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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
Item 9(d) of the provisional agenda[1]

PROJECT PROPOSAL: FIJI

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

Phase-down

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

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

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Fiji

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

LATEST ARTICLE 7 DATA (Annex F)	Year: 2024	94.69 mt	289,332 CO_2-eq tonnes

SECTORAL HFC CONSUMPTION DATA (CO_2-eq tonnes) AND ACTIVITIES									
	Aerosol	Foam	Fire-fighting	Air-conditioning and refrigeration			Servicing	Solvent	Other
				Manufacturing					
				Refrigeration	AC	Other			
Latest CP report (2024)							250,797		
KIP stage I activities as agreed (Y/N)							Y		

AVERAGE 2020–2022 HFC CONSUMPTION IN SERVICING	108.27 mt	320,862 CO_2-eq tonnes

BASELINE CONSUMPTION DATA (CO_2-eq tonnes)	2020	2021	2022	Average 2020-2022
HFC annual consumption	226,444	302,961	433,181	320,862
HCFC baseline (65%)				122,666
HFC baseline				443,528

HFC CONSUMPTION ELIGIBLE FOR FUNDING (CO_2-eq tonnes)	
Starting point for sustained aggregate reductions	n/a
Previously approved HFC phase-down investment projects	No
Aggregate reductions from previously approved projects	n/a

PROJECT DATA AS AGREED			2025*	2026	2027	2028	2029	Total
Consumption (CO_2-eq tonnes)	Montreal Protocol limits		443,528	443,528	443,528	443,528	399,175	n/a
	Maximum allowable		443,528	443,528	443,528	443,528	399,175	n/a
	Reduction from baseline (%)		0	0	0	0	10	n/a
Amounts recommended in principle (US $)	UNEP	Project costs	58,000	0	68,000	0	0	126,000
		Support costs	7,540	0	8,840	0	0	16,380
	UNDP	Project costs	44,000	0	0	0	0	44,000
		Support costs	5,720	0	0	0	0	5,720
	Total project costs		102,000	0	68,000	0	0	170,000
	Total support costs		13,260	0	8,840	0	0	22,100
	Total funds		115,260	0	76,840	0	0	192,100

***** Recommended for approval at the present meeting

Reduction from remaining consumption eligible for funding in stage I (CO_2-eq tonnes)	n/a

Secretariat's recommendation	Individual consideration

PROJECT DESCRIPTION

1. The present document contains the following sections:

I. Summary of the proposal as submitted

II. Background: Status of implementation of the HCFC phase-out management plan and previous HFC-related activities

III. HFC consumption overview: HFC consumption levels, trends, and consumption by sector

IV. Stage I of the Kigali HFC implementation plan, as submitted: Regulatory framework, phase-down strategy, total stage cost, and implementation plan for the first tranche

V. Secretariat's comments, including the agreed cost of activities

VI. Recommendation

I. Summary of the proposal as submitted

2. On behalf of the Government of Fiji, UNEP as the lead implementing agency has submitted a request for stage I of the Kigali HFC implementation plan (KIP), at a total cost of US $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, as originally submitted.[2]

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

4. The first tranche of stage I of the KIP being requested at this meeting amounts to US $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, as originally submitted, for the period of January 2026 to December 2027.

II. Background

Status of implementation of the HCFC phase-out management plan

5. Table 1 presents information on the HCFC phase-out management plan (HPMP) in Fiji as of October 2025.

Table 1. HPMP implementation status for Fiji

Particulars	Stage I	Stage II
Meetings when HPMP was approved/updated	65th/73rd/86th	88th/96th
Reduction from baseline	35% by 2020	100% by 2030
Total stage cost (US $)	315,000	685,000
Date of completion (actual/planned)	31 December 2022	31 December 2031

[2] As per the letter of 13 August 2025 from the Ministry of Environment and Climate Change (MECC) of Fiji to UNDP.

Status of implementation of previous HFC-related activities

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

Table 2. Previously approved HFC-related activities in Fiji

Approval meeting	Project title	Implementing agency	Cost (US $)	Date of completion
75th	Survey of ODS alternatives	UNEP	35,000	December 2016
80th	Enabling activities for HFC phase-down	UNDP	150,000	August 2021

III. HFC consumption overview

HFC consumption levels

7. Fiji only imports HFCs for use in the refrigeration and air-conditioning (RAC) servicing sector. The most consumed substances in 2024 were R-404A (62.8 per cent of total HFC consumption in CO_2-equivalent (CO_2-eq) tonnes), R-410A (14.3 per cent), R-507A (13.6 per cent), HFC-134a (9.2 per cent), and other HFCs (0.3 per cent or less). Table 3 presents the country's HFC consumption as reported to the Ozone Secretariat under Article 7 of the Montreal Protocol and the country's HFC baseline.

