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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-fifth Meeting
Montreal, 4-8 December 2024
Item 8(d)(iii) of the provisional agenda[1]

UNEP BUSINESS PLAN FOR 2025–2027

Introduction

1. This document presents UNEP business plan for 2025–2027 and includes the planned activities for the reduction of controlled substances and other activities under the Montreal Protocol during the period 2025–2027. The narrative of UNEP's business plan for 2025–2027 is attached to the present document.

2. This document consists of the following sections:

I. Planned activities during the period 2025–2027

II. Secretariat's comments

III. Proposed adjustments by the Secretariat

IV. Performance indicators

V. Recommendation

I. Planned activities during the period 2025–2027

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

[1] UNEP/OzL.Pro/ExCom/95/1

Table 1. Resource allocation in the UNEP business plan for 2025–2027 (US $)* – as submitted

Description	2025	2026	2027	Total (2025–2027)	Total after 2027
HCFC activities					
Approved HCFC phase-out management plans (HPMPs)	5,494,983	9,111,649	4,284,545	18,891,177	7,732,999
HPMP stage II – project preparation (PRP)	73,450	0	0	73,450	0
HPMP stage II	1,152,725	784,868	443,484	2,381,077	3,235,929
HPMP stage III – PRP	151,420	0	0	151,420	0
HPMP stage III	1,214,307	901,377	45,200	2,160,884	2,476,706
HPMP – energy efficiency (decision 89/6)	2,431,760	483,640	0	2,915,400	0
HCFC activities subtotal	**10,518,645**	**11,281,534**	**4,773,229**	**26,573,408**	**13,445,634**
HFC activities					
Approved Kigali HFC implementation plans (KIPs)	295,587	1,195,611	838,844	2,330,042	526,079
Enabling activities for HFC phase-down	428,000	0	0	428,000	0
KIP stage I – PRP	1,829,551	379,680	0	2,209,231	0
KIP stage I	4,498,780	598,384	1,961,797	7,058,960	5,702,575
HFC – technical assistance	678,000	0	0	678,000	0
HFC activities subtotal	**7,729,917**	**2,173,675**	**2,800,641**	**12,704,233**	**6,228,654**
Other activities					
Pilot project for energy efficiency – investment (decision 91/65)	1,096,100	0	0	1,096,100	0
National inventories of banks of waste-controlled substances – PRP (decision 91/66)	2,828,767	0	0	2,828,767	0
Other activities subtotal	**3,924,867**	**0**	**0**	**3,924,867**	**0**
Standard activities					
Institutional strengthening (IS)	3,090,855	9,858,469	10,433,603	23,382,927	0
Compliance Assistance Programme (CAP)	12,113,777	12,310,330	12,679,640	37,103,747	0
Standard activities subtotal	**15,204,632**	**22,168,799**	**23,113,243**	**60,486,674**	**0**
Total	**37,378,061**	**35,624,008**	**30,687,113**	**103,689,182**	**19,674,288**

* Including agency support costs where applicable.

II. Secretariat's comments

II.1 HCFC activities

Stage II of HPMPs

4. The total level of funding for stage II of HPMPs for 13 low-volume-consuming (LVC) countries to meet the 100 per cent reduction of the HCFC baseline amounts to US $3.04 million (including US $1.19 million for 2025–2027 and US $1.85 million for the period after 2027).

5. The total level of funding for stage II of HPMPs for three non-LVC countries amounts to US $2.58 million (including US $1.19 million for 2025–2027 and US $1.39 million for the period after 2027).

6. A total of US $73,450 is included in the business plan for project preparation for stage II of HPMPs for three countries for 2025.

Stage III of HPMPs

7. The total level of funding for stage III of HPMPs for four LVC countries to meet the 100 per cent reduction of the HCFC baseline amounts to US $413,550 (including US $258,164 for 2025–2027 and US $155,386 for the period after 2027).

8. The total level of funding for stage III of HPMPs for five non-LVC countries amounts to US $4.22 million (including US $1.9 million for 2025–2027 and US $2.32 million for the period after 2027).

9. A total of US $151,420 is included in the business plan for project preparation for stage III of HPMPs for four countries for 2025.

