NATIONS
UNIES

EP

Programme des Nations Unies pour l'environnement

Distr.
GÉNÉRALE

UNEP/OzL.Pro/ExCom/98/6
4 June 2026

FRANÇAIS
ORIGINAL: ANGLAIS

COMITÉ EXÉCUTIF
DU FONDS MULTILATÉRAL AUX FINS
D'APPLICATION DU PROTOCOLE DE MONTRÉAL
Quatre-vingt-dix-huitième réunion
Montréal, 22-26 juin 2026
Point 6 a) de l'ordre du jour provisoire[1]

RAPPORTS DE SITUATION ET RAPPORTS SUR LES PROJETS COMPORTANT DES EXIGENCES PARTICULIÈRES DE REMISE DE RAPPORTS SANS QUESTION EN SUSPENS

1. Le présent document se compose de deux sections, soit i) projets présentant des retards de mise en œuvre et pour lesquels des rapports de situation spéciaux ont été demandés, et ii) projets comportant des exigences particulières de remise de rapports sans question en suspens. Les rapports sur ces projets, après l'examen du secrétariat, ne comportent pas de question en suspens et ne nécessitent pas, par conséquent, que le Comité exécutif les examine individuellement.

I. Projets présentant des retards de mise en œuvre et pour lesquels des rapports de situation spéciaux ont été demandés

2. À la 96e réunion, le Comité exécutif a pris note du fait que les agences bilatérales et d'exécution devraient faire rapport, à la 98e réunion, sur 78 projets présentant des retards de mise en œuvre et sur 14 projets ou tranches d'accords pluriannuels en cours recommandés pour des rapports de situation supplémentaires (décision 97/9 c)). En conséquence, les agences bilatérales et d'exécution concernées ont présenté les rapports demandés à la 98e réunion. Lors de l'examen des rapports, le secrétariat s'est entretenu avec les agences bilatérales et d'exécution et a constaté que plusieurs questions avaient été traitées de manière satisfaisante. Le tableau 1 donne un résumé des projets présentant des retards de mise en œuvre et des projets pour lesquels des rapports de situation supplémentaires sont recommandés, y compris leur niveau d'avancement, les recommandations du secrétariat et les références aux annexes du présent document.

Tableau 1. Résumé des projets présentant des retards de mise en œuvre et des rapports de situation supplémentaires

Niveau d'avancement	Nombre de projets	Décision	Recommandation	Annexe
Retards de mise en œuvre				
Des avancées	64	32/4	À retirer des rapports à venir	s.o.

[1] UNEP/OzL.Pro/ExCom/98/1

Niveau d'avancement	Nombre de projets	Décision	Recommandation	Annexe
(Projets individuels et accords pluriannuels)				
Quelques avancées (Projets individuels et accords pluriannuels)	11	32/4	Poursuivre le suivi jusqu'à leur achèvement définitif	Annexe I
Pas d'avancée pour la première fois (accords pluriannuels)	0	84/45	Poursuivre le suivi jusqu'à leur achèvement définitif	s.o.
Annulation	3	s.o.	À annuler	s.o.
Total	**78**			
Rapports de situation				
Aucune question en suspens	10	51/13	À retirer des rapports à venir	s.o.
Des questions doivent encore être résolues	4	51/13	Demander la soumission de rapports de situation supplémentaires	Annexe II
Total	**14**			

Annulation de projet

3. À la 97e réunion, le Comité exécutif, en sa qualité d'agence principale d'exécution, a demandé au Secrétariat d'adresser une lettre à l'Afghanistan et à l'ONUDI, concernant l'annulation éventuelle du PGEH pour ce pays (phase I, troisième tranche (AFG/PHA/79/INV/22), phase I, quatrième tranche (AFG/PHA/85/INV/28) et phase II, première tranche (AFG/PHA/85/INV/30)) (décision 97/13 d)).

4. Conformément à cette décision, l'ONUDI a informé le Secrétariat que les sanctions du Conseil de sécurité des Nations Unies ont imposé des mesures ciblées à l'Afghanistan, exigeant que tous les projets fassent l'objet d'une vérification formelle de conformité avant d'être mis en œuvre. L'ONUDI a ajouté que le système des Nations Unies s'abstient actuellement de toute action susceptible de donner l'impression de reconnaître les autorités de facto en Afghanistan, ainsi que de tout appui budgétaire direct ou de toute action pouvant être perçue comme légitimant ces autorités. Considérant que cette situation a créé d'importants obstacles procéduraux, juridiques et opérationnels empêchant l'ONUDI de poursuivre la mise en œuvre de ces projets, l'ONUDI souhaite demander l'annulation des projets supplémentaires suivants en Afghanistan : PGEH (phase I, quatrième tranche) (AFG/PHA/95/TAS/33) ; PGEH (phase II, première tranche) (AFG/PHA/95/TAS/34) ; prolongation du projet de renforcement institutionnel (phase X : 1/2022-12/2023) (AFG/SEV/95/INS/35) ; et élaboration d'un inventaire national des stocks de substances réglementées et mise au point d'un plan national de gestion de ces substances (décision 91/66) (AFG/DES/94/PRP/32).

5. Le tableau 2 présente l'état des décaissements pour chaque projet.

Tableau 2. Projets dont l'annulation est recommandée pour l'Afghanistan

Code du projet	Titre du projet	Financement approuvé ($US)	Fonds décaissés ($US)	Solde ($US)
AFG/PHA/79/INV/22	Plan de gestion de l'élimination des HCFC (phase I, troisième tranche)	83 000	11 914	71 086
AFG/PHA/85/INV/28	Plan de gestion de l'élimination des HCFC (phase I, quatrième tranche)	28 276	0	28 276
AFG/PHA/85/INV/30	Plan de gestion de l'élimination des HCFC (phase II, première tranche)	90 000	54 580	35 420
AFG/PHA/95/TAS/33	Plan de gestion de l'élimination des HCFC (phase I, quatrième tranche)	28 453	0	28 453
AFG/PHA/95/TAS/34	Plan de gestion de l'élimination des HCFC (phase II, première tranche)	180 908	0	180 908
AFG/SEV/95/INS/35	Prolongation du projet de renforcement institutionnel (phase X: 1/2022-12/2023)	192 000	0	192 000

Code du projet	Titre du projet	Financement approuvé ($US)	Fonds décaissés ($US)	Solde ($US)
AFG/DES/94/PRP/32	Élaboration d'un inventaire national des stocks de substances contrôlées et élaboration d'un plan national de gestion de ces substances (décision 91/66)	90 000	0	90 000

6. En concertation avec l'ONUDI, il a été convenu que les projets énumérés ci-dessus seraient annulés et que les soldes restants seraient restitués à la 99e réunion. En outre, la phase II du PGEH pour l'Afghanistan comprenait deux tranches restantes approuvées en principe et dont la présentation était prévue respectivement en 2025 et 2026 ; celles-ci n'ayant pas été soumises, il est également recommandé de les annuler. Le Comité exécutif pourrait souhaiter annuler les projets énumérés dans le tableau 2, ainsi que les deux tranches restantes approuvées en principe au titre de la phase II du PGEH pour l'Afghanistan.

Rapport de situation sur la mise en œuvre du système de quotas de HFC à Maurice

7. À la 95e réunion, lors de l'approbation de la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP) pour Maurice, le Comité exécutif a pris note que le gouvernement allemand fournirait, dans le cadre de son rapport financier et de son rapport périodique pour 2024 qui seront examinés à la deuxième réunion en 2025, une révision de l'état d'avancement de la mise en œuvre du système de quotas de HFC à Maurice (décision 95/67 ii)). Le gouvernement allemand a indiqué que le système de quotas de HFC est en vigueur à Maurice depuis janvier 2025 et prévoit l'attribution des importations aux importateurs de HFC sur la base des importations moyennes de référence en HFC. Le système comprend également une disposition visant à réserver une petite partie des importations de HFC pour faire face aux urgences et aux demandes spéciales d'importations de HFC émanant d'institutions gouvernementales. Un atelier d'une journée a été organisé en 2025 avec les importateurs et les parties prenantes concernés afin de les sensibiliser aux dispositions de l'amendement de Kigali, aux recommandations du KIP, ainsi qu'aux bases de calcul des quotas de HFC et à la manière dont ils peuvent gérer efficacement leur quota.

Recommandation

8. Le Comité exécutif pourrait souhaiter :

a) Prendre note :

i) Des rapports sur les retards dans la mise en œuvre et les rapports de situation présentés par les organismes bilatéraux et les agences d'exécution figurant dans le document UNEP/OzL.Pro/ExCom/98/6 ;

ii) Que les agences bilatérales et les agences d'exécution rendront compte au Comité exécutif, lors de la 99e réunion, de 11 projets présentant des retards dans la mise en œuvre, comme indiqué à l'annexe I du présent document, ainsi que de quatre projets pour lesquels des rapports de situation supplémentaires sont recommandés, comme indiqué à l'annexe II du présent document, dans le cadre du rapport périodique annuel et financier pour 2025 des agences bilatérales et des agences d'exécution ;

b) Approuver les recommandations concernant les projets en cours pour lesquels des questions spécifiques sont énumérées dans la dernière colonne du tableau figurant à l'annexe II du présent document ;

c) Annuler les projets suivants concernant l'Afghanistan et demander à l'ONUDI de restituer les soldes restants à la 99e réunion : PGEH (phase I, troisième tranche) (AFG/PHA/79/INV/22) ; PGEH (phase I, quatrième tranche) (AFG/PHA/85/INV/28) ;

PGEH (phase I, quatrième tranche) (AFG/PHA/95/TAS/33) ; PGEH (phase II, première tranche) (AFG/PHA/85/INV/30) ; PGEH (phase II, première tranche) (AFG/PHA/95/TAS/34) ; prolongation du projet de renforcement institutionnel (phase X : 1/2022-12/2023) (AFG/SEV/95/INS/35) ; et élaboration d'un inventaire national des stocks de substances réglementées et mise au point d'un plan national de gestion de ces substances (décision 91/66) (AFG/DES/94/PRP/32) ; et

d) Annuler les tranches restantes approuvées en principe au titre de la phase II du PGEH pour l'Afghanistan.

II. Projets comportant des exigences particulières de remise de rapports sans question en suspens

Résumé

9. Le tableau 3 présente la liste des rapports relatifs aux projets comportant des exigences particulières de remise de rapports et ne présentant aucune question en suspens.

Tableau 3. Rapports sur les projets soumis à des exigences spécifiques en matière d'établissement de rapports et ne présentant pas de questions en suspens

Pays	Titre du projet	Paragraphes
A. Rapports liés aux plans de gestion de l'élimination des HCFC		
Argentine	Plan de gestion de l'élimination progressive des HCFC (phase II – disponibilité de solutions de remplacement à faible potentiel de réchauffement de la planète pour le HCFC-141b dans le secteur des mousses et utilisation transitoire de solutions de remplacement à fort potentiel de réchauffement de la planète)	10–21
Bangladesh	Plan de gestion de l'élimination progressive des HCFC (phase II – rapport sur le nombre de climatiseurs fonctionnant au R-290/HFC-32 dans le cadre du projet de reconversion du secteur de la climatisation)	22–29
Bhoutan	Plan de gestion de l'élimination progressive des HCFC et activités supplémentaires visant au maintien du rendement énergétique dans le secteur de l'entretien des équipements de réfrigération au titre de la décision 89/6 (demande de prolongation de la date d'achèvement du projet)	30–35
Irak	Plan de gestion de l'élimination progressive des HCFC (phase II – achèvement de la phase I, du plan national d'élimination progressive et du projet visant à remplacer le CFC-12 par de l'isobutane et le CFC-11 par du cyclopentane dans la fabrication d'appareils de réfrigération domestiques chez Light Industries)	36–41
Koweït	Plan de gestion de l'élimination progressive des HCFC (phase II) – demande de prolongation de la date d'achèvement du projet	42–47
Mauritanie	Plan de gestion de l'élimination progressive des HCFC (phase I – rapport périodique sur la mise en œuvre du Programme de travail associé à la troisième et dernière tranche)	48–56
Türkiye	Plan de gestion de l'élimination progressive des HCFC (phase I – rapport périodique sur la mise en œuvre du Programme de travail associé à la cinquième et dernière tranche)	57–67
B. Rapport lié aux accords sur le plan de mise en œuvre de Kigali pour les HFC		
Plusieurs	Accords visant à réduire la consommation de HFC conformément à la phase I des plans de mise en œuvre de Kigali pour les HFC	68–72
C. Rapport concernant les activités supplémentaires visant au maintien du rendement énergétique dans le secteur de l'entretien des équipements de réfrigération (décision 89/6)		
Maldives	Activités supplémentaires visant au maintien du rendement énergétique dans le secteur de l'entretien des équipements de réfrigération, conformément à la décision 89/6 b) (rapport de situation final) (PNUE)	73–81

Pays	Titre du projet	Paragraphes
D. Rapport relatif au projet pilote visant au maintien et à l'amélioration du rendement énergétique des technologies et équipements de remplacement dans le cadre de la réduction progressive des HFC (décision 91/65)		
Cameroun	Projet pilote visant au maintien et à l'amélioration du rendement énergétique des technologies et équipements de remplacement dans le cadre de la réduction progressive des HFC (activités de non-investissement) (demande de prolongation de la date d'achèvement du projet)	82–86
E. Rapport relatif à la préparation d'un projet d'amélioration du rendement énergétique dans le cadre de la réduction progressive des HFC dans le secteur de la fabrication d'équipements de réfrigération et de climatisation (décision 94/60)		
Türkiye	État d'avancement d'un projet visant à améliorer le rendement énergétique et à permettre à 29 entreprises de fabrication d'équipements de réfrigération et de climatisation de passer de l'utilisation d'hydrofluorocarbures à des technologies à faible potentiel de réchauffement de la planète	87–91
F. Rapport concernant l'établissement d'un inventaire national des stocks de substances réglementées usagées ou non utilisées et d'un plan pour la collecte, le transport et l'élimination de ces substances (décision 91/66)		
Maurice	Établissement d'un inventaire national des stocks de substances contrôlées et élaboration d'un plan national de gestion de ces substances (décision 91/66) (demande de prolongation du délai d'achèvement du projet)	92–96

A. Rapports liés aux plans de gestion de l'élimination progressive des HCFC

Argentine : Plan de gestion de l'élimination progressive des HCFC (phase II – disponibilité de solutions de remplacement à faible potentiel de réchauffement de la planète pour le HCFC-141b dans le secteur des mousses et utilisation transitoire de solutions de remplacement à fort potentiel de réchauffement de la planète) (ONUDI et le gouvernement italien)

Contexte

10. À la 92e réunion, lors de l'approbation de la troisième tranche de la phase II du PGEH pour l'Argentine (décision 92/31), le Comité exécutif a pris note, entre autres :

a) Des difficultés liées au manque d'approvisionnement en produits de remplacement du HCFC-141b à faible potentiel de réchauffement de la planète (PRP) dans le secteur des mousses, qui ont retardé la mise en œuvre d'activités de la phase II dans le secteur des mousses PU et qui auraient permis au gouvernement argentin d'effectuer l'élimination progressive de 85,92 tonnes PAO de HCFC ; et

b) Qu'en l'absence d'alternatives disponibles sur le marché local, des solutions de remplacement à fort PRP pourraient être utilisées, à titre purement transitoire, et que le gouvernement argentin établirait un rapport, lors de chaque réunion du Comité exécutif, sur les progrès accomplis pour garantir que les technologies retenues, y compris les composants associés, soient disponibles sur le marché national, étant entendu que les surcoûts opérationnels ne seraient pas financés tant que la transition vers les solutions de remplacement convenues n'était pas achevée.

11. L'ONUDI a établi un rapport sur cette question lors des réunions successives du Comité exécutif[2], tout récemment à la 97e réunion, prenant note qu'à date d'août 2025, trois sociétés de formulation avaient

[2] Paragraphes 2 à 9 du document UNEP/OzL.Pro/ExCom/93/20, paragraphes 5 à 14 du document UNEP/OzL.Pro/ExCom/94/9, paragraphes 5 à 18 du document UNEP/OzL. Pro/ExCom/96/11 et paragraphes 10 à 15 et 31 à 32 du document UNEP/OzL.Pro/ExCom/97/36.

reçu des HFO et commencé à commercialiser de nouvelles formulations sur le marché local. Alors que les fournisseurs et les sociétés de formulation s'efforçaient d'améliorer le processus, et bien que la disponibilité globale des HFO ait augmenté, l'incertitude concernant la chaîne d'approvisionnement persistait, car un seul fournisseur avait commencé les livraisons à ce jour, et la transition inégale vers les HFO en tant qu'agents gonflants dans la région n'était pas encore pleinement pérenne. Malgré des progrès notables, les défis liés à la disponibilité et aux prix, à la stabilité de la chaîne d'approvisionnement et à la base limitée de fournisseurs restaient sans solution, ce qui entraînait la poursuite de l'utilisation transitoire de substances à fort PRP. L'ONUDI a également souligné la volonté des sociétés de formulation locales d'adopter les HFO une fois que les contraintes de prix et d'approvisionnement auraient été résolues.

12. En conséquence, à sa 97e réunion, le Comité exécutif a demandé au gouvernement argentin et à l'ONUDI, conformément à la décision 92/31 c) ii), de réviser, à la 98e réunion, le rapport sur la disponibilité sur le marché local de solutions de remplacement à faible PRP pour le HCFC-141b dans le secteur des mousses, ainsi que sur l'utilisation transitoire de solutions de remplacement à fort PRP (décision 97/35)[3].

Rapport périodique

13. Au nom du gouvernement argentin, l'ONUDI a présenté un rapport révisant la disponibilité, l'approvisionnement et le prix des HFO destinés au secteur des mousses PU, à la suite de consultations supplémentaires menées auprès des principaux fournisseurs et des sociétés de formulation locales.

14. En ce qui concerne la disponibilité, le HFO-1233zd(E) en Argentine passe actuellement d'une phase d'essai à un régime d'approvisionnement plus régulier. Les sociétés de formulation locales ont indiqué qu'elles maintenaient des stocks opérationnels suffisants pour éviter toute rupture d'approvisionnement au deuxième trimestre 2025. Le fournisseur unique étudie également d'autres configurations de la chaîne d'approvisionnement pour atténuer la dépendance vis-à-vis des citernes de stockage et pour assurer la continuité de l'approvisionnement à moyen terme.

15. La distribution à petite échelle des HFO repose encore principalement sur des citernes d'une capacité d'une tonne, et les difficultés logistiques liées à la restitution et à la rotation de ces conteneurs persistent. Des discussions sont en cours concernant la mise en place d'un système de fractionnement local, qui pourrait améliorer la disponibilité à court terme. Le secteur a fait part de ses inquiétudes quant au fait que, dans un scénario à fournisseur unique, un tel dispositif pourrait ne pas garantir des prix compétitifs et entraîner des coûts d'intermédiation supplémentaires.

16. L'ONUDI a également établi un rapport selon lequel l'incertitude croissante entourant la réglementation internationale pourrait affecter l'adoption à long terme des HFO en Argentine. Bien que les HFO constituent actuellement la principale alternative à faible PRP au HCFC-141b pour certaines utilisations, les inquiétudes concernant les substances fluorées et les restrictions éventuelles sur les substances per- et polyfluoroalkylées (PFAS) sur certains marchés font peser un risque de changements réglementaires futurs, qui pourraient nécessiter des transitions supplémentaires. Cela est particulièrement critique pour les applications de mousse en spray, pour lesquelles aucune autre alternative viable à faible PRP n'est actuellement disponible.

Remarques du secrétariat

17. En révisant le Secrétariat des prix actuels du HFO-1233zd(E) en Argentine, l'ONUDI a indiqué que ceux-ci variaient en fonction de plusieurs facteurs, notamment la capacité d'une société de formulation donnée à se procurer des conteneurs-citernes conformes aux normes internationales plutôt que des citernes de transport, les volumes achetés, l'existence de contrats d'approvisionnement à long terme et la possibilité de s'approvisionner par l'intermédiaire de bureaux au Brésil. D'après les discussions avec le fournisseur de

[3] Approbation globale de la quatrième tranche de la phase II du PGEH pour l'Argentine.

technologie, le prix approximatif ne devrait pas dépasser 18 $US par kilogramme, ce qui reste nettement plus élevé que les autres options.

18. Prenant note de la disponibilité croissante des HFO et de la coordination en cours visant à éviter les ruptures d'approvisionnement, le Secrétariat a demandé si l'utilisation temporaire des HFC par les sociétés de formulation et leurs clients avait désormais cessé. L'ONUDI a indiqué que la seule entreprise utilisant des HFC n'était pas une société de formulation, mais un revendeur qui rencontrait encore des difficultés pour acheter et importer des systèmes à base d'HFO sans que ceux-ci ne perdent en grande partie leur stabilité à long terme pendant le transport.

19. Le Secrétariat prend note avec satisfaction que le gouvernement de l'Argentine a poursuivi ses discussions avec le fournisseur d'huile de fioul lourd et les sociétés de formulation, et que de nouveaux progrès ont été réalisés en matière d'amélioration de la disponibilité et d'atténuation des prix. Prenant note que la question de la disponibilité de solutions de remplacement dans la fabrication de mousses PU sera examinée au titre du point 9 de l'ordre du jour de la 98^{e} réunion, le Secrétariat a inclus les informations révisées relatives au projet sur les mousses PU en Argentine dans le document UNEP/OzL.Pro/ExCom/98/56.

20. Malgré les progrès significatifs supplémentaires réalisés, les questions relatives à la disponibilité et au prix des solutions de remplacement à faible PRP ne sont toujours pas entièrement résolues, et des solutions de remplacement à fort PRP continuent d'être utilisées à titre transitoire. Par conséquent, conformément à la décision 92/31 c) ii), le Secrétariat recommande au gouvernement argentin de poursuivre l'établissement de rapports au Comité exécutif à ce sujet.

Recommandation

21. Le Comité exécutif pourrait souhaiter :

a) Prendre note du rapport actualisé sur la disponibilité des solutions de remplacement à faible potentiel de réchauffement de la planète (PRP) du HCFC-141b dans le secteur des mousses, ainsi que sur l'utilisation transitoire de solutions de remplacement à fort PRP dans le cadre de la phase II du PGEH pour l'Argentine, présenté par l'ONUDI et figurant dans le document UNEP/OzL.Pro/ExCom/98/6 ; et

b) Demander au gouvernement argentin et à l'ONUDI, conformément à la décision 92/31 c) ii), de fournir, dans le cadre du rapport annuel sur l'état d'avancement de la mise en œuvre de la dernière tranche de la phase II du PGEH, qui doit être présenté lors de la 99^{e} réunion, des informations révisées sur la disponibilité sur le marché local de solutions de remplacement à faible PRP pour le HCFC-141b dans le secteur des mousses, ainsi que sur l'utilisation transitoire de solutions de remplacement à fort PRP.

