UNITED
NATIONS

EP

United Nations
Environment
Programme

Distr.
GENERAL

UNEP/OzL.Pro/ExCom/96/24*
29 April 2025

ORIGINAL: ENGLISH

EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-sixth Meeting
Montreal, 26–30 May 2025
Item 9(d) of the provisional agenda[1]

PROJECT PROPOSAL: ANTIGUA AND BARBUDA

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

Phase-out

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

*Re-issued for technical reasons on 22 May 2025.
[1] UNEP/OzL.Pro/ExCom/96/1

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Antigua and Barbuda

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

(II) LATEST ARTICLE 7 DATA (Annex C, Group I)	Year: 2023	0.00 ODP tonnes

(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP tonnes)									Year: 2024
Chemical	Aerosol	Foam	Fire-fighting	Refrigeration		Solvent	Process agent	Lab use	Total sector consumption
				Manufacturing	Servicing				
HCFC-22									0.00

(IV) CONSUMPTION DATA (ODP tonnes)			
2009–2010 baseline:	0.3	Starting point for sustained aggregate reductions:	0.3
CONSUMPTION ELIGIBLE FOR FUNDING			
Already approved:	0.03	Remaining:	0.27

(V) ENDORSED BUSINESS PLAN		2025	2026	2027	Total
UNEP	ODS phase-out (ODP tonnes)	0.1	0.00	0.1	0.2
	Funding (US $)	111,377*	0	32,277	143,654
UNIDO	ODS phase-out (ODP tonnes)	0.7	0.00	0.1	0.8
	Funding (US $)	49,521	0	14,475	63,996

* Including US $79,100 for UNEP for additional activities to maintain energy efficiency in line with decision 89/6, which was not submitted.

(VI) PROJECT DATA			2025	2026	2027	2028	2029	2030	Total
Montreal Protocol consumption limits (ODP tonnes)			0.098	0.098	0.098	0.098	0.098	0.000	n/a
Maximum allowable consumption (ODP tonnes)			0.098	0.088	0.088	0.071	0.071	0.000	n/a
Project costs requested in principle (US $)	UNEP	Project costs	133,750	0	95,385	0	0	38,180	267,315
		Support costs	17,388	0	12,400	0	0	4,963	34,751
	UNIDO	Project costs	19,000	0	95,560	0	0	0	114,560
		Support costs	1,710	0	8,600	0	0	0	10,310
Total amounts recommended in principle (US $)	Project costs		152,750	0	190,945	0	0	38,180	381,875
	Support costs		19,098	0	21,000	0	0	4,963	45,061
	Total funds		171,848	0	211,945	0	0	43,143	426,936

(VII) Request for approval of funding for the first tranche (2025)		
Implementing agency	**Funds recommended (US $)**	**Support costs (US $)**
UNEP	133,750	17,388
UNIDO	19,000	1,710
Total	**152,750**	**19,098**

Secretariat's recommendation:	Individual consideration

PROJECT DESCRIPTION

Background

1. On behalf of the Government of Antigua and Barbuda, UNEP as the lead implementing agency, has submitted a request for stage II of the HCFC phase-out management plan (HPMP), at a total cost of US $604,919, consisting of US $363,000, plus agency support costs of US $47,190 for UNEP and US $178,650, plus agency support costs of US $16,079 for UNIDO, as originally submitted.[2] The implementation of stage II of the HPMP will assist the country to maintain the HCFC consumption reductions achieved in previous years and ensure compliance with the total phase-out by 2030.

2. The first tranche of stage II of the HPMP being requested at this meeting amounts to US $304,670, consisting of US $177,500, plus agency support costs of US $23,075, for UNEP and US $95,500, plus agency support costs of US $8,595, for UNIDO, as originally submitted.

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

3. Stage I of the HPMP for Antigua and Barbuda was approved at the 66th meeting[3] to phase out 0.03 ODP tonnes of HCFCs used in the refrigeration and air-conditioning (RAC) servicing sector and to meet the 10 per cent reduction from the baseline by 2015, at a total cost of US $51,700, plus agency support costs. After numerous delays in implementation, the Executive Committee decided, at its 82nd meeting, to request the cancellation of stage I of the HPMP and the return of any outstanding balances.[4]

Report on HCFC consumption

4. The Government of Antigua and Barbuda reported under the country programme (CP) implementation report a consumption of 0.00 ODP tonnes of HCFC in 2024, which is 100 per cent below the HCFC baseline for compliance. The Article 7 data for 2024 has not been reported yet. The 2015–2024 HCFC consumption is shown in table 1.