Table 3. HFC consumption (2020–2024 Article 7 data) and baseline in Fiji

HFC	GWP	2020	2021	2022	2023	2024
Metric tonnes (mt)						
HFC-134a	1,430	25.88	15.99	33.65	19.25	18.61
HFC-23	14,800	0.00	0.50	0.03	0.00	0.00
HFC-32	675	0.35	-0.07	2.99	8.42	-0.27
R-404A	3,922	30.64	56.02	76.51	42.48	46.35
R-407C	1,774	2.94	1.99	1.63	3.27	0.50
R-410A	2,088	18.70	16.57	20.94	48.58	19.89
R-427A	2,138	0.00	0.90	0.00	-0.01	-0.28
R-449A	1,396	0.00	0.00	0.23	0.00	0.03
R-507A	3,985	6.22	3.27	8.95	5.65	9.87
Total (mt)		**84.73**	**95.16**	**144.91**	**127.64**	**94.69***
CO_2-eq tonnes						
HFC-134a	1,430	37,010	22,866	48,115	27,528	26,605
HFC-23	14,800	0	7,400	444	0	0
HFC-32	675	234	-49	2,015	5,684	-180
R-404A	3,922	120,155	219,669	300,031	166,584	181,751
R-407C	1,774	5,212	3,527	2,886	5,793	882
R-410A	2,088	39,046	34,580	43,709	101,413	41,517
R-427A	2,138	0	1,933	0	-24	-603
R-449A	1,396	0	0	317	0	48
R-507A	3,985	24,787	13,036	35,663	22,515	39,312
Total (CO_2-eq tonnes)		**226,444**	**302,961**	**433,181**	**329,493**	**289,332**
HFC baseline calculation (CO_2-eq tonnes)						
HFC average consumption in 2020–2022						320,862
HCFC baseline (65%)						122,666
HFC baseline						**443,528**

*0.01 mt difference due to rounding-off.

Country programme implementation report

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

HFC consumption trends

9. Between 2020 and 2021, the COVID-19 pandemic caused a significant economic downturn, affecting the tourism sector due to widespread closures, as well as the fisheries sector. This led to a stagnation in HFC demand. A gradual recovery began in 2021 with controlled international travel, prompting a moderate increase in HFC consumption. In 2022, a post-pandemic rebound in both tourism and fisheries led to a sharp rise in HFC consumption, attributed to the reactivation of cooling equipment that had been idle for nearly two years, as well as the expansion of cooling infrastructure to meet the previously repressed demand. In 2023, consumption remained high, reflecting continued recovery across the local market. The slight decline in 2024 was due to the stabilization of the market and the enforcement by the Government of Fiji of national HFC control measures, including the introduction of a quota system.

HFC consumption by sector

10. HFCs are mainly consumed for servicing in the commercial and industrial refrigeration (56.7 per cent in mt and 73.6 per cent in CO_2-eq tonnes), followed by the residential air-conditioning (23.3 per cent in mt and 16.6 per cent in CO_2-eq tonnes), mobile air-conditioning (MAC) (17.9 per cent in mt and 8.7 per cent in CO_2-eq tonnes), and other subsectors, as shown in tables 4 and 5.[3]

Table 4. HFC consumption in Fiji in the refrigeration and AC servicing subsectors in metric tonnes (2024)

Sector	HFC-134a	HFC-23	HFC-32	R-404A	R-407C	R-410A	R-427A	R-449A	R-507A	Total	Share of total (%)
Refrigeration and AC servicing											
Refrigeration subsectors											
Domestic	0.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.33	0.4
Commercial and industrial	2.03	0.00	0.00	46.35	0.00	0.00	0.00	0.03	0.00	48.41	56.7
Air-conditioning subsectors											
Residential	0.00	0.00	0.00	0.00	0.00	19.88	0.00	0.00	0.00	19.88	23.3
Commercial including chillers	0.95	0.00	0.00	0.00	0.50	0.00	0.00	0.00	0.00	1.45	1.7
Mobile	15.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15.30	17.9
Total	**18.61**	**0.00**	**0.00**	**46.35**	**0.50**	**19.88**	**0.00**	**0.03**	**0.00**	**85.37**	**100**

Table 5. HFC consumption in Fiji in the refrigeration and AC servicing subsectors in CO_2-eq tonnes (2024)

Sector	HFC-134a	HFC-23	HFC-32	R-404A	R-407C	R-410A	R-427A	R-449A	R-507A	Total	Share of total (%)
Refrigeration and AC servicing											
Refrigeration subsectors											
Domestic	472	0	0	0	0	0	0	0	0	472	0.2
Commercial and industrial	2,903	0	0	181,754	0	0	0	48	0	184,704	73.6
Air-conditioning subsectors											
Residential	0	0	0	0	0	41,508	0	0	0	41,508	16.6

[3] The sectoral data for 2024 included in tables 4 and 5 differs from the Article 7 data, as the former pertains to the use of HFCs in servicing, while the latter presents the consumption of HFCs.

Sector	HFC-134a	HFC-23	HFC-32	R-404A	R-407C	R-410A	R-427A	R-449A	R-507A	Total	Share of total (%)
Commercial including chillers	1,359	0	0	0	882	0	0	0	0	2,240	0.9
Mobile	21,872	0	0	0	0	0	0	0	0	21,872	8.7
Total	**26,605**	**0**	**0**	**181,754**	**882**	**41,508**	**0**	**48**	**0**	**250,797**	**100**

Refrigeration and air-conditioning servicing sector

11. There are approximately 1,515 technicians (including 10 women) and 572 workshops consuming HFCs in Fiji. Of these workshops, 85 per cent are dedicated to stationary air-conditioning and refrigeration applications, while 20 per cent provide MAC servicing for private passenger cars, trucks, and buses. The workshops are categorized by size based on the number of trained technicians employed: small-sized (one to three technicians, 45.7 per cent), medium-sized (four to six technicians, 34.1 per cent), and large-sized workshops (more than six technicians, 20.2 per cent).

