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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-seventh Meeting
Montreal, 1-5 December 2025
Item 8(c)(ii) of the provisional agenda[1]

UNDP BUSINESS PLAN FOR 2026–2028

Introduction

1. This document presents the UNDP business plan for 2026–2028 and includes the planned activities for the reduction of controlled substances and other activities under the Montreal Protocol during the period 2026–2028. The narrative of UNDP's business plan for 2026–2028 is attached to the present document.

2. This document consists of the following sections:

I. Planned activities during the period 2026–2028

II. Secretariat's comments

III. Proposed adjustments by the Secretariat

IV. Performance indicators

V. Recommendation

I. Planned activities during the period 2026–2028

3. Table 1 sets out, by year, the value of activities included in UNDP's business plan.

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

Table 1. Resource allocation in the UNDP business plan for 2026–2028 (US $)* – as submitted

Description	2026	2027	2028	Total (2026–2028)	Total after 2028
HCFC activities					
Approved HCFC phase-out management plans (HPMPs)	27,690,010	12,129,856	10,012,821	49,832,687	8,294,572
HPMP stage II	30,000	245,025	0	275,025	0
HPMP stage III – PRP	120,000	0	0	120,000	0
HPMP stage III	33,000	49,000	9,045,727	9,127,727	7,087,550
HPMP stage IV	3,691,000	5,537,000	0	9,228,000	0
HPMP – energy efficiency (decision 89/6)	0	76,000	0	76,000	0
HCFC activities subtotal	**31,564,010**	**18,036,881**	**19,058,548**	**68,659,439**	**15,382,122**
HFC activities					
Approved Kigali HFC implementation plans (KIPs)	2,423,439	8,111,263	2,626,000	13,160,702	2,272,112
KIP stage I – project preparation (PRP)	1,077,226	41,730	0	1,118,956	0
KIP stage I	7,413,052	10,349,717	17,643,000	35,405,770	52,180,000
HFC investment	941,600	0	2,140,000	3,081,600	0
HFC-23 investment	0	8,000,000	0	8,000,000	0
HFC activities subtotal	**11,855,317**	**26,502,710**	**22,409,000**	**60,767,028**	**54,452,112**
Other activities					
Pilot projects for energy efficiency – preparation (decision 91/65)	100,000	0	0	100,000	0
Pilot projects for energy efficiency (decision 91/65)	4,050,000	2,100,000	0	6,150,000	0
Energy efficiency revolving fund (decision 95/87)	20,000,000	0	0	20,000,000	0
Other activities subtotal	**24,150,000**	**2,100,000**	**0**	**26,250,000**	**0**
Standard activities					
Institutional strengthening (IS)	6,948,001	5,200,696	1,363,670	13,512,366	0
Core unit	2,203,467	2,218,892	2,234,424	6,656,783	0
Standard activities subtotal	**9,151,468**	**7,419,588**	**3,598,094**	**20,169,149**	**0**
Total	**76,720,795**	**54,059,179**	**45,065,642**	**175,845,616**	**69,834,234**

* Including agency support costs where applicable.

II. Secretariat's comments

II.1 HCFC activities

Stage II of HPMPs

4. A total of US $275,025 is planned for stage II of the HPMPs for three low-volume-consuming (LVC) countries to meet the 100 per cent reduction of the HCFC baseline for 2026–2027.

Stage III of HPMPs

5. A total of US $16.22 million is planned for stage III of the HPMPs for four countries (two LVC and two non-LVC countries) (including US $9.13 million for 2026–2028 and US $7.09 million for the period after 2028).

6. A total of US $120,000 is included in the business plan for the preparation of stage III of the HPMP for one country for 2026.

Stage IV of HPMPs

7. A total of US $9.23 million is planned for stage IV of the HPMP for one country for 2026–2027. Project preparation for this activity was approved at the 95th meeting.

Energy efficiency for LVC countries (decision 89/6)[2]

8. A total of US $76,000 is included in the business plan for energy efficiency activities for one LVC country for 2027.

II.2 HFC-related activities

KIP project preparation

9. A total of US $1.12 million is included in the business plan for project preparation activities for KIPs for seven countries in 2026–2027.

10. Of the seven countries for which KIP project preparation activities have been included, two have not yet ratified the Kigali Amendment, but have submitted the required letter from their respective Government indicating their intent to make best efforts to ratify the Kigali Amendment in line with decision 84/46(f).

Stage I of KIPs

11. A total of US $87.59 million is included in the business plan for stage I of the KIPs for 14 countries (including US $35.41 million for 2026–2028 and US $52.18 million for the period after 2028). All these countries have ratified the Kigali Amendment.