Table 1. HCFC consumption in Antigua and Barbuda (2015–2024 Article 7 data)

HCFC-22	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024*	Baseline
Metric tonnes (mt)	1.07	0.24	0.07	0.41	0.00	0.54	1.08	0.00	0.00	0.00	5.51
ODP tonnes	0.06	0.01	0.00	0.02	0.00	0.03	0.06	0.00	0.00	0.00	0.30

*Data from the CP report.

5. Since 2015, the consumption of HCFCs in Antigua and Barbuda has been between 80 to 100 per cent below the baseline. When stage I was approved, the country had explained that HCFC-22 is typically imported into the country every second year to reduce shipping costs. Much lower amounts of HCFC-22 are imported in the second year of the cycle, depending on the level of stocks remaining from the previous year. The current trend of no consumption since 2022 is due to rapid decline in demand, use of residual stocks, use of R-417A as a direct drop-in replacement when servicing equipment charged with HCFC-22, and importers transitioning to HFC-based equipment since 2015, and more recently to HC-based equipment.

[2] As per the letter of 23 January 2025 from the Ministry of Foreign Affairs, Trade and Barbuda Affairs of Antigua and Barbuda to the Secretariat.

[3] Decision 66/33

[4] Decision 82/14(c)(i)

Country programme implementation report

6. The Government of Antigua and Barbuda reported HCFC sector consumption data under the 2023 CP implementation report that is consistent with the data reported under Article 7 of the Montreal Protocol.

Status of progress and disbursement

Legal framework

7. The External Trade Act (Cap. 163 of the Laws of Antigua and Barbuda) is administered by the Controller of Customs and allows control over the import and export of ozone-depleting substances (ODS) through requiring licenses and limiting or prohibiting controlled goods. This represents the core of the regulatory system. On 24 November 2016, a Cabinet decision mandated the implementation of a quota system to control quantities of ODS imported into the country and prohibited the importation of equipment containing HCFC-22. Annual quotas for the importation of HCFCs are determined by the National Ozone Unit (NOU) based on the allowable consumption and the market share of the six registered importers. The Ministry of Trade then issues the quotas, which are communicated to the customs department. Since 2017, new importers have been prohibited through a Cabinet decision from importing HCFC-22 into the country, but those already registered were not included, in order to meet the residual demand in the country. Antigua and Barbuda has not ratified the Kigali Amendment and enabling activities were approved at the 95th meeting.[5]

8. Under stage I, 93 customs officers and other enforcement personnel received training in the implementation of the licensing and quota system. Two refrigerant identifiers were purchased and made available to the customs department in 2014 to facilitate the inspection of refrigerant imports.

Refrigeration servicing sector

9. During the implementation of stage I of the HPMP, 10 trainers received training on the installation, servicing and handling of HC refrigerants, and 40 technicians were trained in good servicing techniques, including the installation and servicing of HCFC-based systems. One technician attended the Cool Training Initiative in Buildings, hosted by the Government of Germany in Saint Kitts and Nevis in 2016. Programmes were conducted to share information and educate target audiences on the HCFC phase-out efforts and on implications for stakeholders and consumers.

Project implementation and monitoring

10. During stage I, the NOU was supported by a consultant in the coordination of project activities, project implementation monitoring and progress reporting.

Level of fund disbursement

11. Of the US $51,700 approved in principle for stage I of the HPMP, US $45,850 was approved in the first tranche. Of the amount approved in the first tranche, US $27,235 had been disbursed (59 per cent, or 53 per cent of the amount approved in principle for the stage). The balance of US $18,615 was returned to the Multilateral Fund.

[5] Decision 95/34

Stage II of the HCFC phase-out management plan

Remaining consumption eligible for funding

12. After deducting 0.03 ODP tonnes of HCFCs associated with stage I of the HPMP, the remaining consumption eligible for funding would amount to 0.27 ODP tonnes of HCFC-22.

Sector distribution of HCFCs

13. There are approximately 400 technicians (including two women), of which half are estimated to work in the informal sector, and the other half in formal workshops operating in the servicing sector. There are two institutions, the Antigua State College (ASC) and the Antigua and Barbuda Institute of Continuing Education (ABICE), which offer two-year courses in RAC technology. HCFC-22-based equipment in the country includes split air-conditioning (AC) systems, ducted and central AC systems and chillers. In 2023, R-410A was the primary refrigerant used in the servicing sector (56 per cent) followed by HFC-134a (33 per cent), HFC-404A (8 per cent) and R-417A (as drop-in replacements of HCFC-22) (3 per cent); there was no usage of HCFC-22 in 2023, as shown in table 2.