<u>Bangladesh : Plan de gestion de l'élimination progressive des HCFC (phase II – rapport sur le nombre de climatiseurs utilisant du R-290/HFC-32 dans le cadre du projet de reconversion du secteur de la climatisation)</u> (PNUD)

Contexte

22. À la 94^{e} réunion, le Comité exécutif a approuvé la troisième et dernière tranche de la phase II du PGEH pour le Bangladesh, en prenant note que le gouvernement, par l'intermédiaire du PNUD, établirait des rapports sur le nombre de climatiseurs utilisant le R -290/HFC-32 comme réfrigérant, à l'exclusion des produits Unitech, qui ont été fabriqués chaque année au cours de la période 2025-2027 par chacune des entreprises financées dans le cadre du projet de reconversion du secteur de la climatisation, et ce lors de la première réunion de chaque année suivante (décision 94/32 b) ii)).

23. Conformément à cette décision, le gouvernement du Bangladesh a, par l'intermédiaire du PNUD, présenté un rapport sur les cinq entreprises financées dans le cadre du projet de reconversion du secteur de la climatisation.

Rapport périodique

24. Le tableau 4 ci-dessous indique le nombre d'appareils de climatisation fabriqués par chacune des entreprises entre janvier et décembre 2025.

Tableau 4. Systèmes de climatisation fabriquées du 1er janvier au 31 décembre 2025

Entreprise		**Type split (résidentiel)**	**Tous types (commercial)**
Walton Hi-Tech Industries	R-290	547	0
	HFC-32	298 521	3 800
Cooling Point Engineering Services	R-290	0	0
	HFC-32	0	20
Elite Hi-Tech	R-290	688	292
	HFC-32	11 517	0
AC Bazar Industries Ltd.	R-290	400	0
	HFC-32	900	383
Supreme Air Conditioning Co.	R-290	1 682	0
	HFC-32	14 921[4]	6 758
Total	**R-290**	**3 317**	**292**
	HFC-32	**325 859**	**10 961**

25. Le rapport indique qu'en décembre 2025, Walton Hi-Tech Industries et Elite Hi-Tech avaient achevé la conversion de leurs installations de production sur le plan opérationnel avec le lancement de modèles de climatiseurs individuels fonctionnant au R-290 et d'une capacité inférieure à 1,5 tonne de réfrigération[5] sur le marché local depuis le troisième trimestre 2025. Les trois autres entreprises ont achevé toutes les étapes de la reconversion et passé avec succès l'audit de sécurité. La commercialisation de nouveaux climatiseurs utilisant les technologies de substitution a débuté au quatrième trimestre 2025. En outre, l'interdiction de la fabrication locale et de l'importation de climatiseurs individuels utilisant des HCFC-22 d'une capacité maximale de 1,5 tonne de réfrigération a été promulguée et est appliquée depuis le 1er janvier 2026.

26. Le PNUD a également publié un rapport selon lequel, malgré l'adoption progressive de la technologie R-290 au sein des cinq entreprises, favorisée par son rendement énergétique élevé et son faible potentiel de réchauffement de la planète, sa généralisation est freinée par des coûts plus élevés, des préoccupations en matière de sécurité et des capacités techniques limitées. La technologie HFC-32 reste l'option privilégiée en raison de l'infrastructure d'entretien déjà en place et de ses coûts moins élevés.

Remarques du secrétariat

27. Le secrétariat prend note que le projet a permis de mettre en place avec succès une première capacité de production nationale de climatiseurs sans HCFC au sein des cinq entreprises participantes. Au sein de leurs gammes de produits, le HFC-32 s'est imposé comme la technologie de transition dominante, tandis que le R-290 est considéré comme une solution potentielle susceptible d'être développée à l'avenir par quatre de ces entreprises produisant des climatiseurs individuels d'une capacité inférieure à 1,5 tonne de réfrigération. La combinaison des reconversions achevées, des volumes de production initiaux et de la mise

[4] En raison d'une erreur typographique involontaire, le PNUD a communiqué un chiffre erroné de 136 480 unités lors de la 97e réunion. Le chiffre exact était de 13 648 unités en octobre 2025, tandis que le niveau de production révisé s'élève à 14 921 unités au 31 décembre 2025.

[5] Tonne de réfrigération

en œuvre de mesures réglementaires limitant l'utilisation du HCFC-22 offre une base favorable à une transformation durable du marché au-delà de 2025.

28. Il reste plusieurs risques à prendre en compte dans le cadre de l'adoption de climatiseurs fonctionnant au R-290. Il s'agit principalement des perceptions en matière de sécurité liées à l'inflammabilité, du nombre limité de techniciens formés et certifiés capables de gérer les technologies à base d'hydrocarbures, ainsi que de facteurs de marché contribuant à l'augmentation des coûts des composants clés de ces équipements. Certains de ces défis, en particulier ceux liés à la capacité du secteur de l'entretien à manipuler, installer et entretenir les unités au R-290, devraient être traités au cours de la phase III du PGEH, qui doit être achevé d'ici à 2030. Des mesures supplémentaires visant à fournir un appui à l'adoption plus rapide de technologies de remplacement et à la manipulation sûre des hydrocarbures devraient être abordées au cours de la phase I du plan de mise en œuvre de Kigali pour les HFC, qui sera présenté ultérieurement.

Recommandation

29. Le Comité exécutif pourrait souhaiter prendre note du rapport sur le nombre de climatiseurs utilisant le R-290/HFC-32 comme réfrigérant, fabriqués en 2025 par chacune des entreprises bénéficiant d'un financement au titre du projet de reconversion du secteur de la climatisation relevant de la phase II du plan de gestion de l'élimination progressive des HCFC au Bangladesh, fourni par le PNUD et figurant dans le document UNEP/OzL.Pro/ExCom/98/6.

Bhoutan : Plan de gestion de l'élimination progressive des HCFC et activités supplémentaires visant au maintien du rendement énergétique dans le secteur de l'entretien des équipements de réfrigération, conformément à la décision 89/6 (demande de prolongation du délai d'achèvement du projet) (PNUE et PNUD)

Contexte

30. À la 95e réunion, le Comité exécutif a approuvé la quatrième et dernière tranche du PGEH pour le Bhoutan, d'un montant de 147 000 $US, plus 18 350 $US de coûts d'appui d'agence, dont 100 000 $US plus 13 000 $US de coûts d'appui d'agence pour le PNUE, destinés à des activités visant au maintien du rendement énergétique (décision 89/6)[6]. La date d'achèvement opérationnel prévue par l'accord sur le PGEH est fixée au 31 décembre 2026.

Demande de prolongation

31. Le PNUE a indiqué que le projet visant à mettre en œuvre des activités supplémentaires pour le maintien du rendement énergétique dans le secteur de l'entretien des équipements de réfrigération nécessite un délai supplémentaire pour être achevé, en particulier l'activité visant à améliorer le programme de promotion des appareils à faible potentiel de réchauffement de la planète et à renforcer le processus d'enregistrement des appareils, qui avait connu des retards initiaux désormais résolus.

32. En conséquence, le PNUE, en sa qualité d'agence principale d'exécution, a fait la demande, au nom du pays, d'une prolongation de la période de mise en œuvre du PGEH jusqu'au 31 décembre 2027 afin de permettre l'achèvement des activités susmentionnées.

Remarques du secrétariat

33. Le Secrétariat a pris note que le pays avait consommé en 2025 122 kilogrammes, soit 0,007 tonne PAO de HCFC-22, ce qui est conforme à la cible fixée dans l'accord conclu entre le pays et le Comité exécutif. Le Secrétariat a également noté que les activités de rendement énergétique liées à la

[6] Annexe XVII au document UNEP/OzL.Pro/ExCom/95/94

formation, ainsi que les autres activités du PGEH, devraient être achevées dans les délais prescrits, d'ici décembre 2026.

34. Étant donné que les problèmes à l'origine des retards initiaux dans le volet du projet consacré au rendement énergétique ont été résolus, Le Secrétariat estime que la prolongation demandée de la mise en œuvre du PGEH faciliterait l'achèvement des activités restantes dans ce volet.

Recommandation

35. Le Comité exécutif pourrait souhaiter :

a) Prendre note de la demande de prolongation du délai d'achèvement du PGEH pour le Bhoutan, telle que présentée par le PNUE et figurant dans le document UNEP/OzL.Pro/ExCom/98/6 ; et

b) Approuver, à titre exceptionnel et étant entendu qu'aucune nouvelle prolongation de la mise en œuvre du projet ne sera demandée, la prolongation jusqu'au 31 décembre 2027 de la date d'achèvement du projet visé au point a) ci-dessus, afin de permettre la réalisation des activités supplémentaires visant au maintien du rendement énergétique dans le secteur de l'entretien des équipements de réfrigération, présentées conformément à la décision 89/6.

Irak : Plan de gestion de l'élimination progressive des HCFC (phase II – achèvement de la phase I du plan national d'élimination progressive et du projet visant à remplacer le CFC-12 par de l'isobutane ainsi que le CFC-11 par du cyclopentane dans la fabrication d'appareils de réfrigération ménagers chez Light Industries) (PNUE et ONUDI)

Contexte

36. À la 87e réunion, le Comité exécutif a approuvé la phase II du PGEH pour l'Irak, en prenant note que sa deuxième tranche ne pourrait être examinée qu'une fois achevés la phase I du PGEH (IRQ/PHA/74/INV/23), le plan national d'élimination progressive (NPP) (IRQ/PHA/58/INV/09) ainsi que le projet visant à remplacer le réfrigérant CFC-12 par de l'isobutane et l'agent gonflant pour mousse CFC-11 par du cyclopentane dans la fabrication de réfrigérateurs et de congélateurs coffres à usage domestique chez Light Industries Company (IRQ/REF/57/INV/07) (décision 87/40 c)). Au moment de la soumission de la deuxième tranche à la 95e réunion, les projets susmentionnés n'avaient pas été achevés par l'ONUDI ; en conséquence, la tranche avait été approuvée pour le PNUE uniquement, prenant note que aucun financement supplémentaire ne serait examiné pour l'ONUDI tant que cette condition ne serait pas remplie. En outre, à titre exceptionnel, les dates d'achèvement de la phase I du PGEH et des projets IRQ/REF/57/INV/07 et IRQ/PHA/58/INV/09 ont été reportées au 31 décembre 2025, étant entendu que l'ONUDI rapporterait désormais l'état d'avancement de ces deux derniers projets comme « en cours » (ONG) dans ses rapports périodiques annuels et financiers de 2024, et qu'elle présenterait à la 96e réunion un rapport sur les progrès réalisés dans la mise en œuvre des trois projets (décision 95/52).

37. L'ONUDI a présenté les rapports périodiques lors des 96e et 97e réunions. Le rapport présenté lors de la 97e réunion a confirmé que toutes les activités mises en œuvre au titre de la phase I du PGEH, y compris la distribution d'outils aux bénéficiaires, seraient achevées d'ici décembre 2025, conformément à la prolongation accordée. Dans le cadre du NPP, la société d'État Nassr achèverait également toutes les activités d'ici décembre 2025, Iraqi Steel ne participerait plus et achèverait l'installation de manière indépendante avec ses propres ressources, s'engageant à ne pas utiliser de HCFC ni de HFC pour la fabrication de mousse, et le projet destiné à Light Industries serait achevé sur le plan opérationnel d'ici le 31 décembre 2025, date à laquelle l'ONUDI transférerait la propriété des équipements, sous réserve de l'engagement de Light Industries selon lequel, si les travaux de reconversion se prolongeaient au-delà de cette date, l'entreprise serait responsable de leur achèvement. L'unité nationale d'ozone veillerait au respect de cet accord et l'ONUDI poursuivrait la fourniture d'une assistance technique après l'achèvement du projet

en décembre 2025 afin de garantir une reconversion adéquate. Le Comité exécutif a pris note du rapport et a demandé à l'ONUDI de soumettre à la 98e réunion un rapport périodique sur l'achèvement de ces projets (décision 97/16).

Rapport périodique

38. Au nom du gouvernement de l'Irak, l'ONUDI a présenté des rapports périodiques concernant les projets suivants :

(a) *PGEH (phase I, deuxième tranche) (assistance technique pour le secteur de l'entretien) (IRQ/PHA/74/INV/23) :* En raison de retards au dédouanement, les kits d'outils[7] 100 appareils destinés aux techniciens ont été achetés, livrés et distribués aux bénéficiaires en avril 2026 ; le rapport d'achèvement de projet a été présenté le même mois, et un solde de 8 063,71 $US sera restitué à la 98e réunion ;

(b) *NPP (reconversion du CFC-11 au cyclopentane chez deux fabricants de mousses PU) (IRQ/PHA/58/INV/09) :* La société d'État Nassr a reçu l'ensemble des équipements, a entrepris les essais et la formation nécessaires au lancement de la production commerciale, et a achevé sa reconversion en décembre 2025 ; le projet chez Iraqi Steel a été annulé, et un solde de 26 319,69 $US sera restitué à la 99e réunion ; et

(c) *Projet de remplacement du CFC-12 par l'isobutane et du CFC-11 par le cyclopentane dans la fabrication d'équipements de réfrigération domestique chez Light Industries (IRQ/REF/57/INV/07) :* L'ONUDI a achevé l'installation et la mise en service des équipements ; le projet a été achevé sur le plan opérationnel en décembre 2025 et sera achevé sur le plan financier en juin 2026.

Niveau de décaissement des fonds

39. En date d'avril 2026, le décaissement des fonds pour la deuxième tranche de la phase I du PGEH et pour le NPP avait atteint 96,5 % et 95,8 % respectivement ; et le montant total de 2 161 581 $US approuvé pour le projet de reconversion chez Light Industries avait été décaissé, comme indiqué dans le tableau 5. Les soldes restants seront restitués lors des 98e et 99e réunions.

Tableau 5. Rapport financier sur les projets devant être achevés en Irak d'ici avril 2026 ($US)

Projet	Financement approuvé	Fonds décaissés	Taux de décaissement (%)	Solde des fonds
PGEH (phase I, 2e tranche)	230 000	221 936,29	96,5	*8 063,71
Centrales nucléaires (société d'État Nassr et Iraqi Steel)	4 353 530	4 171 591,85	95,8	**26 319,69
Reconversion dans le secteur des industries légères	2 161 581	2 161 581	100,0	0

* Solde devant être restitué à la 98e réunion
** Solde restant à restituer lors de la 99e réunion, après règlement des engagements en suspens d'un montant de 155 618,46 $US.

Remarques du secrétariat

40. Le Secrétariat prend note que tous les projets en cours ont désormais été achevés sur le plan opérationnel, que le rapport de clôture de projet pour la phase I du PGEH a été présenté, et que les soldes restants de la phase I du PGEH et du plan national de production (NPP) seront restitués respectivement lors

[7] Y compris des détecteurs de fuite électroniques, des pompes à huile de remplissage, des équipements portables de purge à l'azote, des jeux de clés dynamométriques, des pinces Lokring, des mâchoires de montage et des raccords de différents diamètres.

des 98e et 99e réunions. Conformément à la décision 87/40 c), la deuxième tranche de la phase II du PGEH pour l'Irak, présentée par l'ONUDI, ne pourra être présentée pour examen par le Comité exécutif qu'une fois que les rapports d'achèvement de projet relatifs au projet national de production (NPP) et au projet de reconversion dans le secteur des industries légères auront été présentés au Secrétariat.

Recommandation

41. Le Comité exécutif pourrait souhaiter :

a) Prendre note des rapports finaux sur les progrès accomplis dans la mise en œuvre de la deuxième tranche de la phase I du PGEH (IRQ/PHA/74/INV/23), de la première tranche du plan national d'élimination progressive (IRQ/PHA/58/INV/09), ainsi que du projet visant à remplacer le CFC-12 par de l'isobutane et le CFC-11 par du cyclopentane dans la fabrication de réfrigérateurs et de congélateurs coffres à usage domestique chez Light Industries Company (IRQ/REF/57/INV/07) pour l'Irak, tels que présentés par l'ONUDI et figurant dans le document UNEP/OzL.Pro/ExCom/98/6 ; et

b) Demander à l'ONUDI de présenter les rapports d'achèvement de projet pour les projets IRQ/PHA/58/INV/09 et IRQ/REF/57/INV/07 avant la 99e réunion afin de permettre l'examen de la deuxième tranche de la phase II du PGEH de l'ONUDI, conformément à la décision 87/40 c).

Koweït : Plan de gestion de l'élimination progressive des HCFC (phase II) – demande de prolongation du délai d'achèvement du projet (PNUE et ONUDI)

Contexte

42. À la 88e réunion, le Comité exécutif a approuvé la phase II du PGEH pour le Koweït, mis en œuvre par le PNUE et l'ONUDI, pour la période allant de 2021 à 2025, afin d'atténuer la consommation de HCFC de 67,5 % par rapport au niveau de référence de HCFC du pays (décision 88/51). La deuxième tranche, approuvée à la 95e réunion, est en cours de mise en œuvre. La troisième et dernière tranche devait être soumise en 2025, l'achèvement global du PGEH étant prévu pour décembre 2026, conformément à l'accord conclu entre le gouvernement et le Comité exécutif.

Demande de prolongation

43. Depuis le milieu de l'année 2025, le Koweït est confronté à des circonstances exceptionnelles liées à l'évolution de la situation dans la région, qui ont affecté l'environnement opérationnel global ainsi que la capacité à entreprendre les activités prévues dans le cadre du projet. De plus, les changements intervenus au sein de la direction de l'Autorité publique pour l'environnement (EPA) en mai 2025 ont entraîné des ajustements transitoires qui ont eu des répercussions sur les processus de coordination et d'élaboration des politiques indispensables à la mise en œuvre efficace et dans les délais des activités prévues.

44. Dans le cadre de la mise en œuvre par le PNUE, des avancées ont été réalisées dans les activités clés, notamment la signature des accords de coopération pour les deux tranches du projet et les premiers décaissements à l'EPA ; toutefois, plusieurs activités restent en suspens dans l'attente d'une résolution des circonstances susmentionnées. Dans le cadre du plan de mise en œuvre de l'ONUDI, le centre de régénération a été créé et est opérationnel ; le matériel de laboratoire a été livré à l'EPA ; et des missions ont été menées pour identifier des centres de formation et élaborer des cadres de certification. Toutefois, la livraison de certains équipements destinés aux centres de formation, ainsi que du matériel de laboratoire pour le centre de récupération, de recyclage et de régénération, reste en suspens en raison de contraintes d'expédition liées à la situation régionale ; après la livraison, les équipements seraient installés et mis en service.

45. Compte tenu de ce qui précède, le PNUE, au nom du gouvernement du Koweït, a demandé une prolongation de la période de mise en œuvre du projet jusqu'au 31 décembre 2027 afin de permettre l'achèvement de toutes les activités restantes.

Remarques du secrétariat

46. Le Secrétariat prend note des difficultés rencontrées par le gouvernement du Koweït dans la mise en œuvre de la phase II de son PGEH, qui ont retardé la finalisation de la planification et la mise en œuvre de certaines activités. Le Secrétariat a demandé des éclaircissements au PNUE et à l'ONUDI sur l'état d'avancement actuel de la mise en œuvre et sur les mesures en place pour garantir l'achèvement du projet dans le délai prolongé demandé. Le PNUE et l'ONUDI ont confirmé que la situation était gérée de manière active, ce qui permettait aux deux agences d'exécution de réaliser des progrès substantiels ; que la troisième et dernière tranche devrait être soumise à la 99e réunion ; et que toutes les activités restantes devraient être achevées d'ici le 31 décembre 2027.

Recommandation

47. Le Comité exécutif pourrait souhaiter :

a) Prend note de la demande de prolongation de la phase II du plan de gestion de l'élimination progressive des HCFC pour le Koweït, telle que présentée par le PNUE et figurant dans le document UNEP/OzL.Pro/ExCom/98/6 ; et

b) D'approuver, à titre exceptionnel et étant entendu qu'aucune autre prolongation ne sera accordée, la prolongation jusqu'au 31 décembre 2027 de la date d'achèvement du projet visé au point a) ci-dessus.

Mauritanie : Plan de gestion de l'élimination progressive des HCFC (phase I – Rapport périodique sur la mise en œuvre du Programme de travail lié à la troisième et dernière tranche) (PNUE et ONUDI)

Contexte

48. Lors de l'approbation de la troisième et dernière tranche de la phase I du PGEH pour la Mauritanie, le Comité exécutif a demandé au gouvernement mauritanien, le PNUE et l'ONUDI de présenter à la 98e réunion un rapport sur les progrès accomplis dans la mise en œuvre des activités restantes de la phase I du PGEH, y compris la conclusion de l'étude de faisabilité technico-économique indiquant si un programme national de récupération, de recyclage et de régénération (RRR) pour la Mauritanie serait viable ou non, le cadre opérationnel de ce programme et ses liens avec les centres de récupération existants, ainsi que le matériel à acquérir[8].

49. Dans les données relatives à son programme de pays, le gouvernement mauritanien a indiqué une consommation de 6,32 tonnes PAO de HCFC en 2025, ce qui représente une baisse de 69 % par rapport au niveau de référence de HCFC fixé aux fins de conformité du pays et correspond à la consommation maximale autorisée pour l'année en question.

Rapport périodique

50. Au nom du gouvernement mauritanien, le PNUE, en sa qualité d'agence principale d'exécution, a présenté un rapport périodique sur la mise en œuvre des activités restantes de la phase I du PGEH, y compris

[8] Décision 97/35 (approbation globale)

les conclusions de l'évaluation de la viabilité du programme national de réduction des risques liés aux halogénures de fluor.

51. Toutes les activités prévues dans le secteur de l'entretien dans le cadre du volet PNUE de la deuxième tranche ont été achevées comme suit :

a) *Programme de formation destiné aux agents des douanes et aux agents des forces de l'ordre :* Organisation de cinq ateliers de formation qui ont permis de former 125 agents des douanes et agents des forces de l'ordre ;

b) *Programme de formation destiné aux techniciens en réfrigération :* La formation des formateurs et les sessions de formation nationales qui ont suivi ont été achevées ; au total, 30 formateurs et plus de 200 techniciens ont été formés aux bonnes pratiques d'entretien, notamment à la récupération, au recyclage et à la manipulation sûre des réfrigérants ;

c) *Enquête et évaluation des besoins dans le secteur de la réfrigération et de la R&C :* Une enquête exhaustive et une évaluation des besoins ont été menées, ce qui a permis d'obtenir des données révisées sur la consommation de HCFC, le parc d'équipements et les besoins du secteur ; et

d) *Suivi et établissement de rapports :* Des systèmes de suivi ont été mis en place et la collecte de données a été renforcée en coordination avec les douanes et les parties prenantes concernées.