12. A total of 572 registered entities is authorized to operate, handle and store Montreal Protocol controlled substances. These comprise 70 per cent servicing companies and 30 per cent other entities, including hotels, institutions, retailers, companies with in-house RAC servicing, and automobile companies. Trained technicians are those who have completed the accreditation in handling ODS and HFCs from approved and accredited institutions. Typically, small- and medium-sized servicing workshops are owned by trained technicians.

13. Under the current regulations, RAC and MAC technicians must obtain a license issued and authorized by the Director of Environment (DOE) to handle refrigerants. Licenses are issued based on academic qualifications, professional experience, and training in good practices in refrigeration provided by the MECC and the Fiji National University. Similarly, any entity involved in RAC/MAC business must also obtain a permit issued and authorized by the DOE to buy, store and sell ODS and HFCs.

14. There are five main technical institutes in Fiji offering RAC training to between 135 and 165 trainees annually. The national ozone unit (NOU) coordinates and uses facilities at the Fiji National University to train technicians on good servicing practices.

15. The NOU's training manual on good practices in refrigeration is updated annually. The training curriculum has been revised to include modules on the safe handling of low-global-warming-potential (GWP) and flammable refrigerants. The curriculum is aligned with the standards of the Fiji Higher Education Commission. Additionally, standard operating guidelines for the safe handling of flammable refrigerants have been developed and are distributed to technicians during training sessions.

Domestic refrigeration servicing

16. Domestic refrigeration includes appliances such as refrigerators, freezers, and refrigerator/freezer combinations, primarily used for food storage in homes, offices, and small businesses. Most refrigerators operate using refrigerants such as isobutane (R-600a) and HFC-134a, with capacities ranging between 320 and 600 litres and typical charges of 60-120 g of R-600a or 180-400 g of HFC-134a.

17. The estimated installed base is 164,155 refrigerators. Although the import of HFC-134a-based units is not prohibited in Fiji, their share has declined due to a shift toward R-600a. Approximately 35 per cent of installed units still use HFC-134a. Assuming a conservative charge of 180 g per unit, this corresponds to an estimated bank of 10,341 kg of HFC-134a. As the installed base of HFC-134a-based units continue to age, it is expected that the demand for servicing will remain at similar levels and possibly increase over the years.

Commercial and industrial refrigeration servicing

18. The commercial and industrial refrigeration servicing sector is the largest consumer of HFCs and relies predominantly on R-404A for low-temperature applications in cold chain and transport, and on HFC-134a for mid-temperature, stand-alone units (e.g., market and convenience stores). HFC-23 is also used in ultra-low temperature medical chillers, with its consumption expected to persist or increase due to aging equipment. R-507A is used in blast freezers and cassette systems. Limited consumption of R-427A and R-449A was observed for retrofitting light commercial air conditioners and cold rooms and their consumption is not expected to grow due to their high cost.

19. While low-GWP alternatives such as R-290 and other hydrocarbons have been introduced in limited quantities, their adoption remains minimal due to flammability concerns, lack of servicing capacity, tools, and safety standards, supply chain issues and high equipment costs, and regulatory restrictions. As a result, HFC consumption is expected to grow in the coming years, especially among large end-users (with charges above 500 g), such as supermarkets and cold chain facilities, where HFCs (primarily HFC-134a and R-404A) remain the most viable option.

20. The commercial refrigeration sub-sector consists of small appliances (e.g., plug-in commercial display cases, vending machines), condensing units and small cold rooms. Industrial refrigeration equipment includes food and drink processing factories, cold storage, blast freezers and refrigerated containers (reefers), and fisheries sector (offshore and onshore facilities).

Fisheries vessels

21. Currently, in the fisheries sector, the primary refrigerants used are HCFC-22 and R-404A, with approximately 17 per cent of Fiji's flagged fishing vessels using the latter. The sector includes 85 domestic vessels and 56 foreign-flagged vessels registered in Fiji, alongside several international vessels operating in the Pacific Ocean. Onshore fish processing facilities, comprising two tuna canneries and eight small-scale units, also rely heavily on HCFC-22 and R-404A. HFC-23 is consumed in some old low-temperature blast freezers. Other alternatives in use include R-507, R-417A, and R-438A. New blends such as R-469A are being developed, particularly for tuna freezing for warmer waters, using one- or two-stage systems including a cascade solution.

22. HCFC-based refrigeration systems typically operate at temperatures between -1°C and -60°C. As older vessels transition away from HCFC-22, HFC consumption is expected to increase, particularly R-404A, which is gaining prominence due to the lack of availability of alternatives. Although ammonia is used in other countries, it is unsuitable for Fiji's small- to medium-sized fishing vessels due to safety concerns, financial and technical constraints, and lack of trained personnel, spare sparts, and shore-based infrastructure. The adoption of low-GWP alternatives is further hindered by the advanced age of many vessels (some with operational lifespans exceeding 40-70 years) and compatibility concerns, as well as the structural and financial challenges associated with retrofitting them to accommodate new refrigeration technologies.