Table 2. Estimation of refrigerant use in the RAC servicing in 2023 in Antigua and Barbuda

Subsector		**Estimation of refrigerant use in servicing (mt)**						
		HCFC-22	**R-410A**	**HFC-134a**	**R-404A**	**R-600A**	**R-417A**	**Total**
Domestic refrigeration		0.00	0.00	1.83	0.90	0.05	0.00	2.78
Commercial refrigeration	Stand-alone	0.00	0.00	1.22	0.24	0.00	0.00	1.46
Commercial refrigeration	Condenser units	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Commercial refrigeration	Centralized system	0.00	0.00	0.63	0.11	0.00	0.00	0.74
Industrial refrigeration		0.00	0.00	0.00	0.07	0.00	0.00	0.07
Transport refrigeration		0.00	0.00	0.61	0.07	0.00		0.68
Residential AC		0.00	8.20	0.00	0.00	0.00	0.32	8.52
Other AC		0.00	2.16	0.00	0.00	0.00	0.22	2.38
Chillers		0.00	0.00	0.31	0.00	0.00	0.00	0.31
MAC		0.00	0.00	1.51	0.00	0.00	0.00	1.51
Others		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total use		**0.00**	**10.36**	**6.11**	**1.39**	**0.05**	**0.54**	**18.45**

Phase-out strategy

14. Stage II of the HPMP aims to maintain the HCFC consumption reductions achieved in the last years and ensure compliance with the total phase-out by 2030. The Government of Antigua and Barbuda proposed the maximum allowable total consumption of 0.088 ODP tonnes for the period 2026-2027 and 0.071 ODP tonnes for the period 2028-2029.

15. Stage II of the HPMP will have three tranches and will focus on supporting the country to establish the conditions necessary to maintain the current levels of consumption and to ensure sustainable compliance with the total phase-out. This will be done through strengthening the regulatory framework for the control of HCFCs and the ban on HCFC-based equipment, expanding the standards framework to cover health, safety and energy efficiency, upgrading training curricula and facilities, establishing the registration of technicians in the formal and informal sectors, and building the capacity of technicians in good servicing

practices to minimize leakage in equipment during servicing including the equipment based on HCFC alternatives entering the market.

Proposed activities

16. The servicing sector activities originally proposed for implementation under stage II and the cost breakdown for the stage and in the first tranche are presented in table 3.

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

Component	Activity	Agency	Cost (US $)	
			Stage	First tranche
Strengthening the policy and regulatory framework	• Amend legislation[6] and draft regulatory framework to strengthen controls for HCFC trade, a requirement of technician registration, restriction of the sale of controlled substances to those on the register, requirement for refrigerant retailers to keep a record of all refrigerant sales, prohibition of the importation of equipment containing HCFCs by 2027, and enhance the licensing and quota system; • Draft a brief to capture the elements to be included in the expanded and strengthened regulatory framework, convene stakeholder consultations, and submit to Cabinet, pursue enactment/adoption.	UNEP	35,500	34,000
Expansion of the standards framework	• Expand the standards framework to improve safety in transportation, handling and storage of controlled substances and alternatives, and in design, installation and servicing of RAC systems; enhance consumer protection through improved labelling • Develop an action plan in coordination with the Antigua and Barbuda Bureau of Standards; establish a technical committee, meetings of the technical committees; research on standards in other jurisdictions, review and adoption of standards.	UNEP	15,000	6,000
Restoring the Antigua and Barbuda Association of Refrigeration Technicians (ABART)	• Develop the Charter, Articles of incorporation and bylaws of the ABART, entity registration, and meetings; • ABART support of technician training and registration, public education and awareness programmes, inventory of RAC equipment in use; and research into emerging technologies.	UNEP	34,000	14,500
Enforcement of the licensing and quota system	• Review the customs' training curriculum to incorporate new refrigerants, updated regulations, and licensing and quota procedures; and • Conduct one training workshop for 20 trainers and four training workshops per annum for customs and enforcement officers, brokers and the licensing authority, aiming at 260 trainees overall and production of training material.	UNEP	53,000	29,500
Training and registration of RAC technicians	• Review the RAC training curriculum to incorporate good servicing practices and working safely with low- or zero-GWP refrigerants and production of training materials, including a step-by-step guide to good servicing practices;	UNEP	144,800	68,000

[6] Montreal Protocol Act (Substances that Deplete the Ozone Layer) (No. 13 of 1992)