52. Les activités mises en œuvre par l'ONUDI se poursuivent et l'étude de faisabilité technico-économique du programme national de réduction des risques liés aux tremblements de terre a été présentée au Secrétariat :

a) *Étude de faisabilité technico-économique du projet RRR :* L'évaluation a conclu qu'un programme de récupération et de recyclage était réalisable et pouvait être mis en place à court terme ; toutefois, la valorisation n'était probablement pas viable sur le plan économique à court terme. Le volume requis pour que la valorisation soit viable est inférieur à 60 tonnes par an à l'échelle nationale, ce qui est jugé difficile à atteindre compte tenu des niveaux de consommation actuels. L'évaluation a également défini une feuille de route réglementaire pour la mise en œuvre du programme, la disponibilité des infrastructures, un plan de mise en œuvre détaillé en six phases, une liste d'équipements, la formation et la certification, les mesures de contrôle de la qualité, ainsi que les rôles et responsabilités des institutions ;

b) *Programme d'assistance technique et de fourniture d'équipements destiné aux centres de récupération et de stockage :* À la suite du transfert des responsabilités du PNUD à l'ONUDI, les marchés relatifs aux première et deuxième tranches ont été regroupés en une seule commande afin d'optimiser les coûts et la logistique. Le processus d'approvisionnement a été mené à bien et le matériel a été livré en avril 2026 ;

c) *Renforcement des capacités techniques en matière de réfrigérants de substitution, y compris les hydrocarbures (R-290) :* Le matériel a été livré ; l'ONUDI se chargera, en coordination avec l'unité nationale d'ozone, d'organiser une formation de renforcement des capacités, prévue pour juin 2026 ; et

d) *Identificateurs de réfrigérants* désormais disponibles ; trois unités ont été fournies et livrées en avril 2026.

53. En mai 2026, sur les 607 500 $US approuvés au titre de la phase I, 348 101 $US avaient été décaissés (216 595 $US au PNUE et 131 506 $US à l'ONUDI), tel qu'indiqué dans le tableau 6. Le solde de 259 399 $US sera décaissé d'ici au 31 décembre 2027.

Tableau 6. Rapport financier sur la phase I du PGEH pour la Mauritanie ($US)

Tranche		PNUE	ONUDI	Total	Taux de décaissement (%)
Première	Approuvé	150 000	105 000	255 000	79
	Décaissé	149 845	50 336	200 181	
Deuxième	Approuvé	66 750	200 000	266 750	55
	Décaissé	66 750	81 170	147 920	
Troisième	Approuvé	85 750	0	87 750	0
	Décaissé	0	0	0	
Total	**Approuvé**	**302 500**	**305 000**	**607 500**	**57**
	Décaissé	**216 595**	**131 506**	**348 101**	
	Solde	**85 905**	**173 494**	**259 399**	

Remarques du secrétariat

54. L'étude ayant conclu qu'un programme de valorisation et de recyclage était réalisable, mais qu'un programme de remise en état avait peu de chances d'être économiquement viable, une feuille de route a été élaborée pour la mise en œuvre, qui ne comprend que les activités liées à la valorisation et au recyclage. Le rapport ne mentionne aucun centre de valorisation officiel existant en Mauritanie. Après avoir reçu des informations détaillées sur le nombre et le type d'équipements acquis pour les centres de valorisation et de stockage[9] ainsi qu'une liste d'achats[10] pour les centres de récupération, le Secrétariat a demandé des précisions sur le nombre total de centres de stockage et de récupération devant bénéficier d'une aide, ainsi que sur le nombre de techniciens à former. L'ONUDI a confirmé que des équipements seraient installés et mis en service dans deux centres de stockage, cinq centres régionaux de récupération et un centre central de stockage, et qu'une formation sur la manipulation en toute sécurité des réfrigérants inflammables, les procédures de récupération et de recyclage, ainsi que le fonctionnement des équipements dans les centres de formation serait dispensée à au moins 240 techniciens de R&C.

Conclusion

55. La Mauritanie continue de respecter les cibles de réduction des HCFC fixées dans son accord avec le Comité exécutif, la consommation restant en baisse. Le pays applique efficacement un système de licences et de quotas pour contrôler les importations de HCFC. Bien que des retards dans la mise en œuvre aient été enregistrés en raison du changement d'agence d'exécution, de contraintes d'approvisionnement à l'échelle mondiale et de difficultés logistiques liées à l'expédition et à la clarification des procédures d'exonération fiscale, des mesures correctives ont été prises. Ces mesures comprennent une révision de la liste des équipements afin de refléter la disponibilité sur le marché, la résolution des problèmes liés à l'expédition et aux formalités douanières, ainsi que la finalisation des processus d'achat. Dans le secteur de l'entretien des équipements de réfrigération et de climatisation, des équipements et des outils ont été fournis pour soutenir le programme d'appui technique et d'équipement destiné aux centres de récupération et de stockage, ainsi que la livraison d'identificateurs de réfrigérants. La dernière tranche a été approuvée à la 97^{e} réunion et le taux de décaissement actuel, y compris la dernière tranche, s'élève à 57 %. Le PNUE et l'ONUDI ont

[9] Y compris la fourniture d'unités de récupération de réfrigérants, de tuyaux, de bouteilles, de balances, de pompes à vide, de manomètres à collecteur, de détecteurs de fuites, de capteurs, d'outils à main et d'identificateurs de réfrigérants.
[10] Y compris des bouteilles de récupération sous vide, des machines de récupération de réfrigérant, des pompes à vide, des stations de recharge portables, des balances, des manomètres à collecteur, des détecteurs de fuites et des kits de brasage.

confirmé que toutes les activités principales seraient achevées d'ici le 31 décembre 2026, la finalisation et la consolidation opérationnelle s'étendant jusqu'en 2027.

Recommandation

56. Le Comité exécutif pourrait souhaiter prendre note du rapport sur les progrès accomplis dans la mise en œuvre des activités restantes de la phase I du PGEH pour la Mauritanie, y compris la conclusion de l'étude de faisabilité technico-économique d'un programme national de récupération, recyclage et de régénération, le cadre opérationnel de ce programme et ses liens avec les centres de récupération existants, ainsi que les équipements à acquérir dans le cadre de la troisième et dernière tranche de la phase I du PGEH, présenté par le PNUE et figurant dans le document UNEP/OzL.Pro/ExCom/98/6.

Türkiye : Plan de gestion de l'élimination progressive des HCFC (phase I – rapport périodique sur la mise en œuvre du Programme de travail lié à la cinquième et dernière tranche) (ONUDI et PNUE)

Contexte

57. À sa 96e réunion, lors de l'approbation de la cinquième et dernière tranche de la phase I du PGEH pour la Türkiye, le Comité exécutif a demandé au gouvernement de la Türkiye, à l'ONUDI et au PNUE de présenter, chaque année, des rapports périodiques sur la mise en œuvre des programmes de travail liés à la dernière tranche du PGEH, ainsi que des rapports de vérification jusqu'à l'achèvement du projet[11].

58. Le gouvernement de la Türkiye a déclaré une consommation de 2,75 tonnes de PAO de HCFC en 2024, soit 99,5 % de moins que le niveau de référence de HCFC aux fins de conformité. Türkiye avait déjà interdit l'importation de HCFC à compter du 1er janvier 2015, n'autorisant que des quantités limitées de HCFC-22 exclusivement à des fins d'entretien. À compter du 1er janvier 2025, l'importation de HCFC-22 à des fins d'entretien a également été interdite, achevant ainsi l'élimination totale des HCFC. La consommation de HCFC pour la période 2020-2025 figure dans le tableau 7.

Tableau 7. Consommation de HCFC en Türkiye (données au titre de l'Article 7 pour 2020–2025)

HCFC	2020	2021	2022	2023	2024	2025 *	Référence**
HCFC-22							
Tonnes (tm)	33,15	63,96	47,16	42,48	50,00	0,00	8 007,00
Tonnes PAO	1,82	3,52	2,59	2,34	2,75	0,00	551,47
Consommation maximale admissible	**50,00**	**40,00**	**30,00**	**20,00**	**10,00**	**0,00**	**s. o.**

* Rapport de vérification
** La référence de consommation inclut les substances suivantes : HCFC-22, HCFC-141b, HCFC-142b, HCFC-123 et HCFC-124. La Türkiye a consommé uniquement du HCFC-22 en 2013-2024.

59. Le gouvernement de la Türkiye a communiqué des données relatives à la consommation dans le secteur des HCFC dans le rapport de mise en œuvre du programme de pays (PP) pour 2024, qui sont conformes aux données communiquées au titre de l'article 7 du Protocole de Montréal. Un projet de rapport de mise en œuvre du PP pour 2025 a été présenté le 5 mai 2026, confirmant la consommation nulle de HCFC telle qu'indiquée dans la vérification. Le rapport final est en cours de finalisation.

Rapport de vérification

60. Le rapport de vérification a permis de confirmer que la Turquie avait complètement éliminé la consommation de HCFC au 1er janvier 2025, soit cinq ans avant la date prévue par les calendriers de

[11] Décision 96/26 (approbation globale)

réduction du Protocole de Montréal, et que cette réussite avait été rendue possible grâce à des cadres institutionnels et réglementaires solides, à des reconversions sectorielles et à des mesures d'appui décisives mises en œuvre dans le cadre du PGEH.

61. Afin de soutenir l'élimination accélérée des HCFC en Turquie, la vérification a recommandé de renforcer les mesures visant à prévenir les importations illégales grâce à une vigilance accrue des douanes, notamment par le recours à des outils numériques, à des dispositifs d'identification des réfrigérants, à des sanctions, à la coopération régionale et à la formation continue des agents des douanes. Elle a également souligné la nécessité de maintenir des systèmes de formation continue et de certification, d'intégrer les centres de régénération dans les cadres nationaux de gestion des déchets, d'encourager leur utilisation et d'étendre leur mandat aux HFC et autres gaz fluorés (gaz F). Enfin, elle a appelé à la poursuite du renforcement institutionnel afin de garantir que les cadres réglementaires restent solides, transparents, alignés sur les normes de l'Union européenne relatives aux gaz fluorés, et bénéficient d'un appui efficace pour l'établissement de rapports et le suivi.

Rapport périodique

62. Au nom du gouvernement de la Türkiye, l'ONUDI a présenté un rapport révisant les progrès réalisés dans le cadre des activités restantes du secteur de l'entretien des équipements de réfrigération, notamment :

a) *Formation des agents des douanes et des agents des forces de l'ordre :* 141 agents des services de douane et d'inspection supplémentaires ont suivi une formation sur la réglementation en vigueur, la prévention du commerce illicite et l'identification des substances appauvrissant la couche d'ozone (SAO) interdites à l'aide d'identificateurs de réfrigérants, ce qui porte à 250 le nombre total d'agents formés au cours de cette phase, dont 62 femmes ;

b) *Formation et certification des techniciens de R&C :* Vingt-cinq lycées professionnels publics situés dans 23 provinces ont été équipés[12] afin de renforcer leurs capacités de formation pratique dans le secteur de l'entretien des équipements de réfrigération. Au total, 7 289 techniciens ont été certifiés dans le cadre du système national de certification, et 2 000 autres devraient l'être prochainement selon un calendrier. Par ailleurs, entre 2025 et 2026, 1 276 techniciens répartis dans 11 provinces ont suivi une formation sur les bonnes pratiques d'entretien et la manipulation sûre des réfrigérants, ce qui porte le total à 2 178 personnes dans le cadre de cette phase, dont 295 femmes ;

c) *Programme de récupération, de recyclage et de valorisation (RRR) :* Les trois centres de RRR sont opérationnels sur le plan pratique (équipements installés, formations dispensées, activités en cours), mais ils ne sont pas encore officiellement mis en service. Leur intégration réglementaire ne sera achevée qu'en 2026, une fois que la circulaire correspondante sera entrée en vigueur. La circulaire réglementant la collecte, le stockage temporaire, le transport et la valorisation écologiquement rationnels des gaz fluorés a été rédigée et discutée avec les parties prenantes concernées ; elle fait actuellement l'objet des dernières procédures d'approbation nationales en vue de son adoption définitive avant sa publication officielle. Du matériel destiné à renforcer les centres de formation professionnelle (notamment des détecteurs de fuites, des outils de récupération et des balances) est en cours d'acquisition en vue d'une distribution en 2026 ; et

[12] Le matériel comprenait des analyseurs de gaz, des unités de récupération des réfrigérants, des bouteilles de gaz et des kits d'azote.

d) *Unité de mise en œuvre et de suivi du projet (UMS) :* Poursuite de la coordination des activités restantes du PGEH afin de garantir la pérennité de l'élimination des HCFC, avec l'appui de consultants techniques nationaux, d'un conseiller technique et d'audits.

63. En date d'avril 2026, sur les 14 223 540 $US approuvés pour la phase I (14 120 090 $US pour l'ONUDI et 103 450 $US pour le PNUE), 12 345 708 $US avaient été décaissés (12 242 258 $US pour l'ONUDI et 103 450 $US pour le PNUE) et 318 150 $US avaient été restitués, tel qu'indiqué dans le tableau 8. Le solde de 1 877 832 $US sera décaissé en 2026.

Tableau 8. Rapport financier de la phase I du PGEH pour la Türkiye ($US)

Projet/Tranche		ONUDI	PNUE	Total*	Taux de décaissement (%)
Projet-cadre relatif aux mousses de polyuréthane (PU) et de polystyrène extrudé (XPS)	Approuvé	7 713 490	0	7 713 490	96,2
	Décaissé	7 419 768	0	7 419 768	
Première tranche	Approuvé	807 750	103 450	911 200	99,7
	Décaissé	805 351	103 450	908 801	
Deuxième tranche	Approuvé	2 500 000	0	2 500 000	98,5
	Décaissé	2 461 825	0	2 461 825	
Troisième tranche	Approuvé	1 598 850	0	1 598 850	71,6
	Décaissé	1 144 850	0	1 144 850	
Quatrième tranche	Approuvé	859 400	0	859 400	44,5
	Décaissé	382 057	0	382 057	
Cinquième tranche	Approuvé	640 600	0	640 600	4,4
	Décaissé	28 407	0	28 407	
Total	**Approuvé**	**14 120 090**	**103 450**	**14 223 540**	**86,8**
	Décaissé	**12 242 258**	**103 450**	**12 345 708**	

* Les projets d'investissement dans les entreprises de mousses PU et XPS ont été achevés en décembre 2019, et les soldes inutilisés, d'un montant de 293 722 $US, ont été restitués au Fonds lors de la 84e réunion. Les soldes inutilisés de 1 605 $US, 794 $US et 22 029 $US provenant des première et deuxième tranches ont été restitués au Fonds lors des 79e, 81e et 87e réunions.

64. La stratégie en faveur de l'égalité entre les femmes et les hommes du Fonds multilatéral a été intégrée aux activités du PGEH. Des techniciennes ont participé aux programmes de certification, les écoles professionnelles ont accueilli des stagiaires de sexe féminin, et des femmes ont pris part aux sessions de formation des agents des douanes ainsi qu'à divers programmes de sensibilisation. Des stratégies ont été recommandées pour renforcer et suivre la participation des femmes aux postes techniques et de direction, ainsi qu'au recrutement et à la formation. Cela renforce la pérennité des acquis en garantissant une participation plus large de la main-d'œuvre.

Remarques du secrétariat

65. Le Secrétariat note avec satisfaction que la Turquie a achevé l'élimination totale des HCFC au 1er janvier 2025, soit cinq ans avant le calendrier de contrôle prévu par le Protocole de Montréal. L'ONUDI a confirmé que la phase I du PGEH serait achevée sur le plan opérationnel au plus tard le 31 décembre 2026, comme le prévoit l'accord et comme indiqué lors de la 96e réunion du Comité exécutif. Le taux de décaissement financier pour cette phase s'élève à 86,8 %, et les paiements finaux du projet, principalement affectés à l'achat en cours d'outils d'entretien pour les techniciens en réfrigération, aux activités de formation, ainsi qu'au matériel de laboratoire et de formation pour les écoles professionnelles, devraient être finalisés d'ici décembre 2026.

66. Conformément à la demande formulée, l'ONUDI a confirmé qu'à compter du 1er janvier 2025, l'utilisation des HCFC avait été totalement interdite en Türkiye, à l'exception des applications critiques et de laboratoire, ce qui a effectivement mis fin à leur mise sur le marché. Afin de pérenniser cette élimination progressive, la loi sur le climat du 9 juillet 2025 a instauré des sanctions administratives et financières

sévères à l'encontre des personnes et entités impliquées dans l'utilisation, l'importation, le commerce ou la mise sur le marché illégaux de substances appauvrissant la couche d'ozone. Des efforts continus de formation et de sensibilisation ciblant les agents des douanes, les techniciens et d'autres parties prenantes fournissent un appui à l'adoption de solutions de remplacement, tandis que des mécanismes de coordination, notamment le Panel sur l'ozone, garantissent l'engagement continu des parties prenantes. Ensemble, ces mesures constituent une base solide pour la viabilité à long terme de l'élimination progressive des HCFC en Türkiye.

Recommandation

67. Le Comité exécutif pourrait souhaiter prendre note du rapport périodique sur la mise en œuvre du Programme de travail relatif à la cinquième et dernière tranche de la phase I du plan de gestion de l'élimination progressive des HCFC pour la Turquie, fourni par l'ONUDI et figurant dans le document UNEP/OzL.Pro/ExCom/98/6.

B. Rapport relatif aux accords sur les plans de mise en œuvre de Kigali pour les HFC

<u>Accords visant à réduire la consommation de HFC conformément à la phase I des plans de mise en œuvre de Kigali pour les HFC</u>

Contexte

68. À la 95e réunion, le Comité exécutif est parvenu à un consensus sur le modèle d'accord relatif à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP)[13]. Le modèle convenu sera appliqué aux KIP précédemment approuvés entre la 92e et la 95e réunions. À la 96e réunion, le Comité exécutif est parvenu à un consensus sur les lignes directrices relatives au financement des coûts liés aux HFC[14], en clarifiant davantage le point de départ, ce qui a des implications sur les projets d'accords. Les révisions apportées aux projets d'accords ont été examinées à la réunion de coordination interinstitutionnelle[15] et, à sa 97e réunion, le Comité exécutif a approuvé les accords relatifs aux 14 KIP adoptés entre la 92e et la 95e réunion.

Remarques du secrétariat

69. Afin de garantir la cohérence et l'exactitude des projets d'accords entre les gouvernements concernés et le Comité exécutif, le Secrétariat les a élaborés sur la base du modèle convenu et des calendriers relatifs aux engagements de réduction progressive des HFC et aux tranches de financement au titre des plans d'action nationaux (KIP) approuvés entre les 92e et 95e réunions, et a procédé aux ajustements suivants, lorsque cela s'est avéré nécessaire:

a) Paragraphe 2, conformément à la décision 96/5 e) pour les pays à faible consommation en volume (LVC) dont la consommation concerne uniquement l'entretien et pour lesquels le point de départ n'est pas appliqué, ainsi que pour les pays non-LVC pour lesquels le point de départ couvre l'ensemble des HFC ;

b) Paragraphe 9, conformément à la décision 96/4 visant à supprimer la fonction de suivi du responsable principal de l'évaluation, supprimer les mots « suivi et » ;

c) Appendices 1-A et 2-A, afin de tenir compte des décisions susceptibles de varier selon qu'il s'agit de pays à faible consommation en volume assurant l'entretien, de pays à faible

[13] Décision 95/90 et annexe LVII au document UNEP/OzL.Pro/ExCom/95/94
[14] Décision 96/50
[15] Tenu en septembre 2025

consommation en volume assurant à la fois l'entretien et les activités de fabrication, ou de pays non-LVC ; et

d) Pour les pays non-LVC et les pays à faible consommation en volume dotés d'un secteur de fabrication, l'annexe 1-A et la ligne 4 de l'annexe 2-A doivent inclure la mention « À déterminer (TBD) », car ces éléments ne seront finalisés qu'une fois que les discussions sur le point de départ des réductions globales de la consommation, et donc sur la consommation admissible restante, auront été achevées.

70. Les accords relatifs à deux pays dont les KIP ont déjà été approuvés (le Mexique et le Nigeria) sont inclus dans les propositions de projet accompagnées des demandes de tranche présentées à la réunion, et les autres accords concernant les KIP déjà approuvés figurent dans les annexes III à XXXVI du présent document. Les agences principales d'exécution ont examiné tous les accords et apporté leur contribution, en se concentrant en particulier sur l'annexe 5-A (« Institutions de suivi et rôles ») afin d'obtenir une indication détaillée et crédible de la manière dont les progrès dans la mise en œuvre du plan seront suivis, ainsi que l'indication des organisations et institutions responsables des activités et de la pérennité des cibles de réduction de la consommation atteintes grâce aux accords. Le secrétariat prend note des efforts déployés par l'ensemble des agences d'exécution et des agences bilatérales pour examiner et valider les accords.

71. Le Secrétariat soumet par la présente à l'approbation du Comité exécutif 34 projets d'accords sur les plans de mise en œuvre de Kigali concernant : le Bénin, le Cambodge, le Tchad, El Salvador, l'Eswatini, la Gambie, le Ghana, la Grenade, la Jordanie, le Kirghizistan, la République démocratique populaire lao, le Lesotho, le Libéria, le Malawi, la Malaisie, le Monténégro, le Mozambique, la Macédoine du Nord, les 12 pays insulaires du Pacifique (les Îles Cook, Kiribati, les Îles Marshall, les États fédérés de Micronésie, Nauru, Niue, les Palaos, le Samoa, les Îles Salomon, les Tonga, Tuvalu et Vanuatu), le Panama, le Paraguay, le Pérou, le Rwanda, Sainte-Lucie, le Sénégal, les Seychelles, la Sierra Leone, le Togo, Trinité-et-Tobago, la Tunisie, la Türkiye, l'Uruguay, le Viet Nam et le Zimbabwe, tels qu'ils figurent aux annexes III à XXXVI au présent document.

