86/TAS/248	HCFC phase-out management plan (stage II, third tranche) (refrigeration servicing sector)	To request UNEP to report to the 98 th meeting on this project with implementation delays

Country/project code	Project title	Actions
Kiribati KIR/PHA/86/TAS/17	HCFC phase-out management plan for PIC countries through regional approach (stage II, first tranche)	To request UNEP to submit a status report to the 98 th meeting on implementation progress and disbursement levels
Kiribati KIR/SEV/92/INS/19	Renewal of institutional strengthening project (phase IX: 1/2024-12/2026)	To request UNEP to submit a status report to the 98 th meeting on implementation progress and disbursement levels
Kuwait KUW/PHA/88/TAS/42	HCFC phase-out management plan (stage II, first tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Lao People's Democratic Republic (the) LAO/PHA/86/TAS/37	HCFC phase-out management plan (stage II, first tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Maldives MDV/EEF/91/TAS/38	Technical assistance: additional activities to maintain energy efficiency for the servicing sector under decision 89/6(b)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Myanmar MYA/SEV/84/INS/22	Extension of institutional strengthening project (phase V: 7/2020-6/2022)	To request UNEP to submit a status report to the 98 th meeting on the resumption of activities
Nepal NEP/PHA/86/TAS/43	HCFC phase-out management plan (stage II, first tranche)	To request UNEP to submit a status report to the 98 th meeting on the resolution of challenges related to the transfer of funds to the Government
Pakistan PAK/PHA/90/TAS/114	HCFC phase-out management plan (stage III, first tranche) (refrigeration servicing sector)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Saint Lucia STL/PHA/87/TAS/34	HCFC phase-out management plan (stage II, first tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Saint Vincent and the Grenadines STV/PHA/92/TAS/28	Verification report on the implementation of the HCFC phase-out management plan	To request UNEP to report to the 98 th meeting on this project with implementation delays
Sao Tome and Principe STP/PHA/88/TAS/33	Verification report on the implementation of stage II of the HCFC phase-out management plan	To request UNEP to report to the 98 th meeting on this project with implementation delays
Sierra Leone SIL/PHA/87/TAS/41	HCFC phase-out management plan (stage II, first tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
South Sudan SSD/PHA/93/PRP/09	Preparation of an HCFC phase-out management plan (stage II) (Overarching)	To request UNEP to submit a status report to the 98 th meeting on the completion of the preparation of stage II of the HPMP
Suriname SUR/PHA/92/TAS/33	HCFC phase-out management plan (stage I, fourth tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Syrian Arab Republic SYR/PHA/86/TAS/106	HCFC phase-out management plan (stage I, first tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Syrian Arab Republic SYR/PHA/91/TAS/114	HCFC phase-out management plan (stage I, second tranche)	To request UNEP to report to the 98 th meeting on this project with implementation delays
Togo TOG/PHA/91/TAS/42	Verification report on the implementation of stage I of the HCFC phase-out management plan	To request UNEP to report to the 98 th meeting on this project with implementation delays
Yemen YEM/SEV/93/INS/47	Extension of the institutional strengthening project (phase IX: 1/2024-12/2026)	To request UNEP to submit a status report to the 98 th meeting on implementation progress

Annex VII

**ACTIONS ON ONGOING PROJECTS WITH OUTSTANDING ISSUES
IN THE PROGRESS REPORT FOR UNIDO**

Country/project code	Project title	Actions
Afghanistan AFG/PHA/79/INV/22	HCFC phase-out management plan (stage I, third tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Afghanistan AFG/PHA/85/INV/28	HCFC phase-out management plan (stage I, fourth tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Afghanistan AFG/PHA/85/INV/30	HCFC phase-out management plan (stage II, first tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Albania ALB/PHA/91/INV/47	HCFC phase-out management plan (stage II, second tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Algeria ALG/PHA/66/INV/77	HCFC phase-out management plan (stage I, first tranche) (activities in the refrigeration servicing sector including phase-out of HCFC-141b used for flushing, and project monitoring)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Bosnia and Herzegovina BHE/PHA/87/INV/39	HCFC phase-out management plan (stage II, first tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Ethiopia ETH/PHA/88/INV/34	HCFC phase-out management plan (stage II, first tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Iraq IRQ/PHA/58/INV/09	National phase-out plan (first tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Iraq IRQ/PHA/74/INV/23	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing sector)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Iraq IRQ/PHA/87/INV/31	HCFC phase-out management plan (stage II, first tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Iraq IRQ/REF/57/INV/07	Replacement of refrigerant CFC-12 with isobutane and foam blowing agent CFC-11 with cyclopentane in the manufacture of domestic refrigerators and chest freezers at Light Industries Company	Noting decision 77/8(j), to request UNIDO to report to the 98 th meeting on this project with implementation delays
Jordan JOR/PHA/91/INV/114	HCFC phase-out management plan (stage II, third tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Morocco MOR/PHA/88/INV/76	HCFC phase-out management plan (stage II, first tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Morocco MOR/PHA/91/INV/78	HCFC phase-out management plan (stage II): Umbrella project to phase-out HCFC-141b contained in imported pre-blended polyols in the polyurethane foam sector	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Qatar QAT/PHA/88/INV/26	HCFC phase-out management plan (stage II, first tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Saint Lucia STL/PHA/87/INV/35	HCFC phase-out management plan (stage II, first tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Sudan SUD/PHA/88/INV/48	HCFC phase-out management plan (stage III, first tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Syrian Arab Republic (the) SYR/PHA/86/INV/107	HCFC phase-out management plan (stage I, first tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays

Country/project code	Project title	Actions
Syrian Arab Republic (the) SYR/PHA/91/INV/112	HCFC phase-out management plan (stage I, second tranche) (polyurethane foam sector)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
Türkiye TUR/PHA/75/INV/107	HCFC phase-out management plan (stage I, second tranche) (refrigeration servicing and monitoring)	To request UNIDO to report to the 98 th meeting on this project with implementation delays
United Republic of Tanzania (the) URT/PHA/87/INV/42	HCFC phase-out management plan (stage II, first tranche)	To request UNIDO to report to the 98 th meeting on this project with implementation delays

Annex VIII

**ACTIONS ON ONGOING PROJECTS WITH OUTSTANDING ISSUES
IN THE PROGRESS REPORT FOR THE WORLD BANK**

Country/project code	Project title	Actions
Thailand THA/PHA/92/INV/181	HCFC phase-out management plan (stage II, second tranche) (PMU)	Noting decision 77/8(j), to request the World Bank to report to the 98 th meeting on this project with implementation delays
Thailand THA/PHA/92/INV/182	HCFC phase-out management plan (stage II, second tranche) (refrigeration servicing sector)	To request the World Bank to report to the 98 th meeting on this project with implementation delays
Thailand THA/PHA/92/INV/183	HCFC phase-out management plan (stage II, second tranche) (Spray foam manufacturing sector)	To request the World Bank to report to the 98 th meeting on this project with implementation delays
Viet Nam VIE/KIP/93/INV/90	Kigali HFC implementation plan (stage I, first tranche) (industrial refrigeration sector)	To request the World Bank to submit a status report to the 98 th meeting on implementation progress and disbursement
Viet Nam VIE/KIP/93/INV/91	Kigali HFC implementation plan (stage I, first tranche) (rail mobile air-conditioning conversion)	
Viet Nam VIE/KIP/93/INV/95	Kigali HFC implementation plan (stage I, first tranche) (servicing sector)	
Viet Nam VIE/KIP/93/INV/96	Kigali HFC implementation plan (stage I, first tranche) (PMU)	
Viet Nam VIE/PHA/93/INV/92	HCFC phase-out management plan (stage III, first tranche) (PMU)	
Viet Nam VIE/PHA/93/INV/93	HCFC phase-out management plan (stage III, first tranche) (servicing sector)	

Annex IX

AGREEMENT BETWEEN THE GOVERNMENT OF ALBANIA 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: 2023-2030)

Purpose

1. This Agreement represents the understanding of the Government of Albania (“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 795,464 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. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the 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 the 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		2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO ₂ -eq tonnes	n/a	883,849	883,849	883,849	883,849	883,849	795,464	795,464	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	883,849	883,849	883,849	883,849	883,849	795,464	795,464	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		129,390	0	0	94,610	0	0	0	36,000	260,000
2.2	Support costs for Lead IA (US \$)		16,821	0	0	12,299	0	0	0	4,680	33,800
2.3	Cooperating IA (UNEP) agreed funding (US \$)		50,000	0	0	50,000	0	0	0	0	100,000
2.4	Support costs for Cooperating IA (US \$)		6,500	0	0	6,500	0	0	0	0	13,000
3.1	Total agreed funding (US \$)		179,390	0	0	144,610	0	0	0	36,000	360,000
3.2	Total support costs (US \$)		23,321	0	0	18,799	0	0	0	4,680	46,800
3.3	Total agreed costs (US \$)		202,711	0	0	163,409	0	0	0	40,680	406,800

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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, under the Ministry of Tourism and Environment in the Country, 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 Tourism and Environment 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 X

AGREEMENT BETWEEN THE GOVERNMENT OF ARMENIA 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: 2024-2029)

Purpose

1. This Agreement represents the understanding of the Government of Armenia (“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 427,729 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. UNIDO has agreed to be the lead implementing agency (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 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 role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead 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		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	475,254	475,254	475,254	475,254	475,254	427,729	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	475,254	475,254	475,254	475,254	475,254	427,729	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		165,075	0	0	14,925	0	0	180,000
2.2	Support costs for Lead IA (US \$)		21,460	0	0	1,940	0	0	23,400
3.1	Total agreed funding (US \$)		165,075	0	0	14,925	0	0	180,000
3.2	Total support costs (US \$)		21,460	0	0	1,940	0	0	23,400
3.3	Total agreed costs (US \$)		186,535	0	0	16,865	0	0	203,400

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, under the Ministry of Environment in the Country, 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 Environment 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;
- (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) 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, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with the policy, management and technical support when required; and
- (m) 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 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 XI

AGREEMENT BETWEEN THE GOVERNMENT OF THE PLURINATIONAL STATE OF BOLIVIA 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: 2023-2030)

Purpose

1. This Agreement represents the understanding of the Government of the Plurinational State of Bolivia (“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 576,201 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. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the 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 the 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		2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO ₂ -eq tonnes	n/a	677,884	677,884	677,884	677,884	677,884	610,096	610,096	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	15.0	15.0	n/a
		CO ₂ -eq tonnes	n/a	677,884	677,884	677,884	677,884	677,884	576,201	576,201	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		153,500	0	0	0	78,500	0	0	25,000	257,000
2.2	Support costs for Lead IA (US \$)		19,955	0	0	0	10,205	0	0	3,250	33,410
2.3	Cooperating IA (UNEP) agreed funding (US \$)		40,500	0	0	0	20,000	0	0	7,500	68,000
2.4	Support costs for Cooperating IA (US \$)		5,265	0	0	0	2,600	0	0	975	8,840
3.1	Total agreed funding (US \$)		194,000	0	0	0	98,500	0	0	32,500	325,000
3.2	Total support costs (US \$)		25,220	0	0	0	12,805	0	0	4,225	42,250
3.3	Total agreed costs (US \$)		219,220	0	0	0	111,305	0	0	36,725	367,250

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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 Ministry of Environment and Water (*Ministerio de Medio Ambiente y Agua*, MMAyA) is the national focal point for the implementation of the Montreal Protocol in the Country.
2. The activities related to the implementation of the Plan will be carried out under the Vice Ministry of Environment, Biodiversity, Climate Change, and Forest Management and Development, through the Governmental Ozone Commission (*Comisión Gubernamental del Ozono*, CGO).
3. All activities under the Plan are included in the annual work plan of the MMAyA. Regular monitoring is conducted by MMAyA and the Lead IA and Cooperating IA, covering the following aspects:
 - (a) Management and coordination of the Plan implementation;
 - (b) Development and implementation of policies to enable the Government to fulfill its mandates and ensure that industry complies with HFC consumption reduction obligations;

- (c) Continuous monitoring of the private sector in relation to the use of HFCs and potential alternatives;
- (d) Organization and execution of training, awareness-raising, and capacity-building activities to ensure strong commitment to the Plan's goals and obligations;
- (e) Preparation of annual implementation plans, including the sequencing of beneficiary participation in activities;
- (f) Establishment and operation of a reporting system for users of HFCs and their alternatives;
- (g) Design and application of corrective measures when necessary;
- (h) Provision of ongoing technical assistance to project beneficiaries; and
- (i) Establishment and operation of a decentralized monitoring and evaluation mechanism, including on the sustainability of the consumption reduction targets, in collaboration with local environmental regulatory authorities, to ensure sustainability of results.

4. The Country agrees to participate in evaluations carried out under the monitoring and evaluation work programmes of the Multilateral Fund or by any of the implementing agencies involved in the implementation of the Plan.

5. The Government will establish strategic alliances with other governmental institutions, industry associations, and academic bodies to strengthen its strategy and broaden the scope of its activities. These alliances may involve:

- (a) Collaboration with training institutions that host refrigerant phase-out programmes and provide support to the servicing sector; and
- (b) Coordination with the National Customs Office (*Aduana Nacional de Bolivia*, ANB), which develops, guides, and implements regulations, including those related to Montreal Protocol-controlled substances.

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 XII

AGREEMENT BETWEEN THE GOVERNMENT OF BURKINA FASO 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: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Burkina Faso (“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 735,075 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. The Government of Germany has agreed to be the lead implementing agency (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 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 role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead 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		2024	2025-2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	1,049,523	1,049,523	1,049,523	1,049,523	944,571	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	22.2	22.2	22.2	22.2	30.0	n/a
		CO ₂ -eq tonnes	816,746	816,746	816,746	816,746	735,075	n/a
2.1	Lead IA (Germany) agreed funding (US \$)		162,500	0	162,500	0	0	325,000
2.2	Support costs for Lead IA (US \$)		21,125	0	21,125	0	0	42,250
3.1	Total agreed funding (US \$)		162,500	0	162,500	0	0	325,000
3.2	Total support costs (US \$)		21,125	0	21,125	0	0	42,250
3.3	Total agreed costs (US \$)		183,625	0	183,625	0	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, under the Ministry of Environment, Water and Sanitation in the Country, 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 Environment, Water and Sanitation 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;
- (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) 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, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with the policy, management and technical support when required; and
- (m) 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 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.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. During the implementation of the Plan, the Government of Burkina Faso would be allowed, on an exceptional basis, to submit a project for the commercial refrigeration sector to achieve additional HFC reductions.

Annex XIII

AGREEMENT BETWEEN THE GOVERNMENT OF CAMEROON 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: 2023-2030)

Purpose

1. This Agreement represents the understanding of the Government of Cameroon (“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 3,335,300 CO₂-equivalent (CO₂-eq) tonnes by 1 January 2030 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage 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. UNIDO has agreed to be the lead implementing agency (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 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 role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO ₂ -eq tonnes	n/a	4,760,203	4,760,203	4,760,203	4,760,203	4,760,203	4,284,183	4,284,183	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	21.1	21.7	24.5	25.0	28.9	29.4	29.9	n/a
		CO ₂ -eq tonnes	3,579,012	3,753,448	3,728,532	3,594,623	3,568,669	3,386,415	3,360,461	3,335,300	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		355,500	0	0	406,000	0	297,000	0	153,000	1,211,500
2.2	Support costs for Lead IA (US \$)		24,885	0	0	28,420	0	20,790	0	10,710	84,805
3.1	Total agreed funding (US \$)		355,500	0	0	406,000	0	297,000	0	153,000	1,211,500
3.2	Total support costs (US \$)		24,885	0	0	28,420	0	20,790	0	10,710	84,805
3.3	Total agreed costs (US \$)		380,385	0	0	434,420	0	317,790	0	163,710	1,296,305
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)										1,424,903
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)										0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)										TBD

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 Ministry of Environment, Protection of Nature and Sustainable Development in the Country, is responsible for monitoring the progress of implementation of the activities and sustainability of achieved results.
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 Environment, Protection of Nature and Sustainable Development will be responsible for the sustainability of consumption reduction targets achieved through the agreement.
4. The Lead IA will support the Country in the monitoring of HFC imports. An independent consultant will be recruited by the Lead IA if required for the verification of the achievement. Annual report will be prepared by the NOU under the assistance of the Lead IA.

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;
 - (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) 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, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
 - (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - (l) Providing assistance with the policy, management and technical support when required; and
 - (m) 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 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 \$1.70 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 XIV

**AGREEMENT BETWEEN THE GOVERNMENT OF CHILE
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: 2023-2029)**

Purpose

1. This Agreement represents the understanding of the Government of Chile (“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 6,028,296 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage 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. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNEP 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	n/a	6,698,107	6,698,107	6,698,107	6,698,107	6,698,107	6,028,296	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	6,698,107	6,698,107	6,698,107	6,698,107	6,698,107	6,028,296	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)		752,607	0	0	566,133	0	0	158,971	1,477,711
2.2	Support costs for Lead IA (US \$)		52,683	0	0	39,629	0	0	11,128	103,440
2.3	Cooperating IA (UNEP) agreed funding (US \$)		123,900	0	0	115,900	0	0	14,200	254,000
2.4	Support costs for Cooperating IA (US \$)		16,107	0	0	15,067	0	0	1,846	33,020
3.1	Total agreed funding (US \$)		876,507	0	0	682,033	0	0	173,171	1,731,711
3.2	Total support costs (US \$)		68,790	0	0	54,696	0	0	12,974	136,460
3.3	Total agreed costs (US \$)		945,297	0	0	736,729	0	0	186,145	1,868,171
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)									847,086
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)									0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)									TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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 phasedown 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) of the Ministry of Environment in the Country shall be responsible for coordinating and monitoring the actions associated with each strategic line of the Plan through collaborating with various areas of the Ministry such as Air Quality and Climate Change Division, Legal Division, Studies and Environmental Economics Division, and Communications Division, among others; as well as with other Government agencies such as National Customs Service and Ministry of Health, among others.

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. To support the implementation of projects in different sectors, national and/or international consultants will be hired, if necessary, to implement the various activities and offer support to the NOU in coordination with key actors, including other Ministries, Agencies and the private sector.

4. The NOU will have the full support of the Government. The Ministry of Environment has ensured the adoption of the laws and the implementation of necessary national regulations to guarantee the country's compliance with the Montreal Protocol agreements. The Ministry of Environment will be responsible for the sustainability of consumption reduction targets achieved through the agreement.

5. For the implementation of these projects, it is essential to continue to have the active participation of relevant public sector counterparts, such as the National Customs Service, which actively participates in the definition and implementation of import and export control processes of HCFC.

6. The Government of the Country has appointed UNDP to be the Lead IA to spearhead the implementation of HPMP, and has appointed UNEP as Cooperating IA. The Lead IA shall also have the overall responsibility of reporting to the Executive Committee, and of supporting the Country in the implementation of non-investment components that are not implemented by Cooperating IA.

7. Before each Executive Committee meeting is held to discuss a tranche to receive funding, the NOU will prepare a report on the status of activities and progress together with the Lead IA and with the help of the Cooperating IA, including the milestones and other key performance indicators, as well as any other information of interest for the implementation of KIP. This report will be reviewed and verified by the Lead IA and will then be sent to the Executive Committee through the Secretariat of the Multilateral Fund.

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 the 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 \$4.09 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 XV

**AGREEMENT BETWEEN THE GOVERNMENT OF COLOMBIA
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: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Colombia (“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 7,068,258 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage 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;
- (c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- (d) 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. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and the Government of Germany and UNEP have agreed to be the cooperating implementing agencies (the “Cooperating IAs”) 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 IAs 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 IAs will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IAs are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IAs with the fees set out in rows 2.2, 2.4, and 2.6 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 IAs to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IAs 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	8,652,982	8,652,982	8,652,982	8,652,982	8,652,982	7,787,684	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	18.3	n/a
		CO ₂ -eq tonnes	8,652,982	8,652,982	8,652,982	8,652,982	8,652,982	7,068,258	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)		2,554,986	0	0	1,715,974	0	0	4,270,960
2.2	Support costs for Lead IA (US \$)		178,849	0	0	120,118	0	0	298,967
2.3	Cooperating IA (Germany) agreed funding (US \$)		258,825	0	0	109,900	0	0	368,725
2.4	Support costs for Cooperating IA (US \$)		33,647	0	0	14,287	0	0	47,934
2.5	Cooperating IA (UNEP) agreed funding (US \$)		0	0	0	50,000	0	0	50,000
2.6	Support costs for Cooperating IA (US \$)		0	0	0	6,500	0	0	6,500
3.1	Total agreed funding (US \$)		2,813,811	0	0	1,875,874	0	0	4,689,685
3.2	Total support costs (US \$)		212,496	0	0	140,905	0	0	353,401
3.3	Total agreed costs (US \$)		3,026,307	0	0	2,016,779	0	0	5,043,086
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)								1,584,724
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)								0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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 Ministry of Environment and Sustainable Development (MinAmbiente) in the Country is the entity responsible for the coordination and management of programmes and activities under the Plan. MinAmbiente is supported by the Ozone Technical Unit (UTO), which is currently part of the Group of Chemical Substances and Hazardous Waste of the Sectorial, Urban and Environmental Affairs Direction.

2. The UTO works as an institution of a public character to coordinate activities of the Plan, supported by MinAmbiente and other Government entities and implementing partners. Collaborations with further Government entities and private associations also contribute to the development, monitoring, and implementation of the Plan and adherence to the Montreal Protocol.
3. Coordination and monitoring of the Plan will be accomplished through the operational monitoring of stage I activities, verification of funding disbursements, and the monitoring and assessment of implemented activities in advanced stages of the Plan. 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.
4. MinAmbiente coordinates all activities aimed at achieving and sustaining the commitments to reduce HFC consumption with different entities at the national level, including the National Environmental Licensing Authority (ANLA), the Ministry of Commerce, Industry and Tourism (MinCit), the National Tax and Customs Directorate (DIAN), the Ministry of Health and Social Protection, the Ministry of Mines and Energy, trade associations and the productive sectors.
5. MinAmbiente 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 IAs;
 - (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 IAs 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 IAs, 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 IAs 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 IAs 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 IAs, 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 \$5.92 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.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. That UNDP will include in progress reports submitted under the KIP the names and consumption of enterprises manufacturing HFC-based stand-alone commercial refrigeration equipment beyond the 27 enterprises assisted under the project, and that consumption will be deducted from the country's remaining HFC consumption eligible for funding when stage II of the KIP is submitted.

2. That UNDP would report on the quantity of HFCs phased out through carbon dioxide-based equipment manufactured by the enterprise Weston upon completion of the project, and that, if Weston phased out less than 5 metric tonnes of HFCs through the manufacture of carbon dioxide-based stand-alone refrigeration units, the enterprise would return to the Multilateral Fund, through UNDP, US \$19.01/kg plus agency support costs for every kilogram not manufactured using carbon dioxide.

Annex XVI

AGREEMENT BETWEEN THE GOVERNMENT OF THE CONGO 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: 2023-2030)

Purpose

1. This Agreement represents the understanding of the Government of the Congo (“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 258,932 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. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to 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		2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO ₂ -eq tonnes	n/a	504,649	504,649	504,649	504,649	504,649	454,184	454,184	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	34.4	36.7	39.8	42.3	44.3	48.7	48.7	n/a
		CO ₂ -eq tonnes	304,964	330,903	319,196	303,718	291,384	281,270	258,932	258,932	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		67,750	0	0	96,500	0	0	0	12,750	177,000
2.2	Support costs for Lead IA (US \$)		8,808	0	0	12,545	0	0	0	1,658	23,010
2.3	Cooperating IA (UNEP) agreed funding (US \$)		13,750	0	0	27,500	0	0	0	9,750	51,000
2.4	Support costs for Cooperating IA (US \$)		1,788	0	0	3,575	0	0	0	1,267	6,630
3.1	Total agreed funding (US \$)		81,500	0	0	124,000	0	0	0	22,500	228,000
3.2	Total support costs (US \$)		10,595	0	0	16,120	0	0	0	2,925	29,640
3.3	Total agreed costs (US \$)		92,095	0	0	140,120	0	0	0	25,425	257,640

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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 Ministry of the Environment, Sustainable Development and the Congo Basin in the Country, is responsible for monitoring the progress of implementation of the activities and sustainability of achieved results.
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 the Environment, Sustainable Development and the Congo Basin will be responsible for the sustainability of consumption reduction targets achieved through the agreement.
4. The Lead IA will support the country in the monitoring of HFC imports. An independent consultant will be recruited by the Lead IA if required for the verification of the achievement. Annual report will be prepared by the NOU under the assistance of the Lead IA.

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 XVII

**AGREEMENT BETWEEN THE GOVERNMENT OF COSTA RICA
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: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Costa Rica (“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 1,305,719 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage 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;
- (c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- (d) 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. UNDP has agreed to be the lead implementing agency (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 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 role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	1,450,799	1,450,799	1,450,799	1,450,799	1,450,799	1,305,719	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	1,450,799	1,450,799	1,450,799	1,450,799	1,450,799	1,305,719	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)		370,968	0	0	247,312	0	0	618,280
2.2	Support costs for Lead IA (US \$)		46,807	0	0	31,204	0	0	78,011
3.1	Total agreed funding (US \$)		370,968	0	0	247,312	0	0	618,280
3.2	Total support costs (US \$)		46,807	0	0	31,204	0	0	78,011
3.3	Total agreed costs (US \$)		417,775	0	0	278,516	0	0	696,291
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)								211,399
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)								0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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 Ministry of Environment and Energy (MINAE) is the authority responsible for the implementation of national actions related to the preservation of the ozone layer under the Montreal Protocol. The Directorate of Environmental Quality Management (DIGECA) is the focal point of the Montreal Protocol designated by the Ministry of Foreign Affairs and Worship and MINAE. DIGECA coordinates with other public institutions and organizations and with the private sector for the implementation of activities under stage I of the KIP. The roles and responsibilities of these institutions are described as follows:

- (a) DIGECA is responsible for granting import licenses for controlled substances, distributing annual import quotas as established in the reduction schedule, and approving permits for the import and export of controlled substances, ensuring the sustainability of annual reductions and compliance with established commitments.
- (b) Ministry of Finance and its customs offices are responsible for regulating international trade of controlled substances, monitoring imports and enforcing quotas together with other governing entities, and is in charge of public procurement;

- (c) Ministry of Health is responsible for issuing the corresponding regulations for the use of controlled substances;
- (d) Training and technical training institutions such as the National Institute of Learning (INA), the Ministry of Public Education (MEP), the Samuel Foundation, Public Universities will support strengthening of the technical capabilities of refrigeration and air-conditioning technicians and professionals;
- (e) DIGECA will collaborate with the industrial chambers and associations (Chamber of Industries, Association of Industrial Technicians, Federated College of Engineers and Architects, Chamber of Commerce, Costa Rican refrigeration, air conditioning and ventilation chamber. (CCRAVE), among others) when dealing with overarching issues for the interest of the industry during the process of complete elimination of HFCs;
- (f) DIGECA will also work with other Government departments responsible for the National Quality System, including the technical standards body, for updating and adoption of the technical standards and regulations required for the implementation of the Montreal Protocol; and
- (g) The Lead IA will provide administrative, budgetary and financial monitoring necessary for the implementation of project activities.