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

10. A total of US $2.92 million is included in the business plan for energy efficiency activities for 30 LVC countries for 2025–2027.

II.2 HFC-related activities

Enabling activities

11. HFC activities include enabling activities amounting to US $428,000 in 2025 for two countries (the Central African Republic and Yemen). Both countries have submitted the required letter from their respective Government indicating their intent to make best efforts to ratify the Kigali Amendment as early as possible, in line with decision 79/46(d)(i).

KIP project preparation

12. A total of US $2.21 million is included in the business plan for KIP project preparation activities for 19 countries in 2025–2027.

13. Sixteen of the 19 countries for which KIP project preparation activities have been included 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

14. A total of US $12.76 million is included in the business plan for stage I of KIPs for 55 countries (including US $7.06 million for 2025–2027 and US $5.7 million for the period after 2027). All these countries have ratified the Kigali Amendment.

HFC technical assistance

15. UNEP has included one global HFC technical assistance project, twinning of ozone officers and national energy policymakers to support Kigali Amendment objectives, in the amount of US $678,000 in 2025. Phase I of this project was approved at the 91st meeting.

[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.

II.3 Other activities

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

16. A total of US $1.1 million is included in the business plan under the funding window for pilot projects for energy efficiency for 2025 for three countries.

National inventories of banks of waste-controlled substances project preparation (decision 91/66)[4]

17. A total of US $2.83 million is included in the business plan for the preparation of national inventories of banks of waste-controlled substances for 2025 for 31 countries.

II.4 CAP

18. The cost for CAP is expected to increase at an annual rate of 3 per cent as agreed by the Executive Committee, and includes additional funding of US $150,000 in 2025 for 2026, pursuant to decision 93/95(d).[5] The total level of funding for CAP is US $37.1 million for 2025–2027. The CAP budget for 2025 has been submitted to the 95th meeting.[6]

III. Proposed adjustments by the Secretariat

19. The adjustments to the UNEP business plan for 2025–2027 were based on relevant decisions of the Executive Committee. In reviewing the revised UNEP business plan for 2025–2027, the Secretariat noted that the following adjustments were not included:

Table 2. Adjustments to the UNEP business plan for 2025–2027 (US $)* – as proposed by the Secretariat

Adjustment	2025–2027	After 2027
MYA values to reflect the actual amounts approved under the Agreements that have been submitted to the 95th meeting	398,048	0
Energy efficiency for LVC countries pursuant to decision 89/6 or submitted to the 95th meeting	(152)	0
KIP stage I values to reflect the draft Agreements submitted to the 95th meeting	(74,015)	0
Servicing sector for stage I of KIPs pursuant to decision 92/37	(87,906)	(94,144)
Preparation for national inventories of banks of waste-controlled substances submitted to the 95th meeting	(203,400)	0

* Including agency support costs where applicable.

20. Table 3 presents the results of the Secretariat's proposed adjustments to the UNEP business plan for 2025–2027, which are also addressed in the context of the consolidated business plan of the Multilateral Fund for 2025–2027.[7]

[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.
[4] The Executive Committee established a funding window and criteria for the preparations of national inventories of banks of used or unwanted controlled substances and a plan for the collection, transport, and disposal of such substances.
[5] The Executive Committee approved the increase in the CAP budget for the years 2024, 2025 and 2026 by US $200,000, US $150,000 and US $150,000, respectively, for providing technical and policy assistance to LVC countries to support KIP implementation.
[6] UNEP/OzL.Pro/ExCom/95/83
[7] UNEP/OzL.Pro/ExCom/95/25

Table 3. Resource allocation in UNEP's adjusted business plan for 2025–2027 (US $)*