HFC investment

12. UNDP's business plan included an HFC investment project for two countries amounting to US $3.08 million in 2026–2028. These countries have ratified the Kigali Amendment.

HFC-23 investment

13. UNDP's business plan included an investment project for HFC-23 emissions control for one country amounting to US $8 million in 2027. This country has ratified the Kigali Amendment.

II.3 Other activities

Pilot projects for energy efficiency (decision 91/65)[3]

14. A total of US $6.15 million is included in the business plan under the funding window for pilot projects for energy efficiency for 2026–2027 (including US $4.05 million for eight countries in 2026 and US $2.1 million for one Africa regional project to demonstrate energy efficiency in the cold chain in the

[2] Decision 89/6 allowed bilateral and implementing agencies, when submitting existing and future stages of HPMPs for LVC countries, to include the funding associated with the need for the introduction of alternatives to HCFCs with low- or zero-global-warming potential and for maintaining energy efficiency in the refrigeration servicing sector.

[3] The Executive Committee established a funding window and criteria for pilot projects to maintain and/or enhance energy efficiency of replacement technologies and equipment in the context of HFC phase-down. The duration of the window for the proposal of projects under decision 91/65 only for the servicing activities was extended to the 100th meeting, inclusive (decision 95/87(d)).

food sector for Botswana, Guinea-Bissau, Kenya, and Senegal in 2027). Project preparation funding for the Africa regional project, amounting to US $100,000 is included in the business plan for 2026.

Energy efficiency revolving fund for end users (decision 95/87)[4]

15. A total of US $20 million is included in the business plan under the funding window for energy-efficiency end-user projects using a revolving fund mechanism for 2026 for one global project. Preparation project for this activity was approved at the 96th meeting. The Executive Committee will select two projects from all those submitted by agencies under this funding window.

II.4 Core unit costs

16. The core unit costs[5] are expected to increase at an annual rate of 0.7 per cent as agreed.

III. Proposed adjustments by the Secretariat

17. The adjustments to the UNDP business plan for 2026–2028 were based on relevant decisions of the Executive Committee. In reviewing the revised UNDP business plan for 2026–2028, the Secretariat noted that the following adjustments were not included:

Table 2. Adjustments to the UNDP business plan for 2026–2028 (US $)* – as proposed by the Secretariat

Adjustment	2026–2028	After 2028
MYA values to reflect the actual amounts approved under the Agreements, including MYA tranches that are due but have not been submitted to the 97th meeting	148,550	-322
KIP stage I values to reflect the draft Agreements submitted to the 97th meeting	-111,008	149,174
Energy efficiency revolving fund (decision 95/87) to include 7 per cent support costs	1,400,000	0

* Including agency support costs where applicable.

18. Table 3 presents the results of the Secretariat's proposed adjustments to the UNDP business plan for 2026–2028, which are also addressed in the context of the consolidated business plan of the Multilateral Fund for 2026–2028.[6]

Table 3. Resource allocation in UNDP's adjusted business plan for 2026–2028 (US $)*

Description	2026	2027	2028	Total (2026–2028)	Total after 2028
HCFC activities					
Approved HPMPs	27,839,040	12,129,856	10,012,821	49,981,717	8,294,572
HPMP stage II	30,000	245,025	0	275,025	0
HPMP stage III – PRP	120,000	0	0	120,000	0
HPMP stage III	33,000	49,000	9,045,727	9,127,727	7,087,550
HPMP stage IV	3,691,000	5,537,000	0	9,228,000	0
HPMP – energy efficiency (decision 89/6)	0	76,000	0	76,000	0
HCFC activities subtotal	**31,713,040**	**18,036,881**	**19,058,548**	**68,808,469**	**15,382,122**

[4] The Executive Committee established a funding window of US $40 million for two energy-efficiency end-user projects using a revolving fund mechanism developed and supported by implementing agencies, over a duration of eight years, after which funds would be returned to the Multilateral Fund, on the understanding that it would not be operationalized until the Executive Committee had agreed on the modalities for operationalizing the revolving fund (decision 95/87). Subsequently, the modalities were agreed at the 96th meeting (decision 96/51).
[5] UNDP's 2026 core unit costs will be considered at the 97th meeting (UNEP/OzL.Pro/ExCom/97/84).
[6] UNEP/OzL.Pro/ExCom/97/20