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;
 - (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) 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 the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with the policy, management and technical support when required; and
- (m) 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 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 \$5.85 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.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. During the implementation of the Plan, the Country is encouraged to initiate the development of a strategic approach for the sustained phase-out of HFC consumption in the local assembly and installation subsector for commercial refrigeration, for possible inclusion within stage II of the Kigali HFC implementation plan, that includes consideration of incentives and policy measures to sustain the phase-out achieved and taking into account document UNEP/OzL.Pro/ExCom 95/89 discussed at the 95th meeting.

Annex XVIII

AGREEMENT BETWEEN THE GOVERNMENT OF CUBA 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: 2023–2029)

Purpose

1. This Agreement represents the understanding of the Government of Cuba (“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 927,596 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;
- (c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- (d) 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. UNDP has agreed to be the lead implementing agency (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 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 role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead 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		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	n/a	1,030,662	1,030,662	1,030,662	1,030,662	1,030,662	927,596	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	1,030,662	1,030,662	1,030,662	1,030,662	1,030,662	927,596	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)		160,000	0	0	130,000	0	0	35,000	325,000
2.2	Support costs for Lead IA (US \$)		20,800	0	0	16,900	0	0	4,550	42,250
3.1	Total agreed funding (US \$)		160,000	0	0	130,000	0	0	35,000	325,000
3.2	Total support costs (US \$)		20,800	0	0	16,900	0	0	4,550	42,250
3.3	Total agreed costs (US \$)		180,800	0	0	146,900	0	0	39,550	367,250

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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. Supervision will be provided by the Ministry of Science Technology and Environment, through the Ozone Technical Office (OTOZ), part of Cubaenergía, with assistance from the Lead IA.
2. Consumption will be monitored and determined from official data, on the import and export of substances registered by the National Customs Directorate (DGA).
3. OTOZ will compile and report the following data and information each year or before the deadlines:
 - (a) Annual reports on the consumption of the substances to be submitted to the Ozone Secretariat; and
 - (b) Annual reports on progress in implementing the Plan will be submitted to the Executive Committee of the Multilateral Fund.
4. 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.

5. The Ministry of Science Technology and Environment coordinates all activities aimed at achieving and sustaining the commitments to reduce HFC consumption with different entities at the national level, including the Ministry of Domestic Trade (MINCIN), the Ministry of External Trade (MINCEX), the Ministry of Public Health (MINSAP), the Ministry of Energy and Mines (MINEM), the National Customs Directorate (DGA), Office of Environmental Regulation and Safety (ORSA) and the productive sectors.

6. The Ministry of Science Technology and Environment 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;
 - (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) 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, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
 - (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
 - (l) Providing assistance with the policy, management and technical support when required; and
 - (m) 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 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.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. During the implementation of the Plan, the Country will be allowed, on an exceptional basis, to submit investment projects in the refrigeration and air-conditioning sector to achieve additional HFC reductions.

2. A project to phase out HFCs contained in imported pre-blended polyols in the polyurethane foam sector in the Country will be subject to the decision taken by the Committee on whether it would fund the phase-out of HFCs contained in imported pre-blended polyols.

Annex XIX

AGREEMENT BETWEEN THE GOVERNMENT OF THE DOMINICAN REPUBLIC 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: 2023–2029)

Purpose

1. This Agreement represents the understanding of the Government of the Dominican Republic (“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 3,450,680 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage 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;
- (c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable

cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- (d) 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. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNEP and UNIDO have agreed to be the cooperating implementing agencies (the “Cooperating IAs”) 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 IAs 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 IAs will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IAs are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IAs with the fees set out in rows 2.2, 2.4, and 2.6 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 IAs to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IAs 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING*

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	n/a	3,834,089	3,834,089	3,834,089	3,834,089	3,834,089	3,450,680	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	3,834,089	3,834,089	3,834,089	3,834,089	3,834,089	3,450,680	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)		365,106	0	0	368,223	0	0	60,839	794,168
2.2	Support costs for Lead IA (US \$)		25,557	0	0	25,776	0	0	4,259	55,592
2.3	Cooperating IA (UNEP) agreed funding (US \$)		120,774	0	0	103,272	0	0	45,903	269,949
2.4	Support costs for Cooperating IA (US \$)		15,701	0	0	13,425	0	0	5,967	35,093
2.5	Cooperating IA (UNIDO) agreed funding (US \$)		50,050	0	0	49,280	0	0	10,670	110,000
2.6	Support costs for Cooperating IA (US \$)		4,505	0	0	4,435	0	0	960	9,900
3.1	Total agreed funding (US \$)		535,930	0	0	520,775	0	0	117,412	1,174,117
3.2	Total support costs (US \$)		45,763	0	0	43,636	0	0	11,186	100,585
3.3	Total agreed costs (US \$)		581,693	0	0	564,411	0	0	128,598	1,274,702
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)									383,409

Row	Particulars	2023	2024	2025	2026	2027	2028	2029	Total
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)*								6,323
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD

* Noting that 4.01 mt (5,734.3 CO₂-eq tonnes) of HFC-134a and 0.15 mt (588.3 CO₂-eq tonnes) of R-404A would be deducted from the starting point for sustained aggregate reduction in HFCs once it has been established (decision 81/57)

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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 Programme (PRONAOZ) of the Ministry of Environment and Natural Resources (MARN) shall be responsible for monitoring the progress of implementation of activities in the Plan and coordinating the actions associated with each programme and project through collaboration with various areas of the Ministry; as well as with other government agencies such as the General Customs Directorate of the Ministry of Treasury, among others.
2. The MARN will be responsible for the sustainability of consumption reduction targets achieved through the Agreement.
3. To support the implementation of projects in different sectors, national and/or international consultants will be hired, if necessary, to implement the various activities and offer support to the PRONAOZ in coordination with key actors, including other Ministries, agencies and the private sector.
4. PRONAOZ have the full support of the Government. The MARN has ensured the adoption of the laws and the implementation of necessary national regulations to guarantee the country's compliance with the Montreal Protocol agreements.
5. For the adequate implementation of these projects, it is essential to continue to have the active participation of relevant public sector counterparts, such as the General Customs Directorate, which actively participates in the definition and implementation of import and export control processes of HFCs.
6. 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.
7. The Lead IA shall have the overall responsibility of reporting to the Executive Committee, and of supporting the Country in the implementation of the non-investment components that are not implemented by the Cooperating IAs.
8. Before each Executive Committee meeting is held to discuss a funding tranche, PRONAOZ will prepare a report on the status of activities and progress together with the Lead IA and with the help of the Cooperating IAs, including the milestones and other key performance indicators as well as any other information of interest for the implementation of the Plan. This report will be reviewed and verified by the Lead IA and will then be sent to the Executive Committee through the Secretariat of the Multilateral Fund.
9. A project coordinator will be hired with funding from the project monitoring unit, and they will report to the national ozone officer. The project coordinator will coordinate the daily activities in the project and will assure that all activities are in line with the approved work plan.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in 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 IAs;
- (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 IAs 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 IAs, 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 IAs 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 IAs 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 IAs, 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 \$6.69 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 XX

**AGREEMENT BETWEEN THE GOVERNMENT OF ECUADOR
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: 2022–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Ecuador (“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 2,730,168 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage 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;
- (c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- (d) 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. UNIDO has agreed to be the lead implementing agency (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 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 role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2022*	2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	n/a	n/a	3,179,294	3,179,294	3,179,294	3,179,294	3,179,294	2,861,365	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	n/a	0.0	3.0	5.9	8.7	11.5	14.1	n/a
		CO ₂ -eq tonnes	n/a	n/a	3,179,294	3,083,915	2,991,398	2,901,656	2,814,606	2,730,168	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		267,885	292,600	0	0	364,414	0	0	72,930	997,829
2.2	Support costs for Lead IA (US \$)		18,752	20,482	0	0	25,509	0	0	5,105	69,848
3.1	Total agreed funding (US \$)		267,885	292,600	0	0	364,414	0	0	72,930	997,829
3.2	Total support costs (US \$)		18,752	20,482	0	0	25,509	0	0	5,105	69,848
3.3	Total agreed costs (US \$)		286,637	313,082	0	0	389,923	0	0	78,035	1,067,677
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)										434,225
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)										14,901
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)										TBD

* Conversion of one commercial and domestic refrigerator manufacturing line at the enterprise Induglob, approved by decision 91/59 to phase out 14,901 CO₂-eq tonnes (10.42 mt) of HFC-134a.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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 Minister of Production, Foreign Trade, Investment and Fishery (MPCEIP) is the Focal Point of the Montreal Protocol in the Country. The activities corresponding to the implementation of the Protocol are aligned with the strategies and proposals of the National Direction of Environment and Technological Reconversion. This Division coordinates the Plan with the authorities.

2. The Plan is implemented through the national ozone unit established within the MPCEIP, as part of the National Direction of Environment and Technological Reconversion, and its functions are:

- (a) To coordinate, as a focal point, all the activities related to the implementation of the country programme for the HFC phase-down in the Country;

- (b) To monitor and control the Montreal Protocol controlled substances consumption;
- (c) To disseminate data and pertinent information to all the interested parties, and to inform on the requirements of the Montreal Protocol;
- (d) To promote awareness of the HFC and HFC alternatives issues;
- (e) To report to the Ozone Secretariat, Multilateral Fund Secretariat, and to the implementing agencies about the consumption and phase-out of the HFC consumption in the Country; and
- (f) To coordinate and implement projects for the substances controlled by the Montreal Protocol in the Country including HFCs.

3. The MPCEIP will be responsible for the sustainability of consumption reduction targets achieved through the Agreement, monitoring of the Plan, and the enforcement of the policies and legislation, the procedures to carry out these activities are:

- (a) Implementation of all the activities of the components within the Plan, including detailed activity design, audit of the parties involved, identification and selection of the beneficiaries, contracting of goods and services, continuous technical assistance to the project beneficiaries;
- (b) Regular monitoring of the trends and attitudes in the local private sector related to HFC use and its possible substitutes;
- (c) Design, organization and implementation (annual) of the project monitoring activities, including the design of the data gathering and analysis instruments;
- (d) Analysis and report of results of the monitoring, and organization of the corresponding meetings for review and management of the monitoring;
- (e) Design and implementation of the corrective measures; and
- (f) Regular implementation of activities of technical assistance to the project beneficiaries.

4. The Plan will be managed by a dedicated team that consists of a coordinator that will be designated by the MPCEIP and has the support of the representatives and experts of the Lead IA and the necessary support infrastructure. The component of support to the management and update of the legal instruments of the Plan will include the following activities:

- (a) Management and coordination of the implementation of the Plan;
- (b) Establishment of a policy development and application programme to allow the Government to exercise the required mandates and ensure the industry fulfilment with the obligations of the HFC reduction;
- (c) Development and implementation of training, awareness and capacity building activities to ensure a high-level commitment to the Plan objectives and obligations; and
- (d) Preparation of annual implementation plans including the determination of the sequence of participation of the beneficiaries in the activities.

5. 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 taking part in this 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;
- (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) 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, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with the policy, management and technical support when required; and
- (m) 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 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 \$4.44 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 XXI

**AGREEMENT BETWEEN THE GOVERNMENT OF GUATEMALA
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: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Guatemala (“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 1,024,695 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage 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. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the 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 the 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	1,217,998	1,217,998	1,217,998	1,217,998	1,217,998	1,096,198	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	15.9	n/a
		CO ₂ -eq tonnes	1,217,998	1,217,998	1,217,998	1,217,998	1,217,998	1,024,695	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		251,019	0	0	121,019	0	31,019	403,057
2.2	Support costs for Lead IA (US \$)		17,571	0	0	8,471	0	2,171	28,213
2.3	Cooperating IA (UNEP) agreed funding (US \$)		10,000	0	0	85,573	0	30,000	125,573
2.4	Support costs for Cooperating IA (US \$)		1,300	0	0	11,124	0	3,900	16,324
3.1	Total agreed funding (US \$)		261,019	0	0	206,592	0	61,019	528,630
3.2	Total support costs (US \$)		18,871	0	0	19,595	0	6,071	44,537
3.3	Total agreed costs (US \$)		279,890	0	0	226,187	0	67,090	573,167
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)								193,303
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)								0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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 Ministry of Environment and Natural Resources the Country (MARN), through the national ozone unit (NOU), which operates under the Department for the Environmentally Sound Management of Chemicals and Hazardous Waste, will serve as the coordinating authority for the implementation of the Plan at the national level. The NOU will be responsible for coordinating national authorities, key stakeholders, and the implementing and cooperating agencies; overseeing the execution of project activities; and reporting on progress in alignment with the Plan Agreement. The NOU will submit annual progress reports to the Lead IA, outlining the status of implementation, key achievements, constraints, and recommendations for corrective action.

2. With the support of technical consultants, and in collaboration with the Lead IA and Cooperating IA, the NOU will ensure the effective implementation of the Plan. This includes managing and monitoring the national HFC licensing and quota system, tracking project components, and facilitating coordination with other relevant national initiatives. The NOU will actively engage with competent institutions to secure compliance with relevant national regulations and promote alignment with the Plan objectives. If deemed necessary, independent verification of implementation will be carried out by a consultant designated by the Lead IA.

3. To ensure the long-term sustainability of the reductions in HFC consumption achieved under the Plan, the following institutions will be involved:

- (a) Superintendency of Tax Administration (SAT): Through the Customs Directorate, will continue to enforce the HFC licensing and quota system, monitor imports and exports of HFCs and related equipment, and ensure ongoing capacity-building for customs officials on emerging alternatives and control measures; and
- (b) MARN – Environmental Regulation and Control Units: Will contribute to the oversight and enforcement of environmental regulations related to the use and management of HFCs and promote inter-institutional cooperation for policy implementation.

4. These institutions, in close coordination with the NOU and implementing agencies, will be essential to ensuring that the reductions achieved through the Plan are sustained beyond the duration of the project through regulation, institutional capacity, continued training, and stakeholder engagement.

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 \$5.47 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 XXII

**AGREEMENT BETWEEN THE GOVERNMENT OF HONDURAS
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: 2024–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Honduras (“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 1,225,016 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage 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. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the 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 the 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	1,449,723	1,449,723	1,449,723	1,449,723	1,449,723	1,304,751	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	15.5	n/a
		CO ₂ -eq tonnes	1,449,723	1,449,723	1,449,723	1,449,723	1,449,723	1,225,016	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		226,918	0	0	178,000	0	27,292	432,210
2.2	Support costs for Lead IA (US \$)		15,885	0	0	12,460	0	1,910	30,255
2.3	Cooperating IA (UNEP) agreed funding (US \$)		70,000	0	0	65,000	0	30,000	165,000
2.4	Support costs for Cooperating IA (US \$)		9,100	0	0	8,450	0	3,900	21,450
3.1	Total agreed funding (US \$)		296,918	0	0	243,000	0	57,292	597,210
3.2	Total support costs (US \$)		24,985	0	0	20,910	0	5,810	51,705
3.3	Total agreed costs (US \$)		321,903	0	0	263,910	0	63,102	648,915
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)								224,707
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)								0
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD

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 Secretariat of Natural Resources and Environment (SERNA), through the national ozone unit (NOU), will be the national coordinating entity responsible for the effective implementation and oversight of the Plan. The NOU will lead the coordination with national authorities, regulatory and enforcement bodies, key sectoral stakeholders (including industry and servicing sector representatives), and the Lead IA and the Cooperating IA. Its responsibilities will include ensuring that project implementation remains aligned with national strategies and obligations under the Kigali Amendment and the Agreement with the Executive Committee. The NOU will submit detailed annual progress reports to the Lead IA, covering technical, regulatory, and institutional achievements, challenges encountered, lessons learned, and proposed corrective actions.

2. To strengthen technical oversight, the NOU will work closely with national and international consultants specialized in project monitoring and implementation. This technical support will assist the NOU in planning, supervising, and validating activities related to HFC phase-down, including:

- (a) Administration and enforcement of the national HFC licensing and quota system;

- (b) Monitoring and evaluation of the implementation of individual project components;
 - (c) Collection and analysis of consumption data for reporting and policy planning; and
 - (d) Coordination with related climate and energy-efficiency initiatives to ensure policy coherence and maximize synergies.
3. In collaboration with the Lead IA and Cooperating IA, the NOU will ensure that implementation follows the approved workplan and adheres to reporting and accountability requirements set by the Multilateral Fund.
4. Furthermore, the NOU will proactively engage with relevant institutions such as the national customs administration, technical regulatory bodies, environmental enforcement agencies, national training institutes, and private sector actors. This engagement is critical to ensure compliance with national regulations, institutionalize best practices, and build long-term technical and administrative capacity for the continued reduction of HFC consumption.
5. The monitoring of HFC consumption levels and verification of sustained reductions will be carried out jointly by SERNA, through the NOU, and the national customs authority. SERNA will be responsible for tracking aggregate national consumption, overseeing licensing and quota compliance, and reporting to the Multilateral Fund. The customs authority will monitor and report on imports and exports of HFCs and related equipment, enforce border controls in accordance with the national licensing system, and ensure that illegal or non-compliant trade is identified and addressed. This dual mechanism will help ensure the accuracy and integrity of consumption data and the long-term enforceability of phase-down measures.
6. If deemed necessary, an independent verification of project implementation, including progress on policy, capacity-building, and sustained reductions in consumption, will be conducted by a third-party consultant designated by the Lead IA, in accordance with the guidelines and reporting frameworks of the Multilateral Fund.

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 \$5.28 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 XXIII

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

Purpose

1. This Agreement represents the understanding of the Government of Armenia (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage III of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

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

Considerations for the refrigeration servicing sector

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

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating 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 Agreement

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

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

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

Date of completion

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

Validity

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

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

17. This updated Agreement supersedes the Agreement reached between the Government of Armenia and the Executive Committee at the 96th meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	7.00
HCFC-141b contained in imported pre-blended polyols	-	-	0.83
Total			7.83

APPENDIX 2-A: THE TARGETS, AND FUNDING*

Row	Particulars	2023**	2025	2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	n/a	2.28	2.28	2.28	2.28	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	n/a	2.28	2.28	2.28	2.28	0.00	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	0	237,500	0	289,000	0	58,500	585,000
2.2	Support costs for Lead IA (US \$)	0	16,625	0	20,230	0	4,095	40,950
2.3	Cooperating IA (UNEP) agreed funding (US \$)	100,000	0	0	0	0	0	100,000
2.4	Support costs for Cooperating IA (US \$)	13,000	0	0	0	0	0	13,000
3.1	Total agreed funding (US \$)	100,000	237,500	0	289,000	0	58,500	685,000
3.2	Total support costs (US \$)	13,000	16,625	0	20,230	0	4,095	53,950

Row	Particulars	2023**	2025	2026	2027	2028-2029	2030	Total
3.3	Total agreed costs (US \$)	113,000	254,125	0	309,230	0	62,595	738,950
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)							2.34
4.1.2	Phase-out of HCFC-22 to be achieved under previously approved projects (ODP tonnes)							4.66
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							0.00
4.2.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)							0.00
4.2.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved under previously approved projects (ODP tonnes)							0.83
4.2.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)							0.00

* Date of completion of stage II as per stage II Agreement: 31 December 2021.

** Approved at the 93rd meeting for additional activities for the introduction of alternatives to HCFCs with low or zero global-warming potential and for maintaining energy efficiency in the refrigeration servicing sector under decision 89/6(b).

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in subparagraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen.

The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph (a) above;

- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above subparagraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the Plan are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall monitoring will be provided by the Government, through the national ozone unit (NOU), with assistance from the Lead IA. The NOU will submit annual progress reports of status of implementation of the Plan to the Lead IA.
2. Consumption will be monitored and determined from official data of the import and export of substances as registered by the relevant Government departments. The NOU will compile and report the following data and information each year on or before the relevant deadlines:
- (a) Reports on the consumption of the substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and
 - (b) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.
3. Monitoring of development of the Plan and verification of the achievement of the performance targets will be assigned to an independent local enterprise or to independent local consultant(s) by the Lead IA. The enterprise or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

- (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with subparagraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Coordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and the Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.
2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the Plan being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XXIV

PERFORMANCE INDICATORS FOR UNDP FOR 2026

Type of indicator	Short title	Calculation	2026 target
Planning-Approval	Tranches approved	Number of tranches approved vs. those planned*	39
Planning-Approval	Individual projects/ activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)	30
Implementation	Funds disbursed	Based on estimated disbursement in progress reports	US \$21,010,532
Implementation	ODS phase-out for HCFC-related projects	ODS phase-out for HCFC-related projects in ODP tonnes vs. those planned per progress reports	828.0 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	1,686,935 CO ₂ -eq tonnes
Implementation	Project operational completion	Project operational completion vs. planned in progress reports for all activities (excluding project preparation)**	53
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.

Annex XXV

PERFORMANCE INDICATORS FOR UNEP FOR 2026

Type of indicator	Short title	Calculation	2026 target
Planning-Approval	Tranches approved	Number of tranches approved vs. those planned*	77
Planning-Approval	Individual projects/ activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)	75
Implementation	Funds disbursed	Based on estimated disbursement in progress reports	US \$27,232,727
Implementation	ODS phase-out for HCFC-related projects	ODS phase-out for HCFC-related projects in ODP tonnes vs. those planned per progress reports	268.5 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	682,544 CO ₂ -eq tonnes
Implementation	Project operational completion	Project operational completion vs. planned in progress reports for all activities (excluding project preparation)**	146
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	0
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.

Annex XXVI

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*	54
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	US \$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.

Annex XXVII

PERFORMANCE INDICATORS FOR THE WORLD BANK FOR 2026

Type of indicator	Short title	Calculation	2026 target
Planning-Approval	Tranches approved	Number of tranches approved vs. those planned*	7
Planning-Approval	Individual projects/ activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)	5
Implementation	Funds disbursed	Based on estimated disbursement in progress reports	US \$23,145,194
Implementation	ODS phase-out for HCFC-related projects	ODS phase-out for HCFC-related projects in ODP tonnes vs. those planned per progress reports	4,776.8 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	1,388,278 CO ₂ -eq tonnes
Implementation	Project operational completion	Project operational completion vs. planned in progress reports for all activities (excluding project preparation)**	17
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	0
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.

Annex XXVIII

**WORKING DOCUMENTS ON THE ISSUE OF THE METHODOLOGY USED TO
CALCULATE THE CLIMATE IMPACTS FROM THE IMPLEMENTATION OF
KIGALI HFC IMPLEMENTATION PLANS**

**WORKING TEXT ON CALCULATION OF THE CLIMATE IMPACT OF KIGALI HFC
IMPLEMENTATION PLANS**

1. The Executive Committee decided:

[(a)] To ~~consider~~approving the methodology to calculate the climate impacts from the implementation of Kigali HFC implementation plans (KIPs) as described in paragraphs 19-29 of document UNEP/OzL.Pro/ExCom/97/26 in Annex [XYZ] of the present document and requesting the Secretariat to apply the methodology;

(a)[(b)] [To note that the Secretariat will provide an update, at the 104th meeting, on future work related to the following:

- (i) Further updates to the Multilateral Fund Climate Impact Indicator as described in the document referred to in subparagraph (a);
- (ii) An updated methodology referred to in subparagraph (a), taking into account reduced emissions from improved energy efficiency from the implementation of KIPs; and
- (iii) A possible methodology to account for the phase-in relating to the implementation of HCFC phase-out management plans.]

ANNEX [XYZ]

**METHODOLOGY TO CALCULATE THE CLIMATE IMPACTS FROM THE
IMPLEMENTATION OF KIGALI HFC IMPLEMENTATION PLANS (KIPS) AS DESCRIBED
IN PARAGRAPHS 19-29 OF DOCUMENT UNEP/OZL.PRO/EXCOM/97/26 AND AS AMENDED
DURING THE 97TH MEETING**

Background

1. While the information related to the impact on the climate from the implementation of HPMPs has been included in respective meeting documents, such information has been limited. For those HPMPs that only included activities in the servicing sector, the Secretariat noted that each kilogram of HCFC-22 not emitted due to better refrigeration practices resulted in the savings of approximately 1.8 CO₂-equivalent (CO₂-eq) tonnes, without providing a cumulative benefit achieved from such reductions from the HCFC phase-out. For HPMPs that included manufacturing conversions, information presented to date only reflected the climate impact from manufacturing conversions for one year, and not the cumulative climate impact over the duration of HPMP implementation. In particular, the reported impact on the climate from manufacturing conversions has been provided in terms of the benefit that would be achieved from the manufacturing in one year with the new technology; for refrigeration and air-conditioning (RAC) manufacturing conversions, the reported impact on the climate as calculated by the Multilateral Fund Climate Impact Indicator (MCII) also includes the reduced emissions from servicing equipment manufactured in one year and from energy-efficiency improvements of that equipment over the lifetime of the equipment.

2. The adoption of the Kigali Amendment added control obligations for HFCs that are measured in CO₂-eq tonnes. Reporting the reductions in consumption and production from HFC phase-down projects supported by the Multilateral Fund will be similarly straightforward as was the case for phase-out projects for ozone-depleting substances (ODSs), with the only substantive difference being the unit of measurement (i.e., CO₂-eq tonnes vice ODP tonnes). In contrast, estimating climate benefits that will be achieved from HFC phase-down projects is fundamentally different. Accordingly, the Secretariat developed a methodology described below that aims to take into account the cumulative benefit of the KIP implementation and ensure equity across Article 5 countries.

3. Article 5 countries' HFC baseline for compliance includes both an HFC component, the HFC consumption in the baseline years,¹ and an HCFC component, equivalent to 65 per cent of the HCFC baseline consumption. All KIPs approved so far have included targets to ensure that the Article 5 country concerned is in compliance with the Montreal Protocol; however, few KIPs have included a final target that is below the country's most recently reported HFC consumption. If climate benefits were estimated based on the country's most recent consumption, almost all KIP stages approved so far would have an estimated climate disbenefit, which would not reflect the emissions that were avoided from the implementation of the KIP. Moreover, this would not reflect the agreement reached by the Parties in determining the HFC baseline for compliance, which allowed Article 5 countries' consumption to grow, including due to the possible phase-in of HFCs from the phase-out of HCFCs. Accordingly, the methodology to estimate the climate benefits from the implementation of KIPs is based on the emissions avoided relative to BAU scenarios.

Development of business-as-usual scenarios

4. The methodology proposed by the Secretariat uses three BAU scenarios to capture the range of likely avoided HFC consumption. HFC consumption is used as a proxy for emissions, given that all

¹ 2020 to 2022 for group 1 Article 5 countries and 2024 to 2026 for group 2 Article 5 countries.

consumption is assumed to result in emissions eventually; the methodology makes no assumption about when the emission takes place. Accordingly, the term “avoided emissions” can be understood to be equivalent to “avoided consumption.” Since Montreal Protocol control measures result in consumption reductions, those control measures result in sustained aggregate reductions that result in cumulative benefits.