Description	2025	2026	2027	Total (2025–2027)	Total after 2027
HCFC activities					
Approved HPMPs	5,893,031	9,111,649	4,284,545	19,289,225	7,732,999
HPMP stage II – PRP	73,450	0	0	73,450	0
HPMP stage II	1,152,725	784,868	443,484	2,381,077	3,235,929
HPMP stage III – PRP	151,420	0	0	151,420	0
HPMP stage III	1,214,307	901,377	45,200	2,160,884	2,476,706
HPMP – energy efficiency (decision 89/6)	2,431,608	483,640	0	2,915,248	0
HCFC activities subtotal	**10,916,541**	**11,281,534**	**4,773,229**	**26,971,304**	**13,445,634**
HFC activities					
Approved KIPs	295,587	1,195,611	838,844	2,330,042	526,079
Enabling activities for HFC phase-down	428,000	0	0	428,000	0
KIP stage I – PRP	1,829,551	379,680	0	2,209,231	0
KIP stage I	4,413,515	522,934	1,960,589	6,897,039	5,608,431
HFC – technical assistance	678,000	0	0	678,000	0
HFC activities subtotal	**7,644,653**	**2,098,225**	**2,799,433**	**12,542,312**	**6,134,510**
Other activities					
Pilot project for energy efficiency – investment (decision 91/65)	1,096,100	0	0	1,096,100	0
National inventories of banks of waste-controlled substances – PRP (decision 91/66)	2,625,367	0	0	2,625,367	0
Other activities subtotal	**3,721,467**	**0**	**0**	**3,721,467**	**0**
Standard activities					
IS	3,270,855	9,858,469	10,253,603	23,382,927	0
CAP	12,113,777	12,310,330	12,679,640	37,103,747	0
Standard activities subtotal	**15,384,632**	**22,168,799**	**22,933,243**	**60,486,674**	**0**
Total	**37,667,293**	**35,548,558**	**30,505,906**	**103,721,757**	**19,580,144**

* Including agency support costs where applicable.

IV. Performance indicators

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

Table 4. Performance indicators for UNEP for 2025

Type of indicator	Short title	Calculation	2025 target
Planning-Approval	Tranches approved	Number of tranches approved vs. those planned*	77
Planning-Approval	Individual projects/ activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)	96
Implementation	Funds disbursed	Based on estimated disbursement in progress reports	23,701,624
Implementation	ODS phase-out for HCFC-related projects	ODS phase-out for HCFC-related projects in ODP tonnes vs. those planned per progress reports	107.9 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	zero CO_2-eq tonnes
Implementation	Project operational completion	Project operational completion vs. planned in progress reports for all activities (excluding project preparation)**	58
Implementation	Gender mainstreaming	Operational policy on gender mainstreaming applied to all approved projects	100%

[8] Decision 93/8(d) does not include performance indicators for UNEP's CAP.

Type of indicator	Short title	Calculation	2025 target
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
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

22. The Executive Committee may wish:

(a) To note the UNEP business plan for 2025–2027 contained in document UNEP/OzL.Pro/ExCom/95/28; and

(b) To approve the performance indicators for UNEP set out in table 4 of document UNEP/OzL.Pro/ExCom/95/28.

UNITED NATIONS ENVIRONMENT PROGRAMME
2025-2027 BUSINESS PLAN

PRESENTED TO THE
95TH MEETING OF THE EXECUTIVE COMMITTEE
OF THE MULTILATERAL FUND FOR THE IMPLEMENTATION
OF THE MONTREAL PROTOCOL

9 OCTOBER 2024

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EXECUTIVE SUMMARY

The United Nations Environment Programme (UNEP) is submitting this document for the consideration of the 95th meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol. The document presents UNEP's rolling three-year Business Plan for its Montreal Protocol-related projects covering the years 2025-2027. It comprises:

- Narrative.
- Annex: Projects planned for submission (spreadsheet submitted separately).

UNEP developed this Business Plan based on the current and anticipated needs of Article 5 countries that it identified from various sources and through consultations and interactions with National Ozone Officers. UNEP continues assisting the countries with implementing their hydrochlorofluorocarbon (HCFC) phase-out responsibilities including meeting the 2025 reduction target and subsequent total phase out by 2030. Continued actions need to be taken to implement and/or prepare the various stages (II and III) and tranches of HCFC Phase-out Management Plans (HPMPs) to achieve compliance with the countries' agreements with the Executive Committee. This work includes HPMP development, implementation, monitoring, and verification, as well as the elaboration, implementation, and enforcement of the related legislative, policy, institutional, capacity building and programmatic measures to phase out HCFCs.