Description	2026	2027	2028	Total (2026–2028)	Total after 2028
HFC activities					
Approved KIPs	2,423,439	8,111,263	2,625,520	13,160,222	2,271,790
KIP stage I – PRP	1,077,226	41,730	0	1,118,956	0
KIP stage I	7,413,052	10,349,717	17,531,992	35,294,762	52,329,174
HFC investment	941,600	0	2,140,000	3,081,600	0
HFC-23 investment	0	8,000,000	0	8,000,000	0
HFC activities subtotal	**11,855,317**	**26,502,710**	**22,297,512**	**60,655,540**	**54,600,964**
Other activities					
Pilot projects for energy efficiency – preparation (decision 91/65)	100,000	0	0	100,000	0
Pilot projects for energy efficiency (decision 91/65)	4,050,000	2,100,000	0	6,150,000	0
Energy efficiency revolving fund (decision 95/87)	21,400,000	0	0	21,400,000	0
Other activities subtotal	**25,550,000**	**2,100,000**	**0**	**27,650,000**	**0**
Standard activities					
IS	6,948,001	5,200,696	1,363,670	13,512,366	0
Core unit	2,203,467	2,218,892	2,234,424	6,656,783	0
Standard activities subtotal	**9,151,468**	**7,419,588**	**3,598,094**	**20,169,149**	**0**
Total	**78,269,825**	**54,059,179**	**44,954,154**	**177,283,158**	**69,983,086**

* Including agency support costs where applicable.

IV. Performance indicators

19. UNDP submitted performance indicators pursuant to decision 93/8(d) in its business plan narrative. The Secretariat informed UNDP of the targets shown in table 4.

Table 4. Performance indicators for UNDP for 2026

Type of indicator	Short title	Calculation	2026 target
Planning-Approval	Tranches approved	Number of tranches approved vs. those planned*	37
Planning-Approval	Individual projects/ activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)	30
Implementation	Funds disbursed	Based on estimated disbursement in progress reports	21,010,532
Implementation	ODS phase-out for HCFC-related projects	ODS phase-out for HCFC-related projects in ODP tonnes vs. those planned per progress reports	828.0 ODP tonnes
Implementation	HFC phase-down for HFC-related projects	HFC phase-down for HFC-related projects in CO_2-eq tonnes vs. those planned per progress reports	1,686,935 CO_2-eq tonnes
Implementation	Project operational completion	Project operational completion vs. planned in progress reports for all activities (excluding project preparation)**	53
Implementation	Gender mainstreaming	Operational policy on gender mainstreaming applied to all approved projects	100%
Administrative	Speed of financial completion	The extent to which projects are financially completed within 12 months after project operational completion	12 months after operational completion
Administrative	Timely submission of project completion reports	Timely submission of project completion reports based on the progress report	3

Type of indicator	Short title	Calculation	2026 target
Administrative	Timely submission of progress reports and business plans	Timely submission of progress reports and business plans and responses unless otherwise agreed	On time

* The targets of an agency will be reduced if it cannot submit a tranche owing to another cooperating agency or lead agency or if the HCFC phase-out management plan or Kigali HFC implementation plan submitted for consideration by the Executive Committee is not approved as a result of factors beyond the control of the national ozone unit and agency.
** The targets of an agency will be reduced if an extension of the completion date has been approved by the Executive Committee.

V. Recommendation

20. The Executive Committee may wish:

(a) To note the UNDP business plan for 2026–2028 contained in document UNEP/OzL.Pro/ExCom/97/22; and

(b) To approve the performance indicators for UNDP set out in table 4 of document UNEP/OzL.Pro/ExCom/97/22.

Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol

UNDP 2026 Business Plan Narrative

97th meeting, 1–5 December 2025, Montreal, Canada

I. Introduction

The 2026-2028 UNDP Business Plan for the Multilateral Fund for the Montreal Protocol provides the Executive Committee with estimates of the funding levels needed to achieve the control measures for HCFCs and HFCs.

It should be noted that planned activities included in the 2026 column are relatively firm, while future years are indicative and are provided for planning purposes only.

This narrative is based on an excel table that is included as Annex 1 to this report. The excel table lists all the ongoing and planned UNDP activities for which funding is expected during the period 2026 through 2028. Figures are also provided for the years 2029-2032, which are mainly related to Stage II HPMP and Stage I KIP approvals and planned Stage III HPMPs and HFC phase-down activities, which may be requested 5 years before the first commitment (for Group 1 countries: 2024; Group 2 countries: 2028).

In preparing this business plan, the relevant Executive Committee decisions on Business Planning, Stage I and Stage II HPMPs, HCFC investment and demonstration projects, HFC stand-alone investment projects, preparation and Stage I Kigali Implementation Plans, energy efficiency, and Preparatory funding for inventories of banks of used/unwanted controlled substances (60/44, 71/18, 71/42, 72/20, 72/40, 73/27, 74/18, 74/50, 74/51, 78/3, 79/45, 79/46, 79/47, 82/45, 84/46, 87/50, 89/6, 91/65, 91/66, 92/37, 93/95, 94/60, 95/86, 95/87, and 96/31) as well as country requests have been taken into consideration. As agreed with the Secretariat, activities which were included in UNDP's 2025 Business Plan, but were not submitted in 2025 were reflected in the 2026 Business Plan as well.