5. Rather than using consumption as a proxy for emissions, methodologies also exist that estimate emissions of refrigerants based on a detailed inventory of a country’s bank of installed equipment and, where relevant, level of manufacturing of HFC-based equipment in the country, as well as emission factors from other sectors (e.g., firefighting, aerosols and solvents). The IPCC recommends three different assessment tiers depending on, *inter alia*, whether inventory data are available over multiple years and whether country-specific uncertainty estimates are available for each source category estimate, with tier 1 being the simplest and least work-intensive assessment, and tier 3 the most data- and work-intensive.² Estimating the avoided emissions using an emissions inventory-based approach would not only require an initial emissions inventory, but the KIP proposal would also have to specify how the inventory is expected to change over the course of the KIP, including *inter alia* how the installed equipment bank would change, and emissions of HFCs from that bank based on servicing practices improved under the KIP. Considerable additional resources would need to be provided to agencies to include such information when they prepare KIPs, to Article 5 countries to enable the collection of the necessary data and to maintain the emissions inventory, and to the Secretariat to review such information.

6. The BAU scenarios proposed depend on the initial HFC consumption during baseline years and estimated consumption growth, as follows:

[(a)] BAU Scenario Low: Calculated using the HFC component of the baseline multiplied by ~~the-a~~ growth rate of 3 per cent. This represents the lowest initial consumption from which growth can be calculated as it reflects a country’s HFC consumption in its baseline years; and

[(b)] BAU Scenario ~~Intermediate~~High: Calculated using the HFC component of the baseline multiplied by ~~the-a~~ growth rate of 3.5 per cent, plus the average HCFC consumption during the country’s HFC baseline years. This represents a ~~higher~~intermediate initial consumption from which growth can be calculated as it considers remaining HCFC consumption that could still result in additional HFC consumption from the HCFC phase-out, where that HCFC consumption is assumed to gradually convert to HFCs over a five-year period; and

~~[(c)] BAU Scenario High: Calculated using the HFC baseline multiplied by the growth rate. This represents the highest initial consumption from which growth can be calculated as it reflects the entirety of the HFC baseline, irrespective of whether a country’s HFC consumption has reached that level.~~

[7.] In its reports, the Scientific Assessment Panel (SAP) has used world-avoided scenarios to evaluate the impact of the Montreal Protocol on climate. The world-avoided scenario is an idealized counterfactual scenario and typically assumes that uncontrolled ODSs would have increased at a rate of 3.0 to 3.5 per cent per year in the absence of the Montreal Protocol based on expected growth in gross domestic product (GDP) and market analysis; a sustained rate of emissions of ODSs of 3.0 to 3.5 per cent per year should be viewed as only one of many possible world-avoided scenarios, which could also include scenarios with varying assumptions about future GDP growth.³ The methodology has been shared with a member of the SAP and his views were taken into account in its development.

² https://www.ipcc.ch/site/assets/uploads/2019/12/19R_V0_01_Overview.pdf

³ World Meteorological Organization (WMO). *Scientific Assessment of Ozone Depletion: 2022*, GAW Report No. 278, 509 pp.; WMO: Geneva, 2022.

[8.] Subsequent to discussions at the 97th meeting, it was agreed to use ~~The Secretariat proposes using~~ a 3 per cent and a 3.5 per cent nominal growth rate in HFC consumption for all Article 5 countries, consistent with the low-and high-end of the growth rate used by the SAP. The Secretariat does not propose using the BAU scenario included in KIP proposals submitted by agencies because doing so would result in differing growth rates across Article 5 countries and would raise concerns about equity. For example, using a country-specific growth rate would result in lower estimated climate benefits for an Article 5 country with a lower expected growth in GDP than one with higher expected growth. Furthermore, using the BAU scenarios provided by agencies as part of their KIP proposals could incentivize agencies to propose higher growth rates than would otherwise be applicable.

7.[9.] The estimated range of avoided emissions from the implementation of the KIP is the difference between the high and low BAU scenarios and the target for that year specified in the KIP Agreement, noting that the target could be a lower value than that specified under the Montreal Protocol. In order to ensure that the methodology captures the emission reductions to be achieved from the reductions in consumption, benefits are integrated over 10 years, where the final target of stage I of the KIP is used for the years subsequent to the date completion of the stage. If HFC consumption under a BAU scenario in a given year is below the target specified for that year, the avoided emissions for that year are set to zero. In order to provide information on the possible long-term benefits of KIP implementation, which more easily shows the benefits of early action, the benefits through 2050 can be provided for informational purposes.

8.[10.] The methodology accounts for neither the GWP of substances not controlled under the Montreal Protocol that may be phased in during the HFC phase-down, nor the GWP of substances that are not HFCs that may nonetheless be phased out as part of the HFC phase-down.⁴ The former results in an overestimate of the avoided emissions, while the latter results in an underestimate. The methodology also does not account for the use patterns of HFCs that may differ across climate zones and economies, which can in turn affect the expected growth in HFC consumption and when HFCs that are consumed are expected to be emitted to the atmosphere, nor for possible increased heatwaves or other climatic effects.

⁴ For example, R-508B consists of 46 per cent HFC-23 and 54 per cent PFC-116, and has a GWP of 12,802; however, the calculated consumption from that blend only reflects the GWP of HFC-23, resulting in an effective GWP under the Kigali Amendment of 6,808. Similarly, R-401A is a blend consisting of 53 per cent HCFC-22, 13 per cent HFC-152a, and 34 per cent HCFC-124, and has a GWP of 1,182.48; however, for the purposes of calculated consumption, the GWP of the blend is 16.12.

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/97/91
Annex XXIX

Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
ALBANIA						
HFC PHASE-DOWN						
Servicing						
Verification on the implementation of stage I of the Kigali HFC implementation plan	UNIDO			\$15,000	\$1,350	\$16,350
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for the KIP is being sought.</i>						
ENERGY EFFICIENCY						
Servicing						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65)	UNIDO			\$219,000	\$19,710	\$238,710
<i>Approved, noting that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to (b)(iv)d.; and that the project would be operationally completed no later than 31 December 2028, and a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.</i>						
Total for Albania				\$234,000	\$21,060	\$255,060
ALGERIA						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$90,000	\$6,300	\$96,300
Total for Algeria				\$90,000	\$6,300	\$96,300
ANGOLA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, third tranche)	UNDP			\$90,400	\$6,328	\$96,728

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage III, first tranche)	UNDP	2.6		\$258,689	\$18,108	\$276,797
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2025-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase out of HCFCs; noted the commitment of the Government to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; noted also the commitment of the Government to establish a ban on the import of HCFC-based equipment by December 2027; deducted 5.18 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding; that approval of the second tranche of stage III of the HPMP would be conditional on the establishment of a ban on the import of HCFC-141b by December 2026; that, to allow for consideration of the final tranche of its HPMP, the Government should submit: a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040; and the expected annual HCFC consumption in Angola for the period 2030–2040.</i>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNDP			\$90,000	\$6,300	\$96,300
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNDP		165	\$359,623	\$25,173	\$384,796
<i>Approved in accordance with the Agreement for the period 2025–2030 to reduce HFC consumption by 10 per cent of the country’s baseline; noted that 387,800 CO2-equivalent tonnes of HFCs will be deducted from the starting point for sustained aggregate reductions in HFC consumption that will be established on the basis of guidance provided by the Executive Committee; further noted that the Government will put in place a ban on the import of HFC-based domestic and stand-alone commercial refrigeration units by 1 January 2029; and invited the Government, should it wish to do so, to include 2023 in its verification of HFC consumption.</i>						
Kigali HFC implementation plan (stage I, first tranche) (PMU)	UNDP			\$25,940	\$1,816	\$27,756
Total for Angola		2.6	165	\$824,652	\$57,725	\$882,377

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/97/91
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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
ANTIGUA AND BARBUDA						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$70,000	\$9,100	\$79,100
Total for Antigua and Barbuda				\$70,000	\$9,100	\$79,100
ARGENTINA						
PRODUCTION						
HFC- emission control						
Control and phase-out of HFC-23 emissions in production of HCFC-22 at FIASA (second tranche)	UNIDO			\$96,775	\$6,774	\$103,549
<i>Approved, on the understanding that, in line with subparagraph 8(c) of the Agreement between the Government and the Executive Committee, the remaining HFC-23 by-product for which funding for destruction could be requested at future meetings held within the Agreement implementation period was 215,348 kg.</i>						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, fourth tranche) (PMU)	UNIDO			\$143,825	\$10,068	\$153,893

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/97/91
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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage II, fourth tranche) (servicing)	UNIDO	2.8		\$271,286	\$18,990	\$290,276
<i>Noted: the report on the update on the status of availability of low-GWP alternatives to HCFC-141b in the foam sector and on the transitional use of high-GWP alternatives in the context of stage II of the HPMP for Argentina. Requested the Government and UNIDO to submit: in line with decision 92/31(c)(ii), to provide an update at the 98th meeting on the local market availability of low-GWP alternatives to HCFC-141b in the foam sector and on the transitional use of high-GWP alternatives; on a yearly basis, progress reports on the implementation of the work programme associated with the final tranche through completion of the project, and a project completion report to the first meeting of the Executive Committee in 2028; in the next progress report referred to above: the updated list of downstream PU foam enterprises being assisted by the Multilateral Fund under stage II, including their HCFC-141b consumption phased out, the subsector concerned, the baseline equipment and the technology adopted; revised dates for the commitment by the Government to issue a ban on the import and use of HCFC-141b pure or contained in pre-blended polyols for the manufacture of PU foam; a ban on the import and use of HCFC-22 and HCFC-142b for the manufacture of extruded polystyrene foam; and a ban on the import and use of HCFC-141b for flushing refrigeration circuits during servicing. Approved: on an exceptional basis, the extension of the duration of stage II of the HPMP for Argentina to 31 December 2027, on the understanding that no further extension will be requested.</i>						
HCFC phase-out management plan (stage III, first tranche) (PMU)	UNIDO			\$250,000	\$17,500	\$267,500

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/97/91
Annex XXIX

Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage III, first tranche) (firefighting)	UNIDO	0.6		\$141,000	\$9,870	\$150,870

Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2025-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs; noted the commitment of the Government: to phase out HCFCs completely by 1 January 2030 and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; to establish a ban on the import of all equipment containing HCFC refrigerant and equipment requiring HCFCs for operation, servicing and maintenance by 1 January 2027, and on the manufacturing of HCFC based aerosol and commercial refrigeration equipment by 1 January 2028; that, upon completion of the end-user projects in the supermarkets and fisheries sectors included in stage III of the HPMP, UNIDO would submit final reports on their implementation in line with decision 92/36(g), including the HCFC phase out and the energy-efficiency gains achieved; that, to allow for consideration of the final tranche of its HPMP, the Government of Argentina should submit: a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040; If Argentina were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030; deducted 178.79 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding; requested UNIDO to submit to the 99th meeting a detailed report including updated data on refrigerant leakage rates in the fisheries sector, opportunities for additional interventions to reduce leakages in fishing vessels, progress on developing the retrofit incentive mechanism and additional information on potential technologies with lower global warming potential that could be incorporated in the project.

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/97/91
Annex XXIX

Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage III, first tranche) (commercial refrigeration manufacturing)	UNIDO	1.5		\$324,000	\$22,680	\$346,680

Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2025-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs; noted the commitment of the Government: to phase out HCFCs completely by 1 January 2030 and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; to establish a ban on the import of all equipment containing HCFC refrigerant and equipment requiring HCFCs for operation, servicing and maintenance by 1 January 2027, and on the manufacturing of HCFC based aerosol and commercial refrigeration equipment by 1 January 2028; that, upon completion of the end-user projects in the supermarkets and fisheries sectors included in stage III of the HPMP, UNIDO would submit final reports on their implementation in line with decision 92/36(g), including the HCFC phase out and the energy-efficiency gains achieved; that, to allow for consideration of the final tranche of its HPMP, the Government of Argentina should submit: a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040; If Argentina were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030; deducted 178.79 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding; requested UNIDO to submit to the 99th meeting a detailed report including updated data on refrigerant leakage rates in the fisheries sector, opportunities for additional interventions to reduce leakages in fishing vessels, progress on developing the retrofit incentive mechanism and additional information on potential technologies with lower global warming potential that could be incorporated in the project.

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage III, first tranche) (servicing sector including aerosol)	UNIDO	41.5		\$1,833,000	\$128,310	\$1,961,310

Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2025-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs; noted the commitment of the Government: to phase out HCFCs completely by 1 January 2030 and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; to establish a ban on the import of all equipment containing HCFC refrigerant and equipment requiring HCFCs for operation, servicing and maintenance by 1 January 2027, and on the manufacturing of HCFC based aerosol and commercial refrigeration equipment by 1 January 2028; that, upon completion of the end-user projects in the supermarkets and fisheries sectors included in stage III of the HPMP, UNIDO would submit final reports on their implementation in line with decision 92/36(g), including the HCFC phase out and the energy-efficiency gains achieved; that, to allow for consideration of the final tranche of its HPMP, the Government of Argentina should submit: a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040; If Argentina were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030; deducted 178.79 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding; requested UNIDO to submit to the 99th meeting a detailed report including updated data on refrigerant leakage rates in the fisheries sector, opportunities for additional interventions to reduce leakages in fishing vessels, progress on developing the retrofit incentive mechanism and additional information on potential technologies with lower global warming potential that could be incorporated in the project.

List of projects and activities approved for funding

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Annex XXIX

Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage II, fourth tranche) (PU foam manufacturing - umbrella project)	UNIDO	11.5		\$504,013	\$35,281	\$539,294
<i>Noted: the report on the update on the status of availability of low-GWP alternatives to HCFC-141b in the foam sector and on the transitional use of high-GWP alternatives in the context of stage II of the HPMP for Argentina. Requested the Government and UNIDO to submit: in line with decision 92/31(c)(ii), to provide an update at the 98th meeting on the local market availability of low-GWP alternatives to HCFC-141b in the foam sector and on the transitional use of high GWP alternatives; on a yearly basis, progress reports on the implementation of the work programme associated with the final tranche through completion of the project, and a project completion report to the first meeting of the Executive Committee in 2028; in the next progress report referred to above: the updated list of downstream PU foam enterprises being assisted by the Multilateral Fund under stage II, including their HCFC-141b consumption phased out, the subsector concerned, the baseline equipment and the technology adopted; revised dates for the commitment by the Government to issue a ban on the import and use of HCFC-141b pure or contained in pre-blended polyols for the manufacture of PU foam; a ban on the import and use of HCFC-22 and HCFC-142b for the manufacture of extruded polystyrene foam; and a ban on the import and use of HCFC-141b for flushing refrigeration circuits during servicing. Approved: on an exceptional basis, the extension of the duration of stage II of the HPMP for Argentina to 31 December 2027, on the understanding that no further extension will be requested.</i>						

DESTRUCTION

Preparation of project proposal

Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$100,000	\$7,000	\$107,000
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Total for Argentina **57.9** **\$3,663,899** **\$256,473** **\$3,920,372**

BAHRAIN

HFC PHASE-DOWN

Servicing

Preparation of a Kigali HFC implementation plan (stage I)	UNDP			\$190,000	\$13,300	\$203,300
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Total for Bahrain **\$190,000** **\$13,300** **\$203,300**

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/97/91
Annex XXIX

Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
BANGLADESH						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage III, first tranche)	UNDP		8.8	\$766,761	\$53,673	\$820,434
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2025-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs. Noted the commitment of the Government phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; noted also the commitment of the Government to prohibit the import and manufacture of HCFC-22-based refrigeration and air-conditioning equipment from 1 January 2026; deducted 23.08 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. That, to allow for consideration of the final tranche of its HPMP, the Government should submit: a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040; and if Bangladesh were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030.</i>						
HCFC phase-out management plan (stage III, first tranche) (PMU)	UNDP			\$67,500	\$4,725	\$72,225
HCFC phase-out management plan (stage III, first tranche)	UNEP		3.1	\$271,932	\$35,351	\$307,283
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2025-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs. Noted the commitment of the Government phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; noted also the commitment of the Government to prohibit the import and manufacture of HCFC-22-based refrigeration and air-conditioning equipment from 1 January 2026; deducted 23.08 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. That, to allow for consideration of the final tranche of its HPMP, the Government should submit: a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040; and if Bangladesh were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030.</i>						

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Total for Bangladesh		11.9		\$1,106,193	\$93,749	\$1,199,942
BOSNIA AND HERZEGOVINA						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$80,000	\$5,600	\$85,600
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IX: 6/2026-5/2029)	UNIDO			\$252,594	\$17,682	\$270,276
ENERGY EFFICIENCY						
Servicing						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65)	UNIDO			\$278,000	\$19,460	\$297,460
<i>Approved, noting: that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.; that the Government would enhance the standards and energy labelling for RACHP equipment upon the completion of the project; and that the project would be operationally completed no later than 31 December 2028 and a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project, including a detailed description of the activities undertaken to disseminate the results of the technology demonstration and to promote the adoption of the selected energy-efficient alternative technologies.</i>						
Total for Bosnia and Herzegovina				\$610,594	\$42,742	\$653,336

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
BOTSWANA						
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNEP		23	\$62,500	\$8,125	\$70,625
<i>Approved in accordance with the Agreement for the period 2025–2029 to reduce HFC consumption by 15 per cent of the country’s baseline. Noted: the commitment of the Government to supporting reductions in HFC consumption in advance of the Montreal Protocol targets; that the Government would prohibit the import of HFC-based domestic refrigerators from 1 January 2029; that, if the HFC consumption level for Botswana for the year 2025 was above the Montreal Protocol control limits or the maximum allowable consumption in the future Agreement between the Government and the Executive Committee, on the understanding that the Government would continue to make every effort to meet those control limits, the Secretariat would inform and seek guidance from the Executive Committee on the procedure to follow in light of decision XXXV/16.</i>						
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		12	\$33,000	\$4,290	\$37,290
<i>Approved in accordance with the Agreement for the period 2025–2029 to reduce HFC consumption by 15 per cent of the country’s baseline. Noted: the commitment of the Government to supporting reductions in HFC consumption in advance of the Montreal Protocol targets; that the Government would prohibit the import of HFC-based domestic refrigerators from 1 January 2029; that, if the HFC consumption level for Botswana for the year 2025 was above the Montreal Protocol control limits or the maximum allowable consumption in the future Agreement between the Government and the Executive Committee, on the understanding that the Government would continue to make every effort to meet those control limits, the Secretariat would inform and seek guidance from the Executive Committee on the procedure to follow in light of decision XXXV/16.</i>						
Total for Botswana			35	\$95,500	\$12,415	\$107,915

BRUNEI DARUSSALAM

PHASE-OUT PLAN

HCFC phase out plan

HCFC phase-out management plan (stage II, second tranche)	UNEP			\$76,100	\$9,893	\$85,993
<i>Noted the submission of additional activities to maintain energy efficiency in the refrigeration servicing sector in the amount of US \$100,000, plus agency support costs of US \$13,000, for UNEP; and that the Fund Secretariat had revised the updated Agreement between the Government and the Executive Committee, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector referred to above; and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 91st meeting (decision 91/19).</i>						

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage II, second tranche)	UNIDO			\$154,000	\$13,860	\$167,860
<i>Noted the submission of additional activities to maintain energy efficiency in the refrigeration servicing sector in the amount of US \$100,000, plus agency support costs of US \$13,000, for UNEP; and that the Fund Secretariat had revised the updated Agreement between the Government and the Executive Committee, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector referred to above; and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 91st meeting (decision 91/19).</i>						
HFC PHASE-DOWN						
Servicing						
Preparation of a Kigali HFC implementation plan (stage I)	UNIDO			\$35,000	\$2,450	\$37,450
Preparation of a Kigali HFC implementation plan (stage I)	UNEP			\$135,000	\$17,550	\$152,550
ENERGY EFFICIENCY						
Servicing						
HCFC phase-out management plan (stage II): Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP			\$100,000	\$13,000	\$113,000
Total for Brunei Darussalam				\$500,100	\$56,753	\$556,853
CAMBODIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, sixth tranche)	UNEP	4.5		\$200,000	\$26,000	\$226,000
Total for Cambodia		4.5		\$200,000	\$26,000	\$226,000
CAMEROON						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage III, first tranche) (PMU)	UNIDO			\$89,123	\$6,238	\$95,361

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage III, first tranche)	UNIDO	10.9		\$895,955	\$62,717	\$958,672
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2025-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs. Noted the commitment of the Government to phase out HCFCs completely by 1 January 2030 and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; noted also that the Government would ban the import and sale of new HCFC-based refrigeration, air-conditioning, and heat-pump equipment starting 1 January 2028. Deducted 23.55 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding; noted that, upon submission of the second tranche of stage III of the HPMP for Cameroon, UNIDO would provide, on behalf of the Government, a detailed business plan for the recovery and reclamation programme for consideration by the Executive Committee. That, to allow for consideration of the final tranche of its HPMP, the Government should submit: a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040; and if Cameroon were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030.</i>						
Total for Cameroon		10.9		\$985,078	\$68,955	\$1,054,033
CAPE VERDE						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$80,000	\$5,600	\$85,600
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IX: 1/2026-12/2028)	UNEP			\$180,000	\$0	\$180,000
Total for Cape Verde				\$260,000	\$5,600	\$265,600
CENTRAL AFRICAN REPUBLIC						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of an HCFC phase-out management plan (stage II) (Overarching)	UNIDO			\$30,000	\$2,100	\$32,100

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Preparation of an HCFC phase-out management plan (stage II) (Overarching)	UNEP			\$10,000	\$1,300	\$11,300
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$90,000	\$6,300	\$96,300
Total for Central African Republic				\$130,000	\$9,700	\$139,700
CHAD						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, second tranche)	UNEP			\$208,500	\$25,577	\$234,077
<i>Noted the submission of additional activities to maintain energy efficiency in the refrigeration servicing sector in the amount of US \$120,000, plus agency support costs of US \$14,720, for UNEP; and that the Fund Secretariat had updated the Agreement between the Government and the Executive Committee, specifically Appendix 2-A, to reflect the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector referred to above, and paragraph 17 which had been added to indicate that the updated Agreement superseded that reached at the 90th meeting (decision 90/37).</i>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$90,000	\$11,700	\$101,700
ENERGY EFFICIENCY						
Servicing						
HCFC phase-out management plan (stage II): Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP			\$120,000	\$14,720	\$134,720
Total for Chad				\$418,500	\$51,997	\$470,497
CHILE						
ENERGY EFFICIENCY						
Commercial						
Preparation of a pilot project on energy efficiency (decision 91/65)	UNIDO			\$30,000	\$2,100	\$32,100

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Project Title	Agency	ODP (tonnes)	CO2-eq (‘000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Total for Chile				\$30,000	\$2,100	\$32,100
CHINA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, sixth tranche) (PU foam sector)	IBRD	330.0		\$5,000,000	\$350,000	\$5,350,000
HCFC phase-out management plan (stage II, sixth tranche) (industrial and commercial refrigeration sector)	UNDP			\$7,559,464	\$529,162	\$8,088,626
Requested UNDP to submit detailed reports on the results of the demonstration projects on technologies with low global-warming potential in the cold chain industry once they were completed, to enable the Secretariat to develop fact sheets that will inform future projects.						
HCFC phase-out management plan (stage II, eighth tranche) (XPS foam sector)	UNIDO	165.0		\$4,000,000	\$280,000	\$4,280,000
HCFC phase-out management plan (stage II, seventh tranche) (solvent sector)	UNDP	55.0		\$523,431	\$36,640	\$560,071
Requested the Government and UNDP to submit progress reports on the implementation of the work programme associated with the final tranche, on a yearly basis until completion of the project, enterprise verification reports, and the project completion report to the first meeting of 2028.						
HCFC phase-out management plan (stage II, eighth tranche) (refrigeration servicing sector and enabling programme)	UNEP			\$1,200,000	\$131,680	\$1,331,680
HCFC phase-out management plan (stage II, fifth tranche) (room air-conditioning manufacturing and heat pump water heater (RAC) sector)	UNIDO			\$8,717,105	\$610,197	\$9,327,302
Noted the approach developed by the Secretariat, in consultation with UNIDO and in line with decision 94/34(c), to estimate the tonnage of possible HFCs phased in by Multilateral Fund-assisted enterprises to meet the demand associated with the HCFC-based manufacturing capacity converted to R-290 under the HPMP room-air-conditioning manufacturing and heat-pump water heater sector plan, as contained in document UNEP/OzL.Pro/ExCom/94/29.						
Total for China		550.0		\$27,000,000	\$1,937,679	\$28,937,679

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
COMOROS						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$70,000	\$4,900	\$74,900
Total for Comoros				\$70,000	\$4,900	\$74,900
CONGO						
HFC PHASE-DOWN						
Servicing						
Verification on the implementation of stage I of the Kigali HFC implementation plan	UNIDO			\$30,000	\$2,700	\$32,700
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for the KIP is being sought.</i>						
ENERGY EFFICIENCY						
Servicing						
HCFC phase-out management plan (stage II): Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNIDO			\$120,000	\$6,634	\$126,634
<i>Approved, on the understanding that the Fund Secretariat had updated the Agreement between the Government and the Executive Committee, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector; and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 95th meeting (decision 95/48).</i>						
Total for Congo				\$150,000	\$9,334	\$159,334
CONGO, DR						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$90,000	\$6,300	\$96,300
Total for Congo, DR				\$90,000	\$6,300	\$96,300

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
COTE D'IVOIRE						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$90,000	\$6,300	\$96,300
Total for Cote D'Ivoire				\$90,000	\$6,300	\$96,300
CUBA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, third tranche)	UNDP	5.5		\$208,000	\$14,560	\$222,560
HFC PHASE-DOWN						
Servicing						
Verification on the implementation of stage I of the Kigali HFC implementation plan	UNDP			\$30,000	\$2,700	\$32,700
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for the KIP is being sought.</i>						
Total for Cuba		5.5		\$238,000	\$17,260	\$255,260

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
DJIBOUTI						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP		0.2	\$239,000	\$31,070	\$270,070
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2025-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs. Noted the commitment of the Government: to phase out HCFCs completely 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; to ban the import of new and used HCFC-based equipment by 30 June 2026; to establish regulatory measures to control intended emissions of refrigerant during the installation, servicing and decommissioning of refrigeration and air-conditioning equipment, within stage II of the HPMP. Deducted 0.46 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. That, to allow for consideration of the final tranche of its HPMP, the Government should submit: a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040; and the expected annual HCFC consumption in Djibouti for the period 2030–2040.</i>						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase IX: 1/2026-12/2028)	UNEP			\$180,000	\$0	\$180,000
Total for Djibouti			0.2	\$419,000	\$31,070	\$450,070

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
DOMINICAN REPUBLIC						
ENERGY EFFICIENCY						
Servicing						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65)	UNIDO			\$200,000	\$18,000	\$218,000
<i>Approved, noting: that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.; that the Government would update the energy-efficiency standards for non-ducted single-split air conditioners and household refrigerators and freezers upon the completion of the project; and that the project would be operationally completed no later than 31 December 2028 and a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project including a detailed description of the activities undertaken to disseminate the results of the technology demonstration and promote the adoption of the selected energy-efficiency technologies and practices.</i>						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65)	UNEP			\$100,000	\$13,000	\$113,000
<i>Approved, noting: that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.; that the Government would update the energy-efficiency standards for non-ducted single-split air conditioners and household refrigerators and freezers upon the completion of the project; and that the project would be operationally completed no later than 31 December 2028 and a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project including a detailed description of the activities undertaken to disseminate the results of the technology demonstration and promote the adoption of the selected energy-efficiency technologies and practices.</i>						
Total for Dominican Republic				\$300,000	\$31,000	\$331,000