UNEP continues providing assistance to Article 5 countries to ratify the Kigali Amendment as soon as possible and support activities that the countries need to meet their first obligations under the Amendment once they ratify. In relation to this, UNEP is including requests for the preparation of the Kigali HFC Implementation Plans (KIPs) to meet initial reduction obligations for the phase-down of hydrofluorocarbons (HFCs) in accordance with Executive Committee decision 87/50.[1] This Business Plan includes KIP implementation Stage I tranches according to the refrigeration servicing sector guidelines (decision 92/37).

UNEP prioritizes CAP assistance for low volume consuming countries (LVCs), which have specific needs and conditions, and which require tailored and continuing support. Through decision 93/95 (d)(ii), the Executive Committee approved an increase in the CAP budget for the years 2024, 2025 and 2026 for providing technical and policy assistance to LVC countries to support KIP implementation. UNEP identified the common needs across regions and consolidated them into four areas and assigned teams in the regions and Paris to coordinate the work: Strengthen Capacity of LVCs on Licensing and Quota System (LQS) and Consumption Trends; Early action to support LVCs in the mobile air conditioning (MAC) sector; The local installation and assembly subsector in LVCs; and Training of CAP staff on energy efficiency and MEPs. In 2025 and 2026, UNEP may identify new focus areas of assistance, or it may extend the activities that were developed in 2024 to more countries as and when the Executive Committee approves their KIPs for UNEP implementation.

Maintaining the energy efficiency of existing refrigeration and air conditioning (RAC) equipment through best installation and servicing practices and ensuring that new equipment is energy efficient through

[1] UNEP/OzL.Pro/ExCom/87/58.

policies could double the climate benefits of the Kigali Amendment during the transition to lower-global warming potential (GWP) alternatives. Awareness-raising, training of servicing technicians, standards, and policies and regulations aimed at maintaining and enhancing energy efficiency of existing and new RAC equipment could contribute to achieving that goal. Twinning of National Ozone Officers and energy efficiency policy makers builds momentum for change at the country level (this Business Plan includes phase 2 of this project). Following Executive Committee decision 89/6(b), interested LVCs require assistance with designing and implementing additional activities in their HPMPs to maintain energy efficiency in the refrigeration servicing sector, when needed for the introduction of alternatives to HCFCs with low or zero-GWP and for maintaining energy efficiency. UNEP was requested to assist Article 5 countries with those activities.[2]

UNEP will achieve its Business Plan objectives through a combination of compliance assistance services delivered through the 2025 Compliance Assistance Programme (CAP),[3] as well as the ongoing and planned national, regional, and global projects detailed in this document. The project types include:

- Preparation and implementation of HPMPs for both Stages II and III;
- Additional activities for introduction low or zero GWP alternatives and energy efficiency (decision 89/6);
- Institutional Strengthening projects;
- Technical assistance projects – Twinning project;
- Remaining Enabling Activities projects;
- Preparation and implementation of KIPs.
- Energy efficiency pilot projects (decision 91/65).
- Preparation of national inventory of banks of used or unwanted controlled substances

In addition to the anticipated projects, UNEP will implement HPMP verification projects under this Business Plan as and when requested by the Executive Committee during 2025-2027.

UNEP will deliver the projects in this Business Plan and perform the project development, monitoring and reporting duties required of all Implementing Agencies through the proposed 2025 CAP Work Programme. In addition to the projects detailed in this Business Plan, UNEP continues to assist several bilateral agencies with the implementation of their Multilateral Fund projects through CAP and engages in select partnerships for Montreal Protocol objectives complementary to the Multilateral Fund (including projects and activities).[4]

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[2] OzonAction has a longstanding partnership with UNEP's United for Efficiency (U4E) programme to pursue energy efficient and climate friendly solutions in the refrigeration and air conditioning sector in Article 5 countries. OzonAction and U4E are exploring potential collaboration in those areas.

[3] In addition to the projects indicated in this Business Plan, during 2025 UNEP will also provide through its CAP country-specific special compliance services, the operation of 10 Regional/sub-Regional Networks of Ozone Officers, facilitation of South-South cooperation, assistance with regional awareness activities, and provision of a global tools and products that provides National Ozone Units with services that contribute towards HCFC phase out and HFC phase down.

