

Annex XXI

AGREEMENT BETWEEN THE GOVERNMENTS OF THE PACIFIC ISLAND COUNTRIES (THE COOK ISLANDS, KIRIBATI, MARSHALL ISLANDS (THE), 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 HYDROCHLOROFLUOROCARBONS

1. This Agreement represents the understanding of the Governments of the Cook Islands, Kiribati, Marshall Islands (the), the Federated States of Micronesia, Nauru, Niue, Palau, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu (each of them will be referred as “the Country”) and the Executive Committee with respect to the reduction of controlled use of the ozone-depleting substances (ODS) set out in Appendix 1-A (“The Substances”) to a sustained aggregate level of 2.11 ODP tonnes prior to 1 January 2020 in compliance with Montreal Protocol schedules, with the understanding that this figure is to be revised one single time in 2011, when the baseline consumption for compliance would be established based on Article 7 data, with the funding to be adjusted accordingly, as per decision 60/44.
2. The Country agrees to meet the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) in this Agreement as well as in the Montreal Protocol reduction schedule for all Substances mentioned in Appendix 1-A. The Country accepts that, by its acceptance of this Agreement and performance by the Executive Committee of its funding obligations described in paragraph 3, it is precluded from applying for or receiving further funding from the Multilateral Fund in respect to any consumption of the Substances which exceeds the level defined in row 1.2 of Appendix 2-A (“maximum allowable total consumption of Annex C, Group I Substances”; the Target) as the final reduction step under this Agreement for all of the Substances specified in Appendix 1-A, and in respect to any consumption of each of the Substances which exceeds the level defined in row 4.1.3 (remaining eligible consumption).
3. Subject to compliance by the Country with its obligations set out in this Agreement, the Executive Committee agrees in principle to provide the funding set out in row 3.1 of Appendix 2-A (“Targets and Funding”) 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 will accept independent verification, to be commissioned by the relevant bilateral or implementing agency, of achievement of the annual consumption limits of the Substances as set out in row 1.2 of Appendix 2-A (“The Targets, and Funding”) of this Agreement as described in sub-paragraph 5(b) of this Agreement.
5. The Executive Committee will not provide the Funding in accordance with the Funding Approval Schedule unless the Country satisfies the following conditions at least 60 days prior to the applicable Executive Committee meeting set out in the Funding Approval Schedule:
 - (a) That the Country has met the Targets for all relevant years. Relevant years are all years since the year in which the hydrochlorofluorocarbons phase-out management plan (HPMP) was approved. Exempt are years for which no obligation for reporting of country programme data exists at the date of the Executive Committee Meeting at which the funding request is being presented;
 - (b) That the meeting of these Targets has been independently verified, except if the Executive Committee decided that such verification would not be required;

- (c) That the Country had submitted tranche implementation reports in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each previous calendar year, that it had achieved a significant level of implementation of activities initiated with previously approved tranches, and that the rate of disbursement of funding available from the previously approved tranche was more than 20 per cent;
- (d) That the Country has submitted and received approval from the Executive Committee for a tranche implementation plan in the form of Appendix 4-A (“Format of Tranche Implementation Reports and Plans”) covering each calendar year until and including the year for which the funding schedule foresees the submission of the next tranche or, in case of the final tranche, until completion of all activities foreseen; and
- (e) That, for all submissions from the 68th Meeting onwards, confirmation has been received from the Government that an enforceable national system of licensing and quotas for HCFC imports and, where applicable, production and exports is in place and that the system is capable of ensuring the country's compliance with the Montreal Protocol HCFC phase-out schedule for the duration of this agreement.

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 plan in accordance with their roles and responsibilities set out in Appendix 5-A. This monitoring will also be subject to independent verification as described in sub-paragraph 5(b).

7. The Executive Committee agrees that the Country may have the flexibility to reallocate the approved funds, or part of the funds, according to the evolving circumstances to achieve the smoothest phase-down and phase-out of the Substances specified in Appendix 1-A. Reallocations categorized as major changes must be documented in advance in a Tranche Implementation Plan and approved by the Executive Committee as described in sub-paragraph 5(d). Major changes would relate to reallocations affecting in total 30 per cent or more of the funding of the last approved tranche, issues potentially concerning the rules and policies of the Multilateral Fund, or changes which would modify any clause of this Agreement. Reallocations not categorized as major changes may be incorporated in the approved Tranche Implementation Plan, under implementation at the time, and reported to the Executive Committee in the Tranche Implementation Report. Any remaining funds will be returned to the Multilateral Fund upon closure of the last tranche of the plan.