Recommandation

72. Le Comité exécutif pourrait souhaiter approuver :

a) Le projet d'accord entre le gouvernement du Bénin et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe III au présent rapport ;

b) Le projet d'accord entre le gouvernement du Cambodge et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe IV au présent rapport ;

c) Le projet d'accord entre le gouvernement du Tchad et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe V au présent rapport ;

d) Le projet d'accord entre le gouvernement du Salvador et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe VI au présent rapport ;

e) Le projet d'accord entre le gouvernement du Eswatini et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe VII au présent rapport ;

f) Le projet d'accord entre le gouvernement de la Gambie et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe VIII au présent rapport ;

g) Le projet d'accord entre le gouvernement du Ghana et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe IX au présent rapport ;

h) Le projet d'accord entre le gouvernement de la Grenade et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe X au présent rapport ;

i) Le projet d'accord entre le gouvernement de la Jordanie et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XI au présent rapport ;

j) Le projet d'accord entre le gouvernement du Kirghizistan et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XII au présent rapport ;

k) Le projet d'accord entre le gouvernement de la République populaire démocratique lao et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XIII au présent rapport ;

l) Le projet d'accord entre le gouvernement du Lesotho et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XIV au présent rapport ;

m) Le projet d'accord entre le gouvernement du Libéria et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XV au présent rapport ; et

n) Le projet d'accord entre le gouvernement du Malawi et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XVI au présent rapport ;

o) Le projet d'accord entre le gouvernement de Malaisie et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XVII au présent rapport ;

p) Le projet d'accord entre le gouvernement du Montenegro et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XVIII au présent rapport ;

q) Le projet d'accord entre le gouvernement du Mozambique et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XIX au présent rapport ;

r) Le projet d'accord entre le gouvernement de la Macédoine du Nord et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XX au présent rapport ;

s) Le projet d'accord entre le gouvernement des États insulaires du Pacifique et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XI au présent rapport ;

t) Le projet d'accord entre le gouvernement du Panama et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXII au présent rapport ;

u) Le projet d'accord entre le gouvernement du Paraguay et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXIII au présent rapport ;

v) Le projet d'accord entre le gouvernement du Pérou et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXIV au présent rapport ;

w) Le projet d'accord entre le gouvernement du Rwanda et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXV au présent rapport ;

x) Le projet d'accord entre le gouvernement de Sainte Lucie et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXVI au présent rapport ;

y) Le projet d'accord entre le gouvernement du Sénégal et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXVII au présent rapport ;

z) Le projet d'accord entre le gouvernement des Seychelles et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXVIII au présent rapport ;

aa) Le projet d'accord entre le gouvernement de la Sierra Leone et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXIX au présent rapport ;

bb) Le projet d'accord entre le gouvernement du Togo et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXX au présent rapport ;

cc) Le projet d'accord entre les gouvernements de Trinité et de Tobago et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXXI au présent rapport ;

dd) Le projet d'accord entre le gouvernement de la Tunisie et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXXII au présent rapport ;

ee) Le projet d'accord entre le gouvernement de Türkiye et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXXIII au présent rapport ;

ff) Le projet d'accord entre le gouvernement de l'Uruguay et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXXIV au présent rapport ;

gg) Le projet d'accord entre le gouvernement du Viet Nam et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXXV au présent rapport ; et

hh) Le projet d'accord entre le gouvernement du Zimbabwe et le Comité exécutif visant à réduire la consommation de HFC conformément à la phase I du plan de mise en œuvre de Kigali pour les HFC (KIP), figurant à l'annexe XXXVI au présent rapport

C. Rapport sur les activités supplémentaires visant au maintien du rendement énergétique dans le secteur de l'entretien des équipements de réfrigération (décision 89/6)

Maldives : activités supplémentaires visant au maintien du rendement énergétique dans le secteur de l'entretien des équipements de réfrigération, conformément à la décision 89/6 b) (rapport final sur l'état d'avancement) (PNUE)

Contexte

73. À la 91e réunion, le Comité exécutif a approuvé le projet portant sur des activités supplémentaires visant à introduire des solutions de remplacement aux HCFC à faible potentiel de réchauffement de la planète (PRP) ou à PRP nul, ainsi qu'à maintenir le rendement énergétique dans le secteur de l'entretien des équipements de réfrigération aux Maldives, pour un montant de 100 000 $US, plus 13 000 $US de coûts d'appui d'agence pour le PNUE[16]. À la 93e réunion, la date d'achèvement du projet a été reportée au 30 juin 2025[17]. Lors de la 95e réunion, dans le cadre du rapport périodique annuel sur le projet[18], un plan de travail révisé pour la mise en œuvre des activités du projet a été joint, avec les dates d'achèvement finales prévues jusqu'en mars 2025.

74. À la 96e réunion, le Comité exécutif a approuvé, à titre exceptionnel et étant entendu qu'aucune autre prolongation ne serait accordée, la prolongation jusqu'au 30 juin 2026 de la date d'achèvement du projet et a demandé au Gouvernement des Maldives et au PNUE de poursuivre la présentation de rapports périodiques sur la mise en œuvre du projet, sur une base annuelle jusqu'à son achèvement, et de présenter un rapport d'achèvement de projet à la deuxième réunion du Comité exécutif de 2026 (décision 96/14 b) et c)).

75. Conformément à la décision 96/14 c), le PNUE, au nom du gouvernement des Maldives, a présenté un rapport périodique à la présente réunion.

Rapport périodique

76. L'objectif du projet visant à améliorer le rendement énergétique était de rendre obligatoire le programme volontaire d'étiquetage énergétique existant pour les appareils et équipements, appelé « Hakathari », qui couvrait certains équipements, notamment les climatiseurs[19] et les réfrigérateurs à usage domestique. Les spécifications obligatoires en matière d'étiquetage prévues par le programme Hakathari comprennent des informations sur le réfrigérant, son potentiel d'appauvrissement de la couche d'ozone et son PRP. Le programme définit également les exigences minimales de qualification pour les appareils

[16] Décision 91/60 a)
[17] Décision 93/20 b)
[18] UNEP/OzL.Pro/ExCom/95/20, paragraphes 72-80
[19] Climatiseurs monophasés, de type split simple et monobloc, à vitesse fixe ou variable, d'une puissance nominale maximale de 24 226 BTU/h (soit 7,1 kW).

testés[20] pour pouvoir bénéficier des labels de rendement énergétique, en veillant à ce que ceux-ci respectent les normes minimales de rendement énergétique déjà en vigueur dans le pays.

77. Le projet comprenait des activités visant à améliorer la coordination et la collaboration entre les parties prenantes, les autorités compétentes en matière d'énergie et l'Unité nationale de l'ozone (UNO), grâce au renforcement des capacités du personnel clé et des parties prenantes, afin de garantir une prise en compte durable des réfrigérants dans le programme d'étiquetage, d'orienter l'élaboration d'une méthode d'évaluation du type de réfrigérant et de son PRP, et de comprendre les défis réglementaires liés aux informations d'étiquetage des réfrigérants à faible PRP ; sensibiliser le public au programme d'étiquetage en mettant l'accent sur l'augmentation de la demande de climatiseurs et de réfrigérateurs fonctionnant avec des réfrigérants à faible ou à zéro PRP parmi tous les produits étiquetés comme étant à haut rendement énergétique ; et mener une étude sur le comportement des consommateurs afin d'évaluer l'impact du projet.

78. En date d'avril 2026, les activités suivantes avaient été achevées : les sessions de formation et d'information destinées aux importateurs, aux agents des douanes, aux services publics, aux concepteurs de bâtiments, aux promoteurs immobiliers et aux entreprises de construction ; la finalisation des procédures opérationnelles standard (SOP) et l'élaboration d'une clause visant à donner la priorité aux produits conformes à la norme Hakathari dans les marchés publics, qui sera achevée en juin 2026 ; ainsi que l'élaboration de supports de vulgarisation et d'évaluation d'impact destinés aux utilisateurs finaux, en attente de diffusion finale en juin 2026, ainsi que l'enquête relative à l'étude sur le comportement des consommateurs, dont le rapport est en cours de finalisation pour juin 2026.

79. Sur les 100 000 $US alloués au projet, 49 560 $US (49,6 %) ont été décaissés. Le solde engagé, soit 50 440 $US, sera décaissé d'ici au 30 juin 2026. Le tableau 9 présente l'état des lieux révisé des activités menées depuis la présentation du dernier rapport périodique.

Tableau 9. Révision concernant la mise en œuvre des activités visant au maintien du rendement énergétique dans le secteur de l'entretien des équipements de réfrigération aux Maldives

Activité	Délivrable/ cible	Financement approuvé ($US)	Avancement	Date de fin prévue
Renforcement des capacités du personnel clé et des parties prenantes				
Coordination et collaboration avec les organismes concernés par le biais de formations visant au renforcement des capacités	Rapport et recommandations issus du voyage d'étude	35 000	L'UNO a organisé un voyage d'étude en Malaisie en 2025, comprenant des visites au Département de l'environnement et à la Commission de l'énergie relevant du ministère de la Transition énergétique et de la Transformation de l'eau. Des visites sur site ont également été effectuées au laboratoire de test du rendement énergétique SIRIM et chez Iwatani Malaysia Sdn. Bhd. La finalisation de la procédure opérationnelle standard (SOP) révisée, comprenant la nouvelle section relative aux essais de vérification, sur la base des conclusions du voyage d'étude,	Juin 2026

[20] Les essais sont réalisés par un laboratoire accrédité par une autorité reconnue signataire d'un accord de reconnaissance mutuelle, tel que l'International Laboratory Accreditation Cooperation (ILAC) ou l'Asia Pacific Laboratory Accreditation Cooperation (APLAC), conformément à certaines normes ou protocoles applicables aux laboratoires de test (conformément à la norme ISO/IEC 17025).

Activité	Délivrable/ cible	Financement approuvé ($US)	Avancement	Date de fin prévue
			ainsi que l'élaboration et l'approbation de la clause visant à donner la priorité aux produits conformes à la norme Hakathari dans les marchés publics, devraient être achevées en juin 2026.	
Séances de formation et d'information destinées aux importateurs, aux agents des douanes, aux services publics, aux concepteurs de bâtiments, aux promoteurs immobiliers et aux entreprises de construction	Cinq ateliers/séances d'information réunissant au total 140 participants	13 000	Deux sessions de formation destinées aux importateurs, deux sessions de formation destinées aux autorités douanières et commerciales, deux sessions de sensibilisation et une session d'information ont été organisées, réunissant au total 142 participants[21] (dont 78 femmes).	Achevé
Sensibilisation et étude d'impact				
Élaboration et diffusion de supports de vulgarisation	Cinq vidéos de sensibilisation et cinq infographies ont été réalisées et diffusées	37 000	Le contrat a été signé et les storyboards des vidéos ont été élaborés ; la diffusion du matériel de vulgarisation devrait être finalisée en juin 2026.	Juin 2026
Étude sur le comportement des consommateurs	Une étude sur les comportements des consommateurs a été élaborée et menée	15 000	Le cahier des charges et le questionnaire de l'étude ont été élaborés, la société a été sélectionnée et l'enquête a été achevée. Le consultant est en train de rédiger le rapport.	Juin 2026
Total		**100 000**		

Remarques du secrétariat

80. Le Secrétariat a pris note des progrès accomplis dans la mise en œuvre du projet, notamment de l'achèvement de toutes les activités de développement des capacités, y compris le voyage d'étude en Malaisie en 2025, les sessions de formation destinées aux importateurs et aux agents des douanes, ainsi que les modifications apportées au document de programme Hakathari, en soulignant que la cible de formation avait été dépassée (142 participants formés au lieu de 140). Le PNUE a confirmé que toutes les activités restantes seraient achevées d'ici juin 2026 et que le rapport de fin de projet serait présenté conformément à la décision 96/14 c).

Recommandation

81. Le Comité exécutif pourrait souhaiter prendre note du rapport périodique final concernant le projet relatif aux activités supplémentaires visant à introduire des solutions de remplacement des HCFC présentant un faible potentiel de réchauffement de la planète ou nul, ainsi qu'au maintien du rendement énergétique dans le secteur de l'entretien des équipements de réfrigération aux Maldives, tel que présenté par le PNUE et figurant dans le document UNEP/OzL.Pro/ExCom/98/6.

[21] Y compris des importateurs, des agents des douanes, des services publics, des concepteurs de bâtiments, des promoteurs immobiliers et des entreprises de construction.

D. Rapport sur le projet pilote visant au maintien et à l'amélioration du rendement énergétique des technologies et équipements de remplacement dans le cadre de la réduction progressive des HFC (décision 91/65)

Cameroun : Projet pilote visant au maintien et à l'amélioration du rendement énergétique des technologies et équipements de remplacement dans le cadre de la réduction progressive des HFC (activités de non-investissement) (demande de prolongation du délai d'achèvement du projet) (ONUDI)

Contexte

82. À la 94e réunion, le Comité exécutif a approuvé le projet pilote visant au maintien et à l'amélioration du rendement énergétique des technologies et équipements de remplacement dans le cadre de la réduction progressive des HFC (activités de non-investissement) pour le Cameroun, qui sera mis en œuvre par l'ONUDI, prenant note que le projet serait achevé sur le plan opérationnel au plus tard le 30 juin 2026 et qu'un rapport détaillé sur le projet serait présenté au Comité exécutif dans les six mois suivant la date d'achèvement du projet (décision 94/54)).

Demande de prolongation

83. Plusieurs remaniements ministériels ont eu lieu au Cameroun entre la fin de l'année 2024 et l'élection présidentielle de 2025. En conséquence, les autorisations obtenues précédemment pour lancer le projet et entamer la collecte de données ont perdu leur validité. L'unité nationale d'ozone a obtenu le renouvellement de l'autorisation nécessaire à la fin du mois de février 2026, après quoi la collecte de données et d'informations a pu débuter, et un atelier de lancement a été organisé en mars 2026. Les dispositions institutionnelles sont désormais stabilisées, ce qui permettra de mener à bien les activités restantes du projet dans les délais et de manière efficace d'ici la fin de l'année 2026, ainsi que de soumettre le rapport de projet en 2027.

84. Compte tenu de ces retards et afin de permettre l'achèvement des activités du projet, l'ONUDI a fait une demande, au nom du gouvernement du Cameroun, pour une prolongation de la période de mise en œuvre du projet jusqu'au 31 décembre 2026.

Remarques du secrétariat

85. Le Secrétariat prend acte des difficultés rencontrées par le gouvernement camerounais. À la demande du Secrétariat, l'ONUDI a expliqué que ces retards n'avaient pas été signalés dans son rapport périodique annuel et financier d'avancement pour 2024, car ils se sont produits au cours du second semestre de 2025 du fait des remaniements ministériels. L'ONUDI a en outre confirmé que la situation est désormais stabilisée et que le projet pourra être achevé sur le plan opérationnel d'ici décembre 2026.

Recommandation

86. Le Comité exécutif pourrait souhaiter :

a) Prendre note de la demande de prolongation du projet pilote visant au maintien et à l'amélioration du rendement énergétique des technologies et équipements de remplacement dans le cadre de la réduction progressive des HFC (activités de non-investissement) au Cameroun, telle que présentée par l'ONUDI et figurant dans le document UNEP/OzL.Pro/ExCom/98/6 ; et

b) D’approuver, à titre exceptionnel et étant entendu qu’aucune autre prolongation ne sera accordée, la prolongation jusqu’au 31 décembre 2026 de la date d’achèvement du projet visé au point a) ci-dessus.

Rapport sur la préparation du projet visant à l’amélioration du rendement énergétique dans le cadre de la réduction progressive des HFC dans le secteur de la fabrication d’équipements de réfrigération et de climatisation (décision 94/60)

Türkiye : État d’avancement d’un projet visant à l’amélioration du rendement énergétique et à la reconversion de 29 entreprises de fabrication d’équipements de réfrigération et de climatisation des hydrofluorocarbures vers des technologies à faible potentiel de réchauffement de la planète (ONUDI)

Contexte

87. Lors de l’approbation du plan de mise en œuvre de Kigali pour les HFC (KIP) pour la Turquie à la 95e réunion, le Comité exécutif a pris note, entre autres, qu’au cours de la mise en œuvre de la phase I du KIP et au plus tard lors de la 98e réunion, le gouvernement de la Türkiye serait autorisé, à titre exceptionnel, à présenter des projets d’investissement dans les secteurs de la réfrigération, de la climatisation et des mousses afin de réaliser des réductions supplémentaires de la consommation d’hydrofluorocarbures (HFC) (décision 95/74 b) vi)). À cette même réunion, le Comité a approuvé la préparation d’un projet visant à l’amélioration du rendement énergétique et au remplacement des HFC par une technologie à faible potentiel de réchauffement de la planète (PRP) pour 29 entreprises de fabrication d’équipements de réfrigération et de R&C en Turquie, pour un montant de 220 000 $US, plus 15 400 $US de coûts d’appui d’agence pour l’ONUDI (décision 95/39).

État de la préparation

88. L’ONUDI a informé le Secrétariat du bon déroulement de la préparation du projet, mais a indiqué qu’il ne pouvait être présenté à la 98e réunion, car certaines activités devaient encore être achevées. Le projet sera donc présenté à la 99e réunion. Un rapport périodique détaillé soumis par l’ONUDI indiquait que les experts nécessaires avaient été recrutés et qu’une série d’activités de mobilisation des parties prenantes avait été achevée afin de présenter le projet de rendement énergétique à 100 acteurs du secteur. Parallèlement, des activités de vulgarisation et des réunions d’information en ligne ont été organisées afin de présenter les objectifs, la portée et les exigences du projet, ainsi que son cadre, les critères d’éligibilité et les informations techniques attendues des entreprises participantes. Ces actions ont été complétées par un atelier en ligne consacré au volet « rendement énergétique », aux options techniques, aux calculs détaillés de rendement énergétique et aux étapes nécessaires à la préparation des propositions de projet, ainsi que par un engagement direct auprès des entreprises et une participation à des salons et événements industriels axés sur le secteur de la R&C.

89. Un appel à candidatures a été lancé sur le site web de l’unité nationale d’ozone de Türkiye. À la suite de la soumission des propositions, des modèles de collecte de données élaborés par des experts internationaux ont été communiqués aux entreprises candidates afin de recueillir des informations techniques et opérationnelles détaillées. Un appui supplémentaire a été apporté dans le cadre d’un atelier organisé à Istanbul et de réunions de consultation individuelles avec les entreprises sélectionnées. Certaines entreprises candidates ont été exclues en raison d’un manque d’adéquation avec les objectifs du projet ou d’un retrait volontaire. À ce stade, sept entreprises, avec un total de dix propositions de projet, poursuivent la collecte de données. Sur les 220 000 $US approuvés, 117 714 $US ont été versés, et le projet devrait être présenté à la 99e réunion.

Remarques du secrétariat

90. Le Secrétariat prend note avec satisfaction du travail accompli jusqu'à présent dans le cadre de la préparation du projet, ainsi que de la confirmation donnée par l'ONUDI selon laquelle la proposition sera présentée à la 99e réunion.

Recommandation

91. Le Comité exécutif pourrait souhaiter prendre note :

a) Du rapport périodique sur la préparation d'un projet visant à améliorer le rendement énergétique et à reconvertir 29 entreprises de fabrication d'équipements de réfrigération et de climatisation de l'utilisation d'hydrofluorocarbures vers des technologies à faible potentiel de réchauffement de la planète en Turquie, présenté par l'ONUDI et figurant dans le document UNEP/OzL.Pro/ExCom/98/6 ; et

b) Que le projet visé au point a) ci-dessus sera présenté par l'ONUDI à la 99e réunion.

E. Rapport sur l'élaboration d'un inventaire national des stocks de substances réglementées usagées ou dont on ne veut plus, ainsi que d'un plan pour la collecte, le transport et l'élimination de ces substances (décision 91/66)

Île Maurice : Élaboration d'un inventaire national des stocks de substances contrôlées et mise au point d'un plan national de gestion de ces substances (décision 91/66) (demande de prolongation du délai d'achèvement du projet) (Gouvernement de l'Allemagne)

Contexte

92. À la 94e réunion, le Comité exécutif a approuvé la réalisation d'un inventaire national des stocks de substances contrôlées sous forme de déchets ainsi que l'élaboration d'un plan national de gestion de ces substances (décision 91/66) pour Maurice, qui sera mis en œuvre par le gouvernement allemand (décision 94/20)[22]. La date d'achèvement des travaux prévue par la décision est fixée à juin 2026[23].

Request for extension

93. Le gouvernement de l'Allemagne a indiqué que le processus de recrutement d'un consultant national chargé d'établir l'inventaire national des banques et d'élaborer le plan d'action national avait pris du retard en raison de difficultés administratives. En décembre 2025, le recrutement d'ici janvier 2026 semblait réalisable ; toutefois, il n'a pas pu être achevé comme prévu en raison d'un changement de système informatique au sein de l'agence bilatérale, qui a affecté les processus administratifs et financiers, ainsi que de l'absence de confirmation des obligations de conformité à certaines conditions de la part du soumissionnaire. En conséquence, en mai 2026, le processus de recrutement était toujours en cours ; aucun fonds n'avait été décaissé et les activités du projet en étaient restées au stade de la planification. Le gouvernement allemand a indiqué qu'une fois le consultant recruté, les activités d'enquête, d'analyse et d'établissement de rapports devraient être achevées rapidement, les résultats intermédiaires étant attendus d'ici décembre 2026.

94. Compte tenu de ce qui précède, le gouvernement de l'Allemagne, au nom du gouvernement de Maurice, a fait une demande de prolongation de la période de mise en œuvre du projet jusqu'au 30 juin 2027.

Remarques du secrétariat

[22] Décision d'approbation globale
[23] Vingt-quatre mois à compter de la date d'approbation du projet.

95. Le Secrétariat prend acte des difficultés rencontrées pour recruter un consultant chargé des activités d'enquête et estime, sur la base des informations fournies, que la prolongation demandée faciliterait l'achèvement du projet.

Recommandation

96. Le Comité exécutif pourrait souhaiter :

a) Prend note de la demande de prolongation du délai d'élaboration d'un inventaire national des stocks de substances réglementées et l'élaboration d'un plan national de gestion de ces substances (décision 91/66) à Maurice, telle que présentée par le gouvernement de l'Allemagne et figurant dans le document UNEP/OzL.Pro/ExCom/98/6 ; et

b) D'approuver, à titre exceptionnel et étant entendu qu'aucune autre prolongation ne sera accordée, la prolongation jusqu'au 30 juin 2027 de la date d'achèvement du projet visé au point a) ci-dessus.

Annexe I

PROJETS CLASSIFIÉS COMME « QUELQUES AVANCÉES » ET POUR LESQUELS LA POURSUITE DU SUIVI EST RECOMMANDÉÉ

Pays	Code du projet	Titre du projet	Agence
République démocratique du Congo	DRC/PHA/88/INV/49	Plan de gestion de l'élimination des HCFC (phase II, première tranche)	PNUD
Iran (République islamique)	IRA/PHA/92/INV/267	Plan de gestion de l'élimination des HCFC (phase II, quatrième tranche) (secteur des mousses)	PNUD
Iran (République islamique)	IRA/PHA/86/INV/245	Plan de gestion de l'élimination des HCFC (phase II, troisième tranche) (secteur des mousses)	PNUD
Iran (République islamique)	IRA/PHA/86/TAS/248	Plan de gestion de l'élimination des HCFC (phase II, troisième tranche) (secteur de l'entretien des équipements de réfrigération)	PNUE
Iran (République islamique)	IRA/PHA/92/INV/266	Plan de gestion de l'élimination des HCFC (phase II, quatrième tranche) (secteur de la réfrigération commerciale)	PNUD
Koweït	KUW/PHA/88/TAS/42	Plan de gestion de l'élimination des HCFC (phase II, première tranche)	PNUE
Qatar	QAT/PHA/88/INV/26	Plan de gestion de l'élimination des HCFC (phase II, première tranche)	ONUDI
République arabe syrienne	SYR/PHA/86/INV/107	Plan de gestion de l'élimination des HCFC (phase I, première tranche)	ONUDI
République arabe syrienne	SYR/PHA/86/TAS/106	Plan de gestion de l'élimination des HCFC (phase I, première tranche)	PNUE
République arabe syrienne	SYR/PHA/91/INV/112	Plan de gestion de l'élimination des HCFC (phase I, deuxième tranche) (secteur des mousses de polyuréthane)	ONUDI
République arabe syrienne	SYR/PHA/91/TAS/114	Plan de gestion de l'élimination des HCFC (phase I, deuxième tranche)	PNUE

Annexe II

PROJETS POUR LESQUELS DES RAPPORTS DE SITUATION SUPPLÉMENTAIRES SONT DEMANDÉS

Pays	Code du projet	Titre du projet	Agence	Recommandation à la 98e réunion
Myanmar	MYA/SEV/84/INS/22	Prolongation du projet de renforcement institutionnel (phase V : juillet 2020 - juin 2022)	PNUE	Demander au PNUE de présenter un rapport périodique à la 99e réunion concernant la reprise des activités
Népal	NEP/PHA/86/TAS/43	Plan de gestion de l'élimination progressive des HCFC (phase II, première tranche)	PNUE	Demander au PNUE de présenter un rapport périodique à la 99e réunion concernant la mise en œuvre des activités et le transfert des fonds au gouvernement
Seychelles	SEY/EEF/93/TAS/32	Plan de gestion de l'élimination progressive des HCFC (phase I) (Activités supplémentaires visant au maintien du rendement énergétique dans le secteur de l'entretien, conformément à la décision 89/6 b))	Allemagne	Demander au gouvernement allemand de présenter un rapport périodique à la 99e réunion concernant les progrès réalisés dans la mise en œuvre
Yémen	YEM/SEV/93/INS/47	Prolongation du projet de renforcement institutionnel (phase IX : janvier 2024 - décembre 2026)	PNUE	Demander au PNUE de présenter un rapport périodique à la 99e réunion concernant les progrès réalisés dans la mise en œuvre

Annex III

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF BENIN AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Benin ("the Country") and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A ("The Substances") to a sustained level of 1,687,551 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 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 evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	1,875,057	1,875,057	1,875,057	1,875,057	1,875,057	1,687,551	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	1,875,057	1,875,057	1,875,057	1,875,057	1,875,057	1,687,551	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		117,500	0	0	102,500	0	0	220,000
2.2	Support costs for Lead IA (US $)		15,275	0	0	13,325	0	0	28,600
2.3	Cooperating IA (UNIDO) agreed funding (US $)		60,000	0	0	80,000	0	0	140,000
2.4	Support costs for Cooperating IA (US $)		7,800	0	0	10,400	0	0	18,200
3.1	Total agreed funding (US $)		177,500	0	0	182,500	0	0	360,000
3.2	Total support costs (US $)		23,075	0	0	23,725	0	0	46,800
3.3	Total agreed costs (US $)		200,575	0	0	206,225	0	0	406,800

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F

substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit, under the Ministry of Living Environment and Sustainable Development, is responsible for monitoring the progress of implementation of activities in the Plan.