The activities included for 2026 can be summarized as follows:

- One preparation funding request for the Stage III HPMP (ICR sector) in China;
- Several HCFC-related activities, some of which have resulted directly from the approval of Stage II and III in the previous years worth US$ 27.7 million;
- New Stage II, III and IV HPMP requests for eight countries (Angola, Bangladesh, China, Mali, Nigeria, Saint Kitts and Nevis, South Sudan, and Timor-Leste) to meet the 2030 control targets;
- HFC preparation requests for six countries (Bahrain, China, India, Iran, Kuwait, and Nepal);
- Approved Stage I Kigali Implementation Plan for nine countries (Cambodia, Chile, Cuba, Dominican Republic, Kyrgyzstan, Mozambique, Panama, Peru, and Trinidad and Tobago) worth US$ 2.4 million;
- Planned Stage I Kigali Implementation Plans for seven countries (Belize, Bhutan, Brazil, Maldives, Mali, Nigeria, Philippines) worth $7.4 million;
- 22 ongoing institutional strengthening activities, of which eleven will request an extension in 2026 for US$ 6.9 million;
- One HFC investment demonstration project in Cuba worth $.942 million;
- One request for preparation for a pilot project to maintain and/or enhance energy efficiency in the context of HFC phase-down "Regional Africa (Guinea Bissau, Senegal, Kenya and/Botswana) as per decision ExCom Decision 91/66;
- Eight demonstration activities "Pilot projects to maintain and/or enhance energy efficiency in the context of HFC phase-down" in Angola, Barbados, Cambodia, Egypt,

Ghana, Grenada, Saint Kitts and Nevis, Trinidad and Tobago in accordance with ExCom Decision 91/65;

- One proposal for a "Revolving fund for end users in the tourism sector (Colombia, Ghana, Jordan)" as per ExCom Decision 95/87 worth US$ 20 million; and
- One global request for the Core Unit support cost.

The countries' needs have been calculated based on approved HPMPs and reported HCFC baseline consumption. Most HPMPs for non-LVCs include investment projects for the conversion of manufacturing enterprises to HCFC-free alternatives.

The year of the first tranche and the duration were determined on a country basis depending on the local context of the country. Stage III PRP was entered one to two years before the last tranche of Stage II of the HPMP is due with the exception of a few cases.

For countries that have requested preparation funding for Kigali Implementation Plans but not ratified Kigali yet, letters of intention to ratify Kigali have been sought. It should be noted that UNDP will request HFC preparation for a few countries that weren't included in the business plan once they ratify the Kigali Amendment. In order to calculate the funding levels, the guidelines for HFC preparation contained in ExCom document 87/46 were applied.

To calculate countries' KIP funding needs, we assumed that countries are phasing down 10% of their HFC consumption for Stage I KIPs. For LVCs, we based the amounts on the Guidelines for Funding for HFC phase down in the refrigeration servicing sector (Decision 92/37). We took the average HFC consumption in servicing in baseline years (2020-2022) as reported in countries' Country Programme (CP) reports and applied 10% reductions as the first target. It was difficult to report on metric tonnes in the business plan as the baseline and reduction targets are measured in CO2 equivalent. For non-LVCs, we took the average HFC baseline in servicing and/or manufacturing for the years 2020-2022 and multiplied the 10% reductions by the cost-effectiveness threshold of $5.10 per kilogram.

Taking into factor these considerations, the expected business planning value is **US$ 76.7 million for 2026** and **US$ 54 million for 2027** (including support costs). This funding translates to the phase out of **485.4** ODP tonnes and **1,087.1** MT in 2026 and **240.5** ODP tonnes and **1,845.8** MT in 2027.