[4] This Business Plan provides details about the individual *projects* proposed for UNEP's implementation from 2025 through 2027. UNEP will report details on its performance with implementing the projects through its UNEP's Annual and Financial Progress Report. For details about non-project *activities and services* delivered by UNEP through the CAP, please refer to the 2025 CAP Work Programme and Budget.

UNEP is planning project submissions over the next three years as follows: US$ 37,287,662 for 2025, US$ 35,624,008 for 2026, and US$ 30,687,113 for 2027, all inclusive of the respective annual CAP budgets and programme support costs (PSC).

For 2025, UNEP will prepare and submit 173 individual projects to the Executive Committee, including new projects, planned tranches of previously approved multi-year agreements (MYAs), and the annual CAP Work Programme and Budget for the year 2026.

I. METHODOLOGY

This section describes the methodology, consultations, guidance, and inputs UNEP used when developing this Business Plan. UNEP has:

- Consulted with National Ozone Officers in Article 5 countries during 2023 on their countries' business planning needs, through direct contacts with Ozone Officers.
- Reviewed and drew on experiences gained from implementation of its 2024-2026 Business Plan,[5] taking into account new trends and emerging developments.
- Considered the programmatic direction and activities included in its approved 2024 CAP Work Programme and Budget.[6]
- Followed the guidance provided by the Multilateral Fund Secretariat via electronic means.
- Consulted with the other Implementing Agencies and bilateral agencies to increase collaborative and mutually-supportive initiatives and to avoid duplication of effort.
- Considered applicable Executive Committee decisions as guidance for this Business Plan.
- Followed the guidance provided by the Multilateral Fund Secretariat during the Inter-Agency Coordination Meetings of 2024, which were organized on 12-13 March and 10-12 October.

II. MULTILATERAL FUND TARGETS

A. OBJECTIVES OF THE THREE-YEAR BUSINESS PLAN

The focus and orientation of UNEP's work continues to be defined by the evolving needs of Article 5 countries as they progress in their implementation of the Montreal Protocol, as they meet and sustain compliance with specific obligations under HCFC phase out and HFC phase down.

This Business Plan also supports the objectives set forth in the *2024-2026 Compliance Assistance Programme Strategy* (submitted to the 93rd Executive Committee meeting), which details UNEP's vision and approach for CAP for that period. The strategy identified eight major desired outcomes that UNEP will support during the three-year period:

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[5] UNEP/OzL.Pro/ExCom/93/28
[6] UNEP/OzL.Pro/ExCom/93/94

OUTCOME 1	NATIONAL OZONE UNITS EFFECTIVELY MANAGE THEIR NATIONAL PROGRAMMES
OUTCOME 2	ARTICLE 5 COUNTRIES REPORT ACCURATE AND TIMELY DATA
OUTCOME 3	EFFECTIVE LEGAL, REGULATORY AND POLICY FRAMEWORKS ARE IN PLACE AND ENFORCED
OUTCOME 4	IMPORTS AND EXPORTS ARE CONTROLLED, AND ILLEGAL TRADE IS REDUCED/PREVENTED
OUTCOME 5	KEY STAKEHOLDERS AND THE PUBLIC ENTHUSIASTICALLY SUPPORT NATIONAL COMPLIANCE PROGRAMMES
OUTCOME 6	NON-ODS, LOW GWP TECHNOLOGY IS ADOPTED AND USED SAFELY, AND SERVICING SECTOR WORKFORCE SKILLS ARE STRENGTHENED
OUTCOME 7	ENERGY EFFICIENCY IS MAINTAINED OR INCREASED IN THE RAC SECTOR
OUTCOME 8	GENDER ISSUES AND APPROACHES ARE CONSIDERED AND ADDRESSED IN MONTREAL PROTOCOL PROGRAMMES AND PROJECTS
CONTRIBUTING TO ACHIEVING ALL OUTCOMES	ARTICLE 5 COUNTRIES MEET THEIR COMMITMENTS THROUGH EFFECTIVE AND TIMELY IMPLEMENTATION OF MULTILATERAL FUND PROJECTS

Gender mainstreaming considerations

In the context of the 2025-2027 Business Plan, UNEP will continue considering gender issues in all its projects, throughout the project cycle. UNEP closely follows the Multilateral Fund's Operational Policy on Gender Mainstreaming (2019) and UNEP's Gender Equality and the Environment Policy and Strategy (2017) in all aspects of its work. UNEP is expected to adopt new Gender Policy and Strategy, and the accompanying implementation plan for the period 2025-2027 in early 2025, and we will closely monitor its implications to the Multilateral Fund-supported projects.