Component	Activity	Agency	Cost (US $)	
			Stage	First tranche
	• Conduct four training workshops per annum aiming at 70 technicians per year until 2030; • Design and implement a technician registration programme; and • Provide four scholarships annually to women studying RAC programmes (two per training institution), and promotion of women embracing careers in the RAC sector.			
Upgrade of training facilities	• Conduct a needs assessment of ASC and the ABICE training facilities for improved quality of training; procurement and delivery of tools and equipment;[7] and • Procurement of three refrigerant identifiers to identify HCFCs, HFCs and low- or zero-GWP refrigerants to support customs.	UNIDO	178,650	95,500
Education and awareness	• Implement an awareness programme, including production of promotional materials targeting the public, RAC technicians, and equipment importers on policy and regulatory changes, replacement of refrigerants, new technologies, and environmental benefits of natural refrigerants; • Engage students in educational programmes related to ozone layer protection and climate change mitigation; • Issue press releases, airtime on local radio and television; and • Hold regular stakeholder meetings to share information and discuss challenges.	UNEP	40,700	13,500
Project monitoring	• Preparation of work plans, progress and tranche reports, and project implementation monitoring.	UNEP	40,000	12,000
		Subtotal for UNEP	***363,000***	***177,500***
		Subtotal for UNIDO	***178,650***	***95,500***
		Total	**541,650**	**273,000**

Project implementation and monitoring

17. To ensure timely implementation, the Government has strengthened the capacity of the NOU with the addition of a National Ozone Assistant (NOA) to the staff complement and has established the Independent Ozone Oversight Committee to provide oversight of the NOU and monitoring of the HPMP implementation. The committee meets quarterly and receives regular and ad hoc reports from the NOU. The cost of monitoring and implementation activities amounts to US $40,000 for UNEP, which will cover a project staff/consultant, domestic travel, meetings and workshops, and other operational costs.

[7] Including, based on initial assessment of ABICE: Refrigeration manifold gauge, vacuum pumps, micron gauge, electronic leak detectors, thermometers, and multi-meter tester, digital fault detector and amprobe, refrigeration assimilators, weight scales for recovery and charging, textbook Modern Refrigeration and Air-Conditioning 21st edition; and based on assessment of ASC: Refrigeration training unit, refrigeration charging station, portable washer, vacuum pump, refrigeration gauges, recovery cylinders, vacuum gauges, recovery units, leak detectors, refrigerant scale, multi-meter testers, copper pipe bender, flaring tools.

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

18. The total cost of stage II of the HPMP for Antigua and Barbuda was estimated at US $541,650 (plus agency support costs), as originally submitted, for achieving a 100 per cent reduction by 2030. The proposed activities and cost breakdown are summarized in table 3 above.

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

19. The first funding tranche of stage II of the HPMP, originally submitted for the total amount of US $273,000, will be implemented between June 2025 and December 2027. Detailed information on the activities to be implemented under the first tranche, including adjustments and the level of funds agreed, are presented in paragraph 29.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

20. The Secretariat reviewed stage II of the HPMP in light of stage I, the policies and guidelines of the Multilateral Fund, including the criteria for funding HCFC phase-out in the consumption sector for stage II of HPMPs (decisions 74/50 and 90/31), and the 2025–2027 business plan of the Multilateral Fund. In particular, the Secretariat noted the specific circumstances of the country, where stage I of the HPMP was cancelled at the 82nd meeting, and that the country has achieved reductions.

Overarching strategy

21. Although Antigua and Barbuda established a licensing and quota system for the imports of HCFCs and initiated the planned activities under stage I of the HPMP, due to the cancellation of stage I of the HPMP at the 82nd meeting, there has been no significant intervention to establish the enabling environment to support and maintain the phase-out. The country has nevertheless achieved HCFC reductions, and the Government of Antigua and Barbuda proposes to maintain the HCFC consumption reductions achieved and ensure compliance with the total phase-out by 2030. To create the enabling environment for this purpose, the strategy for stage II includes the establishment of a solid legislative and policy framework; supporting capacity building interventions for the servicing sector including training for RAC technicians and the safe use of alternatives to HCFCs; improving the RAC curriculum and upgrading training institutions to support the transition to HCFC alternatives; training of importers, customs officers and customs brokers in the proper classification of HCFCs, alternatives and related equipment; monitoring illegal trade and border protection, and a public awareness campaign on HCFC phase-out and transition to alternatives.

22. Although the country had no HCFC imports since 2022, UNEP explained that the consumption trend needs to continue being monitored to confirm that there is zero consumption of HCFCs, as there is still HCFC-based equipment in the country. UNEP further indicated that the Government of Antigua and Barbuda carefully considered the current HCFC consumption in the country before proposing the maximum allowable consumption levels of 0.088 in 2026 and 2027, and 0.071 in 2028 and 2029, which are lower than the Montreal Protocol targets.