II. Resource allocation

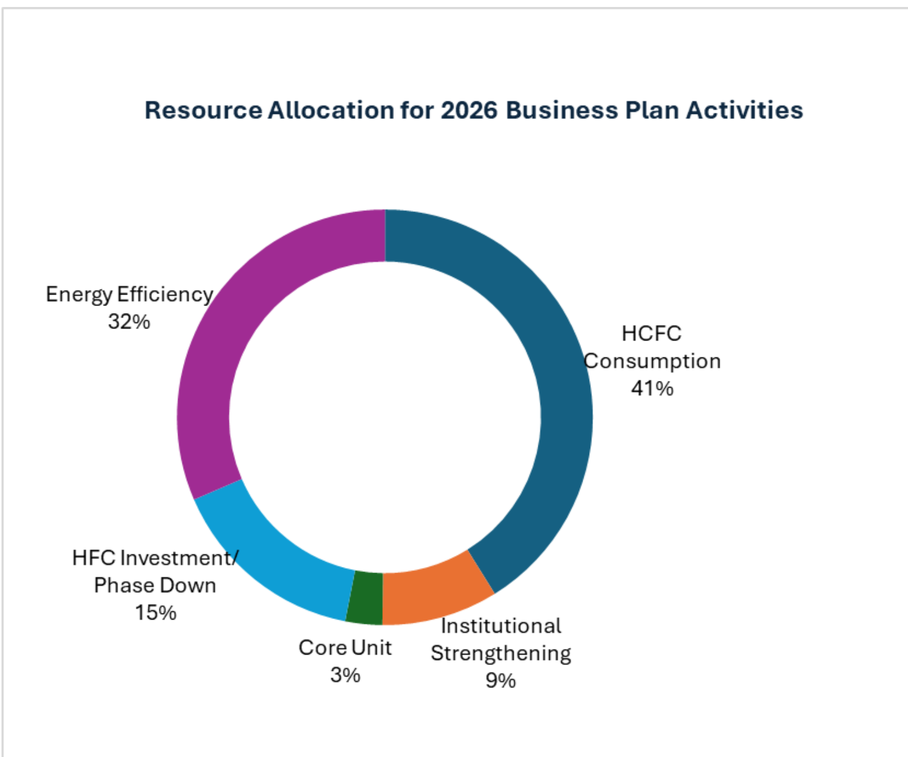
UNDP's primary focus in 2026-2028 will be on assisting countries to meet the total phaseout of HCFCs by 2030, supporting them for the HFC freeze and phasedown, and improving the energy efficiency of refrigeration, air conditioning, and heat pump (RACHP) systems. In addition, the renewal of institutional strengthening projects is also a component of UNDP's 2026-2028 Business Plan.

The total budget for 2025 for the above activities is US$ **74.5** million (including support costs) plus US$ 2.2 million core unit funding for UNDP. Table 1 below summarizes the resource allocation of UNDP's 2026 Business Plan. The projects are grouped into various categories, which are described in the following summary table.

Table 1: UNDP 2026-2028 Business Plan Resource Allocations[1]

Category	2026 Value	2027 Value	2028 Value
Approved HPMP Stages	27,690,010	12,129,856	10,012,821
New HPMP Stages	3,754,000	5,831,025	9,045,727
HFC Phase Down Investment Project	941,600	8,000,000	2,140,000
HFC Phase Down Preparation	1,077,226	41730	0
Approved HFC Phase Down Stages	2,423,439	8,198,263	2,453,757
New HFC Phase Down Stages	7,413,052	10,262,717	17,643,000
Institutional Strengthening	6,948,001	5,200,696	1,363,670
Core Unit	2,203,467	2,218,892	2,234,424
HPMP - Additional	0	76,000	0
Energy Efficiency Revolving Fund	20,000,000	0	0
HCFC Preparation	120,000	0	0
Demonstration (91/65)	4,050,000	2,100,000	0
Preparation for Demonstration (91/65)	100,000	0	0
Total	**76,720,795**	**54,059,179**	**44,893,399**

Chart 1: UNDP Resource Allocation for 2026 Business Plan Activities



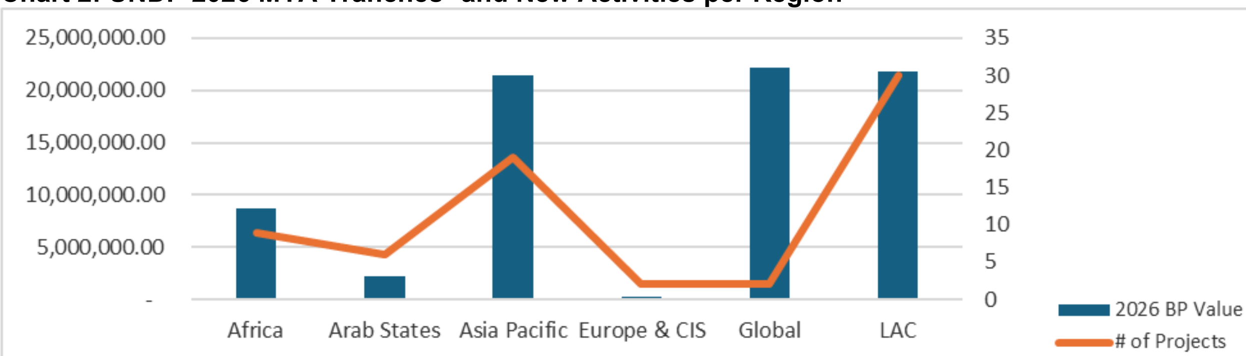
[1] All values include agency support costs.