Residential and commercial air-conditioning servicing

23. The air-conditioning sector includes small self-contained air conditioners, split air conditioners, ducted and packaged rooftops, water chillers, and heat pumps. Domestic units typically have a cooling capacity ranging from 1.0 to 2.5 TR, while commercial and industrial systems range from 2 to 10,000 kW, with refrigerant charge between 0.2 kg and 13,000 kg.

24. R-410A is the most widely used refrigerant in room air conditioners, followed by HFC-134a and R-407C in commercial systems. Since 2020, HFC-32 has seen limited use in room air conditioners; however, its broader adoption as an alternative to R-410A is constrained by the availability of

R-410A-based units and insufficient servicing capacity. Consequently, early bans on R-410A face significant implementation challenges.

25. Pilot imports of limited quantities (50 units) of R-290-based air conditioners occurred in 2021 and 2022; however, prospects for wider adoption remain low due to supply chain constraints given the risks and costs associated with the maritime transport of large quantities of charged units, as well as the lack of local safety standards and of servicing capacity.

26. Some large chillers, especially in the luxury hospitality industry, operate on HCFC-22 but the majority use HFC-134a.

27. In recent years, there has been a growing trend in the use of inverter air conditioners, with an estimated 30 to 40 per cent of new units being more energy-efficient inverter models. However, unlike refrigerators, air conditioners are not currently subject to mandatory minimum energy consumption standards or energy efficiency labelling requirements. As a result, many locally available units lack such labels. However, some equipment from high-end international brands may include energy consumption labels that refer to the minimum energy performance standards (MEPS) of the country where the equipment was manufactured.

Mobile air-conditioning servicing

28. MAC systems, which include cars, trucks, and buses, primarily use HFC-134a. Fiji permits the import of used vehicles up to four years old, which often arrive without a refrigerant charge, requiring immediate use of virgin refrigerants and adding pressure to the refrigerant market.

29. To promote environmentally friendly transport, the Government has introduced various policies and initiatives such as reduced import taxes on electric and hybrid vehicles and investments in infrastructure to support their use.

30. Due to the country's precarious road conditions, MAC systems are prone to damage, often resulting in refrigerant leakage, frequently between 65 and 85 per cent of the charge, before maintenance can be performed. This leads to a high demand for HFC-134a during servicing.

Local assembly and installation

31. HFCs are consumed in the local assembly and installation of various commercial and industrial RAC systems. The HFCs used include HFC-134a, HFC-23, HFC-32, R-404A, R-407C, R-410A, R-427A, R-449A and R-507A. However, it was challenging to accurately determine the levels of HFC consumption in these installations during the KIP survey.

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

Institutional, policy and regulatory framework

32. The NOU, operating under the MECC, holds overall responsibility for managing and implementing Montreal Protocol activities, as well as ensuring the country's compliance with its obligations under its Agreement with the Executive Committee in relation to all associated activities. The DOE serves as the head of the NOU. To support the NOU in policy development and implementation, the MECC established the National Environment Committee since 2005, comprising representatives from relevant ministries and key stakeholders.

33. The Fiji Revenue and Customs Services (FRCS) oversee border control for the import and export of all controlled substances under the Montreal Protocol. The memorandum of understanding between the MECC and the FRCS has been updated to include HFCs.

34. Additional stakeholders expected to be involved in the KIP include the Solicitor General of Fiji, the Climate Change Division of the Ministry of Environment and Climate Change, the Department of Energy under the Ministry of Public Works and Meteorological Services, the Department of National Trade Measurement and Standards, the Ministry of Fisheries, the Maritime Safety Authority of Fiji, the Fiji Police Force, the Ministry of Women, Children and Poverty Alleviation, the RAC sector association (active in the Western region), the Fiji Fishing Industry Association, and RAC and MAC service technicians and technical training institutions.

35. The ODS (Amendment) Act No. 40, adopted on 11 December 2020, introduced a quota and licensing system for HFCs effective from 1 January 2021. The Legal Notice No. 103 under the ODS (Amendment) Act 2020 introduced HFCs to the list of substances controlled by customs. Additionally, measures previously applied to ODS have been extended to HFCs. These include requirements for registered importers and exporters to maintain records of the sale and use of controlled substances, permits for the storage, use, and resale of controlled substances, the NOU's mandate to inspect sales and records of controlled substances, and the monitoring of disposal of controlled substances.

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

Overarching strategy

36. The primary focus of the strategy, as submitted, is to sustain the 2024 HFC consumption freeze achieved and achieve the 10 per cent reduction target by 2029 through measures that reduce dependence on HFCs. These include strengthening national policies and regulations and enforcing import bans; strengthening and enforcing an electronic licensing and quota system; enhancing the capacity of MAC training centres and technicians in the refrigeration, cold storage, and fisheries vessel servicing sectors; and conducting awareness and outreach activities to promote low-GWP alternative technologies and related regulations.

Proposed reductions

37. Based on inputs received from industry stakeholders during the KIP survey, as well as technical and market considerations, HFC consumption from 2025 to 2029 is projected to grow at an estimated rate of 8.16 per cent per annum. At this rate, consumption from 2029 would exceed the Montreal Protocol targets in the absence of intervention. Stage I of the KIP is proposed to control the growth of HFC consumption to achieve the 2029 Montreal Protocol control limits. This will result in a reduction of HFC consumption by 44,353 CO_2-eq tonnes from the freeze levels. Table 6 presents the Montreal Protocol limits, HFC consumption forecast and the proposed reductions for the period 2025 to 2029.