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Project Title	Agency	ODP (tonnes)	CO2-eq (‘000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
EGYPT						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage III, first tranche)	UNIDO		44.5	\$3,879,000	\$271,530	\$4,150,530
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2025-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund will be provided for the phase-out of HCFCs. Noted: the commitment of the Government to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; the commitment of the Government to ban the import and manufacture of HCFC-based equipment by 1 January 2030; that, upon completion of the end-user demonstration projects included in stage III of the HPMP, UNIDO would submit a final report on their implementation in line with decision 92/36(g), including the HCFC phase-out and energy-efficiency gains achieved. Deducted 98.20 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding; That, to allow consideration of the final tranche of its HPMP, the Government should submit: a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and if Egypt were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030; and requested UNIDO to submit a final progress report on the implementation of the work programme associated with the fifth and final tranche of stage II of the HPMP as part of the request for the second tranche of stage III of the HPMP.</i>						
HCFC phase-out management plan (stage III, first tranche) (PMU)	UNIDO			\$225,387	\$15,777	\$241,164

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage III, first tranche)	UNEP	5.6		\$485,000	\$58,415	\$543,415
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2025-2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund will be provided for the phase-out of HCFCs. Noted: the commitment of the Government to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; the commitment of the Government to ban the import and manufacture of HCFC-based equipment by 1 January 2030; that, upon completion of the end-user demonstration projects included in stage III of the HPMP, UNIDO would submit a final report on their implementation in line with decision 92/36(g), including the HCFC phase-out and energy-efficiency gains achieved. Deducted 98.20 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding; That, to allow consideration of the final tranche of its HPMP, the Government should submit: a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030-2040; and if Egypt were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030; and requested UNIDO to submit a final progress report on the implementation of the work programme associated with the fifth and final tranche of stage II of the HPMP as part of the request for the second tranche of stage III of the HPMP.</i>						

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
ENERGY EFFICIENCY						
Domestic						

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Project to enhance energy efficiency in the context of HFC phase-down in the manufacturing of domestic refrigerators, chest freezers, and residential air conditioners (decision 94/60)	UNIDO			\$16,004,281	\$1,120,300	\$17,124,581

Approved, noting: that the Government had committed to ensuring that the enterprises participating in the project would continue to manufacture energy-efficient products after the date of completion of the project and in line with decision 94/60 according to the conditions referred to below: (i) In line with para 36 of doc ExCom/94/61, ensure that project implementation was operationally completed no later than 36 months from the date of approval and return the funding relating to the additional component costs and any other remaining balances that had not already been obligated if the project was not completed within 36 months; (ii) In line with para doc ExCom/94/61, monitor the energy-efficiency performance of the products covered under the project for a period of two years from the date of completion of the project with support from UNIDO, and confirm that the enterprises were making their best efforts to continue to improve the energy efficiency of the products beyond the project implementation duration; (iii) In line with para 38 of doc ExCom/94/61, ensure the periodic upgrading of regulations on MEPS, labelling programmes and awareness and outreach activities to ensure that the target energy-efficiency levels under the project for the equipment were publicized among different stakeholders; and take steps to implement regulations to ensure that the manufacturing, import and sale of the equipment at least achieved the target energy efficiency performance levels, at the latest 3 years after the date of completion of the project; (iv) Implement awareness and outreach initiatives to publicize the activities undertaken under the project including implementation timelines for MEPS for domestic refrigerators, chest freezers and residential air conditioners, including coordination with stakeholders and alignment with other national or regional programmes promoting energy-efficient RACHP technologies; (v) To the extent feasible, introduce and implement other complementary policies and measures that promoted the adoption of energy-efficient equipment RAC applications, ensuring long-term sustainability for project beneficiaries; (vi) Ensure timely implementation of both projects in stage I KIP and of the proposed energy-efficiency initiatives in the RACHP sector, in accordance with agreed timelines, policies and regulatory frameworks; (vii) Submit a detailed report on the implementation of the project, including the additional capital and component costs incurred for the models covered in the project, the energy-efficiency gains accrued and challenges faced while implementing the project. That the Government had committed to revising the MEPS for domestic refrigerators, chest freezers and air conditioners by 1 January 2030 with a view to achieving at least the levels specified in the U4E 2019 and 2021 model regulations for relevant equipment; that the project would be operationally completed no later than December 2028, and that a detailed project report would be submitted to the ExCom within six months of the date of completion of the project; that, after the submission of the report referred to above, the Government, through UNIDO, would submit to the last meeting of the year an update on the status of its revision of the MEPS for domestic refrigerators, chest freezers and air conditioners, until the MEPS achieved at least the levels specified in the U4E 2019 and 2021 model regulations for relevant equipment; and that, if the Government did not comply with the conditions specified above, the ExCom would take that into account when considering future projects submitted by Egypt not related to compliance.

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Compressor						
Project to enhance energy efficiency in the context of HFC phase-down in the refrigeration compressors manufacturing sector (decision 95/87)	UNIDO			\$1,255,250	\$87,868	\$1,343,118
<i>Approved, noting: that the Government had committed to the conditions referred to in paragraphs 7 to 17 of doc ExCom/95/87; the commitment of Fresh Compressor Factory to manufacture only inverter compressors by the completion of the project; that the funding agreed for Fresh Compressor Factory, including agency support costs, would be allocated to the funding window approved under decision 94/60; and that the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.</i>						
Total for Egypt		50.1		\$21,848,918	\$1,553,890	\$23,402,808
EL SALVADOR						
ENERGY EFFICIENCY						
Servicing						
HCFC phase-out management plan (stage II): Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP			\$120,000	\$15,600	\$135,600
<i>Approved, on the understanding that the Fund Secretariat had updated the Agreement between the Government and the Executive Committee, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector; and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 87th meeting (decision 87/38).</i>						
Total for El Salvador				\$120,000	\$15,600	\$135,600
EQUATORIAL GUINEA						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$90,000	\$6,300	\$96,300
SEVERAL						
Ozone unit support						
Renewal of the institutional strengthening project (phase V: 1/2026-12/2028)	UNEP			\$211,968	\$0	\$211,968
Total for Equatorial Guinea				\$301,968	\$6,300	\$308,268

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
ERITREA						
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNEP		6	\$60,614	\$7,880	\$68,494
<i>Approved in accordance with the Agreement for the period from 2025-2029 to reduce HFC consumption by 10 per cent of the country's baseline. Noted: that the Government would put in place a ban on import of HFC-based domestic and stand-alone commercial refrigeration by 1 January 2028 and a ban on the use of HFC-23 in refrigeration applications by 1 January 2029; that, upon completion of the end-user project included in stage I of the KIP, UNIDO would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g).</i>						
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		3	\$29,294	\$3,808	\$33,102
<i>Approved in accordance with the Agreement for the period from 2025-2029 to reduce HFC consumption by 10 per cent of the country's baseline. Noted: that the Government would put in place a ban on import of HFC-based domestic and stand-alone commercial refrigeration by 1 January 2028 and a ban on the use of HFC-23 in refrigeration applications by 1 January 2029; that, upon completion of the end-user project included in stage I of the KIP, UNIDO would submit a final report on the implementation of the project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g).</i>						
Total for Eritrea			10	\$89,908	\$11,688	\$101,596

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
ETHIOPIA						
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		8	\$39,500	\$5,135	\$44,635
<i>Approved in accordance with the Agreement for the period from 2025-2029 to reduce HFC consumption by 10 per cent of the country’s baseline. Noted that, upon completion of the end-user project included in stage I of the KIP, UNIDO would submit a final report on the implementation of the project, including the HFC phase out and energy-efficiency gains achieved, in line with decision 92/36(g); noted also: that the Government would continue to monitor its HFC consumption to understand the extent to which reported consumption in baseline years was representative of the local market’s needs and to assess what future HFC demand would be, and would provide that analysis when submitting the second tranche of its KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the Agreement between the Government and the Executive Committee, would be revised when the Committee considered the second tranche of the KIP; and noted further that the Government, through UNEP, would include in its submission of the second tranche of stage I of the KIP, the results of the foam sector assessment and any relevant information required under decision 96/52, if applicable.</i>						
Kigali HFC implementation plan (stage I, first tranche)	UNEP		13	\$62,500	\$8,125	\$70,625
<i>Approved in accordance with the Agreement for the period from 2025-2029 to reduce HFC consumption by 10 per cent of the country’s baseline. Noted that, upon completion of the end-user project included in stage I of the KIP, UNIDO would submit a final report on the implementation of the project, including the HFC phase out and energy-efficiency gains achieved, in line with decision 92/36(g); noted also: that the Government would continue to monitor its HFC consumption to understand the extent to which reported consumption in baseline years was representative of the local market’s needs and to assess what future HFC demand would be, and would provide that analysis when submitting the second tranche of its KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the Agreement between the Government and the Executive Committee, would be revised when the Committee considered the second tranche of the KIP; and noted further that the Government, through UNEP, would include in its submission of the second tranche of stage I of the KIP, the results of the foam sector assessment and any relevant information required under decision 96/52, if applicable.</i>						
Total for Ethiopia			21	\$102,000	\$13,260	\$115,260

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
FIJI						
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNDP		11	\$44,000	\$5,720	\$49,720
<i>Approved in accordance with the Agreement for the period from 2025-2029 to reduce HFC consumption by 10 per cent of the country's baseline. Noted that the Government would ban the import and sale of HFC-134a-based domestic refrigerators and R-410A-based residential air conditioners from 1 January 2029; noted also: that the Government would continue to monitor its HFC consumption to understand the extent to which reported consumption in baseline years was representative of the local market's needs and to assess what future HFC demand would be, and would provide that analysis when submitting the second tranche of its KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the Agreement between the Government and the Executive Committee, would be revised when the Committee considered the second tranche of the KIP.</i>						
Kigali HFC implementation plan (stage I, first tranche)	UNEP		15	\$58,000	\$7,540	\$65,540
<i>Approved in accordance with the Agreement for the period from 2025-2029 to reduce HFC consumption by 10 per cent of the country's baseline. Noted that the Government would ban the import and sale of HFC-134a-based domestic refrigerators and R-410A-based residential air conditioners from 1 January 2029; noted also: that the Government would continue to monitor its HFC consumption to understand the extent to which reported consumption in baseline years was representative of the local market's needs and to assess what future HFC demand would be, and would provide that analysis when submitting the second tranche of its KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP, as contained in Appendix 2-A to the Agreement between the Government and the Executive Committee, would be revised when the Committee considered the second tranche of the KIP.</i>						
Total for Fiji			27	\$102,000	\$13,260	\$115,260
GABON						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$90,000	\$6,300	\$96,300
Total for Gabon				\$90,000	\$6,300	\$96,300

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
GEORGIA						
ENERGY EFFICIENCY						
Servicing						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65)	UNEP			\$223,000	\$28,990	\$251,990
<i>Approved, noting that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.; and that the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.</i>						
Total for Georgia				\$223,000	\$28,990	\$251,990
GUINEA						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$90,000	\$6,300	\$96,300
Total for Guinea				\$90,000	\$6,300	\$96,300
GUINEA-BISSAU						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$80,000	\$10,400	\$90,400

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNEP		42	\$129,500	\$16,835	\$146,335
<i>Approved in accordance with the Agreement for the period 2025–2029 to reduce HFC consumption by 10 per cent of the country’s average HFC consumption in the baseline years (i.e., 17.48 per cent of the country’s baseline). Noted: strong commitment of the Government of Guinea-Bissau to support reductions in HFC consumption in advance of the Montreal Protocol targets; that, upon completion of the end-user project included in stage I of the KIP, UNIDO will submit a final report on the implementation of this project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g); and that the Government would put in place a ban on the import and restrictions on the installation of HFC-based equipment for domestic refrigerators based on HFC-134a and commercial refrigeration equipment based on R-404A, and a ban on the import of controlled substances in non-refillable cylinders by 1 January 2029.</i>						
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		12	\$38,000	\$4,940	\$42,940
<i>Approved in accordance with the Agreement for the period 2025–2029 to reduce HFC consumption by 10 per cent of the country’s average HFC consumption in the baseline years (i.e., 17.48 per cent of the country’s baseline). Noted: strong commitment of the Government of Guinea-Bissau to support reductions in HFC consumption in advance of the Montreal Protocol targets; that, upon completion of the end-user project included in stage I of the KIP, UNIDO will submit a final report on the implementation of this project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g); and that the Government would put in place a ban on the import and restrictions on the installation of HFC-based equipment for domestic refrigerators based on HFC-134a and commercial refrigeration equipment based on R-404A, and a ban on the import of controlled substances in non-refillable cylinders by 1 January 2029</i>						
ENERGY EFFICIENCY						
Servicing						
HCFC phase-out management plan (stage II): Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP			\$100,000	\$13,000	\$113,000
<i>Approved, on the understanding that the Fund Secretariat had updated the Agreement between the Government and the Executive Committee, specifically Appendix 2-A, to reflect the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector; and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 95th meeting (decision 95/50).</i>						
Total for Guinea-Bissau			54	\$347,500	\$45,175	\$392,675

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
JORDAN						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$53,000	\$3,710	\$56,710
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$37,000	\$4,810	\$41,810
Total for Jordan				\$90,000	\$8,520	\$98,520
KUWAIT						
HFC PHASE-DOWN						
Servicing						
Preparation of a Kigali HFC implementation plan (stage I)	UNDP			\$220,000	\$15,400	\$235,400
Total for Kuwait				\$220,000	\$15,400	\$235,400
KYRGYZSTAN						
HFC PHASE-DOWN						
Servicing						
Verification on the implementation of stage I of the Kigali HFC implementation plan	UNDP			\$30,000	\$2,700	\$32,700
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for the KIP is being sought.</i>						
Total for Kyrgyzstan				\$30,000	\$2,700	\$32,700
LEBANON						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNDP			\$90,000	\$6,300	\$96,300

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
ENERGY EFFICIENCY						
Commercial						
Digital monitoring and management tools to enhance energy efficiency and reduce emission of greenhouse gases in the cold-chain sector in Lebanon (decision 91/65)	UNDP			\$186,000	\$16,740	\$202,740
<i>Approved, noting that the global component of the project set out in document UNEP/OzL.Pro/ExCom/97/55 had been removed; that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.; that the Government would develop energy-efficiency guidelines for commercial refrigeration applications for improving energy efficiency in the retail sector upon the completion of the project; that co-financing of US \$50,000 had been committed by the Government and beneficiaries; that US \$70,000 of the total cost of the demonstration project is related to national technical assistance activities covering the development of digital tools for data analysis to identify adjustments and opportunities for optimization of performance, the prevention of refrigerant leakages and the enhancement of energy efficiency; and that the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.</i>						
Total for Lebanon				\$276,000	\$23,040	\$299,040
MADAGASCAR						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, second tranche)	UNEP			\$206,750	\$25,389	\$232,139
<i>Noted the submission of additional activities to maintain energy efficiency in the refrigeration servicing sector in the amount of US \$120,000, plus agency support costs of US \$14,735, for UNEP; that the Fund Secretariat had updated the Agreement between the Government and the Executive Committee, specifically Appendix 1-A and Appendix 2-A, to reflect the revised baseline for compliance; revised starting point for sustained aggregate reductions in HCFC consumption; and the revised funding level owing to the inclusion of funding for additional activities to maintain energy efficiency in the refrigeration servicing sector referred to above; and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 90th meeting (decision 90/41), noting that the Government would implement a ban on import of HCFC-based equipment by 1 January 2028.</i>						
ENERGY EFFICIENCY						
Servicing						
HCFC phase-out management plan (stage II): Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP			\$120,000	\$14,735	\$134,735
Total for Madagascar				\$326,750	\$40,124	\$366,874

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
MALAWI						
HFC PHASE-DOWN						
Servicing						
Verification on the implementation of stage I of the Kigali HFC implementation plan	UNEP			\$30,000	\$3,900	\$33,900
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for the KIP is being sought.</i>						
Total for Malawi				\$30,000	\$3,900	\$33,900
MALAYSIA						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	IBRD			\$100,000	\$7,000	\$107,000
Total for Malaysia				\$100,000	\$7,000	\$107,000
MALI						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, first tranche)	UNEP	2.6		\$276,500	\$34,695	\$311,195
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2025–2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase out of HCFCs. Noted the commitment of the Government to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; noted also that the Government would ban the import of HCFC-based equipment and ban the import of controlled substances in non-refillable cylinders starting 1 January 2028. Deducted 9.80 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. That, to allow for consideration of the final tranche of the HPMP, the Government should submit: a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(c)(i) of Article 5 of the Montreal Protocol for the period 2030–2040; and the expected annual HCFC consumption in Mali for the period 2030-2040.</i>						

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage II, first tranche)	UNDP	2.3		\$246,500	\$17,255	\$263,755
<i>Approved in accordance with the Agreement between the Government and the Executive Committee for the period from 2025–2030 for the complete phase-out of HCFC consumption, on the understanding that no more funding from the Multilateral Fund would be provided for the phase out of HCFCs. Noted the commitment of the Government to phase out HCFCs completely by 1 January 2030, and that HCFCs would not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; noted also that the Government would ban the import of HCFC-based equipment and ban the import of controlled substances in non-refillable cylinders starting 1 January 2028. Deducted 9.80 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding. That, to allow for consideration of the final tranche of the HPMP, the Government should submit: a detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040; and the expected annual HCFC consumption in Mali for the period 2030–2040.</i>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$90,000	\$11,700	\$101,700
Total for Mali		4.9		\$613,000	\$63,650	\$676,650
MAURITANIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, third tranche)	UNEP			\$85,750	\$11,148	\$96,898
<i>Requested UNEP and UNIDO to provide, to the 98th meeting, a report on progress made in implementing the remaining activities under stage I of the HPMP, including the outcome of the techno-economic feasibility assessment detailing whether a national recovery, recycling and reclaiming scheme for Mauritania would be sustainable or not, the operational framework for the scheme and its links to the existing recovery centres, and equipment to be procured.</i>						
Total for Mauritania				\$85,750	\$11,148	\$96,898

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/97/91
Annex XXIX

Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
MOLDOVA, REP						
ENERGY EFFICIENCY						
Servicing						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65)	UNEP			\$180,000	\$23,400	\$203,400
<i>Approved, noting: that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b to b(iv)d; and that the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.</i>						
Total for Moldova, Rep				\$180,000	\$23,400	\$203,400
MONGOLIA						
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		1	\$18,500	\$2,405	\$20,905
<i>Approved in accordance with the Agreement for the period from 2025-2029 to reduce HFC consumption by 10 per cent of the country’s baseline. Noted: that, as Mongolia had issued HFC import licences totaling 83,036 CO2-equivalent tonnes in 2025 under extraordinary circumstances, which might have led the party to significantly exceed its consumption limit under the Montreal Protocol, approval was on an exceptional basis, recognizing Mongolia as a party listed under decision XXXV/16 on addressing the impacts of the COVID-19 pandemic on HFC baseline consumption for certain parties, of the Thirty-Fifth Meeting of the Parties; the commitment of Mongolia not to issue additional import licenses in 2025 and to comply with its Montreal Protocol control limits in subsequent years.</i>						
Kigali HFC implementation plan (stage I, first tranche)	UNEP		3	\$62,500	\$8,125	\$70,625
<i>Approved in accordance with the Agreement for the period from 2025-2029 to reduce HFC consumption by 10 per cent of the country’s baseline. Noted: that, as Mongolia had issued HFC import licences totaling 83,036 CO2-equivalent tonnes in 2025 under extraordinary circumstances, which might have led the party to significantly exceed its consumption limit under the Montreal Protocol, approval was on an exceptional basis, recognizing Mongolia as a party listed under decision XXXV/16 on addressing the impacts of the COVID-19 pandemic on HFC baseline consumption for certain parties, of the Thirty-Fifth Meeting of the Parties; the commitment of Mongolia not to issue additional import licenses in 2025 and to comply with its Montreal Protocol control limits in subsequent years.</i>						
Total for Mongolia			3	\$81,000	\$10,530	\$91,530

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
MONTENEGRO						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, third tranche)	UNIDO			\$64,000	\$4,480	\$68,480
<i>Requested the Government and UNIDO to submit a final progress report on the implementation of the work programme associated with the final tranche and the project completion report to the first meeting of the Executive Committee in 2027; and requested UNIDO to submit a funding request in 2026, in the amount of US \$45,000, plus agency support costs, for the verification of Montenegro’s HCFC consumption for 2025-2026 and HFC consumption for relevant years, to be submitted as part of the request for the second tranche of the Kigali HFC implementation plan for the country.</i>						
Total for Montenegro				\$64,000	\$4,480	\$68,480
MOROCCO						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$90,000	\$6,300	\$96,300
ENERGY EFFICIENCY						
Servicing						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65)	UNIDO			\$266,000	\$18,620	\$284,620
<i>Approved, noting: that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b to b(iv)d.; and that the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.</i>						

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Domestic						
Pilot project to enhance energy efficiency in the domestic refrigeration manufacturing sector in the context of HFC phase-down (decision 94/60)	UNIDO			\$1,234,756	\$86,433	\$1,321,189
<i>Approved, noting: that the agreed funding would be allocated to the the funding window approved under decision 94/60, including US \$50,000, plus agency support costs of US \$3,500 for UNIDO, associated with further upgrades to the local laboratory for testing of refrigeration and air-conditioning appliances with flammable refrigerants; that, in line with parah 37 of doc ExCom/94/61, the enterprise committed to manufacturing equipment with at least the target energy efficiency performance after project completion, and to continuing to make best efforts to improve further the energy efficiency of those products, at its own cost, beyond the project duration; that, in line with para 38 of doc ExCom/94/61, the Government committed to upgrading periodically the MEPS regulations, labelling programmes and awareness and outreach activities to ensure that the target energy-efficiency levels under the project for the equipment were publicized among different stakeholders; and to taking steps to implement the regulations to ensure that the manufacturing, import and sale of the equipment achieved at least the target energy efficiency performance levels, at the latest three years after the date of completion of the project; that the enterprise involved in the project committed to ensuring the necessary counterpart financing to implement the pilot project; and that the project would be operationally completed no later than December 2028, and a detailed project report would be submitted to the Executive Committee within six months.</i>						
Total for Morocco				\$1,590,756	\$111,353	\$1,702,109
MOZAMBIQUE						
HFC PHASE-DOWN						
Servicing						
Verification on the implementation of stage I of the Kigali HFC implementation plan	UNEP			\$30,000	\$3,900	\$33,900
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for the KIP is being sought.</i>						
Total for Mozambique				\$30,000	\$3,900	\$33,900

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
NAMIBIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, fourth tranche)	Germany	0.7		\$90,000	\$10,329	\$100,329
<i>Noted that the annual maximum allowable consumption from 2025 to 2029 will not exceed 0.21 ODP tonnes; and requested the Government and the Government of Germany to submit a final progress report on the implementation of the work programme associated with the final tranche and the project completion report to the first meeting of the Executive Committee in 2027; the Government of Germany to submit detailed reports on the results of the end-user projects once they are completed, to allow the Secretariat to develop fact sheets to inform future projects; and the Government of Germany to submit a funding request prior to 2030, for the verification of Namibia’s HCFC consumption for 2025–2029 to be submitted as part of a tranche submission for future stage I of the Kigali HFC implementation plan.</i>						
Total for Namibia		0.7		\$90,000	\$10,329	\$100,329
NIGER						
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, second tranche)	UNEP		35	\$35,000	\$4,550	\$39,550
<i>Approved the Agreement between the Government and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the Kigali HFC implementation plan.</i>						
Kigali HFC implementation plan (stage I, second tranche)	UNIDO		94	\$94,500	\$12,285	\$106,785
<i>Approved the Agreement between the Government and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the Kigali HFC implementation plan.</i>						
Total for Niger			129	\$129,500	\$16,835	\$146,335
NORTH MACEDONIA						
HFC PHASE-DOWN						
Servicing						
Verification on the implementation of stage I of the Kigali HFC implementation plan	UNIDO			\$30,000	\$2,700	\$32,700
<i>Approved, on the understanding that the verification report must be submitted at least 10 weeks prior to the applicable Executive Committee meeting where the next funding tranche for the KIP is being sought.</i>						
Total for North Macedonia				\$30,000	\$2,700	\$32,700

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
OMAN						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage III, third tranche)	UNEP		1.7	\$116,000	\$14,612	\$130,612
HCFC phase-out management plan (stage III, third tranche)	UNIDO		2.1	\$141,094	\$9,877	\$150,971
Total for Oman			3.7	\$257,094	\$24,489	\$281,583
PAKISTAN						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$100,000	\$7,000	\$107,000
HFC PHASE-DOWN						
Servicing						
Preparation of a Kigali HFC implementation plan (stage I)	UNEP			\$45,000	\$5,850	\$50,850
Preparation of a Kigali HFC implementation plan (stage I)	UNIDO			\$175,000	\$12,250	\$187,250
Total for Pakistan				\$320,000	\$25,100	\$345,100

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
PANAMA						
ENERGY EFFICIENCY						
Servicing						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65)	UNDP			\$342,000	\$23,940	\$365,940
<i>Approved, noting: that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.; that the Government, upon completion of the project, would develop energy efficiency guidelines for the selection of technology and improvement of energy efficiency in chillers and cold rooms; and that the project would be operationally completed no later than 31 December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project, including a detailed description of the activities undertaken to disseminate the results of the technology demonstration and to promote the adoption of the selected energy-efficient alternative technologies.</i>						
Total for Panama				\$342,000	\$23,940	\$365,940
PAPUA NEW GUINEA						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled Germany substances and development of a national plan for management of these substances (decision 91/66)				\$80,000	\$10,400	\$90,400
Total for Papua New Guinea				\$80,000	\$10,400	\$90,400
PARAGUAY						
ENERGY EFFICIENCY						
Servicing						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65)	UNDP			\$211,500	\$19,035	\$230,535
<i>Approved, noting: that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.; that the Government would improve the energy-efficiency labelling scheme and adopt minimum energy performance standards for residential air conditioners; and that the project would be operationally completed no later than 31 December 2028, and that a detailed report would be submitted to the Executive Committee within six months of the date of completion of the project.</i>						
Total for Paraguay				\$211,500	\$19,035	\$230,535

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
PERU						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, fourth tranche) (PMU)	UNDP			\$22,500	\$1,575	\$24,075
HCFC phase-out management plan (stage II, fourth tranche)	UNDP			\$94,200	\$6,594	\$100,794
<i>Requested the Government, UNDP and UNEP to submit a progress report on the implementation of the work programme associated with the final tranche and the project completion report to the first meeting of the Executive Committee in 2027.</i>						
HCFC phase-out management plan (stage II, fourth tranche)	UNEP			\$20,800	\$2,704	\$23,504
<i>Requested the Government, UNDP and UNEP to submit a progress report on the implementation of the work programme associated with the final tranche and the project completion report to the first meeting of the Executive Committee in 2027.</i>						
Total for Peru				\$137,500	\$10,873	\$148,373
PHILIPPINES						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$100,000	\$7,000	\$107,000
Total for Philippines				\$100,000	\$7,000	\$107,000
QATAR						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of an HCFC phase-out management plan (stage III) (Overarching)	UNIDO			\$20,000	\$1,400	\$21,400
Preparation of an HCFC phase-out management plan (stage III) (Overarching)	UNEP			\$40,000	\$5,200	\$45,200
Total for Qatar				\$60,000	\$6,600	\$66,600