III. Geographical distribution

The UNDP Business Plan will once again cover all five regions (Africa, Arab States, Asia Pacific, Europe & CIS, Global, and Latin America and the Caribbean), with approved and new activities in 58 countries, 45 of which have funding requests in 2026. The number of activities and budgets per region for 2026 is listed in Chart 1.

It should be noted that the budget amounts are in direct correlation with the amount of ODS that a country/region consumes. The main priority areas of focus in the five regions will be Stage II and III HPMPs, Stage I KIPs, addressing energy within the context of the Kigali Amendment, and institutional strengthening projects.

Chart 2: UNDP 2026 MYA Tranches[2] and New Activities per Region[3]



*This graph doesn't include the Ozone programmes in the CIS that are funded by the GEF.

IV. Programme Expansion in 2026

4.1. <u>Background</u>

UNDP's 2026-2028 Business Plan has mostly been developed by taking previous years' business plans into consideration, applying the relevant Executive Committee decisions on Business Planning, Stage I and Stage II HPMPs, HFC preparation, Kigali Implementation Plans, energy efficiency in the context of the Kigali Amendment, investment and demonstration projects, and through communication with Article 5 countries that have expressed an interest in working with UNDP to address their compliance and other needs.

Clarifications were sought and overlaps were resolved during discussions with the MLF Secretariat and other Implementing and bilateral Agencies prior to, during and post the Inter-Agency Coordination meeting held on 9 – 11 September 2025 in Montreal.

<u>Countries Contacted.</u> All activities listed are either deferred from the prior year's business plan, or have active project preparation accounts ongoing, or were included based on requests from the countries concerned. UNDP will continue to provide technical and advisory support to all the countries assisted during Stage I and Stage II.

<u>Coordination with other bilateral and implementing agencies.</u> As in the past, during 2026, UNDP

[2]All values include agency support costs.
[3] EUR contains CIS-countries that receive MLF funding.

will continue to collaborate with both bilateral and other implementing agencies, as lead agency or cooperating agency. Collaborative arrangements in programming will continue with bilateral agencies, including the Governments of Canada, France, Italy, and Japan.

4.2. Non-investment projects

UNDP's planned non-investment projects in 2026 are worth almost US$ 1.3 million, including support costs. This list excludes institutional strengthening and includes one global request under the core unit, HCFC and HFC preparation funding activities.

Details on all these requests will also be included in the respective Work Programmes to be submitted throughout 2026.

Table 3: Individual Non-Investment projects (TAS/PRP) in 2026

Country	Title	Value in 2026
China	Preparation for Stage III Investment proj./Sector Plans (ICR Sector Plan)	120,000
Bahrain	Preparation for HFC phase-down plan - Ref Manufacturing	90,000
China	Preparation for HFC phase-down plan - Ref Manufacturing	250,000
India	Preparation for HFC phase-down plan - Over Arching and Ref Manufacturing	400,000
Iran	PRP for HFC phase-down plan	158,000
Kuwait	Preparation for HFC phase-down plan - Ref Manufacturing	150,000
Nepal	PRP for HFC phase-down plan	29,226
Regional Africa (Guinea Bissau, Senegal, Kenya and/Botswana)	Preparation for pilot project to demonstrate energy efficiency (cold chain in food sector)	100,000
		1,297,226

In addition, UNDP will prepare twelve non-investment Institutional Strengthening project extensions in 2026, as indicated in the table below. The total value of IS renewal programming in 2026 is US$ 6.9 million.

Table 4: Non-Investment Institutional Strengthening requests

Country	Title	Value in 2026
Argentina	Several Ozone unit support	883,315
Chile	Several Ozone unit support	528,881
Colombia	Several Ozone unit support	781,346
Costa Rica	Several Ozone unit support	398,364
Georgia	Several Ozone unit support	192,600
India	Several Ozone unit support	1,058,134
Lebanon	Several Ozone unit support	439,691
Malaysia	Several Ozone unit support	792,403
Pakistan	Several Ozone unit support	636,381
Uruguay	Several Ozone unit support	427,529
Venezuela	Several Ozone unit support	809,357

6,948,001

V. Activities included in the Business plan that needs special consideration

While Section IV dealt specifically with 2026 activities only, section V is related to all years.

HCFC Demonstration Projects

Implementation of HCFC Phase-out Management Plans (HPMPs) in developing countries involves technology and policy interventions for phasing out HCFCs, to comply with the control targets of the accelerated HCFC phase-out schedule.

UNDP has significant experience in facilitating technology assessments of emerging alternatives (Methyl formate, Methyl Al, CO_2, R-32, Ammonia, hydrocarbons, etc.) in various sectors which demonstrated low GWP alternatives to HCFCs using various technologies in a number of priority sectors. Please see below the table for a detailed list of the countries, project titles and status of these projects. The factsheets on these projects are available on the MLF website.