8. Specific attention will be paid to the execution of the activities in the refrigeration servicing sub-sector, in particular:

- (a) The Country would use the flexibility available under this Agreement to address specific needs that might arise during project implementation; and
- (b) The Country and the bilateral and implementing agencies involved will take full account of the requirements of decisions 41/100 and 49/6 during the implementation of the plan.

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

10. The Lead IA will be responsible for carrying out the activities of the plan as detailed in the first submission of the HPMP with the changes approved as part of the subsequent tranche submissions, including but not limited to independent verification as per sub-paragraph 5(b). The Executive Committee agrees, in principle, to provide the Lead IA with the fees set out in row 2.2 of Appendix 2-A.

11. Should the Country, for any reason, not meet the Targets for the elimination of the Substances set out in row 1.2 of Appendix 2-A or otherwise does not comply with this Agreement, then the Country agrees that it will not be entitled to the Funding in accordance with the Funding Approval Schedule. At the discretion of the Executive Committee, funding will be reinstated according to a revised Funding Approval Schedule determined by the Executive Committee after the Country has demonstrated that it has satisfied all of its obligations that were due to be met prior to receipt of the next tranche of funding under the Funding Approval Schedule. The Country acknowledges that the Executive Committee may reduce the amount of the Funding by the amounts set out in Appendix 7-A in respect of each ODP tonne of reductions in consumption not achieved in any one year. The Executive Committee will discuss each specific case in which the Country did not comply with this Agreement, and take related decisions. Once these decisions are taken, this specific case will not be an impediment for future tranches as per paragraph 5.

12. The Funding of this Agreement will not be modified on the basis of any future Executive Committee decision that may affect the funding of any other consumption sector projects or any other related activities in the Country.

13. The Country will comply with any reasonable request of the Executive Committee and the Lead IA to facilitate implementation of this Agreement. In particular, it will provide the Lead IA with access to information necessary to verify compliance with this Agreement.

14. The completion of the HPMP and the associated Agreement will take place at the end of the year following the last year for which a maximum allowable total consumption has been specified in Appendix 2-A. Should at that time activities be still outstanding which were foreseen in the Plan and its subsequent revisions as per sub-paragraph 5(d) and paragraph 7, the completion will be delayed until the end of the year following the implementation of the remaining activities. The reporting requirements as per Appendix 4-A (a), (b), (d) and (e) continue until the time of the completion if not specified by the Executive Committee otherwise.

15. All of the agreements 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.

THE PACIFIC ISLAND COUNTRIES - OVERALL FUNDING

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	59.11

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			59.11	59.11	53.20	53.20	53.20	53.20	53.20	38.42	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)		66.48	59.11	59.11	53.20	53.20	53.20	53.20	53.20	38.42	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	873,375				636,525					186,100	1,696,000
2.2	Support costs for Lead IA (US \$)	113,539				82,748					24,193	220,480
3.1	Total agreed funding (US \$)	873,375				636,525					186,100	1,696,000
3.2	Total support costs (US \$)	113,539				82,748					24,193	220,480
3.3	Total agreed costs (US \$)	986,914				719,273					210,293	1,916,480
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											20.69
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											38.42

GOVERNMENT OF THE COOK ISLANDS

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	1.20

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			1.20	1.20	1.08	1.08	1.08	1.08	1.08	0.78	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	1.60	1.40	1.20	1.20	1.08	1.08	1.08	1.08	1.08	0.78	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	49,250				39,850					9,900	99,000
2.2	Support costs for Lead IA (US \$)	6,403				5,181					1,287	12,870
3.1	Total agreed funding (US \$)	49,250				39,850					9,900	99,000
3.2	Total support costs (US \$)	6,403				5,181					1,287	12,870
3.3	Total agreed costs (US \$)	55,653				45,031					11,187	111,870
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.42
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											0.78