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
SAINT VINCENT AND THE GRENADINES						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, fourth tranche)	UNEP			\$46,991	\$6,109	\$53,100
<i>Noted the report on the completion of the end-user demonstration activities to replace HCFC-22 split air-conditioning units with R-290 inverter systems in the commercial air-conditioning sector; requested: the Government of Saint Vincent and the Grenadines and UNEP to provide an update on the status of the revised Montreal Protocol Control Regulations as part of the request for the Kigali HFC implementation plan to be submitted to the 98th meeting; and the Government, UNEP and UNIDO to submit a final progress report on the implementation of the work programme associated with the final tranche and the project completion report to the first meeting of the Executive Committee in 2027.</i>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$70,000	\$9,100	\$79,100
Total for Saint Vincent and the Grenadines				\$116,991	\$15,209	\$132,200
SAO TOME AND PRINCIPE						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$80,000	\$5,600	\$85,600
Total for Sao Tome and Principe				\$80,000	\$5,600	\$85,600

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
SENEGAL						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, second and third tranches)	UNIDO		2.2	\$95,000	\$8,550	\$103,550
<i>Noted the submission of additional activities to maintain energy efficiency in the refrigeration servicing sector, in the amount of US \$120,000, plus agency support costs of US \$15,479, for UNEP; approved the extension of the duration of stage II of the HPMP to 31 December 2027, on the understanding that no further extension would be requested; noted that the Fund Secretariat had updated the Agreement between the Government and the Executive Committee, specifically Appendix 2-A, to reflect the extension of the duration of stage II and the revised funding schedule, which combined the second (2023) and third (2025) tranches, and the inclusion of the funding for additional activities for energy efficiency in the refrigeration servicing sector referred to above, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 88th meeting (decision 88/54); requested the Government, UNEP and UNIDO to submit a progress report on the implementation of the work programme associated with the final tranche on a yearly basis until the completion of the project and the project completion report to the first meeting of the Executive Committee in 2028; and approved the combined second and third tranches of stage II of the HPMP, on the understanding that the Treasurer would be requested to transfer the approved funds to UNIDO only after receipt by the Secretariat of the results of the feasibility study for the establishment of a recovery and reclamation system in Senegal, by March 2026, and review of the report by the Secretariat, in line with decision 88/55(e).</i>						

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HCFC phase-out management plan (stage II, second and third tranches)	UNEP	4.6		\$238,000	\$30,701	\$268,701
<i>Noted the submission of additional activities to maintain energy efficiency in the refrigeration servicing sector, in the amount of US \$120,000, plus agency support costs of US \$15,479, for UNEP; approved the extension of the duration of stage II of the HPMP to 31 December 2027, on the understanding that no further extension would be requested; noted that the Fund Secretariat had updated the Agreement between the Government and the Executive Committee, specifically Appendix 2-A, to reflect the extension of the duration of stage II and the revised funding schedule, which combined the second (2023) and third (2025) tranches, and the inclusion of the funding for additional activities for energy efficiency in the refrigeration servicing sector referred to above, and paragraph 17, which had been added to indicate that the updated Agreement superseded that reached at the 88th meeting (decision 88/54); requested the Government, UNEP and UNIDO to submit a progress report on the implementation of the work programme associated with the final tranche on a yearly basis until the completion of the project and the project completion report to the first meeting of the Executive Committee in 2028; and approved the combined second and third tranches of stage II of the HPMP, on the understanding that the Treasurer would be requested to transfer the approved funds to UNIDO only after receipt by the Secretariat of the results of the feasibility study for the establishment of a recovery and reclamation system in Senegal, by March 2026, and review of the report by the Secretariat, in line with decision 88/55(e).</i>						

ENERGY EFFICIENCY

Servicing

HCFC phase-out management plan (stage II): Additional activities to maintain energy efficiency in the refrigeration servicing sector (decision 89/6)	UNEP			\$120,000	\$15,479	\$135,479
Total for Senegal		6.8		\$453,000	\$54,730	\$507,730

SERBIA

PHASE-OUT PLAN

HCFC phase out plan

Preparation of an HCFC phase-out management plan (stage III) (Overarching)	UNIDO			\$30,000	\$2,100	\$32,100
HCFC phase-out management plan (stage II, third tranche)	UNIDO			\$30,875	\$2,779	\$33,654

List of projects and activities approved for funding

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Annex XXIX

Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$90,000	\$11,700	\$101,700
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNEP		33	\$65,000	\$8,450	\$73,450
<i>Approved in accordance with the Agreement for the period 2025–2029 to reduce HFC consumption by 10 per cent of the country’s baseline; and noted that 326,187 CO2-equivalent tonnes of HFCs would be deducted from the starting point for sustained aggregate reductions in HFC consumption that would be established on the basis of guidance provided by the Executive Committee.</i>						
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		106	\$210,000	\$14,700	\$224,700
<i>Approved in accordance with the Agreement for the period 2025–2029 to reduce HFC consumption by 10 per cent of the country’s baseline; and noted that 326,187 CO2-equivalent tonnes of HFCs would be deducted from the starting point for sustained aggregate reductions in HFC consumption that would be established on the basis of guidance provided by the Executive Committee.</i>						
Kigali HFC implementation plan (stage I, first tranche) (PMU)	UNIDO			\$25,000	\$1,750	\$26,750
ENERGY EFFICIENCY						
Servicing						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65)	UNIDO			\$316,000	\$22,120	\$338,120
<i>Approved, noting: that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.; that the Government would establish specific MEPS for retail display cabinets and develop a roadmap for MEPS for condensing units and centralized systems; and that the project would be operationally completed no later than 31 December 2028 and a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project, including a detailed description of the activities undertaken to disseminate the results of the technology demonstration and to promote the adoption of the selected energy-efficient alternative technologies.</i>						
Total for Serbia			139	\$766,875	\$63,599	\$830,474

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
SIERRA LEONE						
ENERGY EFFICIENCY						
End-user						
Pilot project to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65)	UK			\$256,139	\$33,298	\$289,437
<i>Approved, noting: that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to b(iv)d.; that the Government would develop MPES and labels for commercial refrigeration equipment by 31 December 2027; and that the project would be operationally completed no later than 31 December 2027, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project, including a detailed description of the activities undertaken to disseminate the results of the technology demonstrations and to promote the adoption of the selected energy-efficient alternative technologies.</i>						
Total for Sierra Leone				\$256,139	\$33,298	\$289,437

SOMALIA

HFC PHASE-DOWN

Servicing

Kigali HFC implementation plan (stage I, first tranche)	UNEP		17	\$43,000	\$5,590	\$48,590
<i>Approved in accordance with the Agreement for the period from 2025-2029, to reduce HFC consumption by 10 per cent of the country’s baseline. Noted: that 127,667 CO2-equivalent tonnes of HFCs would be deducted from the starting point for sustained aggregate reductions in HFC consumption that would be established on the basis of guidance provided by the Executive Committee; that the Government had submitted to the Ozone Secretariat a request for revision of the country’s HFC baseline which would continue to be considered by the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol at its 76th meeting; and requested the Fund Secretariat, in the event that the country’s baseline was revised, to update Appendix 2-A of the Agreement to include the revised figures for maximum allowable consumption and funding level and to notify the Executive Committee of the resulting levels of maximum allowable consumption, with any necessary adjustments being made at the 99th meeting.</i>						

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq (‘000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		59	\$151,000	\$19,630	\$170,630
<i>Approved in accordance with the Agreement for the period from 2025-2029, to reduce HFC consumption by 10 per cent of the country’s baseline. Noted: that 127,667 CO2-equivalent tonnes of HFCs would be deducted from the starting point for sustained aggregate reductions in HFC consumption that would be established on the basis of guidance provided by the Executive Committee; that the Government had submitted to the Ozone Secretariat a request for revision of the country’s HFC baseline which would continue to be considered by the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol at its 76th meeting; and requested the Fund Secretariat, in the event that the country’s baseline was revised, to update Appendix 2-A of the Agreement to include the revised figures for maximum allowable consumption and funding level and to notify the Executive Committee of the resulting levels of maximum allowable consumption, with any necessary adjustments being made at the 99th meeting.</i>						
Total for Somalia			76	\$194,000	\$25,220	\$219,220

SOUTH AFRICA

PHASE-OUT PLAN

HCFC phase out plan

HCFC phase-out management plan (stage II, second tranche)	UNIDO	59.4		\$2,676,043	\$187,323	\$2,863,366
<i>Requested UNIDO to include in the request for the third tranche of stage II results of the delayed demonstration project for chiller replacement implemented during stage I of the HPMP for South Africa (decisions 92/36(g) and 94/9(c)) and the progress made toward ensuring that project monitoring was conducted by staff based within the country.</i>						

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		727	\$1,495,037	\$104,652	\$1,599,689
<i>Approved in accordance with the Agreement for the period from 2025-2029 to reduce HFC consumption by 14.60 per cent of the country's baseline. Noted: the Government's commitment to establish a ban on the import and manufacturing of small stand-alone commercial refrigeration equipment using HFCs by 1 January 2029; that 2,020,653 CO2-equivalent tonnes of HFCs would be deducted from the starting point for sustained aggregate reductions in HFC consumption to be established based on guidance provided by the Executive Committee; that the Government would submit a request for the HFC baseline revision to the Ozone Secretariat for consideration by the Implementation Committee; that the Government would be allowed to submit a proposal for stage II of the KIP by 2028. Noted also: that the Government would continue to monitor its HFC consumption to understand the extent to which reported consumption in baseline years was representative of the local market's needs and to assess what future HFC demand would be, and would provide that analysis when submitting the second tranche of its KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP as contained in Appendix 2-A of the Agreement between the Government and the Executive Committee would be revised when the Committee considered the second tranche of the KIP; encouraged the Government to initiate, during the implementation period of stage I of the KIP, the development of a strategic approach to sustaining the phase-out of HFC consumption in the local assembly and installation subsector for commercial refrigeration, including a consideration of incentives and policy measures to sustain the achieved phase-out and taking into account document UNEP/OzL.Pro/ExCom/95/89, for possible inclusion in stage II; requested the Fund Secretariat, in the event that the country's baseline was revised, to update Appendix 2 A of the Agreement to include the revised figures for the Montreal Protocol HFC consumption limits, maximum allowable consumption for stage I of the KIP and deductions of HFCs under the Agreement, and to notify the Executive Committee of the resulting levels of maximum allowable consumption, with any necessary adjustments being made at the 99th meeting.</i>						

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Kigali HFC implementation plan (stage I, first tranche) (local installation and assembly)	UNIDO		12	\$30,000	\$2,100	\$32,100
<i>Approved in accordance with the Agreement for the period from 2025-2029 to reduce HFC consumption by 14.60 per cent of the country’s baseline. Noted: the Government’s commitment to establish a ban on the import and manufacturing of small stand-alone commercial refrigeration equipment using HFCs by 1 January 2029; that 2,020,653 CO2-equivalent tonnes of HFCs would be deducted from the starting point for sustained aggregate reductions in HFC consumption to be established based on guidance provided by the Executive Committee; that the Government would submit a request for the HFC baseline revision to the Ozone Secretariat for consideration by the Implementation Committee; that the Government would be allowed to submit a proposal for stage II of the KIP by 2028. Noted also: that the Government would continue to monitor its HFC consumption to understand the extent to which reported consumption in baseline years was representative of the local market’s needs and to assess what future HFC demand would be, and would provide that analysis when submitting the second tranche of its KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP as contained in Appendix 2-A of the Agreement between the Government and the Executive Committee would be revised when the Committee considered the second tranche of the KIP; encouraged the Government to initiate, during the implementation period of stage I of the KIP, the development of a strategic approach to sustaining the phase-out of HFC consumption in the local assembly and installation subsector for commercial refrigeration, including a consideration of incentives and policy measures to sustain the achieved phase-out and taking into account document UNEP/OzL.Pro/ExCom/95/89, for possible inclusion in stage II; requested the Fund Secretariat, in the event that the country’s baseline was revised, to update Appendix 2 A of the Agreement to include the revised figures for the Montreal Protocol HFC consumption limits, maximum allowable consumption for stage I of the KIP and deductions of HFCs under the Agreement, and to notify the Executive Committee of the resulting levels of maximum allowable consumption, with any necessary adjustments being made at the 99th meeting.</i>						
Kigali HFC implementation plan (stage I, first tranche) (PMU)	UNIDO			\$127,500	\$8,925	\$136,425

List of projects and activities approved for funding

UNEP/OzL.Pro/ExCom/97/91
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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Refrigeration						
Kigali HFC implementation plan (stage I, first tranche) (small commercial refrigeration)	UNIDO		4	\$67,627	\$4,734	\$72,361
<i>Approved in accordance with the Agreement for the period from 2025-2029 to reduce HFC consumption by 14.60 per cent of the country's baseline. Noted: the Government's commitment to establish a ban on the import and manufacturing of small stand-alone commercial refrigeration equipment using HFCs by 1 January 2029; that 2,020,653 CO2-equivalent tonnes of HFCs would be deducted from the starting point for sustained aggregate reductions in HFC consumption to be established based on guidance provided by the Executive Committee; that the Government would submit a request for the HFC baseline revision to the Ozone Secretariat for consideration by the Implementation Committee; that the Government would be allowed to submit a proposal for stage II of the KIP by 2028. Noted also: that the Government would continue to monitor its HFC consumption to understand the extent to which reported consumption in baseline years was representative of the local market's needs and to assess what future HFC demand would be, and would provide that analysis when submitting the second tranche of its KIP; that, on the basis of the information provided above, the maximum allowable consumption limits for the remaining years of stage I of the KIP as contained in Appendix 2-A of the Agreement between the Government and the Executive Committee would be revised when the Committee considered the second tranche of the KIP; encouraged the Government to initiate, during the implementation period of stage I of the KIP, the development of a strategic approach to sustaining the phase-out of HFC consumption in the local assembly and installation subsector for commercial refrigeration, including a consideration of incentives and policy measures to sustain the achieved phase-out and taking into account document UNEP/OzL.Pro/ExCom/95/89, for possible inclusion in stage II; requested the Fund Secretariat, in the event that the country's baseline was revised, to update Appendix 2 A of the Agreement to include the revised figures for the Montreal Protocol HFC consumption limits, maximum allowable consumption for stage I of the KIP and deductions of HFCs under the Agreement, and to notify the Executive Committee of the resulting levels of maximum allowable consumption, with any necessary adjustments being made at the 99th meeting.</i>						
ENERGY EFFICIENCY						
Air conditioning						
Preparation of a pilot project on energy efficiency (decision 95/87)	UNIDO			\$30,000	\$2,100	\$32,100
Total for South Africa		59.4	743	\$4,426,207	\$309,834	\$4,736,041

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
SOUTH SUDAN						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage I, third tranche)	UNEP			\$29,500	\$3,835	\$33,335
<i>Noted: the commitment of the Government to ban non-refillable cylinders and the import of HCFC-based equipment by June 2026; and that the Fund Secretariat had updated the Agreement between the Government and the Executive Committee, specifically: Appendix 2-A, to reflect the extension of the duration of stage I, and paragraph 16, which had been amended to indicate that the updated Agreement superseded that reached at the 91st meeting (decision 91/41); requested the Government, UNEP and UNDP to submit the project completion report to the first meeting of the Executive Committee in 2027; and approved, on an exceptional basis, given delays in implementing phase-out activities owing to the special circumstances in the country, and noting that no further extension of project implementation would be approved, an extension, to 31 December 2026, of the date of completion of stage I of the HPMP for South Sudan.</i>						
HCFC phase-out management plan (stage I, third tranche)	UNDP			\$40,000	\$3,600	\$43,600
<i>Noted: the commitment of the Government to ban non-refillable cylinders and the import of HCFC-based equipment by June 2026; and that the Fund Secretariat had updated the Agreement between the Government and the Executive Committee, specifically: Appendix 2-A, to reflect the extension of the duration of stage I, and paragraph 16, which had been amended to indicate that the updated Agreement superseded that reached at the 91st meeting (decision 91/41); requested the Government, UNEP and UNDP to submit the project completion report to the first meeting of the Executive Committee in 2027; and approved, on an exceptional basis, given delays in implementing phase-out activities owing to the special circumstances in the country, and noting that no further extension of project implementation would be approved, an extension, to 31 December 2026, of the date of completion of stage I of the HPMP for South Sudan.</i>						
Total for South Sudan				\$69,500	\$7,435	\$76,935
SURINAME						
SEVERAL						
Ozone unit support						
Extension of the institutional strengthening project (phase VIII: 1/2026-12/2028)	UNEP			\$194,303	\$0	\$194,303
Total for Suriname				\$194,303		\$194,303

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
SYRIA						
PHASE-OUT PLAN						
HCFC phase out plan						
Preparation of an HCFC phase-out management plan (stage II) (Overarching)	UNIDO			\$15,000	\$1,050	\$16,050
Preparation of an HCFC phase-out management plan (stage II) (Overarching)	UNEP			\$45,000	\$5,850	\$50,850
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNEP			\$100,000	\$13,000	\$113,000
Total for Syria				\$160,000	\$19,900	\$179,900
TANZANIA						
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, first tranche)	UNEP		8	\$61,500	\$7,995	\$69,495
<i>Approved in accordance with the Agreement for the period 2025–2029 to reduce HFC consumption by 10 per cent of the country’s baseline; and noted that, upon completion of the end-user project included in stage I of the KIP, UNIDO would submit a final report on the implementation of this project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g).</i>						
Kigali HFC implementation plan (stage I, first tranche)	UNIDO		4	\$34,000	\$4,420	\$38,420
<i>Approved in accordance with the Agreement for the period 2025–2029 to reduce HFC consumption by 10 per cent of the country’s baseline; and noted that, upon completion of the end-user project included in stage I of the KIP, UNIDO would submit a final report on the implementation of this project, including the HFC phase-out and energy-efficiency gains achieved, in line with decision 92/36(g).</i>						
Total for Tanzania			12	\$95,500	\$12,415	\$107,915

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
TOGO						
ENERGY EFFICIENCY						
End-user						
Pilot project to enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down (non-investment activities) (decision 91/65)	UK			\$281,800	\$36,634	\$318,434
<i>Approved, noting: that the Government had committed to the conditions referred to in decision 91/65(b)(iv)b. to (b)(iv)d.; that the Government would update its minimum energy performance standards and adopt those currently being updated by the Economic Community of West African States upon the completion of the project; and that the project would be operationally completed no later than 30 June 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.</i>						
Total for Togo				\$281,800	\$36,634	\$318,434
TUNISIA						
PHASE-OUT PLAN						
HCFC phase out plan						
HCFC phase-out management plan (stage II, third tranche) (PMU)	UNIDO			\$15,000	\$1,050	\$16,050
HCFC phase-out management plan (stage II, third tranche)	UNEP			\$24,000	\$3,120	\$27,120
<i>Requested the Government, UNIDO and UNEP to submit a progress report on the implementation of the work programmes associated with the final tranche of stage II of the HPMP to the first meeting of the Executive Committee in 2027.</i>						
HCFC phase-out management plan (stage II, third tranche)	UNIDO			\$105,000	\$7,350	\$112,350
<i>Requested the Government, UNIDO and UNEP to submit a progress report on the implementation of the work programmes associated with the final tranche of stage II of the HPMP to the first meeting of the Executive Committee in 2027.</i>						
DESTRUCTION						
Preparation of project proposal						
Preparation of national inventory of banks of waste controlled substances and development of a national plan for management of these substances (decision 91/66)	UNIDO			\$90,000	\$6,300	\$96,300

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
ENERGY EFFICIENCY						
Air conditioning						
Project to enhance energy efficiency in the context of HFC phase-down in the residential air-conditioning manufacturing sector (decision 94/60)	UNIDO			\$1,347,360	\$94,315	\$1,441,675
<i>Approved, noting: that the agreed funding would be allocated under the funding window established by decision 94/60, including US \$80,262, plus agency support costs of US \$5,618, for UNIDO, associated with further upgrades to the Technical Centre of Mechanical and Electric Industries calorimetric laboratory, on the understanding that no additional funding would be requested to support the laboratory and that the approach used for calculating funding associated with complete knock-down kits under the present project would not set a precedent for future projects; the commitment of the enterprises participating in the project to manufacture only air conditioning units with variable-speed technology upon completion of the project; that, in line with paragraph 37 of document UNEP/OzL.Pro/ExCom/94/61, the enterprises committed to manufacturing equipment with at least the target energy efficiency performance after project completion, and to make their best efforts to continue to improve the energy efficiency of those products beyond the project duration at their own cost; that, in line with paragraph 38 of document UNEP/OzL.Pro/ExCom/94/61, the Government committed to upgrading periodically minimum energy performance standards (MEPS), labelling programmes and awareness and outreach activities to ensure that the target energy efficiency levels under the project for the equipment were publicized among different stakeholders, and that the Government would also take steps to implement regulations to ensure that the manufacturing, import and sale of the equipment at least achieved the target energy-efficiency performance levels, at the latest three years after completion of the project; that the enterprises had committed to ensuring the necessary counterpart financing to implement the pilot project; that UNIDO would include, in the report to be submitted in line with decision 94/57(a)(ii), a detailed comparison of the MEPS that Tunisia planned to implement by December 2027 with those specified in the model regulation guidelines for energy-efficient and climate friendly air conditioners published by United for Efficiency, and an assessment of how the next update of the minimum energy performance standards would compare with the levels specified in those model regulations; and that the project would be operationally completed no later than December 2028, and that a detailed project report would be submitted to the Executive Committee within six months of the date of completion of the project.</i>						
Total for Tunisia				\$1,581,360	\$112,135	\$1,693,495

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq ('000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
TURKMENISTAN						
HFC PHASE-DOWN						
Servicing						
Kigali HFC implementation plan (stage I, second tranche)	UNIDO		26	\$141,000	\$18,330	\$159,330
<i>Approved the Agreement between the Government and the Executive Committee for the reduction in consumption of HFCs in accordance with stage I of the Kigali HFC implementation plan.</i>						
Total for Turkmenistan			26	\$141,000	\$18,330	\$159,330
YEMEN						
SEVERAL						
Technical assistance/support						
Enabling activities for HFC phase-down	UNEP			\$250,000	\$17,500	\$267,500
Total for Yemen				\$250,000	\$17,500	\$267,500
GLOBAL						
SEVERAL						
Agency programme						
Core unit budget (2026)	UNIDO			\$0	\$2,293,768	\$2,293,768
Core unit budget (2026)	IBRD			\$0	\$1,947,145	\$1,947,145
Compliance Assistance Programme: 2026 budget	UNEP			\$11,276,967	\$902,157	\$12,179,124
<i>Approved, noting the adjustments proposed therein; that the human and financial resources approved for UNEP through the CAP budget should continue to be used only for activities approved by the Executive Committee in accordance with the terms of reference for the financial mechanism contained in Article 10 of the Montreal Protocol and in line with decisions 50/26(c) and 73/53; requested UNEP, in future submissions of the CAP budget, to continue: providing detailed information on the activities for which the global funds would be used; extending the prioritization of funding between CAP budget lines to accommodate changing priorities, and to provide details, pursuant to decisions 47/24 and 50/26, on the reallocations made; reporting on the current post levels of staff and informing the Executive Committee of any changes thereto, particularly with respect to any increased budget allocations; and providing a budget for the year in question, and a report on the costs incurred in the year prior to the previous year, noting the above.</i>						

List of projects and activities approved for funding

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Project Title	Agency	ODP (tonnes)	CO2-eq (’000 tonnes)	Funds approved (US\$)		
				Project	Support	Total
Core unit budget (2026)	UNDP			\$0	\$2,388,151	\$2,388,151
Total for Global				\$11,276,967	\$7,531,221	\$18,808,188
GRAND TOTAL		769.1	1,440	\$86,899,302	\$13,228,080	\$100,127,382

Summary

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Sector	HCFC (ODP tonnes)	HFC (CO2-eq '000 tonnes)	Funds approved (US\$)		
			Project	Support	Total
BILATERAL COOPERATION					
Phase-out plan	0.7		\$90,000	\$10,329	\$100,329
Destruction			\$80,000	\$10,400	\$90,400
Energy efficiency			\$537,939	\$69,932	\$607,871
TOTAL:			\$707,939	\$90,661	\$798,600
INVESTMENT PROJECT					
Production			\$96,775	\$6,774	\$103,549
Phase-out plan	768.4		\$43,156,974	\$3,216,945	\$46,373,919
HFC phase-down		1,440	\$3,603,635	\$328,028	\$3,931,663
Energy efficiency			\$23,163,147	\$1,705,099	\$24,868,246
TOTAL:			\$70,020,531	\$5,256,846	\$75,277,377
WORK PROGRAMME AMENDMENT					
Phase-out plan			\$190,000	\$19,000	\$209,000
Destruction			\$2,380,000	\$204,220	\$2,584,220
Several			\$12,545,832	\$7,566,403	\$20,112,235
HFC phase-down			\$995,000	\$86,750	\$1,081,750
Energy efficiency			\$60,000	\$4,200	\$64,200
TOTAL:			\$16,170,832	\$7,880,573	\$24,051,405
Summary by Parties and Implementing Agencies					
Germany	0.7		\$170,000	\$20,729	\$190,729
UK			\$537,939	\$69,932	\$607,871
IBRD	330.0		\$5,100,000	\$2,304,145	\$7,404,145
UNDP	74.2	176	\$11,696,508	\$3,219,495	\$14,916,003
UNEP	22.3	195	\$18,803,175	\$1,730,154	\$20,533,329
UNIDO	341.9	1,070	\$50,591,680	\$5,883,625	\$56,475,305
GRAND TOTAL (HCFCs and HFCs)	769.1	1,440	\$86,899,302	\$13,228,080	\$100,127,382

Balances on projects returned at the 97th meeting

Agency	Project costs (US\$)	Support costs (US\$)	Total (US\$)
Germany (decision 97/2(a)(vii))	58,643	7,624	66,267
UNDP (decision 97/2(a)(ii))	2,829,839	195,450	3,025,289
UNEP (decision 97/2(a)(ii))	1,328,190	119,792	1,447,982
UNIDO (decision 97/2(a)(ii))	282,284	21,088	303,372
World Bank (decision 97/2(a)(ii))	178,512	22,716	201,228
Total	4,677,468	366,670	5,044,138

Adjustment arising from the 97th meeting for transferred projects

Agency	Project costs (US\$)	Support costs (US\$)	Total (US\$)	Remarks
World Bank (decision 97/2(a)(vi))	-77,483	-5,424	-82,907	Jordan institutional strengthening (JOR/SEV/82/INS/105)
UNIDO (decision 97/2(d)(ii)d.)	77,483	5,424	82,907	Jordan institutional strengthening (JOR/SEV/82/INS/105)
UNEP (decision 97/2(a)(v)a.)	-58,300	-7,579	-65,879	Armenia HPMP stage III (ARM/PHA/96/TAS/34)
UNIDO (decision 97/2(d)(ii)a.)	58,300	4,081	62,381	Armenia HPMP stage III (ARM/PHA/96/TAS/34)
UNEP (decision 97/2(a)(v)b.)	-66,000	-8,580	-74,580	Armenia KIP stage I (ARM/KIP/94/TAS/32)
UNIDO (decision 97/2(d)(ii)b.)	66,000	8,580	74,580	Armenia KIP stage I (ARM/KIP/94/TAS/32)
UNEP (decision 97/2(d)(i))	-330,670	0	-330,670	Guatemala institutional strengthening (GUA/SEV/94/INS/68)
UNIDO (decision 97/2(d)(ii)c.)	330,670	23,147	353,817	Guatemala institutional strengthening (GUA/SEV/94/INS/68)

Interest accrued returned at the 97th meeting

Agency	Interest accrued (US \$)	Remarks
UNDP (decision 97/4(b)(i))	845,811	Account reconciliation - Interest
UNEP (decision 97/4(b)(ii))	136,654	Account reconciliation - Interest
UNIDO (decision 97/44(a))	1,721	China - HPMP stage II - Foam XPS
World Bank (decision 97/44(b))	170	China - HPMP stage II - PU foam
UNDP (decision 97/44(c))	7,244	China - HPMP stage II - Refrigeration ICR
UNIDO (decision 97/44(d))	14,697	China - HPMP stage II - Refrigeration RAC
UNDP (decision 97/44(e))	4,878	China - HPMP stage II - Solvent
UNEP (decision 97/44(f))	2,217	China - HPMP stage II - Refrigeration servicing

Net allocations based on decisions of the 97th meeting

Agency	Project costs (US\$)	Support costs (US\$)	Total (US\$)
Germany	111,357	13,105	124,462
UK	537,939	69,932	607,871
UNDP	8,008,736	3,024,045	11,032,781
UNEP	16,881,144	1,594,203	18,475,347
UNIDO	50,825,431	5,903,769	56,729,200
World Bank	4,843,835	2,276,005	7,119,840
Total	81,208,442	12,881,059	94,089,501

Annex XXX

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

Purpose

1. This Agreement represents the understanding of the Government of Brunei Darussalam, (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (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;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- (c) The Country agrees, in cases where HFC technologies have been chosen as an alternative to HCFCs, and taking into account national circumstances related to health and safety: to monitor the availability of substitutes and alternatives that further minimize impacts on the climate; to consider, in the review of regulations standards and incentives adequate provisions that encourage introduction of such alternatives; and to consider the potential for adoption of cost-effective alternatives that minimize the climate impact in the implementation of the HPMP, as appropriate, and inform the Executive Committee on the progress accordingly in tranche implementation reports; and
- (d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

Considerations for the refrigeration servicing sector

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

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating 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 Agreement

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

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

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

Date of completion

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

Validity

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

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

17. At the 91st meeting, UNDP stopped being the Cooperating IA in respect of the Country's activities under this Agreement. This updated Agreement supersedes the Agreement reached between the Government of Brunei Darussalam and the Executive Committee at the 91st meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	6.10

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2020	2021-2024	2025	2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	3.96	3.96	1.98	1.98	1.98	1.98	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	3.96	3.96	1.98	1.98	1.98	1.98	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	149,100	0	176,100	0	67,300	0	58,500	451,000
2.2	Support costs for Lead IA (US \$)	19,383	0	22,893	0	8,749	0	7,605	58,630
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	**11,000	0	154,000	0	69,000	0	0	234,000

Row	Particulars	2020	2021-2024	2025	2026	2027	2028-2029	2030	Total
2.4	Support costs for Cooperating IA (US \$)	**990	0	13,860	0	6,210	0	0	21,060
3.1	Total agreed funding (US \$)	160,100	0	330,100	0	136,300	0	58,500	685,000
3.2	Total support cost (US \$)	20,373	0	36,753	0	14,959	0	7,605	79,690
3.3	Total agreed costs (US \$)	180,473	0	366,853	0	151,259	0	66,105	764,690
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this agreement (ODP tonnes)								3.96
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)								2.14
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00

* Date of completion of stage I as per stage I Agreement: 31 December 2022 as per decision 87/8(b)

** Funds were transferred from UNDP to UNIDO at the 91st meeting

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in subparagraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan.