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

3. The Ministry of Living Environment and Sustainable Development will be responsible for the sustainability of consumption reduction targets achieved through the Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;

k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;

l) Ensuring that disbursements made to the Country are based on the use of the indicators;

m) Providing assistance with the policy, management and technical support when required;

n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and

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

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

a) Providing assistance for policy development when required;

b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;

c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and

d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $7.00 per 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 IV

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF CAMBODIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2023–2029)

Purpose

1. This Agreement represents the understanding of the Government of Cambodia ("the Country") and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A ("The Substances") to a sustained level of 1,137,038 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated

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

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

Monitoring

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

Flexibility in the reallocation of funds

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

a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:

   i) Issues potentially concerning the rules and policies of the Multilateral Fund;

   ii) Changes that would modify any clause of this Agreement;

   iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;

   iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;

   v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in 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 evaluation work programme 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	n/a	1,263,376	1,263,376	1,263,376	1,263,376	1,263,376	1,137,038	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	n/a	1,263,376	1,263,376	1,263,376	1,263,376	1,263,376	1,137,038	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		126,300	0	0	108,000	0	0	44,500	278,800
2.2	Support costs for Lead IA (US $)		16,419	0	0	14,040	0	0	5,785	36,244
2.3	Cooperating IA (UNDP) agreed funding (US $)		123,810	0	0	38,075	0	0	0	161,885
2.4	Support costs for Cooperating IA (US $)		11,143	0	0	3,427	0	0	0	14,570
3.1	Total agreed funding (US $)		250,110	0	0	146,075	0	0	44,500	440,685
3.2	Total support costs (US $)		27,562	0	0	17,467	0	0	5,785	50,814
3.3	Total agreed costs (US $)		277,672	0	0	163,542	0	0	50,285	491,499
4.1.1	Deductions of HFCs agreed under this Agreement (CO_2-eq tonnes)									126,338
4.1.2	Deductions of HFCs from previously approved projects (CO_2-eq tonnes)									0
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)									TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU) under the Ministry of Environment (MoE) will be responsible for the overall monitoring of all activities under the Plan, as well as the planning, coordination, and daily work of project implementation.

2. Monitoring will be conducted to ensure efficient and effective implementation; overall project coordination; stakeholder engagement and coordination; smooth implementation of activities planned under various tranches; delivery of training and other expected outcomes; and HFC consumption verification. Stakeholders include industries, technical institutions, non-governmental organizations, the Government and technical experts.

3. The General Department of Customs and Excise (GDCE), in collaboration with the NOU, will carry out annual monitoring, reporting, verification and enforcement activities related to HFC consumption in the Country. The NOU is responsible for determining and allocating HFC quota to eligible importers, and for issuing the import and export permits based on the allocated quota. The GDCE will control and monitor the import and export of HFCs at the points of entry. The NOU will liaise with HFC importers and exporters to obtain the data necessary for the reconciliation of statistics on a periodical basis.

4. The MoE will be responsible for the sustainability of consumption reduction targets achieved through this Agreement. The NOU will undertake surveys to gauge the situation of HFC phase-down, potential illegal imports, and the penetration of alternative technologies in the country in different subsectors to examine the achievements of HFC phase-down at a national level.

5. The NOU will undertake regular inspections at any mobile air-conditioning training centre that has received training equipment under the Plan to monitor the condition of this equipment.

6. The NOU will monitor the implementation of capacity-building activities for trainers, assessors and technicians across sectors; activities to build the capacity of technicians to maintain/enhance energy efficiency in the servicing sector; training for customs and enforcement officers; and training for importers and customs brokers.

7. The NOU will submit annual reports on the status of implementation to the Lead IA and the Cooperating IA to monitor the implementation progress of the Plan.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in 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 $6.98 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 V

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF CHAD AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Chad ("the Country") and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A ("The Substances") to a sustained level of 3,216,251 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 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 evaluation work programme 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		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	3,573,612	3,573,612	3,573,612	3,573,612	3,573,612	3,216,251	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	3,573,612	3,573,612	3,573,612	3,573,612	3,573,612	3,216,251	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		141,000	0	0	94,000	0	0	235,000
2.2	Support costs for Lead IA (US $)		18,330	0	0	12,220	0	0	30,550
2.3	Cooperating IA (UNIDO) agreed funding (US $)		75,000	0	0	50,000	0	0	125,000
2.4	Support costs for Cooperating IA (US $)		9,750	0	0	6,500	0	0	16,250
3.1	Total agreed funding (US $)		216,000	0	0	144,000	0	0	360,000
3.2	Total support costs (US $)		28,080	0	0	18,720	0	0	46,800
3.3	Total agreed costs (US $)		244,080	0	0	162,720	0	0	406,800

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F

substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit, under the Ministry of Environment, Fisheries and Sustainable Development, is responsible for monitoring the progress of implementation of the Plan's activities in the Country.

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

3. The Ministry of Environment, Fisheries and Sustainable Development will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, 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 VI

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF EL SALVADOR AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of El Salvador ("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 830,126 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. UNDP has agreed to be the lead implementing agency (the "Lead IA") in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme of the Multilateral Fund or the evaluation programme of the Lead IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	922,362	922,362	922,362	922,362	922,362	830,126	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	922,362	922,362	922,362	922,362	922,362	830,126	n/a
2.1	Lead IA (UNDP) agreed funding (US $)		180,000	0	0	144,000	0	36,000	360,000
2.2	Support costs for Lead IA (US $)		23,400	0	0	18,720	0	4,680	46,800
3.1	Total agreed funding (US $)		180,000	0	0	144,000	0	36,000	360,000
3.2	Total support costs (US $)		23,400	0	0	18,720	0	4,680	46,800
3.3	Total agreed costs (US $)		203,400	0	0	162,720	0	40,680	406,800

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Environment and Natural Resources (MARN), will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA.

2. The MARN is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

3. The project monitoring unit of the Plan will assist the NOU in the following activities:

a) Follow up on activities described in each project, including training courses, seminars, workshops and presentations;

b) Monitor the purchase of equipment, materials and tools, as well as contracts for services, to be in line with each project and comply with the Lead IA's rules and regulations;

c) Assist in the reporting on project activities, taking into account schedules defined in each component, and support the NOU in solving deviations to finalize all activities in time;

d) Support the NOU in defining and selecting beneficiaries, always as a supporting activity;

e) Support the NOU in data gathering to make the required reports to the Multilateral Fund Secretariat for the tranche requests, and also to the Lead IA;

f) Monitor and promote, when necessary, the actions to comply with gender balance; and

g) Carry out any other monitoring or evaluation activity requested by the NOU.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;

k) Ensuring that disbursements made to the Country are based on the use of the indicators;

l) Providing assistance with the policy, management and technical support when required; and

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

1. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the Plan's results and of the

consumption of Annex F substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 1(b) of Appendix 4-A.

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $7.00 per 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 VII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF ESWATINI AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2030)

Purpose

1. This Agreement represents the understanding of the Government of Eswatini ("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 94,950 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 evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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		2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO_2-eq tonnes	105,500	105,500	105,500	105,500	105,500	94,950	94,950	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	10.0	n/a
		CO_2-eq tonnes	105,500	105,500	105,500	105,500	105,500	94,950	94,950	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		63,500	0	0	51,500	0	0	0	115,000
2.2	Support costs for Lead IA (US $)		8,255	0	0	6,695	0	0	0	14,950
2.3	Cooperating IA (UNDP) agreed funding (US $)		0	0	0	30,000	0	0	0	30,000
2.4	Support costs for Cooperating IA (US $)		0	0	0	3,900	0	0	0	3,900
3.1	Total agreed funding (US $)		63,500	0	0	81,500	0	0	0	145,000
3.2	Total support costs (US $)		8,255	0	0	10,595	0	0	0	18,850
3.3	Total agreed costs (US $)		71,755	0	0	92,095	0	0	0	163,850

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall monitoring will be provided by the Eswatini Environment Authority (EEA), through the national ozone unit (NOU), with assistance from the Lead IA. The NOU will submit annual progress reports of status of implementation of the Plan to the Lead IA.

2. Consumption will be monitored and determined from official data of import and export of substances as registered by the relevant Government departments. The NOU will compile and report the following data and information each year on or before the relevant deadlines.

a) Reports on the consumption of the substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and

b) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.

3. Monitoring of the development of the Plan and verification of achievement of performance targets will be assigned to an independent local company or to independent local consultant(s) by the Lead IA. The company or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.

4. The EEA will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, 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 VIII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF THE GAMBIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of the Gambia ("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 244,363 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 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 evaluation work programme 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		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	271,515	271,515	271,515	271,515	271,515	244,363	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	271,515	271,515	271,515	271,515	271,515	244,363	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		50,150	0	0	42,250	0	0	92,400
2.2	Support costs for Lead IA (US $)		6,520	0	0	5,492	0	0	12,012
2.3	Cooperating IA (UNIDO) agreed funding (US $)		30,000	0	0	47,600	0	0	77,600
2.4	Support costs for Cooperating IA (US $)		3,900	0	0	6,188	0	0	10,088
3.1	Total agreed funding (US $)		80,150	0	0	89,850	0	0	170,000
3.2	Total support costs (US $)		10,420	0	0	11,680	0	0	22,100
3.3	Total agreed costs (US $)		90,570	0	0	101,530	0	0	192,100

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of

HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit, under the Ministry of Environment, Climate Change and Natural Resources (MECCNAR) is responsible for monitoring the progress of implementation of activities in the Plan.

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

3. The MECCNAR will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, 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 IX

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF GHANA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2023–2030)

Purpose

1. This Agreement represents the understanding of the Government of Ghana ("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 767,003 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;

c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the "Lead IA") and UNEP 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 evaluation work programme 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		2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	freeze	10.0	n/a
		CO_2-eq tonnes	n/a	1,805,702	1,805,702	1,805,702	1,805,702	1,805,702	1,625,132	1,625,132	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	56.7	56.7	56.7	56.7	56.7	57.5	57.5	n/a
		CO_2-eq tonnes	n/a	782,656	782,656	782,656	782,656	782,656	767,003	767,003	n/a
2.1	Lead IA (UNDP) agreed funding (US $)		132,500	0	0	0	79,000	0	0	20,500	232,000
2.2	Support costs for Lead IA (US $)		17,225	0	0	0	10,270	0	0	2,665	30,160
2.3	Cooperating IA (UNEP) agreed funding (US $)		55,500	0	0	0	25,500	0	0	12,000	93,000
2.4	Support costs for Cooperating IA (US $)		7,215	0	0	0	3,315	0	0	1,560	12,090
3.1	Total agreed funding (US $)		188,000	0	0	0	104,500	0	0	32,500	325,000
3.2	Total support costs (US $)		24,440	0	0	0	13,585	0	0	4,225	42,250
3.3	Total agreed costs (US $)		212,440	0	0	0	118,085	0	0	36,725	367,250

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Environmental Protection Agency, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration.

2. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA. The Environmental Protection Agency is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, 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.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. The Government of the Country is allowed to submit a funding request for phasing down HFCs in the firefighting sector, for consideration by the Executive Committee in line with the agreed cost guidelines for that sector, once the Government has identified the consumption and revised the Article 7 and the country programme data.

Annex X

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF GRENADA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2023–2030)

Purpose

1. This Agreement represents the understanding of the Government of Grenada ("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 47,534 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 evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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		2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO_2-eq tonnes	n/a	52,815	52,815	52,815	52,815	52,815	47,534	47,534	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	10.0	n/a
		CO_2-eq tonnes	n/a	52,815	52,815	52,815	52,815	52,815	47,534	47,534	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		27,500	0	0	0	44,000	0	0	16,342	87,842
2.2	Support costs for Lead IA (US $)		3,575	0	0	0	5,720	0	0	2,124	11,419
2.3	Cooperating IA (UNDP) agreed funding (US $)		45,000	0	0	0	12,158	0	0	0	57,158
2.4	Support costs for Cooperating IA (US $)		5,850	0	0	0	1,581	0	0	0	7,431
3.1	Total agreed funding (US $)		72,500	0	0	0	56,158	0	0	16,342	145,000
3.2	Total support costs (US $)		9,425	0	0	0	7,301	0	0	2,124	18,850
3.3	Total agreed costs (US $)		81,925	0	0	0	63,459	0	0	18,466	163,850

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phasedown pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Climate Resilience, the Environment and Renewable Energy, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration.

2. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA.

3. The Ministry of Climate Resilience, the Environment and Renewable Energy is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, 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 XI

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF JORDAN AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2023–2030)

Purpose

1. This Agreement represents the understanding of the Government of Jordan ("the Country") and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A ("The Substances") to a sustained level of 1,278,531 CO_2-equivalent (CO_2-eq) tonnes by 1 January 2030 in compliance with the Montreal Protocol schedule and the terms of this Agreement.

2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A ("The Targets, and Funding") in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated

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

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

Monitoring

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

Flexibility in the reallocation of funds

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

a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:

    i) Issues potentially concerning the rules and policies of the Multilateral Fund;

    ii) Changes that would modify any clause of this Agreement;

    iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;

    iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;

    v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in 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;

c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the "Lead IA") in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	To be determined (TBD)*

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10.0	10.0	n/a
		CO_2-eq tonnes	n/a	2,808,101	2,808,101	2,808,101	2,808,101	2,808,101	2,527,291	2,527,291	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	35.6	39.2	43.1	46.8	50.4	51.3	54.5	n/a
		CO_2-eq tonnes	n/a	1,809,703	1,707,013	1,596,587	1,492,613	1,393,191	1,367,791	1,278,531	n/a
2.1	Lead IA (UNIDO) agreed funding (US $)		2,540,680	0	0	0	1,802,170	0	0	497,233	4,840,083
2.2	Support costs for Lead IA (US $)		177,848	0	0	0	126,152	0	0	34,806	338,806
3.1	Total agreed funding (US $)		2,540,680	0	0	0	1,802,170	0	0	497,233	4,840,083
3.2	Total support costs (US $)		177,848	0	0	0	126,152	0	0	34,806	338,806
3.3	Total agreed costs (US $)		2,718,528	0	0	0	1,928,322	0	0	532,039	5,178,889
4.1.1	Deductions of HFCs agreed under this Agreement (CO_2-eq tonnes)										1,231,104
4.1.2	Deductions of HFCs from previously approved projects (CO_2-eq tonnes)										*211,530
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)										TBD

* Noting that 36.25 mt (51,837.5 CO_2-eq tonnes) of HFC-134a, 39.75 mt (70,516.5 CO_2-eq tonnes) of R-407C, and 42.70 mt (89,175.6 CO_2-eq tonnes) of R-410A would be deducted from the starting point for sustained aggregate reduction in HFCs once it has been established (decision 81/62).

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, will monitor the implementation of the Plan's activities, coordinate with relevant stakeholders, follow up on regulatory measures, monitor training and awareness activities, collect HFC consumption data, and support verification measures undertaken by the Lead IA.

2. The Ministry of Environment, through the NOU and in coordination with relevant national institutions, will also be responsible for ensuring the sustainability of the HFC consumption reduction targets achieved under the Agreement, including through the continued implementation of the licensing and control system, stakeholder coordination, and capacity-building support.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

   (a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

   (b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

   (c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

   (d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

   (e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;

   (f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

   (g) Ensuring that appropriate independent technical experts carry out the technical reviews;

   (h) Carrying out the required supervision missions;

   (i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

   (j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;

   (k) Ensuring that disbursements made to the Country are based on the use of the indicators;

   (l) Providing assistance with the policy, management and technical support when required; and

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

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

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $7.86 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 XII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF KYRGYZSTAN AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2023–2029)

Purpose

1. This Agreement represents the understanding of the Government of Kyrgyzstan ("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 405,344 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. UNDP has agreed to be the lead implementing agency (the "Lead IA") and UNEP has agreed to be the cooperating implementing agency (the "Cooperating IA") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10.0	n/a
		CO_2-eq tonnes	n/a	450,382	450,382	450,382	450,382	450,382	405,344	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	n/a	450,382	450,382	450,382	450,382	450,382	405,344	n/a
2.1	Lead IA (UNDP) agreed funding (US $)		51,000	0	0	79,000	0	0	0	130,000
2.2	Support costs for Lead IA (US $)		6,630	0	0	10,270	0	0	0	16,900
2.3	Cooperating IA (UNEP) agreed funding (US $)		30,000	0	0	30,000	0	0	0	60,000
2.4	Support costs for Cooperating IA (US $)		3,900	0	0	3,900	0	0	0	7,800
3.1	Total agreed funding (US $)		81,000	0	0	109,000	0	0	0	190,000
3.2	Total support costs (US $)		10,530	0	0	14,170	0	0	0	24,700
3.3	Total agreed costs (US $)		91,530	0	0	123,170	0	0	0	214,700

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of

HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Natural Resources, Ecology, and Technical Supervision, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA. The Ministry of Natural Resources, Ecology, and Technical Supervision is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, 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 XIII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF THE LAO PEOPLE'S DEMOCRATIC REPUBLIC AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2030)

Purpose

1. This Agreement represents the understanding of the Government of the Lao People's Democratic Republic ("the Country") and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A ("The Substances") to a sustained level of 291,803 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 evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each 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		2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO_2-eq tonnes	324,226	324,226	324,226	324,226	324,226	291,803	291,803	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	10.0	n/a
		CO_2-eq tonnes	324,226	324,226	324,226	324,226	324,226	291,803	291,803	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		34,000	0	0	80,000	0	0	0	114,000
2.2	Support costs for Lead IA (US $)		4,420	0	0	10,400	0	0	0	14,820
2.3	Cooperating IA (UNDP) agreed funding (US $)		76,000	0	0	0	0	0	0	76,000
2.4	Support costs for Cooperating IA (US $)		9,880	0	0	0	0	0	0	9,880
3.1	Total agreed funding (US $)		110,000	0	0	80,000	0	0	0	190,000
3.2	Total support costs (US $)		14,300	0	0	10,400	0	0	0	24,700
3.3	Total agreed costs (US $)		124,300	0	0	90,400	0	0	0	214,700

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other,

including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Natural Resources and Environment (MNRE), will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA. The MNRE is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

2. The monitoring, reporting, verification and enforcement of HFC consumption levels will be carried out by the NOU in collaboration with the Customs Department and the Department of Industry under the Ministry of Industry and Commerce. The NOU is responsible for determining national HFC quotas and allocating them to eligible importers, while the Department of Industry is a licensing authority for issuing import and export permits based on the quotas allocated by the NOU. The Customs Department will control and monitor the import and export of HFCs at the point of entry. The NOU will liaise with concerned stakeholders including the Department of Industry, the Customs Department and HFC importers to obtain the data necessary for the periodic reconciliation of statistics.

3. The NOU will be responsible for the following:

a) Carrying out surveys to gauge the status of HFC phase-down, potential illegal imports, and penetration of low-GWP alternative technologies in different subsectors;

b) Carrying out regular inspections of the condition of training equipment acquired under the Plan for mobile air-conditioning training centre(s);

c) Monitoring the implementation of capacity-building activities for trainers, assessors and technicians, including activities to maintain or enhance energy efficiency in the servicing sector, training for customs and enforcement officers, and training for importers and customs brokers; and

d) Submitting annual progress reports on the status of implementation to the Lead IA and the Cooperating IA to monitor progress.

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 XIV

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF LESOTHO AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Lesotho ("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 49,936 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 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 evaluation work programme 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		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	103,221	103,221	103,221	103,221	103,221	92,899	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	39.5	39.5	39.5	39.5	39.5	51.6	n/a
		CO_2-eq tonnes	62,420	62,420	62,420	62,420	62,420	49,936	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		64,000	0	0	50,000	0	0	114,000
2.2	Support costs for Lead IA (US $)		8,320	0	0	6,500	0	0	14,820
2.3	Cooperating IA (UNIDO) agreed funding (US $)		18,000	0	0	13,000	0	0	31,000
2.4	Support costs for Cooperating IA (US $)		2,340	0	0	1,690	0	0	4,030
3.1	Total agreed funding (US $)		82,000	0	0	63,000	0	0	145,000
3.2	Total support costs (US $)		10,660	0	0	8,190	0	0	18,850
3.3	Total agreed costs (US $)		92,660	0	0	71,190	0	0	163,850

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), operating under the Lesotho Meteorological Services, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA. Lesotho Meteorological Services is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

(a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

(b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

(c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

(d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

(e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee 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 XV

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF LIBERIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Liberia ("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 122,817 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. The Government of Germany has agreed to be the lead implementing agency (the "Lead IA") in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	180,909	180,909	180,909	180,909	180,909	162,818	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	27.8	27.8	30.0	30.0	32.1	n/a
		CO_2-eq tonnes	180,909	130,532	130,532	126,616	126,616	122,817	n/a
2.1	Lead IA (Germany) agreed funding (US $)		72,500	0	0	72,500	0	0	145,000
2.2	Support costs for Lead IA (US $)		9,425	0	0	9,425	0	0	18,850
3.1	Total agreed funding (US $)		72,500	0	0	72,500	0	0	145,000
3.2	Total support costs (US $)		9,425	0	0	9,425	0	0	18,850
3.3	Total agreed costs (US $)		81,925	0	0	81,925	0	0	163,850

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the

Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Liberia Environmental Protection Agency, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and the delivery of outcomes, the NOU will facilitate the verification of HFC consumption to be undertaken by the Lead IA. The Liberia Environmental Protection Agency is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

2. The NOU, with assistance from the Lead IA, will establish a robust monitoring and evaluation process to track the implementation of the Plan. This will include development and implementation of a comprehensive data collection system to gather information on the import, export, and consumption on HFCs, periodic reporting to the Lead IA on project implementation status that will ensure transparency and accountability, monitoring of reductions in HFC consumption, compliance with phase-down schedules, assessing adoption of alternative technologies in different applications, mobilising personnel and other resources for project implementation and monitoring project progress and coordination with relevant national institutions and stakeholders (e.g., industry representatives, enforcement bodies, civil society) for their active engagement in implementation of different project activities. The NOU will also undertake quarterly and annual reviews in collaboration with the Lead IA to monitor project progress, identify challenges, and recalibrate strategies where necessary.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;

k) Ensuring that disbursements made to the Country are based on the use of the indicators;

l) Providing assistance with the policy, management and technical support when required; and

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

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

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $7.00 per 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 XVI

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF MALAWI AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2023–2030)

Purpose

1. This Agreement represents the understanding of the Government of Malawi ("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 197,488 CO_2-equivalent (CO_2-eq) tonnes by 1 January 2030 in compliance with the Montreal Protocol schedule and the terms of this Agreement.