GOVERNMENT OF KIRIBATI

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	1.44

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			1.44	1.44	1.30	1.30	1.30	1.30	1.30	0.94	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	1.93	1.68	1.44	1.44	1.30	1.30	1.30	1.30	1.30	0.94	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	53,250				44,850					10,900	109,000
2.2	Support costs for Lead IA (US \$)	6,923				5,831					1,417	14,170
3.1	Total agreed funding (US \$)	53,250				44,850					10,900	109,000
3.2	Total support costs (US \$)	6,923				5,831					1,417	14,170
3.3	Total agreed costs (US \$)	60,173				50,681					12,317	123,170
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.5
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											0.94

GOVERNMENT OF MARSHALL ISLANDS (THE)

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	3.99

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			3.99	3.99	3.59	3.59	3.59	3.59	3.59	2.59	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	4.30	3.80	3.99	3.99	3.59	3.59	3.59	3.59	3.59	2.59	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	54,000				47,700					11,300	113,000
2.2	Support costs for Lead IA (US \$)	7,020				6,201					1,469	14,690
3.1	Total agreed funding (US \$)	54,000				47,700					11,300	113,000
3.2	Total support costs (US \$)	7,020				6,201					1,469	14,690
3.3	Total agreed costs (US \$)	61,020				53,901					12,769	127,690
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											1.4
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											2.59

GOVERNMENT OF THE FEDERATED STATES OF MICRONESIA

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	2.32

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			2.32	2.32	2.09	2.09	2.09	2.09	2.09	1.51	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	2.50	2.40	2.32	2.32	2.09	2.09	2.09	2.09	2.09	1.51	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	53,875				46,925					11,200	112,000
2.2	Support costs for Lead IA (US \$)	7,004				6,100					1,456	14,560
3.1	Total agreed funding (US \$)	53,875				46,925					11,200	112,000
3.2	Total support costs (US \$)	7,004				6,100					1,456	14,560
3.3	Total agreed costs (US \$)	60,879				53,025					12,656	126,560
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.81
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											1.51

GOVERNMENT OF NAURU

APPENDIX 1-A: THE SUBSTANCES

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

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			0.30	0.30	0.27	0.27	0.27	0.27	0.27	0.20	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	0.50	0.40	0.30	0.30	0.27	0.27	0.27	0.27	0.27	0.20	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	45,625				20,975					7,400	74,000
2.2	Support costs for Lead IA (US \$)	5,931				2,727					962	9,620
3.1	Total agreed funding (US \$)	45,625				20,975					7,400	74,000
3.2	Total support costs (US \$)	5,931				2,727					962	9,620
3.3	Total agreed costs (US \$)	51,556				23,702					8,362	83,620
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.1
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											0.20

GOVERNMENT OF NIUE

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	0.15

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			0.15	0.15	0.14	0.14	0.14	0.14	0.14	0.10	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	0.30	0.20	0.15	0.15	0.14	0.14	0.14	0.14	0.14	0.10	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	45,625				20,075					7,300	73,000
2.2	Support costs for Lead IA (US \$)	5,931				2,610					949	9,490
3.1	Total agreed funding (US \$)	45,625				20,075					7,300	73,000
3.2	Total support costs (US \$)	5,931				2,610					949	9,490
3.3	Total agreed costs (US \$)	51,556				22,685					8,249	82,490
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.05
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											0.10

GOVERNMENT OF PALAU

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	2.96

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			2.96	2.96	2.66	2.66	2.66	2.66	2.66	1.92	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)		3.2	2.96	2.96	2.66	2.66	2.66	2.66	2.66	1.92	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	62,375				45,625					12,000	120,000
2.2	Support costs for Lead IA (US \$)	8,109				5,931					1,560	15,600
3.1	Total agreed funding (US \$)	62,375				45,625					12,000	120,000
3.2	Total support costs (US \$)	8,109				5,931					1,560	15,600
3.3	Total agreed costs (US \$)	70,484				51,556					13,560	135,600
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											1.04
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											1.92

GOVERNMENT OF SAMOA

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	3.88

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			3.88	3.88	3.49	3.49	3.49	3.49	3.49	2.52	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)	4.00	3.80	3.88	3.88	3.49	3.49	3.49	3.49	3.49	2.52	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	76,250				57,400					14,850	148,500
2.2	Support costs for Lead IA (US \$)	9,913				7,462					1,931	19,305
3.1	Total agreed funding (US \$)	76,250				57,400					14,850	148,500
3.2	Total support costs (US \$)	9,913				7,462					1,931	19,305
3.3	Total agreed costs (US \$)	86,163				64,862					16,781	167,805
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											1.36
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											2.52