23. Similarly, with regard to the servicing tail, [8] the Government of Antigua and Barbuda will provide confirmation when requesting the last tranche of stage II that there is no further need of HCFCs for servicing in the country. In case the servicing tail is needed, in line with decision 86/51, to allow for consideration of the final tranche of its HPMP, the Government of Antigua and Barbuda agreed to submit a detailed

[8] Article 5, paragraph 8 ter(e)(i), of the Montreal Protocol: HCFC consumption may exceed zero in any year so long as the sum of its calculated levels of consumption over the ten-year period from 1 January 2030 to 1 January 2040, divided by 10, does not exceed 2.5 per cent of the HCFC baseline.

description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption is in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040, and the expected annual HCFC consumption in Antigua and Barbuda for the period 2030–2040.

Legal framework

24. The Government of Antigua and Barbuda issued HCFC import quotas for 2025 at 1.77 mt (0.098 ODP tonnes), which is in accordance with the Montreal Protocol control targets. The Government committed to a reduction of its quotas from 2026 to 2029 to align with their proposed maximum allowable total consumption of HCFCs for these years.

Technical and cost-related issues

25. The Secretariat had detailed discussion with UNEP on the total cost for stage II of the HPMP, noting that the proposed costs were based on the difference between the eligible costs for the complete phase-out and the net funding received in stage I. The Secretariat noted that despite the cancellation of stage I, the 2020 target was achieved and the country's consumption, since then, has been sustained below that target with zero imports and consumption levels in the last three years. Notwithstanding the fact that stage II is being submitted in 2025 and that consumption is already below the 67.5 reduction target, the Secretariat noted that the country needs to enable an environment that brings sustainability to these reductions, and to ensure that the country continues complying with the consumption targets from 2025 to 2029 and total phase-out in 2030, as well as to prepare the country for the HFC phase-down. The cost for stage II of the HPMP was therefore agreed at US $381,875, based on decision 74/50(c)(xii).[9]

Licensing and quota systems and ban of imports of equipment using HCFCs

26. The licensing and quota system in the country has been established by a Cabinet decision in 2016, which, as indicated by UNEP, has the value of a policy statement from the highest-level of Government. The Secretariat enquired whether such a system would meet the requirement of decision 63/17 on the existence of an enforceable national system of licensing and quotas for HCFC imports, capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule. UNEP confirmed the system has been fully functioning and operating to support the Montreal Protocol phase-out targets and further clarified that the External Trade Act and its Statutory Instrument No. 42 of 1999 (External Trade Import Prohibition (No. 4) Order) empowered the Minister to require a licence for the importation of controlled goods, and to prohibit or limit such importation. Legislating this matter and the prohibition of imports of HCFC-based equipment, both currently supported by the same Cabinet decision, are part of the strengthening of the regulatory framework planned to be undertaken under stage II through the amendments to the Montreal Protocol Act and the enactment of supporting regulations. UNEP reported to have raised the issue with the Government, who committed to have the relevant legislation/regulation in force by 1 January 2027.

Technician registration programme

27. On the technician registration programme, UNEP clarified that it is not intended to be a certification scheme. Under the registration programme, technicians operating in the formal and informal sectors who receive training in good servicing practices at the ASC and the ABICE, with a focus on HCFCs, HFCs and

[9] Inter alia that low-volume-consuming (LVC) countries would be provided with funding consistent with the level of consumption in the RAC servicing sector on the understanding that project proposals would still need to demonstrate that the funding level was necessary to achieve the phase-out targets.

other alternatives refrigerants, will be registered by the NOU upon successful completion of the prescribed training programme. Formal registration will serve as a qualification to purchase refrigerants.

Total project cost

28. In response to the comments from the Secretariat, detailed in paragraphs 25 to 27 above, UNEP, UNIDO and the Government of Antigua and Barbuda agreed to revise the activities, and all costs proposed for stage II of the HPMP noting that the most critical activities are to get the country back to speed and receive the required assistance to ensure that the legal framework and its enforcement by customs are strengthened to support sustained HCFC phase-out, that the technicians are trained, and that the technical institutions are strengthened to support the HCFC phase-out and prepare for the HFC phase-down. The revised activities and costs are presented in table 4 below.