2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A ("The Targets, and Funding") in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A.

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 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 evaluation work programme 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		2023	2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO_2-eq tonnes	n/a	428,435	428,435	428,435	428,435	428,435	385,591	385,591	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	51.1	49.1	49.9	51.1	51.9	52.5	52.9	54	n/a
		CO_2-eq tonnes	209,337	217,890	214,626	209,580	206,020	203,508	201,736	197,488	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		39,000	0	0	58,200	0	0	0	17,000	114,200
2.2	Support costs for Lead IA (US $)		5,070	0	0	7,566	0	0	0	2,210	14,846
2.3	Cooperating IA (UNIDO) agreed funding (US $)		29,000	0	0	43,800	0	0	0	0	72,800
2.4	Support costs for Cooperating IA (US $)		3,770	0	0	5,694	0	0	0	0	9,464
3.1	Total agreed funding (US $)		68,000	0	0	102,000	0	0	0	17,000	187,000
3.2	Total support costs (US $)		8,840	0	0	13,260	0	0	0	2,210	24,310
3.3	Total agreed costs (US $)		76,840	0	0	115,260	0	0	0	19,210	211,310

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), operating under the Ministry of Natural Resources and Climate Change, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA. The Ministry of Natural Resources and Climate Change is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

(a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

(b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

(c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

(d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

(e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee 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 XVII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF MALAYSIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2023–2029)

Purpose

1. This Agreement represents the understanding of the Government of Malaysia ("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 24,033,345 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated

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

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

Monitoring

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

Flexibility in the reallocation of funds

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

a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:

   i) Issues potentially concerning the rules and policies of the Multilateral Fund;

   ii) Changes that would modify any clause of this Agreement;

   iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;

   iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;

   v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in 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;

c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. The World Bank has agreed to be the lead implementing agency (the "Lead IA") in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	n/a	26,703,717	26,703,717	26,703,717	26,703,717	26,703,717	24,033,345	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	n/a	26,703,717	26,703,717	26,703,717	26,703,717	26,703,717	24,033,345	n/a
2.1	Lead IA (World Bank) agreed funding (US $)		3,042,912	0	3,246,290	0	2,336,655	0	649,258	9,275,115
2.2	Support costs for Lead IA (US $)		213,004	0	227,240	0	163,566	0	45,448	649,258
3.1	Total agreed funding (US $)		3,042,912	0	3,246,290	0	2,336,655	0	649,258	9,275,115
3.2	Total support costs (US $)		213,004	0	227,240	0	163,566	0	45,448	649,258
3.3	Total agreed costs (US $)		3,255,916	0	3,473,530	0	2,500,221	0	694,706	9,924,373
4.1.1	Deductions of HFCs under this Agreement (CO_2-eq tonnes)									2,763,452
4.1.2	Deductions of HFCs from previously approved projects (CO_2-eq tonnes)									0
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)									TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of

HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The monitoring process will be managed by the Department of Environment (DOE) through the national ozone unit (NOU) with the assistance of the Lead IA.

2. Consumption will be monitored and determined based on official import and export data for the Substances recorded by relevant Government departments.

3. The DOE shall compile relevant data and prepare the following on or before the relevant due dates:

a) Annual reports on consumption of the Substances to be submitted to the Ozone Secretariat; and

b) Periodic reports on the implementation progress of the Plan, to be submitted through the Lead IA to the Executive Committee of the Multilateral Fund with Tranche Implementation Plans and HFC consumption verification reports.

4. Consumption will be monitored annually throughout the implementation of the Plan and accordingly reflected in the progress report on the implementation of the Plan.

5. The NOU in the DOE shall prepare, with the Lead IA, the final implementation progress report and the Lead IA shall submit the same.

6. The DOE, along with its Government partner agencies, will be responsible for the sustainability of consumption reduction targets achieved through this Agreement, and for reviewing all related reports and data and instituting control and policy measures that facilitate HFC control and reductions according to this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;

k) Ensuring that disbursements made to the Country are based on the use of the indicators;

l) Providing assistance with the policy, management and technical support when required; and

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

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

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $6.71 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 XVIII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF MONTENEGRO AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Montenegro ("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 125,577 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. UNIDO has agreed to be the lead implementing agency (the "Lead IA") in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	155,854	155,854	155,854	155,854	155,854	140,269	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	12.3	14.1	15.8	17.6	19.4	n/a
		CO_2-eq tonnes	155,854	136,739	133,949	131,158	128,368	125,577	n/a
2.1	Lead IA (UNIDO) agreed funding (US $)		115,050	0	0	74,550	0	0	189,600
2.2	Support costs for Lead IA (US $)		14,956	0	0	9,692	0	0	24,648
3.1	Total agreed funding (US $)		115,050	0	0	74,550	0	0	189,600
3.2	Total support costs (US $)		14,956	0	0	9,692	0	0	24,648
3.3	Total agreed costs (US $)		130,006	0	0	84,242	0	0	214,248

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F

substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. All monitoring activities will be coordinated and managed through the Plan's monitoring and management unit within the national ozone unit (NOU).

2. The NOU, under the Environmental Protection Agency (EPA), is responsible for coordinating the Country's action plan with respect to ozone layer protection and facilitation of HFC phase-down. The NOU is in charge of implementing the country programmes under the Montreal Protocol. Implementation of the planned project activities will be allocated to the NOU in cooperation with the Lead IA. The NOU as a management body has a responsibility toward EPA and the Ministry of Ecology, Sustainable Development and Northern Region Development as a decision-making body. The NOU, under the EPA, is responsible for ensuring the sustainability of the consumption reduction targets achieved under this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;

k) Ensuring that disbursements made to the Country are based on the use of the indicators;

l) Providing assistance with the policy, management and technical support when required; and

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

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

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $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 XIX

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF MOZAMBIQUE AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2030)

Purpose

1. This Agreement represents the understanding of the Government of Mozambique ("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 589,730 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 1A.

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 evaluation work programme 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		2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	10	n/a
		CO_2-eq tonnes	655,255	655,255	655,255	655,255	655,255	589,730	589,730	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	10.0	n/a
		CO_2-eq tonnes	655,255	655,255	655,255	655,255	655,255	589,730	589,730	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		83,500	0	81,500	0	0	0	42,000	207,000
2.2	Support costs for Lead IA (US $)		10,855	0	10,595	0	0	0	5,460	26,910
2.3	Cooperating IA (UNDP) agreed funding (US $)		86,000	0	6,000	0	0	0	26,000	118,000
2.4	Support costs for Cooperating IA (US $)		11,180	0	780	0	0	0	3,380	15,340
3.1	Total agreed funding (US $)		169,500	0	87,500	0	0	0	68,000	325,000
3.2	Total support costs (US $)		22,035	0	11,375	0	0	0	8,840	42,250
3.3	Total agreed costs (US $)		191,535	0	98,875	0	0	0	76,840	367,250

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of

HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit, under the Ministry of Land and Environment, is responsible for monitoring the progress of implementation of activities in the Plan.

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

3. The Ministry of Land and Environment will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee 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 XX

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF NORTH MACEDONIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2023–2029)

Purpose

1. This Agreement represents the understanding of the Government of North Macedonia ("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 323,345 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

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

Monitoring

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

Flexibility in the reallocation of funds

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

a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:

    i) Issues potentially concerning the rules and policies of the Multilateral Fund;

    ii) Changes that would modify any clause of this Agreement;

    iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;

    iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;

    v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in 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;

c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the "Lead IA") in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	n/a	397,843	397,843	397,843	397,843	397,843	358,059	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	4.8	7.3	9.7	9.7	9.7	18.7	n/a
		CO_2-eq tonnes	n/a	378,557	368,915	359,272	359,272	359,272	323,345	n/a
2.1	Lead IA (UNIDO) agreed funding (US $)		103,555	0	0	90,445	0	22,000	0	216,000
2.2	Support costs for Lead IA (US $)		13,462	0	0	11,758	0	2,860	0	28,080
3.1	Total agreed funding (US $)		103,555	0	0	90,445	0	22,000	0	216,000
3.2	Total support costs (US $)		13,462	0	0	11,758	0	2,860	0	28,080
3.3	Total agreed costs (US $)		117,017	0	0	102,203	0	24,860	0	244,080
4.1.1	Deduction of HFCs under this Agreement (CO_2-eq tonnes)									74,498
4.1.2	Deduction of HFCs from previously approved projects (CO_2-eq tonnes)									0
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)									TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Environment and Physical Planning, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the duration of the Plan.

2. Monitoring will be conducted throughout implementation to ensure an effective overall project coordination, stakeholder engagement, timely execution of activities under each tranche, and delivery of expected outcomes. The NOU will also facilitate the verification of HFC consumption to be undertaken by the Lead IA.

3. The Ministry of Environment and Physical Planning will be responsible for ensuring the sustainability of the consumption reduction targets achieved under this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;

k) Ensuring that disbursements made to the Country are based on the use of the indicators;

l) Providing assistance with the policy, management and technical support when required; and

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

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

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $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.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. During the implementation of stage I of the Plan, the Country will be allowed, on an exceptional basis, to submit a project to phase out the consumption of HFC-152a in the extruded polystyrene foam manufacturing sector.

Annex XXI

DRAFT AGREEMENT BETWEEN THE GOVERNMENTS OF THE PACIFIC ISLAND COUNTRIES (THE COOK ISLANDS, KIRIBATI, THE MARSHALL ISLANDS, THE FEDERATED STATES OF MICRONESIA, NAURU, NIUE, PALAU, SAMOA, SOLOMON ISLANDS, TONGA, TUVALU, VANUATU) AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Governments of the Cook Islands, Kiribati, the Marshall Islands, the Federated States of Micronesia, Nauru, Niue, Palau, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu (each hereinafter referred to as "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 149,357 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 the Government of Australia 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 evaluation work programme 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

THE PACIFIC ISLAND COUNTRIES - OVERALL FUNDING

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	181,404	181,404	181,404	181,404	181,404	163,260	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	11.5	11.5	11.5	17.7	n/a
		CO_2-eq tonnes	181,404	181,404	160,549	160,549	160,549	149,357	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		683,000	0	0	559,000	0	0	1,242,000
2.2	Support costs for Lead IA (US $)		88,790	0	0	72,670	0	0	161,460
2.3	Cooperating IA (Australia) agreed funding (US $)		295,000	0	0	93,000	0	0	388,000
2.4	Support costs for Cooperating IA (US $)		38,350	0	0	12,090	0	0	50,440
3.1	Total agreed funding (US $)		978,000	0	0	652,000	0	0	1,630,000
3.2	Total support costs (US $)		127,140	0	0	84,760	0	0	211,900
3.3	Total agreed costs (US $)		1,105,140	0	0	736,760	0	0	1,841,900

GOVERNMENT OF THE COOK ISLANDS

APPENDIX 1-A.1: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A.1: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	6,461	6,461	6,461	6,461	6,461	5,814	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	6,461	6,461	6,461	6,461	6,461	5,814	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		23,250	0	0	44,250	0	0	67,500
2.2	Support costs for Lead IA (US $)		3,023	0	0	5,752	0	0	8,775
2.3	Cooperating IA (Australia) agreed funding (US $)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US $)		0	0	0	0	0	0	0
3.1	Total agreed funding (US $)		23,250	0	0	44,250	0	0	67,500
3.2	Total support costs (US $)		3,023	0	0	5,752	0	0	8,775
3.3	Total agreed costs (US $)		26,273	0	0	50,002	0	0	76,275

GOVERNMENT OF KIRIBATI

APPENDIX 1-A.2: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A.2: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	8,509	8,509	8,509	8,509	8,509	7,658	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	8,509	8,509	8,509	8,509	8,509	7,658	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		15,000	0	0	11,000	0	0	26,000
2.2	Support costs for Lead IA (US $)		1,950	0	0	1,430	0	0	3,380
2.3	Cooperating IA (Australia) agreed funding (US $)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US $)		0	0	0	0	0	0	0
3.1	Total agreed funding (US $)		15,000	0	0	11,000	0	0	26,000
3.2	Total support costs (US $)		1,950	0	0	1,430	0	0	3,380
3.3	Total agreed costs (US $)		16,950	0	0	12,430	0	0	29,380

GOVERNMENT OF THE MARSHALL ISLANDS

APPENDIX 1-A.3: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A.3: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	15,926	15,926	15,926	15,926	15,926	14,333	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	15,926	15,926	15,926	15,926	15,926	14,333	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		11,750	0	0	7,750	0	0	19,500
2.2	Support costs for Lead IA (US $)		1,527	0	0	1,008	0	0	2,535
2.3	Cooperating IA (Australia) agreed funding (US $)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US $)		0	0	0	0	0	0	0
3.1	Total agreed funding (US $)		11,750	0	0	7,750	0	0	19,500
3.2	Total support costs (US $)		1,527	0	0	1,008	0	0	2,535
3.3	Total agreed costs (US $)		13,277	0	0	8,758	0	0	22,035

GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA

APPENDIX 1-A.4: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A.4: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	13,600	13,600	13,600	13,600	13,600	12,240	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	13,600	13,600	13,600	13,600	13,600	12,240	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		63,500	0	0	27,500	0	0	91,000
2.2	Support costs for Lead IA (US $)		8,255	0	0	3,575	0	0	11,830
2.3	Cooperating IA (Australia) agreed funding (US $)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US $)		0	0	0	0	0	0	0
3.1	Total agreed funding (US $)		63,500	0	0	27,500	0	0	91,000
3.2	Total support costs (US $)		8,255	0	0	3,575	0	0	11,830
3.3	Total agreed costs (US $)		71,755	0	0	31,075	0	0	102,830

GOVERNMENT OF NAURU

APPENDIX 1-A.5: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A.5: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	2,378	2,378	2,378	2,378	2,378	2,140	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	2,378	2,378	2,378	2,378	2,378	2,140	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		10,500	0	0	6,500	0	0	17,000
2.2	Support costs for Lead IA (US $)		1,365	0	0	845	0	0	2,210
2.3	Cooperating IA (Australia) agreed funding (US $)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US $)		0	0	0	0	0	0	0
3.1	Total agreed funding (US $)		10,500	0	0	6,500	0	0	17,000
3.2	Total support costs (US $)		1,365	0	0	845	0	0	2,210
3.3	Total agreed costs (US $)		11,865	0	0	7,345	0	0	19,210

GOVERNMENT OF NIUE

APPENDIX 1-A.6: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A.6: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	236	236	236	236	236	212	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	236	236	236	236	236	212	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		9,250	0	0	5,250	0	0	14,500
2.2	Support costs for Lead IA (US $)		1,202	0	0	683	0	0	1,885
2.3	Cooperating IA (Australia) agreed funding (US $)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US $)		0	0	0	0	0	0	0
3.1	Total agreed funding (US $)		9,250	0	0	5,250	0	0	14,500
3.2	Total support costs (US $)		1,202	0	0	683	0	0	1,885
3.3	Total agreed costs (US $)		10,452	0	0	5,933	0	0	16,385

GOVERNMENT OF PALAU

APPENDIX 1-A.7: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A.7: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	10,368	10,368	10,368	10,368	10,368	9,331	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	10,368	10,368	10,368	10,368	10,368	9,331	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		57,500	0	0	46,500	0	0	104,000
2.2	Support costs for Lead IA (US $)		7,475	0	0	6,045	0	0	13,520
2.3	Cooperating IA (Australia) agreed funding (US $)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US $)		0	0	0	0	0	0	0
3.1	Total agreed funding (US $)		57,500	0	0	46,500	0	0	104,000
3.2	Total support costs (US $)		7,475	0	0	6,045	0	0	13,520
3.3	Total agreed costs (US $)		64,975	0	0	52,545	0	0	117,520

GOVERNMENT OF SAMOA

APPENDIX 1-A.8: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A.8: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	20,557	20,557	20,557	20,557	20,557	18,501	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	20,557	20,557	20,557	20,557	20,557	18,501	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		66,000	0	0	58,000	0	0	124,000
2.2	Support costs for Lead IA (US $)		8,580	0	0	7,540	0	0	16,120
2.3	Cooperating IA (Australia) agreed funding (US $)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US $)		0	0	0	0	0	0	0
3.1	Total agreed funding (US $)		66,000	0	0	58,000	0	0	124,000
3.2	Total support costs (US $)		8,580	0	0	7,540	0	0	16,120
3.3	Total agreed costs (US $)		74,580	0	0	65,540	0	0	140,120

GOVERNMENT OF SOLOMON ISLANDS

APPENDIX 1-A.9: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A.9: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	69,516	69,516	69,516	69,516	69,516	62,564	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	30.0	30.0	30.0	30.0	n/a
		CO_2-eq tonnes	69,516	69,516	48,661	48,661	48,661	48,661	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		74,125	0	0	66,125	0	0	140,250
2.2	Support costs for Lead IA (US $)		9,637	0	0	8,596	0	0	18,233
2.3	Cooperating IA (Australia) agreed funding (US $)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US $)		0	0	0	0	0	0	0
3.1	Total agreed funding (US $)		74,125	0	0	66,125	0	0	140,250
3.2	Total support costs (US $)		9,637	0	0	8,596	0	0	18,233
3.3	Total agreed costs (US $)		83,762	0	0	74,721	0	0	158,483

GOVERNMENT OF TONGA

APPENDIX 1-A.10: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A.10: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	7,676	7,676	7,676	7,676	7,676	6,908	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	7,676	7,676	7,676	7,676	7,676	6,908	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		60,750	0	0	49,750	0	0	110,500
2.2	Support costs for Lead IA (US $)		7,898	0	0	6,467	0	0	14,365
2.3	Cooperating IA (Australia) agreed funding (US $)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US $)		0	0	0	0	0	0	0
3.1	Total agreed funding (US $)		60,750	0	0	49,750	0	0	110,500
3.2	Total support costs (US $)		7,898	0	0	6,467	0	0	14,365
3.3	Total agreed costs (US $)		68,648	0	0	56,217	0	0	124,865

GOVERNMENT OF TUVALU

APPENDIX 1-A.11: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A.11: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	2,648	2,648	2,648	2,648	2,648	2,383	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	2,648	2,648	2,648	2,648	2,648	2,383	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		12,250	0	0	8,250	0	0	20,500
2.2	Support costs for Lead IA (US $)		1,592	0	0	1,073	0	0	2,665
2.3	Cooperating IA (Australia) agreed funding (US $)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US $)		0	0	0	0	0	0	0
3.1	Total agreed funding (US $)		12,250	0	0	8,250	0	0	20,500
3.2	Total support costs (US $)		1,592	0	0	1,073	0	0	2,665
3.3	Total agreed costs (US $)		13,842	0	0	9,323	0	0	23,165

GOVERNMENT OF VANUATU

APPENDIX 1-A.12: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	n/a

APPENDIX 2-A.12: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	23,529	23,529	23,529	23,529	23,529	21,176	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	23,529	23,529	23,529	23,529	23,529	21,176	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		31,625	0	0	52,625	0	0	84,250
2.2	Support costs for Lead IA (US $)		4,112	0	0	6,841	0	0	10,953
2.3	Cooperating IA (Australia) agreed funding (US $)		0	0	0	0	0	0	0
2.4	Support costs for Cooperating IA (US $)		0	0	0	0	0	0	0
3.1	Total agreed funding (US $)		31,625	0	0	52,625	0	0	84,250
3.2	Total support costs (US $)		4,112	0	0	6,841	0	0	10,953
3.3	Total agreed costs (US $)		35,737	0	0	59,466	0	0	95,203

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. Under the respective Ministries or Agencies, i.e., the Cook Islands National Environment Service; the Kiribati Ministry of Environment, Lands and Agricultural Development; the Marshall Islands Environmental Protection Authority; the Federated States of Micronesia Department of Environment, Climate Change and Emergency Management; the Nauru Department of Environmental Management and Agriculture; the Niue Ministry of Natural Resources; the Palau Environmental Quality Protection Board; the

Samoa Ministry of Natural Resources and Environment; the Solomon Islands Ministry of Mines, Energy and Rural Electrification; the Tonga Ministry of Meteorology, Energy, Information, Disaster Management, Environment, Climate Change and Communications; the Tuvalu Ministry of Home Affairs, Climate Change and Environment; and the Vanuatu Ministry of Climate Change Adaptation, Meteorology, Geohazards, Energy, Environment and Disaster Management, the national ozone units (NOUs) will be responsible for the overall project monitoring of all activities under the Plan, as well as the planning, coordination, and daily work of project implementation.

2. The NOUs will coordinate closely with national industries, technical institutions, non-governmental organizations and government departments, as well as technical experts, the Lead IA and the Cooperating IA, to ensure the smooth implementation of the Plan. Moreover, the NOUs will work in collaboration with respective national Energy-Efficiency Authorities to explore synergies between HFC phase-down and energy efficiency in the national implementation of policy and regulations, capacity building, raising awareness and communications.

3. Annual consumption of HFCs will be monitored through the NOUs in collaboration with the Customs Authority of each Country. The NOUs will also liaise with importers of HFCs to obtain the necessary data for reconciliation of statistics on a periodic basis.

4. The NOUs will undertake national market surveys to gauge the situation of HFC phase-down, potential illegal imports, and the penetration of alternative technologies with low global-warming potential in different subsectors. In case of a risk of non-compliance with obligations or not meeting the maximum allowance for total consumption of Annex F substances, the NOUs will report to the Lead IA and Cooperating IA to identify specific interventions needed for achieving the HFC phase-down targets.

5. The NOUs will monitor the implementation of capacity-building activities with relevant agencies, including competency-based training and assessment for refrigeration and air-conditioning and mobile air-conditioning technicians, activities to build the capacity of technicians to maintain and/or enhance energy efficiency in the servicing sector while phasing down HFCs, and training for customs and enforcement officers.