GOVERNMENT OF SOLOMON ISLANDS

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	34.64

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			34.64	34.64	31.18	31.18	31.18	31.18	31.18	22.52	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)		40.00	34.64	34.64	31.18	31.18	31.18	31.18	31.18	22.52	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	110,250				65,250					19,500	195,000
2.2	Support costs for Lead IA (US \$)	14,333				8,483					2,535	25,350
3.1	Total agreed funding (US \$)	110,250				65,250					19,500	195,000
3.2	Total support costs (US \$)	14,333				8,483					2,535	25,350
3.3	Total agreed costs (US \$)	124,583				73,733					22,035	220,350
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											12.12
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											22.52

GOVERNMENT OF TONGA

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	1.34

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			1.34	1.34	1.21	1.21	1.21	1.21	1.21	0.87	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)		2.00	1.34	1.34	1.21	1.21	1.21	1.21	1.21	0.87	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	64,750				49,550					12,700	127,000
2.2	Support costs for Lead IA (US \$)	8,418				6,442					1,651	16,510
3.1	Total agreed funding (US \$)	64,750				49,550					12,700	127,000
3.2	Total support costs (US \$)	8,418				6,442					1,651	16,510
3.3	Total agreed costs (US \$)	73,168				55,992					14,351	143,510
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.47
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											0.87

GOVERNMENT OF TUVALU

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	1.61

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			1.61	1.61	1.5	1.5	1.5	1.5	1.5	1.05	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)		1.60	1.61	1.61	1.5	1.5	1.5	1.5	1.5	1.05	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	47,875				34,925					9,200	92,000
2.2	Support costs for Lead IA (US \$)	6,224				4,540					1,196	11,960
3.1	Total agreed funding (US \$)	47,875				34,925					9,200	92,000
3.2	Total support costs (US \$)	6,224				4,540					1,196	11,960
3.3	Total agreed costs (US \$)	54,099				39,465					10,396	103,960
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											0.56
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											1.05

GOVERNMENT OF VANUATU

APPENDIX 1-A: THE SUBSTANCES

Substance	Annex	Group	Starting point for aggregate reductions in consumption (Metric tonnes)
HCFC-22	C	I	5.28

APPENDIX 2-A: THE TARGETS, AND FUNDING

		2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
1.1	Montreal Protocol reduction schedule of Annex C, Group I substances (Metric tonnes)			5.28	5.28	4.75	4.75	4.75	4.75	4.75	3.43	N/A
1.2	Maximum allowable total consumption of Annex C, Group I substances (Metric tonnes)		6.00	5.28	5.28	4.75	4.75	4.75	4.75	4.75	3.43	N/A
2.1	Lead IA (UNEP) agreed funding (US \$)	76,250				57,400					14,850	148,500
2.2	Support costs for Lead IA (US \$)	9,913				7,462					1,931	19,305
3.1	Total agreed funding (US \$)	76,250				57,400					14,850	148,500
3.2	Total support costs (US \$)	9,913				7,462					1,931	19,305
3.3	Total agreed costs (US \$)	86,163				64,862					16,781	167,805
4.1.1	Total phase-out of HCFC-22 agreed to be achieved under this Agreement (Metric tonnes)											2.37
4.1.2	Phase-out of HCFC-22 to be achieved through previously approved projects (Metric tonnes)											0
4.1.3	Remaining eligible consumption of HCFC-22 (Metric tonnes)											3.43

APPENDIX 3-A: FUNDING APPROVAL SCHEDULE

1. Funding for the future tranches will be considered for approval not earlier than the first meeting of the year specified in Appendix 2-A.