This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph (b) above;

- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above subparagraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the HPMP are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The Department of Environment, Park and Recreation (DEPR) of the Ministry of Development will be responsible for the overall project monitoring of all activities under the Plan. The national ozone unit (NOU) will be responsible for the planning, coordination, and implementation of daily work of the project implementation. It will also assist the Government and non-Government organizations to streamline their activities for smooth implementation of the projects. The NOU will submit annual progress reports on the status of the implementation to the Lead IA and the Cooperating IA to monitor implementation progress of the Plan.
2. Annual consumption of HCFCs and other ODS will be monitored through DEPR in collaboration with the Royal Customs and Excise Department (RCED). DEPR is a licensing authority to issue import and export permits, while the RCED will control and monitor the import and export of HCFCs and other ODS at the point of entry. The NOU will liaise with importers of HCFCs and other ODS to obtain necessary data for reconciliation of statistics on a periodic basis.
3. The NOU will undertake regular inspections to refrigeration and air-conditioning (RAC) training centres and RAC servicing workshops to monitor conditions of RAC servicing tools distributed under the Plan. It will also undertake regular inspections to monitor the implementation of labelling requirement for HCFC cylinders.
4. The NOU will further undertake market survey to gauge the penetration of non-HCFC substitutes and alternative technologies in the RAC sector and will monitor the implementation of capacity-building activities with relevant implementing agencies, e.g., RAC technician training and customs and enforcement officers training.

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 HPMP;

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

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XXXI

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

Purpose

1. This Agreement represents the understanding of the Government of Chad (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

Considerations for the refrigeration servicing sector

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

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

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

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 (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 co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination 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 Agreement

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

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

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

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 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 sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of

Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

17. This updated Agreement supersedes the Agreement reached between the Government of Chad and the Executive Committee at the 90th meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	16.10

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	10.47	10.47	10.47	5.23	5.23	5.23	5.23	5.23	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	10.47	10.47	10.47	5.23	5.23	5.23	5.23	5.23	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	128,500	0	0	328,500	0	198,000	0	0	104,000	759,000
2.2	Support costs for Lead IA (US \$)	16,146	0	0	40,297	0	24,289	0	0	12,758	93,490
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	204,500	0	0	0	0	196,500	0	0	0	401,000
2.4	Support costs for Cooperating IA (US \$)	14,315	0	0	0	0	13,755	0	0	0	28,070
3.1	Total agreed funding (US \$)	333,000	0	0	328,500	0	394,500	0	0	104,000	1,160,000
3.2	Total support costs (US \$)	30,461	0	0	40,297	0	38,044	0	0	12,758	121,560
3.3	Total agreed costs (US \$)	363,461	0	0	368,797	0	432,544	0	0	116,758	1,281,560

Row	Particulars	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										10.47
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)										5.63
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										0.00

* Date of completion of stage I as per stage I Agreement extended at the 87th meeting: 31 December 2022.

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 TRANCHE IMPLEMENTATION REPORTS AND PLANS

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

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

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall monitoring of the project activities and compliance with the country's obligations will be provided by the Government, through the national ozone unit (NOU), with assistance from the Lead IA. The NOU will submit annual progress reports of the status of implementation of the Plan to the Lead IA. The HCFC consumption will be monitored and determined from official data of the imports and exports of chemical substances as registered by the relevant Government departments. The verification of the achievement of the performance targets as per Executive Committee requirements will be assigned to an independent company or independent consultants, preferably selected on local bases and directly recruited by the Lead IA.

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 HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met, and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
 - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;

- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and the Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, co-ordination 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 HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the HPMP being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XXXII

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

Purpose

1. This Agreement represents the understanding of the Government of the Congo (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage II of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

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

Considerations for the refrigeration servicing sector

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

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating 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 Agreement

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

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

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

Date of completion

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

Validity

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

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

17. This updated Agreement supersedes the Agreement reached between the Government of the Congo and the Executive Committee at the 95th meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	10.14

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2024	2025	2026-2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	6.59	3.29	3.29	3.29	3.29	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	6.59	3.29	3.29	3.29	3.29	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	208,000	0	0	123,000	0	104,000	435,000
2.2	Support costs for Lead IA (US \$)	27,040	0	0	15,990	0	13,520	56,550
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	142,000	120,000	0	0	0	73,000	335,000
2.4	Support costs for Cooperating IA (US \$)	12,780	6,634	0	0	0	4,036	23,450
3.1	Total agreed funding (US \$)	350,000	120,000	0	123,000	0	177,000	770,000
3.2	Total support costs (US \$)	39,820	6,634	0	15,990	0	17,556	80,000
3.3	Total agreed costs (US \$)	389,820	126,634	0	138,990	0	194,556	850,000

Row	Particulars	2024	2025	2026-2027	2028	2029	2030	Total
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)							6.59
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)							3.55
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							0.00

* Date of completion of stage I: 1 December 2023

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in subparagraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph (b) above;
- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and

- (e) An Executive Summary of about five paragraphs, summarizing the information of the above subparagraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the Plan are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall monitoring will be provided by the Government, through the national ozone unit (NOU), with assistance from the Lead IA. The NOU will submit annual progress reports on the status of implementation of the Plan to the Lead IA.
2. Consumption will be monitored and determined from official data of import and export of substances as registered by the relevant Government departments. The NOU will compile and report the following data and information each year on or before the relevant deadlines:
- (a) Reports on the consumption of the substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and
 - (b) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.
3. Monitoring of development of the Plan and verification of the achievement of performance targets will be assigned to an independent local company or independent local consultant(s) by the Lead IA. The company or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with subparagraphs 1(c) and 1(d) of Appendix 4-A;

- (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Coordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and the Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a coordinated sequence in the activities;
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and

- (d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the Plan being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XXXIII

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

Purpose

1. This Agreement represents the understanding of the Government of El Salvador (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3, 4.5.3, and 4.6.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

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

Considerations for the refrigeration servicing sector

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

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination 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 Agreement

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

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

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

Date of completion

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

Validity

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

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

17. This updated Agreement supersedes the Agreement reached between the Government of El Salvador and the Executive Committee at the 87th meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	8.15
HCFC-123	C	I	0.05
HCFC-124	C	I	0.11
HCFC-141b	C	I	3.34
HCFC-142b	C	I	0.03
Total			11.68
HCFC-141b contained in imported pre-blended polyols	C	I	4.94

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022-2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	7.59	7.59	7.59	3.80	3.80	3.80	3.80	3.80	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	5.42	3.44	3.44	2.88	2.32	2.32	0.29	0.29	0	n/a

Row	Particulars	2021	2022-2023	2024	2025	2026	2027	2028	2029	2030	Total
2.1	Lead IA (UNDP) agreed funding (US \$)	169,000	0	244,255	0	124,745	0	0	65,000	0	603,000
2.2	Support costs for Lead IA (US \$)	11,830	0	17,098	0	8,732	0	0	4,550	0	42,210
2.3	Cooperating IA (UNEP) agreed funding (US \$)	26,000	0	17,000	120,000	4,000	0	0	0	0	167,000
2.4	Support costs for Cooperating IA (US \$)	3,380	0	2,210	15,600	520	0	0	0	0	21,710
3.1	Total agreed funding (US \$)	195,000	0	261,255	120,000	128,745	0	0	65,000	0	770,000
3.2	Total support costs (US \$)	15,210	0	19,308	15,600	9,252	0	0	4,550	0	63,920
3.3	Total agreed costs (US \$)	210,210	0	280,563	135,600	137,997	0	0	69,550	0	833,920
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)										7.59
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)										0.56
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)										0.00
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.2.2	Phase-out of HCFC-123 to be achieved in the previous stage (ODP tonnes)										0.05
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)										0.00
4.3.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.3.2	Phase-out of HCFC-124 to be achieved in the previous stage (ODP tonnes)										0.11
4.3.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)										0.00
4.4.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.4.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)										3.34
4.4.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)										0.00
4.5.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.5.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)										0.03
4.5.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)										0.00
4.6.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)										0.00
4.6.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in the previous stage (ODP tonnes)										4.94
4.6.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)										0.00

* Date of completion of stage I as per stage I Agreement: 31 December 2021

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the

Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;

- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
 - (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
 - (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the Plan are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The entity responsible for the implementation of the Montreal Protocol in El Salvador is the Ministry of Environment and Natural Resources, through the national ozone unit (NOU).
2. The responsibilities of the NOU are to design and propose all the policy measures, including amendments to the current regulations, coordinate with stakeholders, institutions and relevant sectors involved in the implementation of the Protocol, follow up on all the programmes and projects and to prepare reports for the Ministry and Secretariat.

3. The Project Management Unit will assist the NOU in the following activities:
- (a) Follow-up on the activities described in each of the projects, including training courses, seminars, workshops and presentations;
 - (b) Monitoring the purchase of equipment, materials, and tools and contracts for services to ensure alignment with the projects and compliance with the rules and regulations of the agencies participating in the Plan;
 - (c) Assisting in the reporting on the activities of the projects, taking into account the schedules defined in each component, and supporting the NOU to solve any deviations and to finalize all the activities;
 - (d) Supporting the NOU to define and select the beneficiaries, always as a supporting activity;
 - (e) Supporting the NOU in the data collection to prepare the required reports to the Secretariat for the tranche requests, and to the Lead IA and/or Cooperating IA;
 - (f) Monitoring and promoting, when necessary, the actions to comply with the gender mainstreaming policy; and
 - (g) Any other monitoring and evaluation activity requested by the NOU.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
 - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;

- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the Plan being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XXXIV

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

Purpose

1. This Agreement represents the understanding of the Government of Guinea-Bissau (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODSs) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage II of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

funding available from the previously approved tranche was more than 20 per cent; and

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

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

Considerations for the refrigeration servicing sector

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

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating 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 Agreement

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

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

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

Date of completion

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

Validity

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

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

17. This updated Agreement supersedes the Agreement reached between the Government of Guinea-Bissau and the Executive Committee at the 95th meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	2.83
Total			2.83

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	1.84	0.92	0.92	0.92	0.92	0.92	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	1.84	0.92	0.92	0.92	0.92	0.92	0	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	126,500	100,000	0	121,500	0	0	52,000	400,000
2.2	Support costs for Lead IA (US \$)	16,445	13,000	0	15,795	0	0	6,760	52,000
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	150,000	0	0	70,000	0	0	0	220,000
2.4	Support costs for Cooperating IA (US \$)	13,500	0	0	6,300	0	0	0	19,800
3.1	Total agreed funding (US \$)	276,500	100,000	0	191,500	0	0	52,000	620,000
3.2	Total support costs (US \$)	29,945	13,000	0	22,095	0	0	6,760	71,800
3.3	Total agreed costs (US \$)	306,445	113,000	0	213,595	0	0	58,760	691,800
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								1.84
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								0.99
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								0.00

* Date of completion of stage I as per stage I Agreement: 31 December 2021

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 TRANCHE IMPLEMENTATION REPORTS AND PLANS

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in subparagraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph (a) above;
- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above subparagraphs 1(a) to 1(d).

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

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

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

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall monitoring will be provided by the Government through the national ozone unit (NOU), with assistance from the Lead IA. The NOU will submit annual progress reports to the Lead IA on the status of the Plan implementation.
2. Consumption of substances will be monitored and determined based on official import and export data registered by relevant Government departments. The NOU will compile and report the following data and information each year, on or before the relevant deadlines:
 - (a) Reports on the consumption of the substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and
 - (b) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.
3. Monitoring of the development of the Plan and verification of the achievement of performance targets will be assigned by Lead IA to an independent local enterprise or consultant(s). The enterprise or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with subparagraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;

- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Coordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and the Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the Plan being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XXXV

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

Purpose

1. This Agreement represents the understanding of the Government of Madagascar (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan (HPMP) approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (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;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report; and
- (c) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

Considerations for the refrigeration servicing sector

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

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

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination 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 Agreement

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

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

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

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in the last Tranche Implementation Plan and its subsequent revisions as per sub-paragraph 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 sub-paragraphs 1(a), 1(b),

1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

17. This updated Agreement supersedes the Agreement reached between the Government of Madagascar and the Executive Committee at the 90th meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	16.60

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2022	2023-2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	10.79	10.79	5.40	5.40	5.40	5.40	5.40	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	10.79	10.79	5.40	5.40	5.40	5.40	5.40	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	120,000	0	326,750	0	140,000	0	0	166,750	753,500
2.2	Support costs for Lead IA (US \$)	15,094	0	40,124	0	17,191	0	0	20,476	92,885
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	187,720	0	0	0	218,780	0	0	0	406,500
2.4	Support costs for Cooperating IA (US \$)	13,140	0	0	0	15,315	0	0	0	28,455
3.1	Total agreed funding (US \$)	307,720	0	326,750	0	358,780	0	0	166,750	1,160,000
3.2	Total support costs (US \$)	28,234	0	40,124	0	32,506	0	0	20,476	121,340
3.3	Total agreed costs (US \$)	335,954	0	366,874	0	391,286	0	0	187,226	1,281,340
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)									10.60
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)									6.00
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)									0.00

* Date of completion of stage I as per stage I Agreement: 31 December 2021

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 TRANCHE IMPLEMENTATION REPORTS AND PLANS

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;
- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

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

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall monitoring will be provided by the Government, through the national ozone unit (NOU), with assistance from the Lead IA. The NOU will submit annual progress reports of status of implementation of the Plan to the Lead IA.
2. Consumption will be monitored and determined from official data of import and export of substances as registered by the relevant Government departments. The NOU will compile and report the following data and information each year on or before the relevant deadlines:
 - (a) Reports on the consumption of the substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and
 - (b) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.
3. Monitoring of development of the Plan and verification of the achievement of the performance targets will be assigned to an independent local company or to independent local consultant(s) by the Lead IA. The company or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's HPMP;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
 - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (h) Carrying out required supervision missions;

- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and the Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, co-ordination 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 HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

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

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

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

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

Annex XXXVI

**AGREEMENT BETWEEN THE GOVERNMENT OF THE NIGER
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: 2023–2030)**

Purpose

1. This Agreement represents the understanding of the Government of the Niger (“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 792,662 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. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the 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 the 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		2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	Reduction in %	n/a	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO ₂ -eq tonnes	n/a	1,222,358	1,222,358	1,222,358	1,222,358	1,222,358	1,100,122	1,100,122	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	23.5	25.4	27.4	29.3	31.3	35.2	35.2	n/a
		CO ₂ -eq tonnes	n/a	935,450	911,652	887,506	864,056	840,258	792,662	792,662	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		115,000	0	94,500	0	69,500	0	0	38,000	317,000
2.2	Support costs for Lead IA (US \$)		14,950	0	12,285	0	9,035	0	0	4,940	41,210
2.3	Cooperating IA (UNEP) agreed funding (US \$)		35,000	0	35,000	0	40,000	0	0	5,000	115,000
2.4	Support costs for Cooperating IA (US \$)		4,550	0	4,550	0	5,200	0	0	650	14,950
3.1	Total agreed funding (US \$)		*150,000	0	129,500	0	109,500	0	0	43,000	432,000
3.2	Total support costs (US \$)		19,500	0	16,835	0	14,235	0	0	5,590	56,160
3.3	Total agreed costs (US \$)		169,500	0	146,335	0	123,735	0	0	48,590	488,160

* Includes US \$100,000 advanced at the 91st meeting (decision 91/58).

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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, under the Ministry of Environment, Water and Sanitation in the Country, 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 Environment, Water and Sanitation 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 XXXVII

AGREEMENT BETWEEN THE GOVERNMENT OF TURKMENISTAN 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: 2023–2029)

Purpose

1. This Agreement represents the understanding of the Government of Turkmenistan (“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 537,409 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. UNIDO has agreed to be the lead implementing agency (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 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 role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead 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		2023	2024	2025	2026-2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	n/a	597,121	597,121	597,121	537,409	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	n/a	597,121	597,121	597,121	537,409	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		116,000	0	141,000	0	68,000	325,000
2.2	Support costs for Lead IA (US \$)		15,080	0	18,330	0	8,840	42,250
3.1	Total agreed funding (US \$)		116,000	0	141,000	0	68,000	325,000
3.2	Total support costs (US \$)		15,080	0	18,330	0	8,840	42,250
3.3	Total agreed costs (US \$)		131,080	0	159,330	0	76,840	367,250

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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 Ministry of Environmental Protection (MEP) and the national ozone unit (NOU) are responsible for overall project control, coordination, assessment and monitoring. The NOU will coordinate the daily work of project implementation and assist the enterprises and both the Government and non-Government offices and organizations in streamlining activities for smooth project implementation and ensuring sustainability of results. The NOU will notably help the MEP in monitoring the progress of implementation and reporting to the Executive Committee. Implementation of activities will be further supported by various administrative and service bodies within the Government, international and national consultants, suppliers of equipment and services, and beneficiary enterprises.

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;
- (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) 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, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with the policy, management and technical support when required; and
- (m) 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 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 XXXVIII

VIEWS EXPRESSED BY THE EXECUTIVE COMMITTEE ON RENEWAL OF INSTITUTIONAL STRENGTHENING PROJECTS SUBMITTED TO THE 97TH MEETING

Bosnia and Herzegovina

1. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Bosnia and Herzegovina (phase IX) and noted with appreciation that Bosnia and Herzegovina had reported 2023 and 2024 country programme implementation data and Article 7 data to the Fund and Ozone Secretariats, respectively, indicating that the country is in compliance with the Montreal Protocol phase-out schedule. The Committee noted that Bosnia and Herzegovina reported HFC data and froze its consumption at the baseline level and that HFC quotas were issued for the years 2024 and 2025. The Committee further noted that Bosnia and Herzegovina implemented a strict monitoring system for the consumption of controlled substances, organized regularly meetings with importers and the refrigeration and air-conditioning association, coordinated the activities with all stakeholders involved and organized numerous awareness-raising activities, including celebration of the World Ozone Day. The Committee acknowledged the efforts of the Government of Bosnia and Herzegovina and is therefore hopeful that, within the next three years, the Government of Bosnia and Herzegovina will continue the implementation of activities with success to maintain compliance with the control measures of the Montreal Protocol.

Cabo Verde

2. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Cabo Verde (phase IX) and noted with appreciation that Cabo Verde had reported 2023 and 2024 country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol phase-out schedule. The Committee noted that the Government of Cabo Verde implemented enforcement measures to control ODS imports through a licensing and quota system and provided comprehensive training to customs officers and refrigeration technicians. The Committee acknowledged the efforts of the Government of Cabo Verde and is therefore hopeful that, within the next three years, the Government of Cabo Verde will continue the implementation of activities with success to maintain compliance with the control measures of the Montreal Protocol.

Djibouti

3. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Djibouti (phase IX) and noted with appreciation that Djibouti had reported 2023 and 2024 country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol phase-out schedule. The Committee noted that the Government of Djibouti implemented enforcement measures to control ODS imports through a licensing and quota system and provided comprehensive training to customs officers and refrigeration technicians. The Committee acknowledged the efforts of the Government of Djibouti and is therefore hopeful that, within the next three years, the Government of Djibouti will continue the implementation of activities with success to maintain compliance with the control measures of the Montreal Protocol.

Equatorial Guinea

4. The Executive Committee reviewed the report submitted with the request for the renewal of the institutional strengthening project for Equatorial Guinea (phase V) and noted with appreciation that Equatorial Guinea had reported 2023 and 2024 country programme data to the Fund Secretariat and data

under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol phase-out schedule. The Committee noted that the Government of Equatorial Guinea implemented enforcement measures to control ODS imports through a licensing and quota system and provided comprehensive training to customs officers and refrigeration technicians. The Committee acknowledged the efforts of the Government of Equatorial Guinea and is therefore hopeful that, within the next three years, the Government of Equatorial Guinea will ratify the Kigali Amendment and will continue the implementation of activities with success to maintain compliance with the control measures of the Montreal Protocol.

Suriname

5. The Executive Committee reviewed the report presented with the request for the renewal of the institutional strengthening (IS) project for Suriname (phase VIII) and noted with appreciation that Suriname had reported 2023 and 2024 country programme data to the Fund Secretariat and data under Article 7 of the Montreal Protocol to the Ozone Secretariat, indicating that the country is in compliance with the Montreal Protocol phase-out schedule. The Committee noted the challenges faced by the Government in the last year due to the loss of the previous National Ozone Officer and recognized the good work done thus far to advance activities under the Montreal Protocol and the IS project and encouraged the Government and UNEP to continue with its collaboration. The Committee acknowledged the efforts of the Government of Suriname and is therefore hopeful that, within the next three years, the Government of Suriname will ratify the Kigali Amendment and will continue the implementation of activities with success to maintain compliance with the control measures of the Montreal Protocol.

Annex XXXIX

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

Purpose

1. This Agreement represents the understanding of the Government of Angola (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage III of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

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

Considerations for the refrigeration servicing sector

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

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (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 taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Agreement

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

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

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

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in

the last Tranche Implementation Plan and its subsequent revisions as per subparagraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per subparagraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	15.95

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2025	2026-2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	5.18	5.18	5.18	5.18	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	5.18	5.18	5.18	5.18	0.00	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	258,689	0	179,489	0	81,822	520,000
2.2	Support costs for Lead IA (US \$)	18,108	0	12,564	0	5,728	36,400
3.1	Total agreed funding (US \$)	258,689	0	179,489	0	81,822	520,000
3.2	Total support costs (US \$)	18,108	0	12,564	0	5,728	36,400
3.3	Total agreed costs (US \$)	276,797	0	192,053	0	87,550	556,400
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)						5.18
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)						10.77
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)						0.00

* Date of completion of stage II as per stage II Agreement: 31 December 2026

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
 - (b) An independent verification report of the Plan results and the consumption of the Substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in subparagraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
 - (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph (a) above;
 - (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above subparagraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the Plan are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall supervision will be provided by the Ministry of Environment, through the national ozone unit (NOU), with assistance from the Lead IA.

2. Consumption will be monitored and determined from official data of import and export of substances as registered by the relevant Government departments.
3. The NOU will compile and report the following data and information each year on or before the deadlines:
 - (a) Annual reports on the consumption of the substances to be submitted to the Ozone Secretariat; and
 - (b) Annual reports on the progress in implementing the Plan to be submitted to the Executive Committee of the Multilateral Fund.
4. The Lead IA will have full access to relevant technical and financial information related to the implementation of the Plan.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with subparagraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
 - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (h) Carrying out required supervision missions;
 - (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - (j) 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, the allocation of the reductions to the different budget items and to the funding of the Lead IA;

- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with policy, management and technical support when required; and
- (m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the Plan being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XL

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

Purpose

1. This Agreement represents the understanding of the Government of Argentina (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3 and 4.5.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage III of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- (c) Any enterprise to be converted to non-HCFC technology included in the Plan and that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment post the 21 September 2007 cut-off date), would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- (d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

Considerations for the refrigeration servicing sector

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

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (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 taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Agreement

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

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

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

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	266.20
HCFC-123	C	I	1.57
HCFC-124	C	I	0.83
HCFC-141b	C	I	94.57
HCFC-142b	C	I	14.34
Total			377.51

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group substances (ODP tonnes)	130.22	130.22	130.22	130.22	130.22	0.0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	130.22	130.22	130.22	130.22	130.22	0.0	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	2,548,000	0	5,404,832	0	0	1,291,183	9,244,015
2.2	Support costs for Lead IA (US \$)	178,360	0	378,338	0	0	90,383	647,081
3.1	Total agreed funding (US \$)	2,548,000	0	5,404,832	0	0	1,291,183	9,244,015
3.2	Total support costs (US \$)	178,360	0	378,338	0	0	90,383	647,081
3.3	Total agreed costs (US \$)	2,726,360	0	5,783,170	0	0	1,381,566	9,891,096
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)							163.79
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stages (ODP tonnes)							102.41
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							0.0

Row	Particulars	2025	2026	2027	2028	2029	2030	Total
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)							0.0
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stages (ODP tonnes)							94.57
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)							0.0
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)							12.60
4.3.2	Phase-out of HCFC-142b to be achieved in the previous stages (ODP tonnes)							1.74
4.3.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)							0.0
4.4.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)							1.57
4.4.2	Phase-out of HCFC-123 to be achieved in the previous stages (ODP tonnes)							0.0
4.4.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)							0.0
4.5.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)							0.83
4.5.2	Phase-out of HCFC-124 to be achieved in the previous stages (ODP tonnes)							0.0
4.5.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)							0.0

* Date of completion of stage II as per decision 97/39(c)(i): 31 December 2027.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in subparagraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan.