6. The NOUs will submit annual progress reports on the status of implementation of respective national components to the Lead IA and Cooperating IA to monitor the implementation progress of the Plan.

7. The Ministries and Agencies listed in paragraph 1 above will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country’s Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee 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 XXII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF PANAMA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2023–2029)

Purpose

1. This Agreement represents the understanding of the Government of Panama ("the Country") and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A ("The Substances") to a sustained level of 2,289,047 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated

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

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

Monitoring

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

Flexibility in the reallocation of funds

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

a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:

    i) Issues potentially concerning the rules and policies of the Multilateral Fund;

    ii) Changes that would modify any clause of this Agreement;

    iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;

    iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;

    v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in 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;

c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the "Lead IA") in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	n/a	2,543,386	2,543,386	2,543,386	2,543,386	2,543,386	2,289,047	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	n/a	2,543,386	2,543,386	2,543,386	2,543,386	2,543,386	2,289,047	n/a
2.1	Lead IA (UNDP) agreed funding (US $)		331,100	0	0	264,880	0	0	66,220	662,200
2.2	Support costs for Lead IA (US $)		23,177	0	0	18,542	0	0	4,635	46,354
3.1	Total agreed funding (US $)		331,100	0	0	264,880	0	0	66,220	662,200
3.2	Total support costs (US $)		23,177	0	0	18,542	0	0	4,635	46,354
3.3	Total agreed costs (US $)		354,277	0	0	283,422	0	0	70,855	708,554
4.1.1	Deduction of HFCs under this Agreement (CO_2-eq tonnes)									254,339
4.1.2	Deduction of HFCs from previously approved projects (CO_2-eq tonnes)									0
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)									TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other,

including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the General Sub-Directorate of Environmental Health in the General Directorate of Public Health at the Ministry of Health (MINSA), will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, strengthening of education centres and pilot projects, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA.

2. The MINSA coordinates all activities aimed at achieving and sustaining the commitments to reduce HFC consumption with different entities at the national level, including the Ministry of Commerce and Industry, Ministry of Education and other institutions in the academic sector, the Ministry of Environment, the National Customs Authority, the National Energy Secretariat, civil society associations and the productive sectors.

3. The MINSA is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;

k) Ensuring that disbursements made to the Country are based on the use of the indicators;

l) Providing assistance with the policy, management and technical support when required; and

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

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

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $5.21 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 XXIII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF PARAGUAY AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Paraguay ("the Country") and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A ("The Substances") to a sustained level of 1,516,124 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated

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

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

Monitoring

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

Flexibility in the reallocation of funds

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

a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:

   i) Issues potentially concerning the rules and policies of the Multilateral Fund;

   ii) Changes that would modify any clause of this Agreement;

   iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;

   iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;

   v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in 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. UNDP has agreed to be the lead implementing agency (the "Lead IA") in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

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

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	1,684,582	1,684,582	1,684,582	1,684,582	1,684,582	1,516,124	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	1,684,582	1,684,582	1,684,582	1,684,582	1,684,582	1,516,124	n/a
2.1	Lead IA (UNDP) agreed funding (US $)		235,675	0	0	188,540	0	47,135	471,350
2.2	Support costs for Lead IA (US $)		16,497	0	0	13,198	0	3,300	32,995
3.1	Total agreed funding (US $)		235,675	0	0	188,540	0	47,135	471,350
3.2	Total support costs (US $)		16,497	0	0	13,198	0	3,300	32,995
3.3	Total agreed costs (US $)		252,172	0	0	201,738	0	50,435	504,345
4.1.1	Deduction of HFCs under this Agreement (CO_2-eq tonnes)								168,458
4.1.2	Deduction of HFCs from previously approved projects (CO_2-eq tonnes)								0
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)								TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Environment and Sustainable Development (MADES), will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA.

2. The MADES is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;

k) Ensuring that disbursements made to the Country are based on the use of the indicators;

l) Providing assistance with the policy, management and technical support when required; and

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

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

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $5.60 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 XXIV

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF PERU AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2023–2029)

Purpose

1. This Agreement represents the understanding of the Government of Peru ("the Country") and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A ("The Substances") to a sustained level of 2,462,149 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated

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

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

Monitoring

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

Flexibility in the reallocation of funds

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

a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:

    i) Issues potentially concerning the rules and policies of the Multilateral Fund;

    ii) Changes that would modify any clause of this Agreement;

    iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;

    iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;

    v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in 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;

c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the "Lead IA") in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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 and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10.0	n/a
		CO_2-eq tonnes	n/a	2,735,721	2,735,721	2,735,721	2,735,721	2,735,721	2,462,149	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	n/a	2,735,721	2,735,721	2,735,721	2,735,721	2,735,721	2,462,149	n/a
2.1	Lead IA (UNDP) agreed funding (US $)		283,140	0	0	283,140	0	0	62,718	628,998
2.2	Support costs for Lead IA (US $)		19,820	0	0	19,820	0	0	4,390	44,030
3.1	Total agreed funding (US $)		283,140	0	0	283,140	0	0	62,718	628,998
3.2	Total support costs (US $)		19,820	0	0	19,820	0	0	4,390	44,030
3.3	Total agreed costs (US $)		302,960	0	0	302,960	0	0	67,108	673,028
4.1.1	Deduction of HFCs under this Agreement (CO_2-eq tonnes)									273,572
4.1.2	Deduction of HFCs from previously approved projects (CO_2-eq tonnes)									0
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)									TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other,

including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall supervision will be provided by the Ministry of Production (PRODUCE), through the national ozone office (NOO), with assistance from the Lead IA.

2. Consumption will be monitored and determined from official data on the import and export of substances as registered by relevant Government departments. The NOO will compile and report the following data and information each year on, or before the deadlines:

a) Annual reports on the consumption of the substances to be submitted to the Ozone Secretariat,

b) Annual reports on progress in Plan implementation to be submitted to the Executive Committee of the Multilateral Fund, and

c) Annual reports on progress in gender indicators according to the guidelines established by the Multilateral Fund of the Montreal Protocol and the specific activities approved for the projects.

3. The NOO and the Lead IA will jointly hire a qualified independent entity to conduct a qualitative and quantitative performance assessment of the implementation of the Plan. The agency responsible for

evaluation will have full access to relevant technical and financial information related to the implementation of the Plan.

4. The PRODUCE is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;

k) Ensuring that disbursements made to the Country are based on the use of the indicators;

l) Providing assistance with the policy, management and technical support when required; and

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

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

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $4.60 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.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. A project to phase out HFCs contained in imported pre-blended polyols in the Country's polyurethane foam sector will be subject to the decision taken by the Committee on whether it would fund the phase-out of HFCs contained in imported pre-blended polyols.

Annex XXV

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF RWANDA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Rwanda ("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 254,008 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 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 evaluation work programme 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		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	338,197	338,197	338,197	338,197	338,197	304,377	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	24.9	n/a
		CO_2-eq tonnes	338,197	338,197	338,197	338,197	338,197	254,008	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		48,400	0	0	44,000	0	17,600	110,000
2.2	Support costs for Lead IA (US $)		6,292	0	0	5,720	0	2,288	14,300
2.3	Cooperating IA (UNIDO) agreed funding (US $)		27,500	0	0	44,000	0	5,500	77,000
2.4	Support costs for Cooperating IA (US $)		3,575	0	0	5,720	0	715	10,010
3.1	Total agreed funding (US $)		75,900	0	0	88,000	0	23,100	187,000
3.2	Total support costs (US $)		9,867	0	0	11,440	0	3,003	24,310
3.3	Total agreed costs (US $)		85,767	0	0	99,440	0	26,103	211,310

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of

HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit, under the Ministry of Environment, is responsible for monitoring the progress of implementation of activities in the Plan.

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

3. The Ministry of Environment in the Country will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee 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 XXVI

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF SAINT LUCIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Saint Lucia ("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 75,362 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 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 evaluation work programme 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.

15. **Validity**

16. 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.

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	**Starting point for aggregate reductions in consumption (CO_2-eq tonnes)**
HFCs	n/a

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	**Particulars**		**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**Total**
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	83,735	83,735	83,735	83,735	83,735	75,362	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	83,735	83,735	83,735	83,735	83,735	75,362	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		43,000	0	0	38,000	0	13,000	94,000
2.2	Support costs for Lead IA (US $)		5,590	0	0	4,940	0	1,690	12,220
2.3	Cooperating IA (UNIDO) agreed funding (US $)		27,000	0	0	24,000	0	0	51,000
2.4	Support costs for Cooperating IA (US $)		3,510	0	0	3,120	0	0	6,630
3.1	Total agreed funding (US $)		70,000	0	0	62,000	0	13,000	145,000
3.2	Total support costs (US $)		9,100	0	0	8,060	0	1,690	18,850
3.3	Total agreed costs (US $)		79,100	0	0	70,060	0	14,690	163,850

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

(a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

(b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

(c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

(d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU) will be responsible for the day-to-day execution of all components of the project, including monitoring, evaluation and reporting. It will be supported by the Ministry of Agriculture, Fisheries, Food Security and Sustainable Development who will manage the budget and exercise oversight of the procurement processes. The Ministry will also be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

2. Upon project launch the NOU and the Montreal Protocol Technical Working Group will plan for the execution of each component and for the day-to-day execution of all activities approved under the Plan, including monitoring of all project activities, generating periodic monitoring and evaluation reports on project activities, targets achieved, adjustments, and remedial actions to be taken, if necessary, to ensure that targets are met. A consultant will be contracted to assist in delivering these tasks.

3. The Lead IA will be responsible for ensuring that periodic progress and financial reports are generated, tranche progress is monitored and funds are disbursed in accordance with this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

(a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

(b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

(c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

(d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

(e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee 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 XXVII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF SENEGAL AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Senegal ("the Country") and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A ("The Substances") to a sustained level of 2,215,780 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated

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

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

Monitoring

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

Flexibility in the reallocation of funds

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

a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:

   i) Issues potentially concerning the rules and policies of the Multilateral Fund;

   ii) Changes that would modify any clause of this Agreement;

   iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;

   iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;

   v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in 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 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 evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A (“Reductions in Funding for Failure to Comply”) in respect of each 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	2,786,915	2,786,915	2,786,915	2,786,915	2,786,915	2,508,224	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	20.5	n/a
		CO_2-eq tonnes	2,786,915	2,786,915	2,786,915	2,786,915	2,786,915	2,215,780	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		168,000	0	0	138,000	0	84,000	390,000
2.2	Support costs for Lead IA (US $)		21,840	0	0	17,940	0	10,920	50,700
2.3	Cooperating IA (UNIDO) agreed funding (US $)		127,500	0	0	317,500	0	25,000	470,000
2.4	Support costs for Cooperating IA (US $)		8,925	0	0	22,225	0	1,750	32,900
3.1	Total agreed funding (US $)		295,500	0	0	455,500	0	109,000	860,000
3.2	Total support costs (US $)		30,765	0	0	40,165	0	12,670	83,600
3.3	Total agreed costs (US $)		326,265	0	0	495,665	0	121,670	943,600
4.1.1	Deduction of HFCs under this Agreement (CO_2-eq tonnes)								571,135
4.1.2	Deduction of HFCs from previously approved projects (CO_2-eq tonnes)								0
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)								TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of the Environment and Ecological Transition (MEET), will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA. The MEET is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

2. Consumption will be monitored and determined from the official data on the import and export of substances registered by the relevant Government departments.

3. The NOU will compile and report on the following data and information each year on or before the agreed deadlines:

a) Annual reports on the consumption of substances submitted to the Ozone Secretariat; and

b) Annual reports on progress achieved in the Plan's implementation submitted to the Executive Committee of the Multilateral Fund.

4. The NOU and the Lead IA will jointly hire a qualified independent entity to conduct a qualitative and quantitative performance assessment of the implementation of the Plan.

5. The agency responsible for evaluation will have full access to relevant technical and financial information related to the implementation of the Plan, and will prepare and submit to the NOU and the Lead IA a draft consolidated report at the end of each annual implementation plan. The report will include assessment findings and, where appropriate, recommendations for improvements or adjustments, as well as the Country's situation with regard to compliance with the provisions of this Agreement. After incorporating the comments and explanations, if any, from the NOU and the Lead IA, the agency responsible for evaluation will finalize the report and submit it to the MEET and the Lead IA. The MEET will endorse the final report, and the Lead IA will transmit it to the relevant meeting of the Executive Committee together with the implementation plan and annual reports.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;

k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;

l) Ensuring that disbursements made to the Country are based on the use of the indicators;

m) Providing assistance with the policy, management and technical support when required;

n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and

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

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

a) Providing assistance for policy development when required;

b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;

c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and

d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $5.28 per 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 XXVIII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF SEYCHELLES AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Seychelles (“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 224,460 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 1A.

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 the Government of Germany 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 evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	249,400	249,400	249,400	249,400	249,400	224,460	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	249,400	249,400	249,400	249,400	249,400	224,460	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		64,836	0	0	20,424	0	0	85,260
2.2	Support costs for Lead IA (US $)		8,429	0	0	2,655	0	0	11,084
2.3	Cooperating IA (Germany) agreed funding (US $)		16,844	0	0	55,896	0	0	72,740
2.4	Support costs for Cooperating IA (US $)		2,190	0	0	7,266	0	0	9,456
3.1	Total agreed funding (US $)		81,680	0	0	76,320	0	0	158,000
3.2	Total support costs (US $)		10,619	0	0	9,921	0	0	20,540
3.3	Total agreed costs (US $)		92,299	0	0	86,241	0	0	178,540

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. Overall monitoring will be provided by the Ministry of Environment, Climate, Energy and Natural Resources through the national ozone unit (NOU), with assistance from the Lead IA. The NOU will submit annual progress reports of status of implementation of the Plan to the Lead IA.

2. Consumption will be monitored and determined from the official data on the import and export of substances, as registered by the relevant Government departments. The NOU will compile and report the following data and information each year on or before the relevant deadlines:

a) Reports on the consumption of substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and

b) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.

3. The monitoring of the development of the Plan and verification of the achievement of performance targets will be assigned to an independent local company or to independent local consultant(s) by the

Lead IA. The company or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.

4. The Ministry of Environment, Climate, Energy and Natural Resources will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, 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 XXIX

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF SIERRA LEONE AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Sierra Leone ("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 315,815 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 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 evaluation work programme 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		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	350,905	350,905	350,905	350,905	350,905	315,815	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	1.5	3.2	4.9	6.6	8.3	10.0	n/a
		CO_2-eq tonnes	345,642	339,676	333,711	327,746	321,780	315,815	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		65,500	0	0	38,817	0	0	104,317
2.2	Support costs for Lead IA (US $)		8,515	0	0	5,046	0	0	13,561
2.3	Cooperating IA (UNIDO) agreed funding (US $)		21,000	0	0	54,683	0	0	75,683
2.4	Support costs for Cooperating IA (US $)		2,730	0	0	7,109	0	0	9,839
3.1	Total agreed funding (US $)		86,500	0	0	93,500	0	0	180,000
3.2	Total support costs (US $)		11,245	0	0	12,155	0	0	23,400
3.3	Total agreed costs (US $)		97,745	0	0	105,655	0	0	203,400

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of

HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit, under the Ministry of the Environment and Climate Change, is responsible for monitoring the progress of implementation of activities in the Plan.

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

3. The Ministry of the Environment and Climate Change will be responsible for the sustainability of consumption reduction targets achieved through the Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;

k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and 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 XXX

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF TOGO AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Togo ("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 956,162 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 1A.

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 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 evaluation work programme of the Multilateral Fund or the evaluation programme of the Lead IA and/or the Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	1,124,896	1,124,896	1,124,896	1,124,896	1,124,896	1,012,406	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	15.0	n/a
		CO_2-eq tonnes	1,124,896	1,124,896	1,124,896	1,124,896	1,124,896	956,162	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		117,500	0	0	102,500	0	0	220,000
2.2	Support costs for Lead IA (US $)		15,275	0	0	13,325	0	0	28,600
2.3	Cooperating IA (UNIDO) agreed funding (US $)		70,000	0	0	70,000	0	0	140,000
2.4	Support costs for Cooperating IA (US $)		9,100	0	0	9,100	0	0	18,200
3.1	Total agreed funding (US $)		187,500	0	0	172,500	0	0	360,000
3.2	Total support costs (US $)		24,375	0	0	22,425	0	0	46,800
3.3	Total agreed costs (US $)		211,875	0	0	194,925	0	0	406,800

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), under the Ministry of Environment, Forestry Resources, Coastal Protection, and Climate Change, is responsible for monitoring the progress of implementation of activities in the Plan. The NOU will submit annual progress reports of status of implementation of the Plan to the Lead IA. Monitoring will be conducted during the implementation of the Plan to ensure efficient and effective implementation, overall project coordination, stakeholder engagement and coordination, smooth implementation of activities planned under the various tranches, delivery of training and other expected outcomes, and facilitation of the HFC consumption verification undertaken by the Lead IA.

2. Consumption will be monitored and determined from the official data on the import and export of substances as registered by the relevant Government departments. The NOU will compile and report on the following data and information each year on or before the relevant deadlines:

e) Reports on the consumption of substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and

f) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.

3. Monitoring of the development of the Plan and verification of the achievement of performance targets will be assigned to an independent local company or to independent local consultant(s) by the Lead IA. The company or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.

4. The Ministry of Environment, Forestry Resources, Coastal Protection, and Climate Change will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

(a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

(b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

(c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

(d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

(e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, 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 XXXI

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF TRINIDAD AND TOBAGO AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2023–2029)

Purpose

1. This Agreement represents the understanding of the Government of Trinidad and Tobago ("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 5,113,608 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated with previously approved tranches; and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent; and

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

Monitoring

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

Flexibility in the reallocation of funds

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

a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:

    i) Issues potentially concerning the rules and policies of the Multilateral Fund;

    ii) Changes that would modify any clause of this Agreement;

    iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;

    iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;

    v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in 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;

c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the "Lead IA") in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The role of the Lead IA is contained in Appendix 6-A. The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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, and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to the information necessary to verify compliance with this Agreement.

Date of completion

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

will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	n/a	5,681,787	5,681,787	5,681,787	5,681,787	5,681,787	5,113,608	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	n/a	5,681,787	5,681,787	5,681,787	5,681,787	5,681,787	5,113,608	n/a
2.1	Lead IA (UNDP) agreed funding (US $)		543,249	0	0	516,677	0	0	117,769	1,177,695
2.2	Support costs for Lead IA (US $)		38,028	0	0	36,167	0	0	8,244	82,439
3.1	Total agreed funding (US $)		543,249	0	0	516,677	0	0	117,769	1,177,695
3.2	Total support costs (US $)		38,028	0	0	36,167	0	0	8,244	82,439
3.3	Total agreed costs (US $)		581,277	0	0	552,844	0	0	126,013	1,260,134
4.1.1	Deductions of HFCs under this Agreement (CO_2-eq tonnes)									568,179
4.1.2	Deductions of HFCs from previously approved projects (CO_2-eq tonnes)									0
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)									TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

(a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

(b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

(c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

(d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Planning, Economic Affairs and Development (MPEAD), will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and delivery of outcomes, the NOU will facilitate verification of HFC consumption to be undertaken by the Lead IA.

2. The NOU will organize the collection and analysis of project data, standardize reporting formats, and convene periodic evaluation meetings. It will prepare internal progress reports, annual Plan implementation reports, and tranche submissions for the Executive Committee. The NOU will also monitor gender indicators, track private sector trends in HFC use, and stay updated on alternative technologies through participation in stakeholder-led technical meetings.

3. The MPEAD is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

(a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

(b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

(c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

(d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

(e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee;

(f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

(g) Ensuring that appropriate independent technical experts carry out the technical reviews;

(h) Carrying out the required supervision missions;

(i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

(j) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country, the allocation of the reductions to the different budget items and to the funding of the Lead IA;

(k) Ensuring that disbursements made to the Country are based on the use of the indicators;

(l) Providing assistance with the policy, management and technical support when required; and

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

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

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $4.15 per CO_2-eq tonne of consumption beyond the level defined in row 1.2 of Appendix 2A 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 XXXII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF TUNISIA AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2030)

Purpose

1. This Agreement represents the understanding of the Government of Tunisia ("the Country") and the Executive Committee with respect to the reduction of controlled use of Annex F substances set out in Appendix 1-A ("The Substances") to a sustained level of 1,803,694 CO_2-equivalent (CO_2-eq) tonnes by 1 January 2030 in compliance with the Montreal Protocol schedule and the terms of this Agreement.

2. The Country agrees to meet the annual consumption limits of Annex F substances as set out in row 1.2 of Appendix 2-A ("The Targets, and Funding") in this Agreement as well as in the Montreal Protocol reduction schedule for Annex F substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of Annex F substances that exceeds the level defined in row 1.2 of Appendix 2-A as the final reduction step under this Agreement for Annex F substances specified in Appendix 1-A, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated

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

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

Monitoring

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

Flexibility in the reallocation of funds

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

a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:

   i) Issues potentially concerning the rules and policies of the Multilateral Fund;

   ii) Changes that would modify any clause of this Agreement;

   iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;

   iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;

   v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in 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;

c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the "Lead IA") and UNEP has agreed to be the cooperating implementing agency (the "Cooperating IA") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	2030	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	Freeze	Freeze	Freeze	Freeze	Freeze	10	10	n/a
		CO_2-eq tonnes	2,367,840	2,367,840	2,367,840	2,367,840	2,367,840	2,131,056	2,131,056	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	23.8	n/a
		CO_2-eq tonnes	2,367,840	2,367,840	2,367,840	2,367,840	2,367,840	2,131,056	1,803,694	n/a
2.1	Lead IA (UNIDO) agreed funding (US $)		1,526,566	0	0	435,875	0	0	104,740	2,067,181
2.2	Support costs for Lead IA (US $)		106,860	0	0	30,511	0	0	7,332	144,703
2.3	Cooperating IA (UNEP) agreed funding (US $)		50,000	0	0	45,000	0	0	15,000	110,000
2.4	Support costs for Cooperating IA (US $)		6,500	0	0	5,850	0	0	1,950	14,300
3.1	Total agreed funding (US $)		1,576,566	0	0	480,875	0	0	119,740	2,177,181
3.2	Total support costs (US $)		113,360	0	0	36,361	0	0	9,282	159,003
3.3	Total agreed costs (US $)		1,689,926	0	0	517,236	0	0	129,022	2,336,184
4.1.1	Deduction of HFCs under this Agreement (CO_2-eq tonnes)									629,563
4.1.2	Deduction of HFCs from previously approved projects (CO_2-eq tonnes)									0
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)									TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), under the National Agency for the Protection of the Environment (ANPE), will monitor the effectiveness of implementation of the different components under the Plan, including compliance with phase-down levels and impact of all activities against the set objectives and goals.