Table 4. Servicing sector activities and their costs under stage II of the HPMP for Antigua and Barbuda, as agreed

Component	Activity	Agency	Cost (US $)	
			Stage	First tranche
Strengthening the policy and regulatory framework	• Amend legislation[10] and draft regulatory framework to include controls for HCFC trade, a requirement of technician registration, restriction of the sale of controlled substances to those on the register, requirement for refrigerant retailers to keep a record of all refrigerant sales, prohibition of the importation of equipment containing HCFCs by 2027, and enhance the licensing and quota system; and • Draft brief to capture the elements to be included in the expanded and strengthened regulatory framework, convene stakeholder consultations, and submit to Cabinet, pursue enactment/adoption.	UNEP	23,765	23,265
Expansion of the standards framework	• Expand the standards framework to improve safety in transportation, handling and storage of controlled substances, and in design, installation and servicing of RAC systems; enhance consumer protection through improved labelling; and • Develop an action plan in coordination with the Antigua and Barbuda Bureau of Standards, establishment of a technical committee, research on standards in other jurisdictions, review and adoption of standards.	UNEP	0*	0*
Institutional arrangements	• Restore and revitalise ABART, development of its Charter and articles of incorporation. Regular meetings of ABART*; and • Through ABART, support design and implementation of technician training and registration; conduct an inventory of RAC equipment use; monitor new refrigerants to assess their performance in the local environment and make recommendations; and support public awareness.	UNEP	3,850	2,850
Enforcement of the licensing and quota system	• Review the customs' training curriculum to incorporate new refrigerants, updated regulations, and licensing and quota procedures and update and distribution of the customs handbook; and • Conduct one training workshop for 20 trainers and four training workshops per annum for customs and enforcement officers, brokers and the licensing authority,	UNEP	56,920	40,035

[10] Montreal Protocol Act (Substances that Deplete the Ozone Layer) (No. 13 of 1992)

Component	Activity	Agency	Cost (US $)	
			Stage	First tranche
	aiming at 260 trainees overall (50 per cent female participation expected) and the production of training material.			
Training and registration of RAC technicians	• Review the RAC training curriculum to incorporate good servicing practices and working safely with natural refrigerants and the production of training materials, including a step-by-step guide to good servicing practices; • Conduct four training workshops per annum aiming at 70 technicians per year until 2030 and targeting a high-rate participation from women[11]; • Design and implement a technician registration programme; and • Provide four scholarships annually to women studying RAC programmes (two per training institution), and promotion of women embracing careers in the RAC sector.	UNEP	127,400	48,500
Upgrade of training facilities	• Conduct a needs assessment of the ASC and the ABICE training facilities for improved quality of training; procurement and delivery of tools and equipment; [12] and • Procurement of three refrigerant identifiers to identify HCFCs, HFCs and natural refrigerants to support customs.	UNIDO	114,560	19,000
Education and awareness	• Implement an awareness programme, including production of promotional materials targeting the public, RAC technicians, equipment importers on policy and regulatory changes, replacement of refrigerants, new technologies and environmental benefits of the transition to natural refrigerants; • Engage students in educational programmes related to ozone layer protection and climate change mitigation; • Issue press releases, airtime on local radio and television; • Hold regular stakeholder meetings to share information and discuss challenges.	UNEP	20,600	6,600
Project monitoring	• Preparation of work plans, progress and tranche reports, project implementation monitoring.	UNEP	34,780	12,500
		Subtotal for UNEP	***267,315***	***133,750***
		Subtotal for UNIDO	***114,560***	***19,000***
	Total		**381,875**	**152,750**

* This activity will be completed without MLF funds

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

29. The funding for the first tranche was agreed at US $152,750. The agreed plan of action will include the following activities:

(a) *Strengthening the policy and regulatory framework*: Develop and submit a Memorandum to the Cabinet of Ministers to extend the licensing and quota system for HCFCs to include

[11] Trainees will be provided with tools and equipment needed for working safely with refrigerants (safety goggles, chemical-resistant gloves and respirators), including the replacement substances entering the market. Each cohort will also be provided recovery cylinders, leak detectors, tube cutting, flaring, brazing and swaging tools, pipe benders, digital mustimeter and vacuum gauges.

[12] Same as footnote 6

HFCs and all refrigerants; amend regulations to provide a legal basis for implementing and enforcing an expanded licensing and quota system, require the registration of RAC service technicians, restrict of the sale of controlled substances to those technicians on the register; update the refrigerant importer registration requirements; require refrigerant retailers to keep a record of all refrigerant sales, and prohibit, in legislation, the importation of equipment containing HCFCs by 2027; and begin to develop national standards to promote health and safety practices, and environmental and consumer protection in the refrigeration servicing sector (UNEP) (US $23,265);

(b) *Institutional arrangements*: Strengthen coordination among key stakeholders; support the restoring of ABART as a not-for-profit trade association, and through ABART, conduct an inventory of RAC equipment use; monitor new refrigerants to assess their performance in the local environment and make recommendations; and support public awareness (UNEP) (US $2,850);

(c) *Enforcement of the licensing and quota system*: Review and update the customs' training curriculum; produce training materials; conduct a workshop for 20 trainers; conduct three training workshops for 20 enforcement officers each, and one workshop for customs brokers (UNEP) (US $40,035);