This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph (a) above;

- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above subparagraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the Plan are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (OPROZ) is a tripartite coordination office for the Country Programme for the Implementation of the Montreal Protocol (CP). It is composed of a representative of the Ministry of the Environment and Sustainable Development (MAYDS), the Ministry of Production, and the Ministry of Foreign Affairs, International Commerce and Worship.
2. OPROZ is coordinated by MAYDS that serves as the Montreal Protocol national focal point. MAYDS is responsible for the tasks related to the implementation of the CP, control of the import licensing system and the evaluation of consumption data, issuing of reports on a quarterly basis on compliance with the CP, and the reduction of consumption of ODS.
3. The Lead IA will be responsible for the overall management, monitoring of progress, performance verification and reporting to the Fund Secretariat and the Executive Committee, working in close cooperation with OPROZ and the beneficiaries. The work will be carried out under the supervision and guidance of the Lead IA's project manager. Necessary local coordination and control will be done by OPROZ.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;

- (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with subparagraphs 1(c) and 1(d) of Appendix 4-A;
- (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee;
- (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) 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, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with policy, management and technical support when required; and
- (m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$103.40 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the Plan being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XLI

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

Purpose

1. This Agreement represents the understanding of the Government of Bangladesh (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3, and 4.5.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage III of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

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

Considerations for the refrigeration servicing sector

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

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating 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 Agreement

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

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

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

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	45.42
HCFC-123	C	I	0.21
HCFC-124	C	I	0.07
HCFC-141b	C	I	21.23
HCFC-142b	C	I	5.72
Total			72.65

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2025	2026	2027	2028-2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	23.61	23.61	23.61	23.61	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	23.61	23.61	23.61	23.61	0.00	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)	834,261	0	622,455	0	283,075	1,739,791
2.2	Support costs for Lead IA (US \$)	58,398	0	43,572	0	19,815	121,785
2.3	Cooperating IA (UNEP) agreed funding (US \$)	271,932	0	204,032	0	0	475,964
2.4	Support costs for Cooperating IA (US \$)	35,351	0	26,524	0	0	61,875
3.1	Total agreed funding (US \$)	1,106,193	0	826,487	0	283,075	2,215,755
3.2	Total support costs (US \$)	93,749	0	70,096	0	19,815	183,660
3.3	Total agreed costs (US \$)	1,199,942	0	896,583	0	302,890	2,399,415

4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)	23.08
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)	22.34
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)	0.00
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)	0.00
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)	20.20
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)**	0.00
4.3.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)	0.00
4.3.2	Phase-out of HCFC-142b to be achieved in the previous stage (ODP tonnes)	5.72
4.3.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)	0.00
4.4.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)	0.00
4.4.2	Phase-out of HCFC-123 to be achieved in the previous stage (ODP tonnes)	0.21
4.4.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)	0.00
4.5.1	Total phase-out of HCFC-124 agreed to be achieved under this Agreement (ODP tonnes)	0.00
4.5.2	Phase-out of HCFC-124 to be achieved in the previous stage (ODP tonnes)	0.07
4.5.3	Remaining eligible consumption for HCFC-124 (ODP tonnes)	0.00

* Date of completion of stage II as per stage II Agreement: 31 December 2026

** Consumption of HCFC-141b is nil as the Government has imposed a ban on imported bulk HCFC-141b.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in subparagraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress

achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph (a) above;

- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above subparagraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the Plan are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The monitoring process will be managed by the Ministry of Environment, Forestry and Climate Change through the national ozone unit (NOU) with the assistance of the Lead IA.
2. The consumption will be monitored and determined based on official import and export data for the substances recorded by relevant Government departments. The NOU shall compile and report on an annual basis, on or before the relevant due dates, on consumption of the substances to the Ozone Secretariat and on progress of implementation of the Plan to the Executive Committee.
3. The NOU and the Lead IA will engage an independent and qualified entity to carry out a qualitative and quantitative performance evaluation of the Plan implementation.
4. The evaluating entity shall have full access to relevant technical and financial information related to implementation of the Plan. It shall prepare and submit to the NOU and the Lead IA, a consolidated draft report at the end of each Tranche Implementation Plan, comprising of the findings of the evaluation and recommendations for improvements or adjustments, if any.
5. The NOU and the Lead IA shall endorse the final report, and the Lead IA shall submit it to the Multilateral Fund Secretariat.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

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

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$192 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the Plan being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XLII

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

Purpose

1. This Agreement represents the understanding of the Government of Cameroon (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3 and 4.2.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage III of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

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

Considerations for the refrigeration servicing sector

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

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (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 taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Agreement

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

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

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

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	66.76
HCFC-141b	C	I	10.80
Total			77.56

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	28.86	28.86	28.86	28.86	28.86	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	22.20	17.22	12.22	7.22	2.22	0.00	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	985,078	0	933,003	0	213,120	0	2,131,201
2.2	Support costs for Lead IA (US \$)	68,955	0	65,310	0	14,919	0	149,184
3.1	Total agreed funding (US \$)	985,078	0	933,003	0	213,120	0	2,131,201
3.2	Total support costs (US \$)	68,955	0	65,310	0	14,919	0	149,184
3.3	Total agreed costs (US \$)	1,054,033	0	998,313	0	228,039	0	2,280,385
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)							23.55
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)							43.21
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							0.00
4.2.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)							0.00
4.2.2	Phase-out of HCFC-141b to be achieved in the previous stage (ODP tonnes)							10.80
4.2.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)							0.00

* Date of completion of stage II as per stage II Agreement: 31 December 2026

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in subparagraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph (a) above;
- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above subparagraphs 1(a) to 1(d).

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

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

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

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU) is the focal point covering all monitoring of ODS, imports, consumption, licences and quotas in cooperation with Société de Surveillance Générale and the customs department. Authorization to import HCFCs is granted by the NOU to importers prior to imports taking place. The NOU will also be responsible for the obligatory annual Article 7 data reporting to the Ozone Secretariat and country programme reporting to the Multilateral Fund.
2. Regarding the technical support for project implementation, the NOU has the overall responsibility for project management and timely implementation.
3. The Lead IA will compile the tranche progress reports as well as verification reports supported by independent external experts. These reports will be based on active consultations with the NOU, the project management unit, the refrigeration and air-conditioning association and other relevant stakeholders.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with subparagraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
 - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (h) Carrying out required supervision missions;

- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) 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, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with policy, management and technical support when required; and
- (m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$181 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the Plan being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XLIII

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

Purpose

1. This Agreement represents the understanding of the Government of Djibouti (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage II of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

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

Considerations for the refrigeration servicing sector

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

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) 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 taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Agreement

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

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

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

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	0.7

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	0.23	0.23	0.23	0.23	0.23	0	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.23	0.23	0.23	0.23	0.23	0	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	239,000	0	0	139,000	0	45,000	423,000
2.2	Support costs for Lead IA (US \$)	31,070	0	0	18,070	0	5,850	54,990
3.1	Total agreed funding (US \$)	239,000	0	0	139,000	0	45,000	423,000
3.2	Total support costs (US \$)	31,070	0	0	18,070	0	5,850	54,990
3.3	Total agreed costs (US \$)	270,070	0	0	157,070	0	50,850	477,990
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)							0.46
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)							0.24
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							0

* Date of completion of stage I as per extension at 88th meeting: 31 December 2022

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 TRANCHE IMPLEMENTATION REPORTS AND PLANS

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in subparagraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph (a) above;
- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above subparagraphs 1(a) to 1(d).

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

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall monitoring will be provided by the Government, through the national ozone unit (NOU), with assistance from the Lead IA. The NOU will submit annual progress reports of status of implementation of the Plan to the Lead IA.
2. Consumption will be monitored and determined from official data of import and export of substances as registered by the relevant Government departments. The NOU will compile and report the following data and information each year on or before the relevant deadlines:
 - (a) Reports on the consumption of the substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and
 - (b) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.
3. Monitoring of development of the Plan and verification of the achievement of the performance targets will be assigned to an independent local company or to independent local consultant(s) by the Lead IA. The company or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with subparagraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
 - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (h) Carrying out required supervision missions;

- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) 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, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with policy, management and technical support when required; and
- (m) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the Plan being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XLIV

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

Purpose

1. This Agreement represents the understanding of the Government of Egypt (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in rows 4.1.3, 4.2.3, 4.3.3, 4.4.3, and 4.5.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage III of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

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

Considerations for the refrigeration servicing sector

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

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating 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 Agreement

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

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

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

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	240.19
HCFC-123	C	I	0.11
HCFC-141b	C	I	129.61
HCFC-142b	C	I	16.36
Subtotal			386.27
HCFC-141b contained in imported pre-blended polyols	-	-	98.34
Total			484.61

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	125.54	125.54	125.54	125.54	125.54	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	115.54	115.54	96.57	96.57	57.94	0.00	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)	4,104,387		3,285,469		818,459		8,208,315
2.2	Support costs for Lead IA (US \$)	287,307	0	229,983	0	57,292	0	574,582
2.3	Cooperating IA (UNEP) agreed funding (US \$)	485,000		332,500		140,000		957,500
2.4	Support costs for Cooperating IA (US \$)	58,415	0	40,048	0	16,862	0	115,325
3.1	Total agreed funding (US \$)	4,589,387	0	3,617,969	0	958,459	0	9,165,815
3.2	Total support costs (US \$)	345,722	0	270,031	0	74,154	0	689,907

Row	Particulars	2025	2026	2027	2028	2029	2030	Total
3.3	Total agreed costs (US \$)	4,935,109	0	3,888,000	0	1,032,613	0	9,855,722
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)							98.09
4.1.2	Phase-out of HCFC-22 to be achieved in previously approved projects (ODP tonnes)							142.10
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							0.00
4.2.1	Total phase-out of HCFC-123 agreed to be achieved under this Agreement (ODP tonnes)							0.11
4.2.2	Phase-out of HCFC-123 to be achieved in previously approved projects (ODP tonnes)							0.00
4.2.3	Remaining eligible consumption for HCFC-123 (ODP tonnes)							0.00
4.3.1	Total phase-out of HCFC-141b agreed to be achieved under this Agreement (ODP tonnes)							0.00
4.3.2	Phase-out of HCFC-141b to be achieved in previously approved projects (ODP tonnes)							129.61
4.3.3	Remaining eligible consumption for HCFC-141b (ODP tonnes)							0.00
4.4.1	Total phase-out of HCFC-142b agreed to be achieved under this Agreement (ODP tonnes)							0.00
4.4.2	Phase-out of HCFC-142b to be achieved in previously approved projects (ODP tonnes)							16.36
4.4.3	Remaining eligible consumption for HCFC-142b (ODP tonnes)							0.00
4.5.1	Total phase-out of HCFC-141b contained in imported pre-blended polyols agreed to be achieved under this Agreement (ODP tonnes)							0.00
4.5.2	Phase-out of HCFC-141b contained in imported pre-blended polyols to be achieved in previously approved projects (ODP tonnes)							98.34
4.5.3	Remaining eligible consumption for HCFC-141b contained in imported pre-blended polyols (ODP tonnes)							0.00

* Date of completion of stage II as per stage II Agreement: 31 December 2026

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 TRANCHE IMPLEMENTATION REPORTS AND PLANS

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in subparagraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;

- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph (a) above;
 - (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of the above subparagraphs 1(a) to 1(d).
2. In the event that in a particular year two stages of the Plan are being implemented in parallel, the following considerations should be taken in preparing the Tranche Implementation Reports and Plans:
- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
 - (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All the monitoring activities will be coordinated and managed through the national ozone unit (NOU). The Country will ensure that it conducts accurate monitoring of the activities under this Agreement. The Lead IA and Cooperating IA will monitor and report on the implementation of the activities in accordance with their roles and responsibilities set out in Appendix 6-A and 6-B, respectively.
2. The NOU is an integral part of the Ministry of Environment under the direct responsibility of the Egyptian Environmental Affairs Agency (EEAA). The NOU will continue to have general responsibility for the implementation of the activities under the present Agreement. To assist the NOU in these responsibilities, the project management unit (PMU) is established within the NOU and under its direct supervision.
3. The PMU oversees the day-to-day implementation of projects, training programmes, technical assistance, and awareness-raising activities included in the approved Plan to ensure the long-term sustainability of the impact of those activities on the reduction of HCFC consumption and use. The PMU will be in continuous contact with stakeholders and other market actors to monitor trends and ensure compliance with the strategy and plan put in place.
4. The Directorate General for the Control of Exports and Imports and the Customs Department, through a protocol that was signed with the National Ozone Committee, have a particularly prominent role in the monitoring of imports of controlled substances and the prevention of illegal trade. Customs records are used as a crosschecking reference in all the monitoring programmes for the different projects within the Plan.

5. The monitoring process will be managed by the NOU in close cooperation with relevant authorities with the assistance of the Lead IA and the Cooperating IA. The NOU will be responsible for monitoring the sustainability of the consumption reduction targets achieved through this Agreement.

6. The consumption of the controlled substances will be monitored and determined based on official import and export data recorded by relevant Government departments. The NOU shall compile and report on an annual basis, on or before the relevant due dates, on consumption of the substances to be submitted to the Ozone Secretariat and on the progress of implementation of the Plan to be submitted to the Multilateral Fund Secretariat.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

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

- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$187 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the Plan being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XLV

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

Purpose

1. This Agreement represents the understanding of the Government of Mali (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODSs) set out in Appendix 1-A (“The Substances”) to a sustained level of zero ODP tonnes by 1 January 2030 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage II of the HCFC phase-out management plan approved (“the Plan”). In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

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

Considerations for the refrigeration servicing sector

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

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNDP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating 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 Agreement

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

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

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

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

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

APPENDIX 2-A: THE TARGETS, AND FUNDING

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

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

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in subparagraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph (a) above;
- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above subparagraphs 1(a) to 1(d).

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

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall monitoring will be provided by the Government, through the national ozone unit (NOU) which is housed under the Ministry of the Environment, Sanitation and Sustainable Development's National Directorate for Sanitation and Pollution and Nuisance Control, with assistance from the Lead IA. The NOU will submit annual progress reports on the status of implementation of the Plan to the Lead IA.
2. Consumption will be monitored and determined from official data of import and export of substances as registered by the relevant Government departments. The NOU will compile and report the following data and information each year on or before the relevant deadlines:
 - (a) Reports on the consumption of the substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and
 - (b) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.
3. Monitoring of development of the Plan and verification of the achievement of the performance targets will be assigned to an independent local company or to independent local consultant(s) by the Lead IA. The company or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
 - (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with subparagraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HCFC consumption targets had been met;
 - (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (h) Carrying out required supervision missions;

- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Coordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

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

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

Annex XLVI

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

Purpose

1. This Agreement represents the understanding of the Government of Senegal (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 6.81 ODP tonnes by 1 January 2025 in compliance with Montreal Protocol schedule.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with the stage II of the HCFC phase-out management plan approved (“the Plan”). In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

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

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

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

Monitoring

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

Flexibility in the reallocation of funds

7. The Executive Committee agrees that the Country may have the flexibility to reallocate part or all of the approved funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in a Tranche Implementation Plan as foreseen in sub-paragraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches;
 - (iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche; and
 - (v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact to the climate, and any differences in ODP tonnes to be phased out if applicable, as well as confirm that the Country agrees that potential savings related to the change of technology would decrease the overall funding level under this Agreement accordingly;
- (b) Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the subsequent Tranche Implementation Report;
- (c) The Country agrees, in cases where HFC technologies have been chosen as an alternative to HCFCs, and taking into account national circumstances related to health and safety: to monitor the availability of substitutes and alternatives that further minimize impacts on the climate; to consider, in the review of regulations standards and incentives adequate provisions that encourage introduction of such alternatives; and to consider the potential for

adoption of cost-effective alternatives that minimize the climate impact in the implementation of the Plan, as appropriate, and inform the Executive Committee on the progress accordingly in tranche implementation reports; and

- (d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

Considerations for the refrigeration servicing sector

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

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and relevant bilateral and/or implementing agencies would take into consideration relevant decisions on the refrigeration servicing sector during the implementation of the Plan.

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall co-ordination of the Lead IA. The roles of the Lead IA and the 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 Agreement

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

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

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

Date of completion

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

Validity

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

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

17. This updated Agreement supersedes the Agreement reached between the Government of Senegal and the Executive Committee at the 88th meeting of the Executive Committee.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	20.96

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars	2021	2022	2023	2024	2025	2026	2027	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (ODP tonnes)	23.50	23.50	23.50	23.50	11.75	11.75	11.75	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	13.62	13.62	13.62	13.62	6.81	6.81	6.81	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)	160,000	0	0	0	358,000	0	0	518,000
2.2	Support costs for Lead IA (US \$)	20,800	0		0	46,180	0	0	66,980

Row	Particulars	2021	2022	2023	2024	2025	2026	2027	Total
2.3	Cooperating IA (UNIDO) agreed funding (US \$)	92,000	0	0	0	95,000	0	0	187,000
2.4	Support costs for Cooperating IA (US \$)	8,280	0	0	0	8,550	0	0	16,830
3.1	Total agreed funding (US \$)	252,000	0	0	0	453,000	0	0	705,000
3.2	Total support costs (US \$)	29,080	0	0	0	54,730	0	0	83,810
3.3	Total agreed costs (US \$)	281,080	0	0	0	507,730	0	0	788,810
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)								6.81
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)								7.34
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)								6.81

* Date of completion of stage I as per stage I Agreement: 31 December 2021.

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

- (a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include the amount of ODS phased out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes;
- (b) An independent verification report of the Plan results and the consumption of the Substances, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken during the period covered by the requested tranche, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall plan. This

description of future activities can be submitted as a part of the same document as the narrative report under sub-paragraph (b) above;

- (d) A set of quantitative information for all Tranche Implementation Reports and Plans, submitted through an online database; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

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

- (a) The Tranche Implementation Reports and Plans referred to as part of this Agreement, will exclusively refer to activities and funds covered by this Agreement; and
- (b) If the stages under implementation have different HCFC consumption targets under Appendix 2-A of each Agreement in a particular year, the lower HCFC consumption target will be used as reference for compliance with these Agreements and will be the basis for the independent verification.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit will submit annual progress reports on the status of implementation of the Plan to the Lead IA. The monitoring of the development of the Plan and the verification of the achievement of performance targets, specified in the Plan, will be assigned by the Lead IA to an independent local company or to independent local consultants.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:
- (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;
 - (b) Assisting the Country in preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the Tranche Implementation Reports and Plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee, and should include the activities implemented by the Cooperating IA;
 - (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual tranche implementation reports and, where applicable, verification reports on the current stage of the Plan should be

submitted until all activities foreseen had been completed and HCFC consumption targets had been met;

- (g) Ensuring that appropriate independent technical experts carry out the technical reviews;
- (h) Carrying out required supervision missions;
- (i) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
- (j) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
- (k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;
- (l) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (m) Providing assistance with policy, management and technical support when required;
- (n) Reaching consensus with the Cooperating IA on any planning, co-ordination and reporting arrangements required to facilitate the implementation of the Plan; and
- (o) Timely releasing funds to the Country/participating enterprises for completing the activities related to the project.

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

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

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year

in which the target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years.

2. In the event that the penalty needs to be applied for a year in which there are two Agreements in force (two stages of the Plan being implemented in parallel) with different penalty levels, the application of the penalty will be determined on a case-by-case basis taking into consideration the specific sectors that lead to the non-compliance. If it is not possible to determine a sector, or both stages are addressing the same sector, the penalty level to be applied would be the largest.

Annex XLVII

**UPDATED AGREEMENT BETWEEN THE GOVERNMENT OF SOUTH SUDAN
AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE
REDUCTION IN CONSUMPTION OF HYDROCHLOROFLUOROCARBONS**

1. This Agreement represents the understanding of the Government of South Sudan (the “Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained level of 1.07 ODP tonnes by 1 January 2024 in compliance with Montreal Protocol schedules.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances that exceeds the level defined in row 4.1.3 (remaining eligible consumption).
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 HCFC phase-out management plan (HPMP) submitted. In accordance with sub-paragraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least eight weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country had 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 no obligation for reporting of country programme data exists 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, unless the Executive Committee decided that such verification would not be required;
 - (c) That the Country had submitted annual implementation reports in the form of Appendix 4-A (“Format of 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 an annual implementation plan in the form of Appendix 4-A covering each calendar year until and including the year for which the

funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen.

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 annual implementation plans in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in paragraph 4 above.

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest reduction of consumption and phase-out of the Substances specified in Appendix 1-A:

- (a) Reallocations categorized as major changes must be documented in advance either in an annual implementation plan submitted as foreseen in sub-paragraph 5(d) above, or as a revision to an existing annual implementation plan to be submitted eight weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:
 - (i) Issues potentially concerning the rules and policies of the Multilateral Fund;
 - (ii) Changes which would modify any clause of this Agreement;
 - (iii) Changes in the annual levels of funding allocated to individual bilateral or implementing agencies for the different tranches; and
 - (iv) Provision of funding for programmes or activities not included in the current endorsed annual implementation plan, or removal of an activity in the annual implementation plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;
- (b) Reallocations not categorized as major changes may be incorporated in the approved annual implementation plan, under implementation at the time, and reported to the Executive Committee in the subsequent annual implementation report; and
- (c) Any remaining funds 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 the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the “Lead IA”) and UNDP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of any of the agencies taking part in this Agreement.

10. The Lead IA will be responsible for ensuring co-ordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to independent verification as per sub-paragraph 5(b). This responsibility includes the necessity to co-ordinate with the Cooperating IA to ensure appropriate timing and sequence of activities in the implementation. The Cooperating IA will support the Lead IA by implementing the activities listed in Appendix 6-B under the overall co-ordination of the Lead IA. The Lead IA and Cooperating IA have reached consensus on the arrangements regarding inter-agency planning, reporting and responsibilities under this Agreement to facilitate a co-ordinated implementation of the Plan, including regular co-ordination meetings. 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.

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

14. The completion of stage I of the HPMP 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 there at that time still be activities that are outstanding, and which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per sub-paragraphs 1(a), 1(b), 1(d), and 1(e) of Appendix 4-A will continue until the time of the completion unless otherwise specified by the Executive Committee.

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	1.64

APPENDIX 2-A: THE TARGETS, AND FUNDING

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

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF IMPLEMENTATION REPORTS AND PLANS

1. The submission of the Implementation Report and Plan for each tranche request will consist of five parts:

- (a) A narrative report, with data provided by calendar year, regarding the progress since the year prior to the previous report, reflecting the situation of the Country in regard to phase-out of the Substances, how the different activities contribute to it, and how they relate to each other. The report should include ODS phase-out as a direct result from the implementation of activities, by substance, and the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to provide to the Executive Committee information about the resulting change in climate relevant emissions. The report should further highlight successes, experiences, and challenges related to the

different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Annual Implementation Plan(s), such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information on activities in the current year;

- (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
- (c) A written description of the activities to be undertaken until and including the year of the planned submission of the next tranche request, highlighting the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the plan will be provided by calendar year. The description should also include a reference to the overall plan and progress achieved, as well as any possible changes to the overall plan that are foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. 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 sub-paragraph (b) above;
- (d) A set of quantitative information for all annual implementation reports and annual implementation plans, submitted through an online database. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), the annual implementation plan and any changes to the overall plan, and will cover the same time periods and activities; and
- (e) An Executive Summary of about five paragraphs, summarizing the information of the above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU) will be monitoring the implementation of the project activities and will prepare a quarterly progress report for the project. The monitoring programme will therefore ensure effectiveness of all the proposed projects within the Plan through constant monitoring and periodic review of the performance of individual projects. Independent verification will be conducted by a consultant arranged by the Lead IA.

2. The Lead IA will have a particularly prominent role in the monitoring arrangements because of its mandate to monitor ODS imports, whose records will be used as a crosschecking reference in all the monitoring programmes for the different projects within the Plan. The Lead IA, along with the Cooperating IA will also undertake the challenging task of monitoring illegal ODS imports and exports and advise the appropriate national agencies through the NOU.

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 HPMP;
 - (b) Assisting the Country in preparation of the Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing independent verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall plan and in future annual implementation plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the annual implementation reports, annual implementation plans and the overall plan as specified in Appendix 4-A for submission to the Executive Committee. The reporting requirements include the reporting about activities undertaken by the Cooperating IA;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Implementation Plan and accurate data reporting;
 - (i) Co-ordinating the activities of the Cooperating IA, and ensuring appropriate sequence of activities;
 - (j) 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 each implementing or bilateral agency involved;
 - (k) Ensuring that disbursements made to the Country are based on the use of the indicators; and
 - (l) Providing assistance with policy, management and technical support when required.
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 HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCY

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

- (a) Providing assistance for policy development when required;
- (b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and refer to the Lead IA to ensure a co-ordinated sequence in the activities; and
- (c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.

Annex XLVIII

AGREEMENT BETWEEN THE GOVERNMENT OF ANGOLA 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: 2025–2030)

Purpose

1. This Agreement represents the understanding of the Government of Angola (“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 3,490,200 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage 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. UNDP has agreed to be the lead implementing agency (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 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 role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	10	10	n/a
		CO ₂ -eq tonnes	3,878,000	3,878,000	3,878,000	3,878,000	3,490,200	3,490,200	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	10.0	10.0	n/a
		CO ₂ -eq tonnes	3,878,000	3,878,000	3,878,000	3,878,000	3,490,200	3,490,200	n/a
2.1	Lead IA (UNDP) agreed funding (US \$)		385,563	0	0	399,058	0	139,415	924,036
2.2	Support costs for Lead IA (US \$)		26,989	0	0	27,934	0	9,759	64,682
3.1	Total agreed funding (US \$)		385,563	0	0	399,058	0	139,415	924,036
3.2	Total support costs (US \$)		26,989	0	0	27,934	0	9,759	64,682
3.3	Total agreed costs (US \$)		412,552	0	0	426,992	0	149,174	988,718
4.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)								387,800
4.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)								0
4.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)								TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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 Ministry of Environment in the Country, through the national ozone unit (NOU), will lead the design and oversight of Plan activities, including stakeholder coordination, beneficiary selection, and local procurement. It will ensure the use of operational tools aligned with the approved budget and oversee the provision of technical assistance. The NOU will also manage the selection of consultants, implement gender mainstreaming measures, and apply corrective actions as needed.