Stand-alone HFC Investment Projects
The Executive Committee (ExCom decision 79/45) has also allowed for the preparation of stand-alone investment projects, which will support the phase-down of HFCs. Investment projects that will help to reduce the HFCs consumption at the enterprise level will be considered by the ExCom on a case-by-case basis. UNDP has already assisted five countries (Bangladesh, China, Dominican Republic, Mexico, and Zimbabwe) with preparing such projects, out of which all have been completed. In 2026 and beyond, UNDP will assist the governments of Colombia, Cuba and India with preparing HFC investment projects.

Kigali Implementation Plan Preparatory Funds
As of October 2025, UNDP has received approval from the Multilateral Fund to provide support to 34 countries to prepare their Kigali Implementation Plans as the lead or cooperating agency. Of these countries, 22 countries have submitted their Stage I Kigali Implementation Plans. For more details, please see the table below.

Country	**MLF Number**	**Project Title**	**KIP Status**
Angola	ANG/KIP/88/PRP/24	Preparation of Kigali HFC implementation plan	Submitted to 97th meeting
Bangladesh	BGD/KIP/90/PRP/58	Preparation of Kigali HFC implementation plan	In process
Bhutan	BHU/KIP/87/PRP/29	Preparation of Kigali HFC implementation plan	In process
Belize	BZE/KIP/94/PRP/49	Preparation of Kigali HFC implementation plan	In process
Brazil	BRA/KIP/93/PRP/333	Preparation of Kigali HFC implementation plan	In process
Cambodia	KAM/KIP/88/PRP/40	Preparation of Kigali HFC implementation plan	Approved
Chile	CHI/KIP/88/PRP/207	Preparation of Kigali HFC implementation plan	Approved
Colombia	COL/KIP/87/PRP/110	Preparation of Kigali HFC implementation plan	Approved
Costa Rica	COS/KIP/87/PRP/63	Preparation of Kigali HFC implementation plan	Approved
Cuba	CUB/KIP/87/PRP/65	Preparation of Kigali HFC implementation plan	Approved
Dominican Republic	DOM/KIP/87/PRP/73	Preparation of Kigali HFC implementation plan	Approved
Egypt	EGY/KIP/93/PRP/156	Preparation of Kigali HFC implementation plan	Approved

El Salvador	ELS/KIP/88/PRP/44	Preparation of Kigali HFC implementation plan	Approved
Eswatini	SWA/KIP/87/PRP/33	Preparation of Kigali HFC implementation plan	Approved
Fiji	FIJ/KIP/88/PRP/41	Preparation of Kigali HFC implementation plan	Submitted to 97th meeting
Ghana	GHA/KIP/87/PRP/51	Preparation of Kigali HFC implementation plan	Approved
Grenada	GRN/KIP/88/PRP/28	Preparation of Kigali HFC implementation plan	Approved
Kyrgyzstan	KYR/KIP/87/PRP/45	Preparation of Kigali HFC implementation plan	Approved
Laos PDR	LAO/KIP/87/PRP/39	Preparation of Kigali HFC implementation plan	Approved
Lebanon	LEB/KIP/87/PRP/98	Preparation of Kigali HFC implementation plan	Approved
Maldives	MDV/KIP/87/PRP/36	Preparation of Kigali HFC implementation plan	In process
Mali	MLI/KIP/93/PRP/47	Preparation of Kigali HFC implementation plan	In process
Mexico	MEX/KIP/87/PRP/195	Preparation of Kigali HFC implementation plan	Approved
Mozambique	MOZ/KIP/90/PRP/36	Preparation of Kigali HFC implementation plan	Approved
Nigeria	NIR/KIP/87/PRP/156	Preparation of Kigali HFC implementation plan	Approved
Panama	PAN/KIP/87/PRP/53	Preparation of Kigali HFC implementation plan	Approved
Paraguay	PAR/KIP/87/PRP/42	Preparation of Kigali HFC implementation plan	Approved
Peru	PER/KIP/87/PRP/59	Preparation of Kigali HFC implementation plan	Approved
Philippines	PHI/KIP/91/PRP/109	Preparation of Kigali HFC implementation plan	In process
Sri Lanka	SRL/KIP/87/PRP/59	Preparation of Kigali HFC implementation plan	Approved
Trinidad & Tobago	TRI/KIP/87/PRP/40	Preparation of Kigali HFC implementation plan	Approved
Turkiye	TUR/KIP/90/PRP/112	Preparation of Kigali HFC implementation plan	Approved
Uruguay	URU/KIP/87/PRP/77	Preparation of Kigali HFC implementation plan	Approved
Zimbabwe	ZIM/KIP/91/PRP/66	Preparation of Kigali HFC implementation plan	Approved

Preparatory funding for another seven countries (Bahrain, China, Guyana, India, Iran, Kuwait, and Nepal) has been included in the business plan for 2026-2028.