Table 6. HFC consumption forecast under the unconstrained scenario, Montreal Protocol limits, and proposed HFC reductions under stage I (CO_2-eq tonnes)

	2025	2026	2027	2028	2029
HFC consumption forecast at an annual growth rate of 8.16 %*	311,978	337,167	364,584	394,437	426,955
Montreal Protocol HFC consumption limits	443,528	443,528	443,528	443,528	399,175
HFC consumption levels proposed under the KIP	443,528	443,528	443,528	443,528	399,175
Proposed reductions from the HFC consumption baseline (%)	0	0	0	0	10

* Calculated based on the growth in consumption of various HFCs. While higher growth rates (around 10 per cent) are anticipated for R-404A and HFC-32, other substances are expected to grow at a slower pace. Thus, the overall growth rate for HFC consumption is estimated at approximately 8.16 per cent.

Proposed activities

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

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

Activity	Agency	Cost (US $)	
		Stage I	First tranche
1. Policy and regulations: 1.1. Ban the import of R-410A-based residential air conditioners (single split and portable) and HFC-134a-based domestic refrigerators; 1.2. Conduct consultations with the Ministry of Fisheries and other relevant agencies to explore the possibility of banning new registrations of domestic R-404A- and R-507A-based vessels; 1.3. Conduct a supply chain study to evaluate the potential for large-scale adoption of HFC-32 in room air-conditioning systems; 1.4. Participate in three regional thematic workshops organized by UNEP to provide support for KIP implementation to national ozone officers (NOOs) of 12 Pacific Island countries (PICs) and other relevant stakeholders, in conjunction with the annual network meeting	UNEP	22,500	5,500
2. Strengthening the monitoring, reporting, verification and enforcement of the licensing system: 2.1. Engage a consultant to develop an electronic HFC licensing and quota system; 2.2. Conduct two training sessions for HFC importers on the use of the electronic licensing system; 2.3. Participate in a regional technical workshop focused on strengthening licensing and quota systems of 12 PICs	UNEP	38,300	21,000
3. Capacity-building in the MAC servicing sector: 3.1. Deliver two sets of MAC trainer units (one for HFC-134a and one for HFO-1234yf) to Technical and Vocational Education and Training (TVET) institutions; 3.2. Conduct three consultation workshops with TVET and the MAC industry to review and integrate good refrigeration practices into the National Competency Standard and training syllabus; 3.3. Organize eight local training workshops to enhance knowledge and capacity of 200 MAC technicians on good servicing practices; 3.4. Participate in a regional competency-based train-the-trainer workshop organized by UNEP for MAC master trainers of PICs	UNEP and UNDP	74,500	61,000
4. Capacity-building in the refrigeration, cold storage, and fisheries vessel servicing sectors: 4.1. Organize eight local training sessions for 200 refrigeration and cold storage servicing technicians on good servicing practices and the safe handling of flammable and toxic alternatives, in conjunction with the training on good refrigeration practices under stage II of the HPMP, based on the updated train-the-trainer curriculum; 4.2. Conduct two local capacity-building sessions for NOU staff and 40 technicians servicing refrigerated fisheries vessels, on good service practices, including minimizing leakage in HFC-based equipment; 4.3. Participate in a competency-based regional train-the-trainer workshop organized for RAC master trainers of PICs on good servicing practices for refrigerators and cold storage;	UNEP	28,520	13,000

Activity	Agency	Cost (US $)	
		Stage I	First tranche
4.4. Participate in the symposium on available and accessible low-GWP alternative technologies, alongside NOOs from other PICs and RAC industry representatives, held back-to-back with the PIC network meeting in 2027			
5. Public awareness and outreach: 5.1. Organize six sensitization and awareness campaigns targeting end-users of residential and small commercial equipment to promote the safety and energy benefits of ODS-free and low-GWP alternative technologies, as well as importers, distributors and import-brokers to inform them about the current and upcoming sector bans, phase-out targets and enforcement, and the potential servicing tail needs; 5.2. Design awareness materials targeting large users, equipment designers and installers, and servicing technicians, on low-GWP RAC alternative technologies; promote UNEP OzonAction tools and materials, including mobile applications, to be deployed by the PICs to specific target audiences	UNEP	4,800	1,000
6. Project implementation and monitoring (see paragraph 39)	UNEP	1,380	500
Subtotal for UNEP		**126,000**	**58,000**
Subtotal for UNDP		**44,000**	**44,000**
Total		**170,000**	**102,000**

Project implementation, coordination and monitoring

39. The NOU will be responsible for the planning, implementation, and monitoring of all approved activities under stage I of the KIP, in close coordination with UNEP. The NOU will ensure that all policy, regulatory, fiscal, awareness, and capacity-building initiatives are well-aligned, coordinated, and consistent with national policies. A dedicated project management team will oversee day-to-day implementation and execution of project activities. A budget of US $1,380 is proposed for domestic travel.

Total cost of stage I of the Kigali HFC implementation plan

40. The budget for stage I has been proposed at US $170,000. The costs of activities in the refrigeration servicing sector have been proposed in line with decision 92/37.