UNEP will use CAP services to assist NOUs in implementing decisions 91/63 (new gender objective and indicators in the IS projects) and 92/40 (mandatory gender requirements and indicators for HPMPs and KIPs). The OzonAction Gender Core Team is working together with UNEP's Gender and Safeguards Unit to develop a uniform Gender Assessment approach and template that will be used for all Multilateral Fund-supported projects.

UNEP will promote CAP products and tools, such as the *Guidebook on Mainstreaming Gender in the Implementation of the Montreal Protocol on Substances that Deplete the Ozone Layer*, and the booklet on *Integration of Gender Mainstreaming in Latin America and the Caribbean*, that will assist and inspire NOUs in all regions to adopt different approaches for achieving gender equality in Montreal Protocol related activities.

UNEP will continue to harness the expertise and the global authority of our regional and international partner RACHP organizations to raise awareness, assess challenges, and provide opportunities for women in RACHP sector. In the International Network for Women in Cooling (INWIC) workplan, the following activities and products are planned:

- INWIC Newsletter.
- Developing and designing a generic brochure on HVACR sector targeting young women to attract them to the field.
- INWIC networking and mentoring services.
- Campaign targeting industry (companies) to change a public image of the sector (having more photos/videos of women).
- Creating and maintaining a library of photos of women working in the field; and
- Creating a starter pack for new women groups/associations.

All of these will ultimately be available to NOUs to use in preparation and implementation of their Multilateral Fund-supported projects and gender mainstreaming activities.

The OzonAction Gender Core Team will implement any gender mainstreaming decisions that the Executive Committee may make and continue to provide guidance, monitor, and report on gender mainstreaming in UNEP-assisted Multilateral Fund projects.

B. RESOURCE ALLOCATION

During this Business Plan period, UNEP plans to prepare and submit for approval the projects as detailed in the separate annex "Projects planned for submission 2025-2027." UNEP's proposed resource allocation plan is as follows:

Project	Type	Value (US$ inclusive of PSC)			Total 2025-2027
		2025	2026	2027	
HPMP Stage I implementation	PHA	994,119	0	0	994,119
HPMP Stage II preparation	PRP	73,450	0	0	73,450
HPMP Stage II implementation	PHA	5,522,977	7,852,632	4,479,921	17,855,530
HPMP Stage III preparation	PRP	151,420	0	0	151,420
HPMP Stage III implementation	PHA	1,344,919	2,945,262	293,308	4,583,489
Additional activities for introduction low or zero GWP alternatives and EE decision 89/6	PHA	2,431,760	483,640	0	2,915,400
KIP preparation	PRP	1,829,551	379,680	0	2,209,231
KIP Stage I implementation Plan	KIP	4,794,367	1,793,995	2,800,641	9,389,003
Enabling Activities	TAS	428,000	0	0	428,000
Institutional Strengthening	INS	3,090,855	9,858,469	10,433,603	23,382,927
Technical assistance	TAS	678,000	0	0	678,000
Compliance Assistance Programme	TAS	12,113,777	12,310,330	12,679,640	37,103,747
Preparation of national inventories of banks of waste-controlled substances and national action plan	PRP	2,738,367	0	0	2,738,367
Energy efficiency pilot project under decision 91/65	INV	1,096,100	0	0	1,096,100
Grand total		**37,287,662**	**35,624,008**	**30,687,113**	**103,598,783**

III. PLANNED BUSINESS PLAN ACTIVITIES

This section describes costed projects at the national, regional, and global levels in the 2024-2026 period proposed by UNEP. All projects are included in the Annex.

A. NATIONAL LEVEL

Through this Business Plan, UNEP will deliver the following projects at the national level:

- HPMP project preparation and implementation. UNEP will assist Article 5 countries with Stage II and Stage III preparation in accordance with Executive Committee policies and guidelines. UNEP will also assist countries with the implementation of the non-investment components of the HPMPs (Stages I, II and III) in cooperation with other Implementing Agencies and bilateral partners.