2. The ANPE, in close cooperation and coordination with the NOU and support of the Lead IA, will play a key role in the monitoring of the Plan and will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

3. The NOU will undertake monitoring, reporting and record-keeping on:

a) HFC import and export, including data collected from local importers;

b) HFC use by different sectors, including data collected from manufacturers and surveys conducted by the project management unit;

c) Amounts of recovered, recycled, and unwanted HFCs;

d) Regular updates on the Plan's deliverables as per targeted milestones;

e) Plans, progress reports and completion reports of components and projects; and

f) Information on HFC-based equipment banks and status of their operation and retirement.

4. The verification will, in addition to other tasks, cover the reports generated regarding achievements under the Plan.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee including the activities implemented by the Cooperating IA;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;

k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and the Cooperating IA;

l) Ensuring that disbursements made to the Country are based on the use of the indicators;

m) Providing assistance with the policy, management and technical support when required;

n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and

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

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

a) Providing assistance for policy development when required;

b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;

c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and

d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$6.92 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.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

2. During the implementation of stage I of the Plan, a project to phase out HFCs contained in imported pre-blended polyols in the Country's polyurethane foam sector would be subject to the Executive Committee's consideration of funding the phase-out of HFCs contained in imported pre-blended polyols.

Annex XXXIII

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF TÜRKIYE AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Türkiye ("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 31,790,838 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 or 12 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 or 12 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;

c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNIDO has agreed to be the lead implementing agency (the "Lead IA") and 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 evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	37,117,410	37,117,410	37,117,410	37,117,410	37,117,410	33,405,669	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	14.4	n/a
		CO_2-eq tonnes	37,117,410	37,117,410	37,117,410	37,117,410	37,117,410	31,790,838	n/a
2.1	Lead IA (UNIDO) agreed funding (US $)		1,943,985	0	0	5,262,222	0	1,120,080	8,326,287
2.2	Support costs for Lead IA (US $)		136,079	0	0	368,355	0	78,406	582,840
2.3	Cooperating IA (UNDP) agreed funding (US $)		845,445	0	0	1,637,040	0	358,641	2,841,126
2.4	Support costs for Cooperating IA (US $)		59,181	0	0	114,593	0	25,105	198,879
3.1	Total agreed funding (US $)		2,789,430	0	0	6,899,262	0	1,478,721	11,167,413
3.2	Total support costs (US $)		195,260	0	0	482,948	0	103,511	781,719
3.3	Total agreed costs (US $)		2,984,690	0	0	7,382,210	0	1,582,232	11,949,132
4.1.1	Deduction of HFCs under this Agreement (CO_2-eq tonnes)								5,326,572
4.1.2	Deduction of HFCs from previously approved projects (CO_2-eq tonnes)								0
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)								TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), under the Directorate of Climate Change (DCC) of the Ministry of Environment, Urbanization and Climate Change (MoEUCC), is responsible for monitoring the progress of implementation of activities in the Plan.

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

3. The DCC will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;

k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;

l) Ensuring that disbursements made to the Country are based on the use of the indicators;

m) Providing assistance with the policy, management and technical support when required;

n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and

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

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

a) Providing assistance for policy development when required;

b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;

c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and

d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $4.19 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.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. During the implementation of stage I of the Plan and no later than at the 98th meeting, the Country will be allowed, on an exceptional basis, to submit investment projects in the refrigeration, air-conditioning and foam sectors to achieve additional HFC reductions.

Annex XXXIV

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF URUGUAY AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Uruguay ("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 911,188 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated

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

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

Monitoring

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

Flexibility in the reallocation of funds

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

a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:

    i) Issues potentially concerning the rules and policies of the Multilateral Fund;

    ii) Changes that would modify any clause of this Agreement;

    iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;

    iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;

    v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in 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;

c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNDP has agreed to be the lead implementing agency (the "Lead IA") and 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 evaluation work programme 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	Freeze	Freeze	Freeze	Freeze	Freeze	10	n/a
		CO_2-eq tonnes	1,012,431	1,012,431	1,012,431	1,012,431	1,012,431	911,188	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	1,012,431	1,012,431	1,012,431	1,012,431	1,012,431	911,188	n/a
2.1	Lead IA (UNDP) agreed funding (US $)		126,927	0	0	92,413	0	0	219,340
2.2	Support costs for Lead IA (US $)		16,500	0	0	12,014	0	0	28,514
2.3	Cooperating IA (UNIDO) agreed funding (US $)		49,860	0	0	55,800	0	0	105,660
2.4	Support costs for Cooperating IA (US $)		6,482	0	0	7,254	0	0	13,736
3.1	Total agreed funding (US $)		176,787	0	0	148,213	0	0	325,000
3.2	Total support costs (US $)		22,982	0	0	19,268	0	0	42,250
3.3	Total agreed costs (US $)		199,769	0	0	167,481	0	0	367,250
4.1.1	Deduction of HFCs under this Agreement (CO_2-eq tonnes)								101,243
4.1.2	Deduction of HFCs from previously approved projects (CO_2-eq tonnes)								0
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)								TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The national ozone unit (NOU), operating under the Ministry of Environment, will be responsible for monitoring the progress of implementation of the Plan's tranches and ensuring that the planned activities, including training, are efficiently and effectively carried out throughout the Plan's duration. In addition to monitoring overall project coordination, stakeholder engagement, and the delivery of outcomes, the NOU will facilitate the verification of HFC consumption to be undertaken by the Lead IA.

2. The Ministry of Environment is the institution responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee 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[s] and ensuring the appropriate sequence of activities;

k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and the Cooperating IA;

l) Ensuring that disbursements made to the Country are based on the use of the indicators;

m) Providing assistance with the policy, management and technical support when required;

n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and

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

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent entity to carry out the verification of the Plan's results and of the

consumption of Annex F substances mentioned in Appendix 1-A, as per subparagraph 5(b) of the Agreement and subparagraph 1(b) of Appendix 4-A.

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

a) Providing assistance for policy development when required;

b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;

c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and

d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $7.00 per 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.

APPENDIX 8-A: SECTOR-SPECIFIC ARRANGEMENTS

1. During the implementation of stage I of the Plan, a project to phase out HFCs contained in imported pre-blended polyols in the Country's polyurethane foam sector will be subject to the decision taken by the Committee on whether it would fund the phase-out of HFCs contained in imported pre-blended polyols.

Annex XXXV

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF VIET NAM AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2023–2029)

Purpose

1. This Agreement represents the understanding of the Government of Viet Nam ("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 12,592,224 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated

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

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

Monitoring

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

Flexibility in the reallocation of funds

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

a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:

   i) Issues potentially concerning the rules and policies of the Multilateral Fund;

   ii) Changes that would modify any clause of this Agreement;

   iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;

   iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;

   v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in 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;

c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. The World Bank has agreed to be the lead implementing agency (the "Lead IA") and UNEP has agreed to be the cooperating implementing agency (the "Cooperating IA") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA and/or the Cooperating IA taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IA will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and the Cooperating IA are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IA with the fees set out in rows 2.2 and 2.4 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2023	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10	n/a
		CO_2-eq tonnes	n/a	13,991,360	13,991,360	13,991,360	13,991,360	13,991,360	12,592,224	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	0.0	0.0	0.0	0.0	0.0	10.0	n/a
		CO_2-eq tonnes	n/a	13,991,360	13,991,360	13,991,360	13,991,360	13,991,360	12,592,224	n/a
2.1	Lead IA (World Bank) agreed funding (US $)		1,557,792	0	0	1,513,187	0	0	522,204	3,593,183
2.2	Support costs for Lead IA (US $)		109,045	0	0	105,923	0	0	36,554	251,522
2.3	Cooperating IA (UNEP) agreed funding (US $)		461,696	0	0	440,301	0	0	155,983	1,057,980
2.4	Support costs for Cooperating IA (US $)		55,150	0	0	52,595	0	0	18,633	126,378
3.1	Total agreed funding (US $)		2,019,488	0	0	1,953,488	0	0	678,187	4,651,163
3.2	Total support costs (US $)		164,195	0	0	158,518	0	0	55,187	377,900
3.3	Total agreed costs (US $)		2,183,683	0	0	2,112,006	0	0	733,374	5,029,063
4.1.1	Deductions of HFCs under this Agreement (CO_2-eq tonnes)									1,438,128
4.1.2	Deductions of HFCs from previously approved projects (CO_2-eq tonnes)									0
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)									TBD

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

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

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

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

a) A narrative report, with data provided by tranche, describing the progress achieved since the previous report, reflecting the situation of the Country in regard to phase-down of Annex F substances, how the different activities contribute to it, and how they relate to each other, including, where applicable, activities related to energy efficiency approved in the context of HFC phase-down pursuant to decision 91/65. The report should include the amount of Annex F substances consumption reduced as a direct result of the implementation of activities, by substance, the alternative technology used and the related phase-in of alternatives, to allow the Secretariat to inform the Executive Committee on the resulting change in climate-relevant emissions. The report should also include quantitative information on the activities implemented and further highlight the successes, experiences, and challenges related to the different activities included in the Plan, reflecting any changes in the circumstances in the Country, and providing other relevant information. The report should also include information on and justification for any changes vis-à-vis the previously submitted Tranche Implementation Plan(s), such as delays, use of flexibility for the reallocation of funds during implementation of a tranche as provided for in paragraph 7 of this Agreement, or other changes;

b) An independent verification report on the Plan's results and the consumption of Annex F substances, as per subparagraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification of consumption data must be provided with each tranche request, covering all relevant years for which a verification report has not yet been acknowledged by the Committee, as specified in subparagraph 5(a) of the Agreement;

c) A written description of the activities to be undertaken during the period covered by the requested tranche including quantitative information, highlighting implementation milestones, the time of completion and the interdependence of the activities, and taking into account experiences made and progress achieved in the implementation of earlier tranches; the data in the Plan will be provided by calendar year. The description should include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall Plan that are foreseen. The description should also specify and explain in detail such changes to the overall Plan. This description of future activities can be submitted as a part of the same document as the narrative report under subparagraph 1(a) above; and

d) An Executive Summary of about five paragraphs, summarizing the information contained in subparagraphs 1(a) to 1(c) above.

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The Viet Nam National Focal Point for the Implementation of the Montreal Protocol, which is the Country's national ozone unit (NOU) under the Department of Climate Change (DCC) in the Ministry of Agriculture and Environment (MAE), is responsible for managing and coordinating the Country's overall Montreal Protocol implementation programme, including all phase-down activities and measures controlling Annex F substances (HFCs). The management and implementation of this Agreement will be undertaken by the Plan's project management unit (PMU) which falls under the direct authority of the NOU in the DCC.

2. The MAE, through the PMU and the NOU, will collaborate and coordinate with the Ministry of Industry and Trade (MOIT) and the Department of Customs (DOC) to implement the import/control system for HFCs; review annual HFC import/export license applications; and establish and publish the annual import quotas for HFCs for the period 2024 through 2029.

3. In order to assist the MAE in monitoring and evaluating the progress of implementation of this Agreement, the PMU and the NOU will:

a) Update the NOU's management information system (MIS) that captures and tracks all relevant and required data on the importation of Montreal Protocol-controlled substances on an annual basis;

b) Update the data on the actual amount of imported HFCs;

c) Monitor and report, in cooperation with the DOC, any incidents of illegal import of HFCs;

d) Monitor the progress of HFC phase-down on the demand side;

e) Maintain a project MIS on HFC consumption and related activities;

f) Compile periodic progress reports of the Plan implementation and HFC phase-down achievements for sharing with the MAE, the MOIT, and the Ministry of Finance (MOF);

g) Prepare Tranche Implementation Reports and Plans according to the schedule set forth in Appendix 2-A;

h) Prepare other monitoring reports as required by the MAE or other Government authorities and by Executive Committee decision, in coordination with the Lead IA; and

i) Carry out safety and technical reviews of all relevant activities undertaken under the Plan.

4. The MAE, along with its Government partner agencies (MOIT and MOF), will be responsible for the sustainability of consumption reduction targets achieved through this Agreement; reviewing the PMU reports and data; and instituting control and policy measures which facilitate HFC control and reductions according to the Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IA;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) Coordinating the activities of the Cooperating IA and ensuring the appropriate sequence of activities;

k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IA, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;

l) Ensuring that disbursements made to the Country are based on the use of the indicators;

m) Providing assistance with the policy, management and technical support when required;

n) Reaching consensus with the Cooperating IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and

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

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

a) Providing assistance for policy development when required;

b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IA, and referring to the Lead IA to ensure a coordinated sequence of activities;

c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and

d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $6.47 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 XXXVI

DRAFT AGREEMENT BETWEEN THE GOVERNMENT OF ZIMBABWE AND THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE REDUCTION IN CONSUMPTION OF HYDROFLUOROCARBONS IN ACCORDANCE WITH STAGE I OF THE KIGALI HFC IMPLEMENTATION PLAN

(Period: 2024–2029)

Purpose

1. This Agreement represents the understanding of the Government of Zimbabwe ("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 761,510 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, and in respect to any consumption of Annex F substances that exceeds the level defined in row 4.1.3 (remaining consumption eligible for funding).

3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees, in principle, to provide the funding set out in row 3.1 of Appendix 2-A to the Country. The Executive Committee will, in principle, provide this funding at the Executive Committee meetings specified in Appendix 3-A ("Funding Approval Schedule").

4. The Country agrees to implement this Agreement in accordance with stage I of the Kigali HFC implementation plan ("the Plan") as approved. In accordance with subparagraph 5(b) of this Agreement, the Country will accept independent verification of the achievement of the annual consumption limits of Annex F substances set out in row 1.2 of Appendix 2-A of this Agreement. The aforementioned verification will be commissioned by the relevant bilateral or implementing agency.

Conditions for funding release

5. The Executive Committee will only provide the Funding, in accordance with the Funding Approval Schedule, when the Country satisfies the following conditions at least 10 weeks in advance of the applicable Executive Committee meeting set out in the Funding Approval Schedule:

a) That the Country has met the Targets set out in row 1.2 of Appendix 2-A for all relevant years. Relevant years are all years since the year in which this Agreement was approved. Years for which there are no due country programme implementation reports at the date of the Executive Committee meeting at which the funding request is being presented are exempted;

b) That the meeting of these Targets has been independently verified for all relevant years, unless the Executive Committee decided that such verification would not be required;

c) That the Country had submitted a Tranche Implementation Report in accordance with Appendix 4-A ("Format of Tranche Implementation Reports and Plans") covering each previous calendar year; that it had achieved a significant level of implementation of activities initiated

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

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

Monitoring

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

Flexibility in the reallocation of funds

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

a) Reallocations categorized as major changes must be documented in advance, either in a Tranche Implementation Plan as foreseen in subparagraph 5(d) above, or as a revision to an existing Tranche Implementation Plan to be submitted 10 weeks prior to any meeting of the Executive Committee, for its approval. Major changes would relate to:

   i) Issues potentially concerning the rules and policies of the Multilateral Fund;

   ii) Changes that would modify any clause of this Agreement;

   iii) Changes in the annual levels of funding allocated to the individual bilateral or implementing agencies for the different tranches;

   iv) Provision of funding for activities not included in the current endorsed Tranche Implementation Plan, or removal of an activity in the Tranche Implementation Plan, with a cost greater than 30 per cent of the total cost of the last approved tranche;

   v) Changes in alternative technologies, on the understanding that any submission for such a request would identify the associated incremental costs, the potential impact on the climate, and any differences in 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;

c) Any enterprise included in the Plan that would be found to be ineligible under the policies of the Multilateral Fund (i.e., due to foreign ownership or establishment after the applicable cut-off date) would not receive financial assistance. This information would be reported as part of the Tranche Implementation Plan; and

d) Any remaining funds held by the bilateral or implementing agencies or the Country under the Plan will be returned to the Multilateral Fund upon completion of the last tranche foreseen under this Agreement.

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

Bilateral and implementing agencies

9. The Country agrees to assume overall responsibility for the management and implementation of this Agreement and of all activities undertaken by it or on its behalf to fulfil the obligations under this Agreement. UNEP has agreed to be the lead implementing agency (the "Lead IA") and UNDP and the Government of France have agreed to be the cooperating implementing agencies (the "Cooperating IAs") under the lead of the Lead IA in respect of the Country's activities under this Agreement. The Country agrees to evaluations, which might be carried out under the evaluation work programme of the Multilateral Fund or under the evaluation programme of the Lead IA and/or Cooperating IAs taking part in this Agreement.

10. The Lead IA will be responsible for ensuring coordinated planning, implementation and reporting of all activities under this Agreement, including but not limited to the independent verification as per subparagraph 5(b). The Cooperating IAs will support the Lead IA by implementing the Plan under the overall coordination of the Lead IA. The roles of the Lead IA and Cooperating IAs are contained in Appendix 6-A and Appendix 6-B, respectively. The Executive Committee agrees, in principle, to provide the Lead IA and the Cooperating IAs with the fees set out in rows 2.2, 2.4 and 2.6 of Appendix 2-A.

Non-compliance with the Targets in the Agreement

11. Should the Country, for any reason, not meet the Targets for the elimination of Annex F substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amount set out in Appendix 7-A ("Reductions in Funding for Failure to Comply") in respect of each 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 IAs to facilitate implementation of this Agreement. In particular, it will provide the Lead IA and the Cooperating IAs with access to the information necessary to verify compliance with this Agreement.

Date of completion

14. The completion of the Plan and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption level has been specified in Appendix 2-A. Should at that time there still be activities that are outstanding, and which were foreseen in

the last Tranche Implementation Plan and its subsequent revisions as per subparagraph 5(d) and paragraph 7, the completion of the Plan will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per subparagraphs 1(a), 1(b), and 1(d) of Appendix 4-A will continue until the time of the completion of the Plan unless otherwise specified by the Executive Committee.

Validity

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

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

APPENDICES

APPENDIX 1-A: THE SUBSTANCES

Substances	Starting point for aggregate reductions in consumption (CO_2-eq tonnes)
HFCs	To be determined (TBD)

APPENDIX 2-A: THE TARGETS, AND FUNDING

Row	Particulars		2018*	2024	2025	2026	2027	2028	2029	Total
1.1	Montreal Protocol reduction schedule of Annex F substances	%	n/a	freeze	freeze	freeze	freeze	freeze	10.0	n/a
		CO_2-eq tonnes	n/a	1,210,624	1,210,624	1,210,624	1,210,624	1,210,624	1,089,561	n/a
1.2	Maximum allowable total consumption of Annex F substances	Reduction in %	n/a	21.9	21.9	21.9	21.9	26.3	37.1	n/a
		CO_2-eq tonnes	n/a	945,654	945,654	945,654	945,654	892,463	761,510	n/a
2.1	Lead IA (UNEP) agreed funding (US $)		0	151,500	0	0	106,500	0	54,000	312,000
2.2	Support costs for Lead IA (US $)		0	19,695	0	0	13,845	0	7,020	40,560
2.3	Cooperating IA (UNDP) agreed funding (US $)		326,954	90,000	0	0	0	0	30,000	446,954
2.4	Support costs for Cooperating IA (US $)		22,887	11,700	0	0	0	0	3,900	38,487
2.5	Cooperating IA (France) agreed funding (US $)		100,000	0	0	0	0	0	0	100,000
2.6	Support costs for Cooperating IA (US $)		13,000	0	0	0	0	0	0	13,000
3.1	Total agreed funding (US $)		426,954	241,500	0	0	106,500	0	84,000	858,954
3.2	Total support costs (US $)		35,887	31,395	0	0	13,845	0	10,920	92,047
3.3	Total agreed costs (US $)		462,841	272,895	0	0	120,345	0	94,920	951,001
4.1.1	Deduction of HFCs under this Agreement (CO_2-eq tonnes)									449,114
4.1.2	Deduction of HFCs from previously approved projects (CO_2-eq tonnes)									20,735
4.1.3	Remaining eligible consumption for HFCs (CO_2-eq tonnes)									TBD

* Approved at the 82nd meeting to phase out 14.50 mt (20,735 CO_2-eq tonnes) of HFC-134a in the manufacturing of domestic refrigerators at Capri (decision 82/81).

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. Overall monitoring will be provided by the Ministry of Environment, Climate and Wildlife, through the national ozone unit (NOU), with assistance from the Lead IA. The NOU will submit annual progress reports of status of implementation of the Plan to the Lead IA.

2. Consumption will be monitored and determined from the official data on the import and export of substances as registered by the relevant Government departments. The NOU will compile and report the following data and information each year on or before the relevant deadlines:

a) Reports on the consumption of the substances to be submitted to the Ozone Secretariat in line with Article 7 of the Montreal Protocol; and

b) Reports on country programme data to be submitted to the Secretariat of the Multilateral Fund.

3. Monitoring of development of the Plan and verification of the achievement of the performance targets will be assigned to an independent local company or to independent local consultant(s) by the Lead IA. The company or consultant(s) responsible for verification will have full access to relevant technical and financial information related to the implementation of the Plan.

4. The Ministry of Environment, Climate and Wildlife will be responsible for the sustainability of consumption reduction targets achieved through this Agreement.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities, including at least the following:

a) Ensuring performance and financial verification in accordance with this Agreement and with its specific internal procedures and requirements as set out in the Country's Plan;

b) Assisting the Country in the preparation of the Tranche Implementation Reports and Plans as per Appendix 4-A;

c) Providing independent verification to the Executive Committee that the Targets have been met and associated tranche activities have been completed as indicated in the Tranche Implementation Plan, consistent with Appendix 4-A;

d) Ensuring that the experiences and progress are reflected in the updates to the overall Plan and in the future Tranche Implementation Plans, consistent with subparagraph 1(c) of Appendix 4-A;

e) Fulfilling the reporting requirements of the Tranche Implementation Reports and Plans and of the overall Plan as specified in Appendix 4-A for submission to the Executive Committee, including the activities implemented by the Cooperating IAs;

f) In the event that the last funding tranche is requested one or more years prior to the last year for which a consumption target had been established, annual Tranche Implementation Reports and, where applicable, verification reports on the current stage of the Plan should be submitted until all activities foreseen had been completed and HFC consumption targets had been met;

g) Ensuring that appropriate independent technical experts carry out the technical reviews;

h) Carrying out the required supervision missions;

i) Ensuring the presence of an operating mechanism to allow for an effective and transparent implementation of the Tranche Implementation Plan and accurate data reporting;

j) Coordinating the activities of the Cooperating IAs and ensuring the appropriate sequence of activities;

k) In case of reductions in funding for failure to comply in accordance with paragraph 11 of the Agreement, to determine, in consultation with the Country and the Cooperating IAs, the allocation of the reductions to the different budget items and to the funding of the Lead IA and each Cooperating IA;

l) Ensuring that disbursements made to the Country are based on the use of the indicators;

m) Providing assistance with the policy, management and technical support when required;

n) Reaching consensus with the Cooperating IAs on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan; and

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

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

APPENDIX 6-B: ROLE OF THE COOPERATING IMPLEMENTING AGENCIES

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

a) Providing assistance for policy development when required;

b) Assisting the Country in the implementation and assessment of the activities funded by the Cooperating IAs, and referring to the Lead IA to ensure a coordinated sequence of activities;

c) Providing reports to the Lead IA on these activities, for inclusion in the consolidated reports as per Appendix 4-A; and

d) Reaching consensus with the Lead IA on any planning, coordination and reporting arrangements required to facilitate the implementation of the Plan.

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

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US $3.66 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.