Implementation plan for the first tranche

41. The first funding tranche of stage I of the KIP was submitted at a total amount of US $102,000, as shown in table 7 above, to be implemented between January 2026 and December 2027. Detailed information on the activities to be implemented under the first tranche, including adjustments and level of funds agreed are presented in paragraph 49 below.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

V. Comments

Overarching strategy

42. The HCFC component of Fiji's HFC baseline amounts to 122,666 in CO_2-eq tonnes, representing 27.7 per cent of the total baseline. Furthermore, as submitted, the HFC consumption target for 2029 is 399,175 CO_2-eq tonnes, which is 21.1 per cent higher than the 2023 consumption level and 38.0 per cent higher than the 2024 consumption level. In light of this, the Secretariat held consultations with UNEP to

explore the possibility of additional reductions in HFC consumption. Following these discussions and subsequent consultations between UNEP and the Government of Fiji, UNEP clarified that committing to reduction targets exceeding 10 per cent below the baseline would be challenging due to the anticipated growth in HFC consumption over the coming years, particularly in commercial refrigeration equipment in the fishing industry, as well as uncertainty regarding the availability of sustainable alternatives. Moreover, the impact of specific policy measures and project activities aimed at reducing HFC consumption is expected to require at least two years from 2026 to materialize. In light of this, the Government of Fiji has maintained the consumption targets at 90 per cent of the HFC baseline, as originally submitted.

Institutional, policy and regulatory framework

HFC licensing and quota system

43. In line with decision 87/50(g), UNEP has confirmed that Fiji has an established and enforceable system of licensing and quotas for monitoring HFC imports/exports in place. Furthermore, UNEP confirmed that the HFC quotas would be determined based on net imports, thereby ensuring the country's compliance with its HFC consumption targets for the relevant years.

Regulatory framework

44. Regarding regulations on HFC-134a-based domestic refrigerators, UNEP indicated that the Government of Fiji plans to prohibit the import and sale of such equipment effective 1 January 2029, following necessary consultations and administrative approvals, which are expected to require two to three years. Additionally, the Government will continue engaging with national stakeholders to assess the feasibility of implementing a ban on the import and sale of HFC-based self-contained commercial refrigeration equipment. With respect to residential R-410A-based air conditioners, UNEP confirmed that the Government of Fiji also intends to prohibit their import and sale starting 1 January 2029.

45. The Secretariat sought clarification on how Fiji intends to support other countries in the PIC region in implementing their KIPs, particularly in areas such as training of service technicians and customs officers, and the import and export of HFCs. UNEP responded that Fiji would remain actively engaged in regional KIP implementation activities and will contribute technical and policy expertise during training programmes organized for PICs. Industry representatives from Fiji will leverage opportunities, such as regional technology exchange initiatives, awareness campaigns, and training programmes, to assist regional industries in transitioning away from higher-GWP technologies and adopt alternative technologies.

Technical and cost-related issues

46. Following consultations between the Secretariat and UNDP, it was agreed that US $6,000 originally allocated under the policy and regulations component for the participation of industry and technical experts in regional activities would be reallocated to project management and monitoring to support the coordination of activities. The revised cost allocations are presented in table 8.

Table 8. Servicing sector activities and their costs in stage I and the first tranche of the KIP for Fiji as agreed

Activity	Agency	Original (US $)	Revised (US $)
Policy and regulations for controlling HFC-based equipment and regional activities in PIC region	UNEP	22,500	16,500
Strengthening the monitoring, reporting, verification and enforcement of the licensing system	UNEP	38,300	38,300
Capacity-building in the MAC servicing sector including training and equipment support	UNEP and UNDP	74,500	74,500
Capacity-building in the refrigeration, cold storage, and fisheries vessel servicing sectors	UNEP	28,520	28,520

Activity	Agency	Original (US $)	Revised (US $)
Public awareness and outreach	UNEP	4,800	4,800
Project implementation and monitoring	UNEP	1,380	7,380
Subtotal for UNEP		**126,000**	**126,000**
Subtotal for UNDP		**44,000**	**44,000**
Total		**170,000**	**170,000**

Total project cost

47. At the total cost of US $170,000, stage I of the KIP for Fiji will result in a reduction of 44,353 CO_2-eq tonnes from the country's HFC consumption eligible for funding.

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

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

49. In light of the funding revisions described above, the funding distribution for the first tranche of stage I has been revised accordingly. The agreed plan of action will include the following activities:

(a) *Policy and regulations*: Participate in a regional thematic workshop organized for NOOs and other relevant stakeholders and representatives from 12 PICs (UNEP) (US $3,500);

(b) *Strengthening the monitoring, reporting, verification and enforcement of the licensing system*: Engage a consultant to develop an electronic HFC licensing and quota system; conduct one training session for HFC importers on the use of the electronic licensing system (UNEP) (US $21,000);

(c) *Capacity-building in the MAC servicing sector*: Deliver two sets of MAC trainer units (HFC-134a and HFO-1234yf) to TVET institutions; organize two workshops to train 50 technicians in MAC servicing; participate in a competency-based train-the-trainer workshop for PICs to train two MAC master trainers (UNEP) (US $17,000) and (UNDP) (US $44,000);

(d) *Capacity-building in the refrigeration, cold storage and fisheries vessels servicing sectors*: Participate in a train-the trainer workshop for PICs to train two RAC master trainers on good servicing practices (UNEP) (US $13,000);

(e) *Public awareness and outreach*: Organize one awareness-raising and communication campaign targeting end-users and owners of residential and small commercial equipment to promote the safety and energy benefits of ODS-free and low-GWP alternatives, as well as importers, distributors and import-brokers to inform them about the current and upcoming sector bans, the phase-out targets and enforcement, and the potential servicing tail needs (UNEP) (US $1,000);

(f) *Project implementation and monitoring* (UNEP) (US $2,500): Travel to support and monitor project implementation.