Energy Efficiency for LVCs
ExCom Decision 89/6 allows for low-volume consuming countries (LVCs) to consider additional activities for inclusion in existing and future HCFC phase-out management plans (HPMPs) when needed for the introduction of alternatives to HCFCs with low or zero global-warming potential (GWP) and for maintaining energy efficiency in the refrigeration servicing sector. This activity has already been approved for several countries in prior years and has been included for one country (Republic of Moldova) in UNDP's Business Plan in 2027.

Pilot projects to maintain and/or enhance energy efficiency in the context of HFC phase-down
ExCom Decision 91/65 establishes a funding window for pilot projects to maintain and/or enhance the energy efficiency of replacement technologies and equipment in the context of HFC phase-down. UNDP has included projects in eight countries (Angola, Barbados, Cambodia, Egypt, Ghana, Grenada, Saint Kitts and Nevis, Trinidad and Tobago) to maintain and/or enhance energy efficiency in the context of HFC phase-down in 2025.

Operational framework for energy efficiency
ExCom Decision 94/60 established the operational framework for energy efficiency and ExCom Decision 95/87 provides further elaboration of the operational framework for energy efficiency. Under ExCom Decision 95/87, a funding window of US $40 million was established for two

energy-efficiency end-user projects using a revolving fund mechanism. In 2025, UNDP was one of the two MLF IAs that received preparation funding to prepare a proposal in this area. UNDP has included a full-sized proposal “Revolving fund for end users in the tourism sector (Colombia, Ghana, Jordan)” in 2026.

VI. General Overview on Assistance to Countries in Non-Compliance

In UNDP’s portfolio, all countries are currently in compliance with the HCFC phase-out schedule. The actions have been taken by NOUs, with support from UNDP, when there are discrepancies in data reporting and issues related to the licensing system were identified either in the review process by the MLF Secretariat or in the verification reports.

VII. Policy Issues

Two countries requested projects for energy efficiency testing centers through UNDP. However, due to absence of the specific policy on this, these requests were withdrawn. A policy is under development by the MLF Secretariat for consideration of the Executive Committee.

VIII. 2026 PERFORMANCE INDICATORS

Decision 93/8 of the Executive Committee approved the following indicators to allow for the evaluation of performance of implementing agencies, with the weightings indicated in the table below. UNDP has added a column containing the “2026 targets” for those indicators. Some of these targets can be extracted from UNDP’s 2026 business plan to be approved at the 97th ExCom meeting in December 2025. It should however be noted that this table is usually revised at that meeting, depending on the decisions that are taken. Other targets will be known once the prior year’s progress report is submitted.

Category of performance indicator	Item	Weight	UNDP’s target for 2026	Remarks
Planning/Approval	Number of tranches approved vs. those planned*	10	36	26 approved MYAs and 10 new MYAs
Planning/Approval	Number of projects/activities approved vs. those planned (including project preparation activities)**	10	30	9 DEM, 1 INV, 1 TAS, 11 IS and 8 PRP.
Implementation	Funds disbursed (based on estimated disbursement in progress report)	15	21,010,532	As determined by the 2024 Progress Report.
Implementation	ODS phase-out for the tranche when the next tranche is approved vs. those planned per business plans	10	768.4	ODS Phaseout associated with 25 HPMP tranches
Implementation	CO2-eq tonnes phase-out for the tranche when the next tranche is approved vs. those planned per business plans	10	1,686,935	CO2-eq tonnes associated with 15 KIP tranches
Implementation	Project completion vs. planned in progress reports for all activities (excluding project preparation)	15	53	As determined by the 2024 Progress Report.
Implementation	Operational policy on gender mainstreaming applied to all approved project	10	100%	
Administrative	The extent to which projects are	10	TBD	70% of those due as

Category of performance indicator	Item	Weight	UNDP's target for 2026	Remarks
	financially completed 12 months after project completion			determined by the 2023 Progress Report.
Administrative	Timely submission of project completion reports vs. those agreed	5	On time	TBD
Administrative	Timely submission of progress reports and business plans and responses unless otherwise agreed	5	On time	TBD

* The target of an agency will be reduced if we could not submit a tranche owe to another cooperating/lead agency, if agreed by that agency.
** Project preparation should not be assessed if the Executive Committee has not taken a decision on its funding.

<u>Note:</u> As per usual practice, all the above indicators will be revised during the 97th ExCom, depending on which programmes are maintained in the business plan in those meetings.