- Additional activities for introduction low or zero GWP alternatives and energy efficiency. UNEP included the funding associated with need for the introduction of alternatives to HCFCs with low or zero-GWP and for maintaining energy efficiency in the refrigeration servicing sector according to decision 89/6 which allows bilateral and implementing agencies to submit these proposals.

- Institutional Strengthening (IS) projects. UNEP provides 102 countries with ongoing technical assistance and administrative support for the implementation of their IS projects, including the submission of IS renewals and assistance with activities covered by these projects. UNEP will submit such projects as per the appropriate timing and when all the necessary pre-conditions have been met (e.g., disbursal rate, reporting obligations). This service is performed as part of CAP services, with UNEP earning 0% PSC for these projects.

- Enabling Activities. This Business Plan includes two Enabling Activities projects as per decision 79/46(d)(iv). In line with that decision, the proposed projects will facilitate and support the concerned Article 5 countries to ratify the Kigali Amendment as soon as possible and to support activities they need to meet their first obligations under the Kigali Amendment after ratification.

- Preparation of the Kigali HFC implementation plans (KIPs). UNEP included funding for the preparation of national implementation plans to meet initial reduction obligations for the phase-down of HFCs according to Executive Committee decision 87/50.

- KIP HFC Phase Down Implementation Plan (Stage I). UNEP includes KIPs implementation in the business plan for countries that had ratified the Kigali Amendment according to decision 92/37.

- Preparation of national inventories of banks of waste-controlled substances and national action plan. Following decision 91/66, UNEP has received a number of requests from Article 5 countries to include such projects in its Business Plan with the understanding that the funding window is open from 93rd meeting of the Executive Committee up to and including the 97th meeting.

- Energy efficiency pilot projects. Under decision 91/65, a funding window of US$ 20 million for pilot projects to maintain and/or enhance energy efficiency in the context of the HFC phase-down is available to countries that have ratified the Kigali Amendment and that wish to avail themselves of such funding. As pilot project proposals can be submitted between the 93rd and 96th Executive Committee meetings, UNEP's Business Plan has several requests for which the submission and implementation will fall under the period covered by this decision.

It is important to note that in absence of defined starting point for aggregate reductions in HFC consumption and the associated GWP of the HFCs that will be phased down, the amounts of HFCs in metric tonnes are for indicative purposes only as the countries' compliance will be in CO_2 equivalent.

B. Regional Level

Through this Business Plan, UNEP plans to deliver the following projects at the regional level:

- Regional HPMP Stage II for 12 Pacific Island Countries (PICs). This project supports the Cook Islands, Kiribati, Marshall Islands, Federated States of Micronesia, Nauru, Niue, Palau, Samoa, Solomon Islands, Tonga, Tuvalu, and Vanuatu.
- Regional KIP stage I implementation for 12 Pacific Island Countries (PICs). This project supports the Cook Islands, Kiribati, the Marshall Islands, the Federated States of Micronesia, Nauru, Niue, Palau, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

C. Global Level

- Twinning of Ozone Officers and National Energy Policymakers to support Kigali Amendment Objectives (Phase 2). UNEP continues to support the Kigali Amendment's climate protection aspirations by enabling NOUs and National Energy Policymakers to meet every other year at the regional level to share experiences, coordinate policies, and identify joint activities that will further the ozone-energy efficiency agenda.

D. New Project Types

N/A

IV. Performance Indicators

UNEP expects that the services, activities, and projects identified in the proposed 2025-2027 Business Plan will result in:

- Improved capabilities and technical skills of NOUs staff to effectively carry out approved phase-out programmes and thus ensure sustained compliance;
- Countries in non-compliance received necessary support enabling swift return to compliance;
- Increased high-level political commitment to the ozone agreements;
- HCFC phase-out obligations mainstreamed into national environmental strategies/policies;