(d) *Training and registration of RAC technicians*: Review and update the RAC training curriculum and produce training materials; advertise and promote the technicians training and registration programme among practicing technicians with the support of ABART; identify training facilities and engage trainers; develop registration procedures,; conduct training workshops for three batches of 15 trainees each; and offer and promote one scholarship per year for women at each of the two training institutions (UNEP) (US $48,500);

(e) *Upgrade of training facilities*: Conduct a review of the training materials and tools at ABICE and ASC, identify the most pressing needs, finalize the list of equipment to acquire, and initiate procurement; procure three refrigerant identifiers for customs to support enforcement training (UNIDO) (US $19,000);

(f) *Education and awareness*: Produce promotional materials (posters, infographics, leaflets) to inform stakeholders of the stage II HPMP activities, technical material on replacement technologies entering the market and issues related to health and safety, climate considerations, consumer choices and economic benefits; conduct two school visits to promote the Montreal Protocol; convene two meetings with stakeholders (e.g., importers, technicians, customs officers, licensing authority, customs brokers) to share information on progress with project implementation, discuss challenges and possible solutions, and share information on emerging technologies (UNEP) (US $6,600); and

(g) *Project monitoring*: (UNEP) (US $12,500) to engage a consultant (US $10,000), support local travel (US $1,100), and meetings and supplies (US $1,400).

Co-financing

30. The Government will provide the necessary office space and amenities, conference and meeting facilities, and transportation to and from project activity venues, as co-financing for the project.

2025–2027 draft business plan of the Multilateral Fund

31. UNEP and UNIDO are requesting US $381,875, plus agency support costs, for the implementation of stage II of the HPMP for Antigua and Barbuda. The total requested value of US $383,793, including agency support costs for the period of 2025–2027, is US $240,139 above the amount in the business plan.

Gender policy implementation

32. The Government of Antigua and Barbuda has incorporated the Multilateral Fund's gender mainstreaming policy into stage II of the HPMP. During project preparation, the NOU captured gender disaggregated data and encouraged women to apply for opportunities in support of the HPMP. As a result of these efforts one consultation meeting to prepare stage II achieved near gender parity, with 22 women who attended out of 53 participants. During stage II the NOU will continue to collect and report gender disaggregated data, use more imagery of women in its publications, encourage women to participate in training sessions and consultations, and apply for available job opportunities under the HPMP. To be highlighted is the scholarship programme for women training in RAC servicing, which consists of four scholarships annually to women studying RAC programmes in the two vocational institutes in the country, to promote women embracing careers in the RAC sector.

Sustainability of the HCFC phase-out and assessment of risks

33. Considering the problems with the implementation of stage I and the long delays that led to its cancellation, the Secretariat enquired about the implementation capacity of the country, and the stability of the institutional framework, including the NOU. UNEP informed the Secretariat of the following decisions taken by the Government to strengthen capacity and stability within the NOU and external measure to strengthen implementation: (a) An NOA has been added to the staff of the NOU. [13] The NOA has already proven to be an important addition to the team and work of the NOU, responding to requests, providing information, submitting progress reports, submitting CP and Article 7 data online and supporting the national ozone officer (NOO). (b) An Independent Ozone Oversight Committee has been established.[14] It operates independently of the NOU and provides oversight of the NOU. Under the chairmanship of the Permanent Secretary, the committee provides a valuable monitoring role to the implementation of the portfolio of projects related to the Montreal Protocol, identifying risks and providing interventions in advance. It is UNEP's view that this framework reflects the commitment of the Government to ensure timely implementation and support the needed capacity building to sustain achievements. It was also agreed that consideration of the second tranche of the HPMP will be upon confirmation of the Government of Antigua and Barbuda of completion of the review and update of the licensing and quota system regulations; the review and update of the customs training curriculum; the conduct of a workshop for trainers and a training workshop for enforcement officers; and the review of the training materials and tools needed at ASC and ABICE and finalisation of the list of equipment to be acquired and initiation of the relevant procurement process.

Impact on the climate

34. The activities proposed in the servicing sector, which include better containment of refrigerants through training and provision of equipment, will reduce the amount of HCFC-22 used in servicing. Each kilogram of HCFC-22 not emitted due to better refrigeration practices results in the savings of approximately 1.8 CO_2-equivalent tonnes. Although a calculation of the impact on the climate was not included in the HPMP, the activities planned by Antigua and Barbuda, including its efforts to strengthen the regulatory system, and to reduce leakage through training of RAC technicians, indicate that the

[13] As explained in paragraph 17
[14] Idem

implementation of the HPMP will sustain the reduction of refrigerant emissions into the atmosphere, resulting in climate benefits.