Co-financing

50. The Government of Fiji will provide in-kind contributions estimated at US $51,000. These include staff time not funded through Montreal Protocol-related projects, as well as the provision of office space, electricity, and telecommunication services.

2025–2027 business plan of the Multilateral Fund

51. UNEP and UNDP are requesting US $170,000, plus agency support costs, for the implementation of stage I of the KIP for Fiji. The total value of US $192,100, including agency support costs, requested for the period of 2025–2027, is US $55,392 above the amount in the business plan.

Gender policy implementation

52. In line with decisions 84/92(d), 90/48(c) and 92/40(b), the Government of Fiji has incorporated the operational gender mainstreaming policy of the Multilateral Fund into the preparation and formulation of stage I of the KIP. Measures aimed at maximizing women's participation in various KIP activities were discussed and included in the plan. During stage I, the NOU will actively promote the participation of women in training and capacity-building programmes. These efforts will include dedicated training workshops, targeted awareness campaigns, promotional material designed to encourage their involvement, consultations with women's groups, and periodic sensitization activities to support the implementation of the gender policy throughout the KIP. UNEP has confirmed that the Government will fully consider the policy approved by the Executive Committee during the implementation of stage I. However, it is not in a position to commit to specific participation targets at this stage, due to the current low representation of women in activities related to refrigeration, air conditioning and heat pump (RACHP) in Fiji.

Sustainability of the HFC phase-down and assessment of risks

53. The NOU of Fiji maintains a strong partnership with customs and enforcement authorities and will collaborate closely with the relevant departments to deliver training on the enforcement of policies and regulations related to the phase-down of HFCs. Through technician training activities targeting the RAC servicing sector across all applications, technicians will continue to receive training on good and safe servicing practices, with a particular focus on the effective handling of low-GWP alternative technologies. Under the KIP, Fiji will further strengthen its collaboration with the Fiji National University and other technical training institutions to revise and improve their formal curricula. These revisions will include comprehensive information on the safe handling of different refrigerants, including low-GWP alternatives, as well as energy-efficient RAC technologies. Moreover, the Government will maintain ongoing consultations with industry and other national stakeholders to support the implementation of additional policies and measures aimed at reducing dependence on high-GWP refrigerant-based RACHP equipment and promoting the adoption of low-GWP energy-efficient RACHP equipment. The NOU will also continue its engagement with the DOE to facilitate the integration of HFC phase-down measures with relevant energy-efficiency policies and measures, such as MEPS and labelling schemes. Prohibiting the import and sale of HFC-134a-based domestic refrigerators and R-410A-based residential air conditioners will reduce the country's reliance on HFC-based equipment, thereby mitigating the risk of increased HFC consumption. Through these coordinated efforts and an integrated approach aligned with ongoing HCFC phase-out activities, the country will be in a position to achieve a sustainable HFC phase-down.

Impact on the climate

54. The activities proposed, including efforts to promote low-GWP alternatives, refrigerant recovery and reuse, and faster adoption of alternatives to high-GWP refrigerant-based equipment, indicate that the implementation of stage I of the KIP will reduce refrigerant emissions into the atmosphere, resulting in climate benefits. A calculation of the impact on the climate of the activities in the KIP indicates that by 2029, Fiji will have reduced its emissions by approximately 44,353 CO_2-eq tonnes of HFCs, calculated as the difference between the HFC baseline for compliance and the 2029 target, assuming that all consumed HFCs would eventually have been emitted.

Draft Agreement

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

Coordination of activities in the servicing sector under HCFC phase-out and HFC phase-down plans

56. The HPMP will continue to prioritize training and capacity-building activities focused on the phase-out of HCFCs in the air-conditioning servicing sector, the training of customs and enforcement officers, and targeted interventions in the fisheries sector, where HCFCs are still being consumed. In parallel, the KIP will address specific sub-sectors consuming HFCs, such as the refrigeration and MAC sectors. Planned measures include the imposition of bans on HFC-134a-based domestic refrigerators and R-410A-based residential air conditioners, which are not covered under the HPMP. Activities under the HPMP and KIP will be implemented in an integrated manner to facilitate the gradual replacement of high-GWP refrigerant-based equipment. Annex II summarizes the simultaneous implementation of activities under the HPMP and the KIP.

VI. Recommendation

57. The Executive Committee may wish to consider:

(a) Approving, in principle, stage I of the Kigali HFC implementation plan (KIP) for Fiji for the period 2025–2029 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) Noting that the Government of Fiji would prohibit the import and sale of HFC-134a-based domestic refrigerators and R-410A-based residential air conditioners from 1 January 2029;

(c) Approving the draft 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 I to the present document; and

(d) Approving 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.