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

1. The submission of the Tranche Implementation Report and Plan will consist of five parts:
 - (a) A narrative report regarding the progress in the previous tranche, reflecting on the situation of the Country in regard to phase out of the Substances, how the different activities contribute to it and how they relate to each other. The report should further highlight successes, experiences and challenges related to the different activities included in the Plan, reflecting on changes in the circumstances in the Country, and providing other relevant information. The report should also include information about and justification for any changes vis-à-vis the previously submitted tranche plan, such as delays, uses of the flexibility for reallocation of funds during implementation of a tranche, as provided for in paragraph 7 of this Agreement, or other changes. The narrative report will cover all relevant years specified in sub-paragraph 5(a) of the Agreement and can in addition also include information about activities in the current year;
 - (b) A verification report of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement. If not decided otherwise by the Executive Committee, such a verification has to be provided together with each tranche request and will have to provide verification of the consumption for all relevant years as specified in sub-paragraph 5(a) of the Agreement for which a verification report has not yet been acknowledged by the Committee;
 - (c) A written description of the activities to be undertaken in the next tranche, highlighting their interdependence, and taking into account experiences made and progress achieved in the implementation of earlier tranches. The description should also include a reference to the overall Plan and progress achieved, as well as any possible changes to the overall plan foreseen. The description should cover the years specified in sub-paragraph 5(d) of the Agreement. The description should also specify and explain any revisions to the overall plan which were found to be necessary;
 - (d) A set of quantitative information for the report and plan, submitted into a database. As per the relevant decisions of the Executive Committee in respect to the format required, the data should be submitted online. This quantitative information, to be submitted by calendar year with each tranche request, will be amending the narratives and description for the report (see sub-paragraph 1(a) above) and the plan (see sub-paragraph 1(c) above), and will cover the same time periods and activities; it will also capture the quantitative information regarding any necessary revisions of the overall plan as per sub-paragraph 1(c) above. While the quantitative information is required only for previous and future years, the format will include the option to submit in addition information regarding the current year if desired by the Country and the Lead IA; and
 - (e) An Executive Summary of about five paragraphs, summarizing the information of above sub-paragraphs 1(a) to 1(d).

APPENDIX 5-A: MONITORING INSTITUTIONS AND ROLES

1. The overall monitoring will be the responsibility of National Ozone Unit (NOU) of each country.
2. The consumption will be monitored based on data collected from relevant government departments and crosschecking it with data collected from the distributors and consumers.
3. The NOU will be responsible for reporting and shall submit the following reports in a timely manner:
 - (a) Annual reports on consumption of Substances to be submitted to the Ozone Secretariat;
 - (b) Annual reports on progress of implementation of this Agreement to be submitted to the Executive Committee of the Multilateral Fund; and
 - (c) Project-related reports to the Lead IA.

APPENDIX 6-A: ROLE OF THE LEAD IMPLEMENTING AGENCY

1. The Lead IA will be responsible for a range of activities. These can be specified in the project document further, but include 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 phase-out plan;
 - (b) Assisting the Country in preparation of the Tranche Implementation Plans and subsequent reports as per Appendix 4-A;
 - (c) Providing verification to the Executive Committee that the Targets have been met and associated annual activities have been completed as indicated in the Tranche Implementation Plan consistent with Appendix 4-A;
 - (d) Ensuring that the experiences and progress is reflected in updates of the overall Plan and in future Tranche Implementation Plans consistent with sub-paragraphs 1(c) and 1(d) of Appendix 4-A;
 - (e) Fulfilling the reporting requirements for the tranches and the overall Plan as specified in Appendix 4-A as well as project completion reports for submission to the Executive Committee;
 - (f) Ensuring that appropriate independent technical experts carry out the technical reviews;
 - (g) Carrying out required supervision missions;
 - (h) Ensuring the presence of an operating mechanism to allow effective, transparent implementation of the Tranche Implementation Plan and accurate data reporting;
 - (i) 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 each implementing or bilateral agency involved;

- (j) Ensuring that disbursements made to the Country are based on the use of the indicators;
and
- (k) Providing assistance with policy, management and technical support when required.

2. After consultation with the Country and taking into account any views expressed, the Lead IA will select and mandate an independent organization to carry out the verification of the HPMP results and the consumption of the Substances mentioned in Appendix 1-A, as per sub-paragraph 5(b) of the Agreement and sub-paragraph 1(b) of Appendix 4-A.

APPENDIX 7-A: REDUCTIONS IN FUNDING FOR FAILURE TO COMPLY

1. In accordance with paragraph 11 of the Agreement, the amount of funding provided may be reduced by US \$180 per ODP kg of consumption beyond the level defined in row 1.2 of Appendix 2-A for each year in which the target specified in row 1.2 of Appendix 2-A has not been met.