Draft Agreement

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

RECOMMENDATION

36. The Executive Committee may wish to consider:

(a) Approving, in principle, stage II of the HCFC phase-out management plan (HPMP) for Antigua and Barbuda for the period from 2025 to 2030 for the complete phase-out of HCFC consumption, in the amount of US $426,936, consisting of US $267,315, plus agency support costs of US $34,751, for UNEP and US $114,560, plus agency support costs of US $10,310, for UNIDO on the understanding that no more funding from the Multilateral Fund will be provided for the phase-out of HCFCs;

(b) Noting the commitment of the Government of Antigua and Barbuda to ban the import of HCFC-based equipment by 1 January 2027; and to completely phase out HCFCs by 1 January 2030, and that HCFCs will not be imported after that date, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol;

(c) Deducting 0.27 ODP tonnes of HCFCs from the remaining HCFC consumption eligible for funding;

(d) Approving the draft Agreement between the Government of Antigua and Barbuda and the Executive Committee for maintaining the HCFC consumption reductions achieved in previous years and ensuring compliance with the total phase-out by 2030, in accordance with stage II of the HPMP, contained in annex I to the present document;

(e) That, in case the Government of Antigua and Barbuda opts for a servicing tail, to allow for consideration of the final tranche of its HPMP, the Government 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 Antigua and Barbuda for the period 2030–2040;

(f) Approving the first tranche of stage II of the HPMP for Antigua and Barbuda, and the corresponding tranche implementation plan, in the amount of US $171,848, consisting of US $133,750, plus agency support costs of US $17,388, for UNEP, and US $19,000, plus agency support costs of US $1,710, for UNIDO.

(g) That, to allow for consideration of the second tranche of its HPMP, the Government of Antigua and Barbuda should submit confirmation of completion of the following activities:

  (i) Review and update of the licensing and quota system regulations;

(ii) Review and update of the customs training curriculum; conduct of a workshop for 20 trainers and one training workshop for 20 enforcement officers;

(iii) Review of the training materials and tools needed at the Antigua State College and the Antigua and Barbuda Institute of Continuing Education, finalisation of the list of equipment and initiation of the procurement process.

Annex I

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF ANTIGUA AND BARBUDA 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 Antigua and Barbuda (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 0.00 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.

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (ODP tonnes)
HCFC-22	C	I	0.30

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)	0.098	0.098	0.098	0.098	0.098	0.00	n/a
1.2	Maximum allowable total consumption of Annex C, Group I substances (ODP tonnes)	0.098	0.088	0.088	0.071	0.071	0.00	n/a
2.1	Lead IA (UNEP) agreed funding (US $)	133,750	0	95,385	0	0	38,180	267,315
2.2	Support costs for Lead IA (US $)	17,388	0	12,400	0	0	4,963	34,751
2.3	Cooperating IA (UNIDO) agreed funding (US $)	19,000	0	95,560	0	0	0	114,560
2.4	Support costs for Cooperating IA (US $)	1,710	0	8,600	0	0	0	10,310
3.1	Total agreed funding (US $)	152,750	0	190,945	0	0	38,180	381,875
3.2	Total support costs (US $)	19,098	0	21,000	0	0	4,963	45,061
3.3	Total agreed costs (US $)	171,848	0	211,945	0	0	43,143	426,936
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (ODP tonnes)							0.098
4.1.2	Phase-out of HCFC-22 to be achieved in the previous stage (ODP tonnes)							0.202**
4.1.3	Remaining eligible consumption for HCFC-22 (ODP tonnes)							0.00

* Stage I was cancelled as per decision 82/14
** Including 0.03 ODP tonnes in stage I and an additional 0.172 ODP tonnes phased out by the country

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. Responsibility for implementing the Plan lies with the Ministry of Foreign Affairs, Trade and Barbuda Affairs, within which the National Ozone Unit is located. The Permanent Secretary of the Ministry is its Chief Accounting Officer and shall have overall responsibility for the project. Day to day project execution will be the responsibility of the National Ozone Officer who will be assisted by a National Ozone Assistant to be hired for this purpose. The design of project activities will be undertaken in consultation with stakeholders.

2. Implementation will involve the Lead IA throughout the project life. This will include receiving guidance from the Lead IA, submission of periodic progress, including financial reports and coordination of tranche requests in accordance with this Agreement. The NOU and the Lead IA will coordinate with the Cooperating IA to deliver its component(s) of the project. These agencies will utilize the established procedures governing procurement, financial management, reporting and monitoring of the relevant implementing agency and international funding facilities, specifically the Multilateral Fund. Implementation 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 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.