- Timely and efficient HCFC phase out due to HPMP implementation and clearinghouse services;
- Increased number of Article 5 Parties ratifying the Kigali Amendment and/or undertaking activities required for meeting their initial obligations under the Amendment;
- Provision of technical support to countries to prepare KIP Stage I;
- Start implementing KIP strategies where projects have been approved by the Executive Committee;
- Enhanced awareness of users and other relevant stakeholders of forthcoming reductions in HCFC supply and availability of viable alternatives;
- All client countries reported Article 7 and Country Programme data by established deadlines and quality of reported data improved;
- Improved HCFC and HFC-related policy instruments;
- Efficient operation and enforcement of HCFC licensing and quota systems;
- NOUs provided with best available information that enable them to make decisions on alternative technologies, sound approaches and methodologies;
- Broadened and strengthened regional cooperation in the implementation of the ozone treaties;
- Increased number of countries benefiting from direct country-to-country assistance;
- Concerted actions taken at national and regional levels to combat illegal trade in HCFC;
- Improved access to HCFC-related technical information and enhanced experience exchange;
- Support provided for the implementation of investment projects through strengthened institutional and legal frameworks.

UNEP proposes to adopt the following performance indicators for 2025:

TABLE 1: PERFORMANCE INDICATORS APPLICABLE TO ALL AGENCIES

Type of Indicator (Existing, Modified, New)	Short Title	Calculation	UNEP proposal for 2025
Planning--Approval	Tranches approved	Number of tranches approved vs. those planned*	102**
Planning--Approval	Individual projects/ activities approved	Number of projects/activities approved vs. those planned (including project preparation activities)	72
Implementation	Funds disbursed	Based on estimated disbursement in progress report in USD	23,000,000
Implementation	ODS phase-out for HCFC-related projects	ODS phase-out for HCFC-related projects in ODP tonnes vs. those planned per progress reports	50 ODP tones
Implementation	HFC phase-down for HFC-related projects	HFC phase-down for HFC-related projects in CO2-eq tonnes vs. those planned per progress reports	0
Implementation	Project operational completion	Project operational completion vs. planned in progress reports for all activities (excluding project preparation)	51

Type of Indicator (Existing, Modified, New)	Short Title	Calculation	UNEP proposal for 2025
Implementation	Gender mainstreaming	Operational policy on gender mainstreaming applied to all approved projects	Yes, applied to all projects
Administrative	Speed of financial completion	The extent to which projects are financially completed 12 months after project completion	12
Administrative	Timely submission of project completion reports	Timely submission of project completion reports based on the progress report	On time
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 target of an agency would be reduced if it could not submit a tranche owing to another cooperating or lead agency, if agreed by that agency.

** UNEP included in this performance indicator the HPMP tranches under stages I, II, and III and KIP implementation tranches.

TABLE 2: PERFORMANCE INDICATORS APPLICABLE TO UNEP'S COMPLIANCE ASSISTANCE PROGRAMME

Performance Indicator	Data	Assessment	UNEP's proposal for 2025
Efficient follow-up to regional network/ thematic meetings	List of recommendations emanating from 2023-2024 regional network/thematic meetings	Implementation rate of those meeting recommendations that are to be implemented in 2025	90% implementation rate
Effective support to NOUs in their work, particularly guidance to new NOUs	List of innovative ways/means/products/ services for supporting NOUs in their work, with specification of those destined for new NOUs	Number of innovative ways, means, products, services for supporting NOUs in their work, with specification of those destined for new NOUs	- 7 such ways, means, products, services; -All new NOUs receive capacity building support.
Assistance to countries in actual or potential noncompliance (as per MOP decisions and/or as per reported Article 7 data and trend analysis)	List of countries in actual or potential on compliance that received CAP assistance outside the network meetings	Number of countries in actual or potential non-compliance that received CAP assistance outside the network meetings	All such countries
Innovations in production and delivery of global and regional information products and services	List of global and regional information products and services destined for new target audiences or that reach existing target audiences in new ways	Number of global and regional information products and services destined for new target audiences or that reach existing target audiences in new ways	7 such products and services

Performance Indicator	Data	Assessment	UNEP's proposal for 2025
Close cooperation between CAP regional teams and Implementing and bilateral agencies working in the regions	List of joint missions/ undertakings of CAP regional staff with Implementing and bilateral agencies	Number of joint missions/undertakings	2 in each region.

V. POLICY, ADMINISTRATIVE AND FINANCIAL ISSUES

N/A