Annex I

DRAFT 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 CO_2-equivalent (CO_2-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 CO_2-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 CO_2-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	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 collet 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 would 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 CO_2-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the Target specified in row 1.2 of Appendix 2-A has not been met, on the understanding that the maximum funding reduction would not exceed the funding level of the tranche being requested. Additional measures might be considered in cases where non-compliance extends for two consecutive years. Where the country has failed to comply with the Agreement due to illegal trade, the reduction in funding would not be applied if the illegally traded controlled substances are seized and subsequently confiscated, destroyed, exported, or returned to the country of origin.

Annex II

SIMULTANEOUS IMPLEMENTATION OF THE HCFC PHASE-OUT MANAGEMENT PLAN AND THE KIGALI HFC IMPLEMENTATION PLAN IN FIJI

	HPMP – stage II		KIP – stage I		HPMP+KIP combined cost (US $)
Category of activity	**Activity**	**Cost (US $)**	**Activity**	**Cost (US $)**	
Policy, regulations and enforcement	Review and update existing policies and regulations to enforce HCFC phase-out	3,000	Ban the import of R-410A-based residential air conditioners (single split and portable) and HFC-134a-based domestic refrigerators; consultations with the Ministry of Fisheries and other relevant agencies on the possibility of banning new registrations of R-404A- and R-507A-based vessels; supply chain study on large-scale adoption of HFC-32 for room air conditioners; participation in three regional thematic workshops organized by UNEP for NOOs and other relevant stakeholders and resources persons from 12 PICs, back-to-back with the Annual Network Meeting	16,500	31,500
	Development of standard operating procedure for the fisheries sector for record-keeping and data monitoring on HCFC use by fishing vessels and development of export permit system; development of refrigerant consumption management system in the fisheries sector; consultation meetings with fishery enterprises and other relevant enforcement organizations related to the fisheries sector	12,000			
Strengthening monitoring, reporting, verification and enforcement of licensing and quota system			Detailed assessments and review of the existing licensing system and data collection and reporting mechanism by expert	33,300	33,300
			Technical workshop on strengthening licensing and quota system	5,000	5,000
Capacity-building of customs and enforcement officers	Provision of four refrigerant identifiers	20,000			20,000
	Train-the-trainer workshops for customs and enforcement officers; workshops to train customs and enforcement officers in the prevention of illegal trade of controlled substances, compliance with the Montreal Protocol and new regulations; workshops to train enforcement officers on tracking HCFC supply and demand and preventing illegal trade in the fisheries sector; workshops to train customs agents and importers	111,000			111,000

	HPMP – stage II		KIP – stage I		HPMP+KIP combined cost (US $)
Category of activity	**Activity**	**Cost (US $)**	**Activity**	**Cost (US $)**	
Capacity building for refrigeration and air-conditioning (RAC) servicing technicians	Procurement of training equipment for training centres, technical workshops and fisheries technicians	200,000			200,000
	Workshop to support the RAC industry association on its operation and update technology and Future gas forum covering HFCs and alternatives; review and update training materials on good practices in refrigeration; update train-the-trainer workshop on good practices for RAC master trainers; training sessions for RAC servicing technicians on good practices including safety aspects and support for fisheries sector technicians	42,000	Symposium on available and accessible low-GWP alternative technologies for the PIC's NOOs and RAC industry representatives	5,520	47,520
	Workshop on integration and implementation of good practices for air conditioners within the national certification scheme; training workshop for RAC competency certification assessors/examiners and launch of the certification programme	45,000	Local training sessions for refrigeration and cold storage servicing technicians on safe handling of flammable and toxic alternatives, back-to-back with the good servicing training under stage II of the HPMP	8,000	53,000
			Competency-based training-of-trainers on good servicing practices for refrigerator and cold storage	13,000	13,000
Capacity building for mobile air-conditioning (MAC) servicing technicians			Consultation workshops with TVET and the MAC industry to review and integrate good refrigeration practices into National Competency Standard and training syllabus under TVET; training workshops to enhance knowledge and capacity of MAC technicians on good servicing practices; competency-based train-the-trainer on good servicing practices in the MAC sector	30,500	30,500
			Provision of two sets of MAC trainer units (HFC-134a and HFO-1234yf) to TVET	44,000	44,000
Capacity building in the fisheries sector	Development of fishing vessels transformation plan; development of feasibility report for recycled HCFC supply chain	41,000	Local capacity-building workshops for NOU staff and technicians servicing refrigerated fisheries vessels	2,000	43,000
Public awareness and outreach	Development of awareness and education material and their dissemination including for the fisheries sector	21,000	Awareness-raising and communication to relevant stakeholders under stage I of the KIP with consideration of gender mainstreaming	4,800	25,800

	HPMP – stage II		KIP – stage I		HPMP+KIP combined cost (US $)
Category of activity	**Activity**	**Cost (US $)**	**Activity**	**Cost (US $)**	
Additional activities to maintain energy efficiency for the servicing sector under decision 89/6(b)	Capacity-building activities including engagement of national/regional financial institutions in financing energy-efficient RAC equipment	77,000			77,000
	Public procurement/foreign aid policy and building code	8,000			8,000
	Updating minimum energy performance standards and labelling and enhancing product registration and approval procedures	10,000			10,000
	Awareness raising and outreach	5,000			5,000
Coordination and monitoring	Project coordination and monitoring	90,000	Project coordination and monitoring	7,380	97,380
Total		**685,000**		**170,000**	**855,000**
Percentage of total (%)		**80.1**		**19.9**	**100**