2. The NOU will organize the collection and analysis of project data, standardize reporting formats, and convene periodic evaluation meetings. It will prepare internal progress reports, annual Plan implementation reports, and tranche submissions for the Executive Committee. The NOU will also monitor gender indicators, track private sector trends in HFC use, and stay updated on alternative technologies through participation in stakeholder-led technical meetings. The Ministry of Environment 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;
- (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) 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, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with the policy, management and technical support when required; and
- (m) 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 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 \$4.77 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 XLIX

AGREEMENT BETWEEN THE GOVERNMENT OF BOTSWANA 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: 2025–2029)

Purpose

1. This Agreement represents the understanding of the Government of Botswana (“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 331,493 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”). UNIDO has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to 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		2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	389,992	389,992	389,992	389,992	350,993	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	15.0	n/a
		CO ₂ -eq tonnes	389,992	389,992	389,992	389,992	331,493	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		62,500	0	0	46,500	0	109,000
2.2	Support costs for Lead IA (US \$)		8,125	0	0	6,045	0	14,170
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		33,000	0	0	16,000	0	49,000
2.4	Support costs for Cooperating IA (US \$)		4,290	0	0	2,080	0	6,370
3.1	Total agreed funding (US \$)		95,500	0	0	62,500	0	158,000
3.2	Total support costs (US \$)		12,415	0	0	8,125	0	20,540
3.3	Total agreed costs (US \$)		107,915	0	0	70,625	0	178,540

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 Botswana Meteorological Services Department of the Ministry of Environment, Natural Resources Conservation and Tourism in the Country will be responsible for the overall project monitoring of all activities under the Plan. The national ozone unit (NOU), which is at the Botswana Meteorological Services Department, will be responsible for planning, coordinating, and carrying out daily works of project implementation. It will also assist the Government and non-government organizations to streamline their activities for smooth implementation of the projects. The NOU will submit annual progress reports on the status of implementation to the Lead IA and the Cooperating IA to monitor the progress of implementation of the Plan. The NOU will facilitate the HFC consumption verification undertaken by the Lead IA.

2. Annual consumption of HFCs will be monitored by the NOU in collaboration with the Customs Department and the Ministry of Trade and Commerce. The Ministry of Trade and Commerce is a licensing authority that will issue import and export permits, while the Customs Department will control and monitor the import and export of HFCs at the point of entry. The NOU will liaise with importers of HFCs to obtain necessary data for the reconciliation of statistics on a periodic basis.

3. The NOU will undertake regular inspection of refrigeration and air-conditioning (RAC) training centres and RAC servicing workshops to monitor the condition of RAC servicing tools distributed under the Plan.

4. The NOU will also undertake a market survey to gauge the penetration of non-HFC substitutes and alternative technologies in the RAC sector. The NOU will monitor the implementation of capacity-building activities with relevant agencies, e.g., RAC technician training and customs and enforcement officer training.

5. The Ministry of Environment, Natural Resources Conservation and Tourism 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 the 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 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 L

**AGREEMENT BETWEEN THE GOVERNMENT OF ERITREA
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: 2025–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Eritrea (“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 152,324 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 (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		2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	169,249	169,249	169,249	169,249	152,324	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	169,249	169,249	169,249	169,249	152,324	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		60,614	0	0	29,616	0	90,230
2.2	Support costs for Lead IA (US \$)		7,880	0	0	3,850	0	11,730
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		29,294	0	0	38,476	0	67,770
2.4	Support costs for Cooperating IA (US \$)		3,808	0	0	5,002	0	8,810
3.1	Total agreed funding (US \$)		89,908	0	0	68,092	0	158,000
3.2	Total support costs (US \$)		11,688	0	0	8,852	0	20,540
3.3	Total agreed costs (US \$)		101,596	0	0	76,944	0	178,540

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 Office, under the Ministry of Land, Water and Environment in the Country, 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 Land, Water and Environment in the Country 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 LI

AGREEMENT BETWEEN THE GOVERNMENT OF ETHIOPIA 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: 2025–2029)

Purpose

1. This Agreement represents the understanding of the Government of Ethiopia (“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 312,332 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 (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		2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	347,035	347,035	347,035	347,035	312,332	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	347,035	347,035	347,035	347,035	312,332	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		62,500	0	43,500	0	0	106,000
2.2	Support costs for Lead IA (US \$)		8,125	0	5,655	0	0	13,780
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		39,500	0	24,500	0	0	64,000
2.4	Support costs for Cooperating IA (US \$)		5,135	0	3,185	0	0	8,320
3.1	Total agreed funding (US \$)		102,000	0	68,000	0	0	170,000
3.2	Total support costs (US \$)		13,260	0	8,840	0	0	22,100
3.3	Total agreed costs (US \$)		115,260	0	76,840	0	0	192,100

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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, under the Environmental Protection Authority (EPA) of the Country, is responsible for monitoring the progress of implementation of activities under the Plan. Monitoring will be carried out throughout the implementation period to ensure efficient and effective execution of activities, overall project coordination, stakeholder engagement, smooth implementation of activities under various tranches, timely delivery of training sessions and other expected outputs, and facilitate the HFC consumption verification undertaken by the Lead IA.

2. The EPA will be responsible for ensuring the sustainability of the consumption reduction targets achieved under 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[s] 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 LII

AGREEMENT BETWEEN THE GOVERNMENT OF FIJI 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: 2025–2029)

Purpose

1. This Agreement represents the understanding of the Government of Fiji (“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 399,175 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 UNDP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to 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		2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	443,528	443,528	443,528	443,528	399,175	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	443,528	443,528	443,528	443,528	399,175	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		58,000	0	68,000	0	0	126,000
2.2	Support costs for Lead IA (US \$)		7,540	0	8,840	0	0	16,380
2.3	Cooperating IA (UNDP) agreed funding (US \$)		44,000	0	0	0	0	44,000
2.4	Support costs for Cooperating IA (US \$)		5,720	0	0	0	0	5,720
3.1	Total agreed funding (US \$)		102,000	0	68,000	0	0	170,000
3.2	Total support costs (US \$)		13,260	0	8,840	0	0	22,100
3.3	Total agreed costs (US \$)		115,260	0	76,840	0	0	192,100

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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 Ministry of Environment and Climate Change (MECC), will be responsible for the overall monitoring of all activities under the Plan. The NOU will oversee the planning, coordination, and day-to-day implementation of project activities. It will also support both the Government and non-governmental organizations in streamlining their activities to ensure smooth and effective project implementation. The NOU will submit annual progress reports to the Lead IA and the Cooperating IA, detailing the status of implementation to facilitate monitoring of the Plan's progress.

2. Annual HFC consumption will be monitored through the MECC, which also serves as the licensing authority for issuing import and export permits. The Fiji Revenue and Customs Services will be responsible for controlling and monitoring HFC imports and exports at points of entry. The NOU will liaise with HFC importers to collect and reconcile statistical data on a regular basis.

3. In addition, the NOU will monitor the implementation of capacity-building activities in collaboration with relevant agencies, including training programmes for refrigeration and air-conditioning and mobile air-conditioning technicians and customs and enforcement officers. The NOU will also coordinate with relevant energy-efficiency authorities for maximizing the adoption of energy-efficient technologies and energy-efficiency measures while phasing down HFCs in different applications.

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 LIII

AGREEMENT BETWEEN THE GOVERNMENT OF GUINEA-BISSAU 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: 2025–2029)

Purpose

1. This Agreement represents the understanding of the Government of Guinea-Bissau (“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 596,150 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 (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		2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	722,391	722,391	722,391	722,391	650,152	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	17.48	n/a
		CO ₂ -eq tonnes	722,391	722,391	722,391	722,391	596,150	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		129,500	0	120,500	0	0	250,000
2.2	Support costs for Lead IA (US \$)		16,835	0	15,665	0	0	32,500
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		38,000	0	102,000	0	0	140,000
2.4	Support costs for Cooperating IA (US \$)		4,940	0	13,260	0	0	18,200
3.1	Total agreed funding (US \$)		167,500	0	222,500	0	0	390,000
3.2	Total support costs (US \$)		21,775	0	28,925	0	0	50,700
3.3	Total agreed costs (US \$)		189,275	0	251,425	0	0	440,700

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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, under the Ministry of the Environment, Biodiversity and Climate Action (MAB), 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 its efficient and effective implementation; overall project coordination; stakeholder engagement and coordination; smooth implementation of activities planned under various tranches; delivery of training and other expected outcomes; and facilitation of the HFC consumption verification undertaken by the Lead IA.
3. The MAB 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 LIV

**AGREEMENT BETWEEN THE GOVERNMENT OF MONGOLIA
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: 2025–2029)

Purpose

1. This Agreement represents the understanding of the Government of Mongolia (“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 51,578 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, and in respect to any consumption of Annex F substances that exceeds the levels defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage 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;
- (c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- (d) 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 (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 the 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, and 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
HFCs contained in imported pre-blended polyols	1,165

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	57,309	57,309	57,309	57,309	51,578	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	57,309	57,309	57,309	57,309	51,578	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		62,500	0	54,000	0	0	116,500
2.2	Support costs for Lead IA (US \$)		8,125	0	7,020	0	0	15,145
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		18,500	0	0	0	0	18,500
2.4	Support costs for Cooperating IA (US \$)		2,405	0	0	0	0	2,405
3.1	Total agreed funding (US \$)		81,000	0	54,000	0	0	135,000
3.2	Total support costs (US \$)		10,530	0	7,020	0	0	17,550
3.3	Total agreed costs (US \$)		91,530	0	61,020	0	0	152,550
4.1.1	Deduction of HFCs contained in imported pre-blended polyols under this Agreement (CO ₂ -eq tonnes)							0
4.1.2	Deduction of HFCs contained in imported pre-blended polyols from previously approved projects (CO ₂ -eq tonnes)							0
4.1.3	Remaining eligible consumption for HFCs contained in imported pre-blended polyols (CO ₂ -eq tonnes)							1,165

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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 Authority (NOA), under the Ministry of Environment and Climate Change in the Country, is responsible for monitoring the progress of implementation of activities in the Plan.

2. 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 Environment and Climate Change in the Country 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 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, and that applied 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 LV

**AGREEMENT BETWEEN THE GOVERNMENT OF SERBIA
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: 2025–2029)**

Purpose

1. This Agreement represents the understanding of the Government of Serbia (“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 2,935,687 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage 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. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to 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 the 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2025	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	3,261,874	3,261,874	3,261,874	2,935,687	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	3,261,874	3,261,874	3,261,874	2,935,687	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		235,000	0	348,500	0	583,500
2.2	Support costs for Lead IA (US \$)		16,450	0	24,395	0	40,845
2.3	Cooperating IA (UNEP) agreed funding (US \$)		65,000	0	45,000	0	110,000
2.4	Support costs for Cooperating IA (US \$)		8,450	0	5,850	0	14,300
3.1	Total agreed funding (US \$)		300,000	0	393,500	0	693,500
3.2	Total support costs (US \$)		24,900	0	30,245	0	55,145
3.3	Total agreed costs (US \$)		324,900	0	423,745	0	748,645
4.1.1	Deduction of HFCs under this Agreement (CO ₂ -eq tonnes)						326,187
4.1.2	Deduction of HFCs from previously approved projects (CO ₂ -eq tonnes)						0
4.1.3	Remaining eligible consumption of HFCs (CO ₂ -eq tonnes)						TBD

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, under the Country's Ministry of Environmental Protection (MEP), 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 MEP 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 \$4.59 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 LVI

AGREEMENT BETWEEN THE GOVERNMENT OF SOMALIA 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: 2025–2029)

Purpose

1. This Agreement represents the understanding of the Government of Somalia (“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 1,149,005 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage 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;
- (c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable

cut off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- (d) 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. UNIDO has agreed to be the lead implementing agency (the “Lead IA”) and UNEP has agreed to be the cooperating implementing agency (the “Cooperating IA”) under the lead of the Lead IA in respect of the Country’s activities under this Agreement. The Country agrees to evaluations, which might be carried out under the monitoring and evaluation work programmes of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to 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 IAs 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	1,276,672	1,276,672	1,276,672	1,276,672	1,149,005	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	1,276,672	1,276,672	1,276,672	1,276,672	1,149,005	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		151,000	0	0	87,000	0	238,000
2.2	Support costs for Lead IA (US \$)		19,630	0	0	11,310	0	30,940
2.3	Cooperating IA (UNEP) agreed funding (US \$)		43,000	0	0	44,000	0	87,000
2.4	Support costs for Cooperating IA (US \$)		5,590	0	0	5,720	0	11,310
3.1	Total agreed funding (US \$)		194,000	0	0	131,000	0	325,000
3.2	Total support costs (US \$)		25,220	0	0	17,030	0	42,250
3.3	Total agreed costs (US \$)		219,220	0	0	148,030	0	367,250
4.1.1	Deductions of HFCs agreed under this Agreement (CO ₂ -eq tonnes)							127,667
4.1.2	Deductions of HFCs from previously approved projects (CO ₂ -eq tonnes)							n/a
4.1.3	Remaining eligible consumption for HFCs (CO ₂ -eq tonnes)							TBD

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 Ministry of Environment and Climate Change in the Country, 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 Environment and Climate Change 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 the 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 LVII

AGREEMENT BETWEEN THE GOVERNMENT OF SOUTH AFRICA 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: 2025–2029)

Purpose

1. This Agreement represents the understanding of the Government of South Africa (“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 11,822,486 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A (“Funding Approval Schedule”).
4. The Country agrees to implement this Agreement in accordance with stage 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;
- (c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable

cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

- (d) 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. UNIDO has agreed to be the lead implementing agency (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 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 role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	13,843,139	13,843,139	13,843,139	13,843,139	12,458,825	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	5.11	5.11	5.11	5.11	14.60	n/a
		CO ₂ -eq tonnes	13,136,096	13,136,096	13,136,096	13,136,096	11,822,486	n/a
2.1	Lead IA (UNIDO) agreed funding (US \$)		1,720,164	0	1,307,237	0	0	3,027,401
2.2	Support costs for Lead IA (US \$)		120,411	0	91,507	0	0	211,918
3.1	Total agreed funding (US \$)		1,720,164	0	1,307,237	0	0	3,027,401
3.2	Total support costs (US \$)		120,411	0	91,507	0	0	211,918
3.3	Total agreed costs (US \$)		1,840,575	0	1,398,744	0	0	3,239,319
4.1.1	Deductions of HFCs under this Agreement (CO ₂ -eq tonnes)						2,020,653	
4.1.2	Deductions of HFCs from previously approved projects (CO ₂ -eq tonnes)						n/a	
4.1.3	Remaining eligible consumption of HFCs (CO ₂ -eq tonnes)						TBD	

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

APPENDIX 4-A: FORMAT OF 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 Department of Forestry, Fisheries and the Environment (DFFE) is the focal point of the Montreal Protocol in the Country, and it coordinates the Plan with the authorities. The Plan is implemented through the national ozone unit (NOU) established within the DFFE. The NOU functions are to coordinate all activities related to the implementation of the country programme for the HFC phase-down in the Country; to monitor and control the consumption of substances controlled under the Montreal Protocol; to disseminate data and pertinent information to all interested parties and inform them of the Montreal Protocol requirements; to promote awareness of issues related to HFCs and HFC alternatives; to report to the Ozone Secretariat, the Multilateral Fund Secretariat, and the Lead IA on the consumption and phase-down of the

HFC consumption in the Country; and to coordinate and implement projects for substances controlled by the Montreal Protocol, including HFCs.

2. The DFFE will be responsible for the sustainability of consumption reduction targets achieved through the Agreement, the monitoring of the Plan, and the enforcement of policies and legislation. The procedures to carry out these activities include the implementation of all activities and components of the the Plan, including detailed activity design, audit of the parties involved, identification and selection of beneficiaries, contracting of goods and services, and continuous technical assistance to project beneficiaries; the regular monitoring of trends and attitudes related to HFC use and possible substitutes in the local private sector; the design, organization and implementation, on an annual basis, of project monitoring activities, including data gathering and instruments of analysis; analysis and reporting on the monitoring results and organization of meetings for the review and management of monitoring procedures; the design and implementation of corrective measures; and the provision of technical assistance to project beneficiaries.

3. The Plan will be managed by a dedicated team that consists of a coordinator, designated by the DFFE and supported by the Lead IA, experts, and the necessary support infrastructure. The component of support to the management and update of the legal instruments of the Plan will include the following activities: Management and coordination of the implementation of the Plan; establishment of a policy development and application programme to allow the Country to exercise the required mandates and ensure that the industry fulfils its obligations related to HFC reductions; development and implementation of training, awareness and capacity building activities to ensure high-level commitment to the Plan's objectives and obligations; and the preparation of annual implementation plans including the determination of sequence of participation of the beneficiaries in the activities.

4. 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 taking part in this 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;

- (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) 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, the allocation of the reductions to the different budget items and to the funding of the Lead IA;
- (k) Ensuring that disbursements made to the Country are based on the use of the indicators;
- (l) Providing assistance with the policy, management and technical support when required; and
- (m) 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 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 \$4.61 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 LVIII

**AGREEMENT BETWEEN THE GOVERNMENT OF THE UNITED REPUBLIC OF
TANZANIA 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: 2025–2029)

Purpose

1. This Agreement represents the understanding of the Government of the United Republic of Tanzania (“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 196,750 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 (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		2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	10	n/a
		CO ₂ -eq tonnes	218,611	218,611	218,611	218,611	196,750	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	10.0	n/a
		CO ₂ -eq tonnes	218,611	218,611	218,611	218,611	196,750	n/a
2.1	Lead IA (UNEP) agreed funding (US \$)		61,500	0	0	44,500	0	106,000
2.2	Support costs for Lead IA (US \$)		7,995	0	0	5,785	0	13,780
2.3	Cooperating IA (UNIDO) agreed funding (US \$)		34,000	0	0	30,000	0	64,000
2.4	Support costs for Cooperating IA (US \$)		4,420	0	0	3,900	0	8,320
3.1	Total agreed funding (US \$)		95,500	0	0	74,500	0	170,000
3.2	Total support costs (US \$)		12,415	0	0	9,685	0	22,100
3.3	Total agreed costs (US \$)		107,915	0	0	84,185	0	192,100

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, under the Division of Environment of the Vice President's Office of the Country, is responsible for monitoring the progress of implementation of activities under the Plan. Monitoring will be carried out throughout the implementation period to ensure efficient and effective execution of activities, overall project coordination, stakeholder engagement, timely delivery of training sessions and other expected outputs, and to facilitate the HFC consumption verification undertaken by the Lead IA.
2. The Division of Environment of the Vice President's Office will be responsible for ensuring the sustainability of the consumption reduction targets achieved under 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 LIX

UNEP'S 2026 COMPLIANCE ASSISTANCE PROGRAMME (CAP) BUDGET

Budget Line	Component	Location	w/m	Grade	Approved CAP 2025	Approved CAP 2026
10	PROJECT PERSONNEL COMPONENT					
	Title/Description					
1101	Head of Branch	Paris	12	D-1	292,520	292,520
1102	Montreal Programme Officer – ECA/Global Capacity Building	Paris	12	P-3	180,600	180,868
1103	Montreal Protocol Senior Programme Management Officer – Capacity Building	Paris	12	P-5	245,800	295,610
1104	Montreal Protocol Programme Officer	Paris	12	P-4	202,910	228,660
1105	Montreal Protocol Senior Coordination Officer – ExCom	Paris	12	P-5	192,610	223,510
1106	Montreal Protocol Programme Officer	Paris	12	P-3	180,600	180,600
1107	Montreal Protocol Programme Officer – ExCom/Partnerships	Paris	12	P-3	199,820	199,820
1108	ECA Montreal Protocol Regional Coordinator	Paris	12	P-4	256,470	260,317
1109	Montreal Protocol Coordinator International Partnerships	Paris	12	P-5	278,500	278,500
1121	Montreal Protocol Programme Officer – South-East Asia & PICs	Bangkok	12	P-4	182,310	196,215
1122	Montreal Protocol Programme Officer – South Asia	Bangkok	12	P-4	201,880	201,880
1123	Montreal Protocol Programme Officer – South-East Asia & PICs	Bangkok	12	P-3	201,880	201,880
1124	Montreal Protocol Programme Officer – South Asia	Bangkok	12	P-3	200,850	200,850
1125	Montreal Protocol Programme Officer – South-East Asia & PICs	Bangkok	12	P2	160,000	164,800
1126	Montreal Protocol Programme Officer – South Asia	Bangkok	12	P2	160,000	164,800
1131	Montreal Protocol Regional Coordinator - West Asia	Beirut	12	P-4	282,220	290,687
1132	Montreal Protocol Programme Officer – West Asia	Beirut	12	P-3	188,490	194,145
1141	Montreal Protocol Regional Senior Coordinator – Francophone Africa	Nairobi	12	P-5	293,550	293,550
1142	Montreal Protocol Regional Senior Coordinator – Anglophone Africa	Nairobi	12	P-5	293,550	293,550
1143	Montreal Protocol Programme Officer – Anglophone Africa	Nairobi	12	P-3	257,500	257,500
1144	Montreal Protocol Programme Officer – Francophone Africa	Nairobi	12	P-3	202,910	206,465
1145	Montreal Protocol Associate Officer Anglophone Africa	Nairobi	12	P-2	173,761	173,761
1146	Montreal Protocol Associate Officer – Francophone Africa	Nairobi	12	P-2	176,130	176,130
1147	Montreal Protocol Programme Management Officer – Global	Nairobi	12	P-4	212,180	257,812
1151	Montreal Protocol Regional Coordinator – Latin America	Panama	12	P-4	234,840	249,769
1152	Montreal Protocol Regional Coordinator – Caribbean	Panama	12	P-4	186,430	199,575
1153	Montreal Protocol Information Manager – Latin America/Global	Panama	12	P-4	234,840	234,840
1154	Montreal Protocol Programme Officer – Caribbean	Panama	12	P-3	181,280	181,280
1155	Montreal Protocol Programme Officer – Latin America	Panama	12	P-3	234,840	195,790
1301	Principal Assistant HOB	Paris	12	G-7	127,000	127,000
1302	Programme Assistant – Regional Networks	Paris	12	G-6	112,270	112,270
1303	Programme Assistant – Clearinghouse	Paris	12	G-6	114,330	114,330
1304	Programme Assistant – Europe & Central Asia	Paris	12	G-6	107,120	109,178
1305	Programme Assistant – Capacity Building/iPIC	Paris	12	G-6	106,000	106,000
1306	Programme Assistant	Paris	12	G-5	95,000	95,000
1307	Senior Programme Assistant – Global	Paris	12	G-7	132,870	132,870

Budget Line	Component	Location	w/m	Grade	Approved CAP 2025	Approved CAP 2026
1321	Programme Assistant – South Asia	Bangkok	12	G-6	95,790	95,790
1322	Programme Assistant – South-East Asia & PICs	Bangkok	12	G-5	75,190	75,190
1323	Administrative Assistant – Asia-Pacific	Bangkok	12	G-7	95,790	104,294
1332	Programme Assistant – West Asia	Lebanon	12	G-6	95,790	107,724
1341	Administrative Assistant – Africa	Nairobi	12	G-7	66,950	69,077
1342	Programme Assistant – Global	Nairobi	12	G-6	49,500	49,500
1343	Programme Assistant – Africa	Nairobi	12	G-6	49,500	49,500
1344	Programme Assistant – Francophone Africa	Nairobi	12	G-7	65,920	65,920
1345	Senior Programme Assistant – Global	Nairobi	12	G-7	65,000	65,000
1351	Programme Assistant – Latin America & Caribbean	Panama	12	G-5	42,230	52,977
1352	Programme Assistant – Latin America & Caribbean	Panama	12	G-7	69,010	82,863
Subtotal Staff Personnel					7,854,531	8,090,167
16	TRAVEL					
1601	Staff travel - Global	Paris			179,550	179,550
1610	Staff travel – Europe & Central Asia	Paris / ECA			26,250	22,250
1620	Staff travel – South Asia	Bangkok			34,650	34,650
1621	Staff travel – South-East Asia	Bangkok			34,650	34,650
1622	Staff travel – PIC	Bangkok			52,500	52,500
1630	Staff travel – West Asia	Lebanon			47,250	47,250
1640	Staff travel – Francophone Africa	Nairobi			63,525	63,525
1641	Staff travel – Anglophone Africa	Nairobi			63,525	63,525
1650	Staff travel – Caribbean	Panama			36,750	36,750
1651	Staff travel – Latin America	Panama			36,750	36,750
Subtotal Travel					575,400	571,400
20	REGIONAL ACTIVITIES					
	CONTRACT SERVICE COMPONENT					
2210	Network and thematic meetings/Country to country cooperation/Regional awareness – Europe & Central Asia	Paris / ECA			156,000	160,000
Subtotal Europe & Central Asia					156,000	160,000
2220	Network and thematic meetings/ Country to country cooperation/Regional awareness - South Asia	Bangkok			110,400	110,400
2221	Network and thematic meetings/Country to country cooperation/Regional awareness – South-East Asia	Bangkok			84,000	84,000
2222	Network and thematic meetings/Country to country cooperation/Regional awareness - PIC	Bangkok			126,000	126,000
Subtotal Asia-Pacific					320,400	320,400
2230	Network and thematic meetings/Country to country cooperation/Regional awareness – West Asia	Lebanon			120,000	120,000
Subtotal West Asia					120,000	120,000
2240	Network and thematic meetings/Country to country cooperation/Regional awareness – Francophone Africa	Nairobi			210,000	210,000
2241	Network and thematic meetings/Country to country cooperation/Regional awareness - Anglophone Africa	Nairobi			210,000	210,000
Subtotal Africa					420,000	420,000
2250	Network and thematic meetings/Country to country cooperation/Regional awareness - Caribbean	Panama			156,000	156,000
2251	Network and thematic meetings/Country to country cooperation/Regional awareness - Latin America	Panama			144,000	144,000
Subtotal Latin America & Caribbean					300,000	300,000
Subtotal Regional activities					1,316,400	1,320,400
30	GLOBAL CAP SERVICES*					
3210	NOO Training				50,000	50,000
3211	Policy & Technical Assistance				95,000	95,000
3212	Translation & Outreach				160,000	160,000
3213	Temporary Assistance Energy Efficiency				150,000	0
3214	Refrigeration Servicing Sector Assistance				160,000	160,000
3215	Enforcement & customs				85,000	85,000

Budget Line	Component	Location	w/m	Grade	Approved CAP 2025	Approved CAP 2026
3216	Technical and policy support LVC countries				150,000	150,000
Subtotal Global Services					850,000	700,000
40	MEETINGS/SUPPORT					
4210	Advisory and Consultative Meetings and Stakeholders Workshops	Paris/Regions			5,000	5,000
Subtotal Meetings					5,000	5,000
Subtotal Global Services/Meetings					855,000	705,000
50	OFFICE OPERATIONS					
5210	Office Operations/Communication (equipment, rental, supplies & maintenance)	Paris			290,000	290,000
5220	Office Operations/Communication (equipment, rental, supplies & maintenance)	Regions			300,000	300,000
Subtotal Office Operations					590,000	590,000
TOTAL DIRECT PROJECT COST					11,191,331	11,276,967
<i>Programme support costs (8%)</i>					895,306	902,157
GRAND TOTAL					12,086,637	12,179,124

* 3210-3216 activities and budget to be carried over to 2026. Note that for all other budget lines, the unspent balance will be returned.