MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

HCFC PHASE-OUT MANAGEMENT PLAN
TRANCHE REQUEST AND IMPLEMENTATION REPORT FORMAT FOR THE 93rd MEETING OF THE EXECUTIVE COMMITTEE

PROJECT COVER SHEET

Fill in the drop-down menus below, entering additional text only if required to specify. See section on project cover sheet on page 3 of the accompanying Guide for further information.

HPMP stage:	Stage III	
Tranche(s) of implementation report:	First tranche	Click or tap here to enter text.
Next tranche being requested	Second tranche	Click or tap here to enter text.
Country:	Indonesia	
Lead implementing agency (IA):	UNDP	Click or tap here to enter text.
Cooperating agency (1):	Government of Australia	Click or tap here to enter text.
Cooperating agency :	(select)	Click or tap here to enter text.
Cooperating agency :	(select)	Click or tap here to enter text.
Meeting of current stage approval	92nd ExCOM	
Tranche implementation report		
Meeting where the tranche being reported on was approved	92nd ExCOM	
Implementation period of the tranche being reported on: (specify month and year: e.g., January 2020 to December 2023)	July 2023 – December 2024	
Are there relevant decisions/special reporting requirements related to the implementation of the tranche being reported on, or conditions for the consideration of the tranche requested? **YES** ☒ **NO** ☐ **If yes, please specify on the right.**	134. The Executive Committee decided: (Decision 92/40) (b) To note the commitment of the Government of Indonesia: (i) To phase out HCFCs completely by 1 January 2030 and to ban the import of HCFCs by 1 January 2030, except for those allowed for a servicing tail between 2030 and 2040, where required, consistent with the provisions of the Montreal Protocol; (ii) To ban the import, manufacture and installation of HCFC-123-based chillers by 1 January 2026; (iii) To ban the import, assembly and manufacture of HCFC-123-based fire-suppression and fire-protection equipment no later than 1 January 2030; … (d) That, to allow for consideration of the final tranche of its HPMP, the Government of Indonesia should submit: (i) A detailed description of the regulatory and policy framework in place to implement measures to ensure that HCFC consumption was in compliance with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol for the period 2030–2040; (ii) If Indonesia were intending to have consumption during the period 2030–2040, in line with paragraph 8 ter(e)(i) of Article 5 of the Montreal Protocol, proposed modifications to its Agreement with the Executive Committee covering the period beyond 2030;	
Requested tranche		
Implementation period: (specify month and year: e.g., January 2024 to December 2026)	July 2026 – December 2029	

Funding requested:

Agency	**Project funding requested (excluding support costs) (US $)**
UNDP	5,415,032
Government of Australia	415,000
Total	**5,830,032**

If there are any discrepancy between the amounts or the agencies approved in principal and the information provided above, please provide an explanation here.
Not applicable

* Note that details should be consistent with information provided in the relevant sections below.

CHECKLIST OF PREREQUISITES FOR SUBMISSION

Select Yes or No below; entering additional text only if required to explain. See section on Checklist of prerequisites for submission on page 3-4 of the accompanying Guide for further information.

Components of the submission			
Required for all projects	**YES included**	**NO not included**	**If NO, please explain**
1. Official endorsement letter from Government specifying roles (lead/cooperating) of respective agencies (where more than one IA is involved)	☒	☐	
2. Progress and financial report from previous tranche (>20% disbursement from the previously approved tranche)	☒	☐	
3. Next tranche implementation plan	☒	☐	
4. Consideration of the Multilateral Fund gender policy and completed section 1.4.5 below using the guide for the HPMP tranche request and progress report format for guidance	☒	☐	
5. Completed section 1.4.6 on sustainability of the HCFC phase-out and assessment of risks using the guide for the HPMP tranche request and progress report format for guidance (decision 89/1(c)(iii))	☒	☐	
6. Submission of CP data for the previous year eight weeks prior to the first meeting of the year and no later than 1 May	☒	☐	
7. Submission of A7 data for the previous year by 30 June, and no later than 30 September	☐	☒	By submission deadline of the Tranche Request (13 March), the 2025 A7 Report has not been submitted as the MP deadlines were not yet due
8. Comparison of CP and A7 data	☒	☐	Submitted CP and draft A7 data verified by Independent Verifier up to 2024
9. Completed all other applicable sections of this format	☒	☐	
Required where applicable	**YES included**	**N/A not applicable**	**Applicable but not included (please explain)**
10. Inventory of enterprises	☐	☒	
11. Verification report	☒	☐	
12. Revised Agreement (in a separate Word document)	☐	☒	
13. Submission of a project completion report for the previous stage where due	☒	☐	
14. Submission of a final report of completed end-user projects approved as part of decision 84/84 under this HPMP	☐	☒	

ADDITIONAL REQUESTS INCLUDED WITH SUBMISSION

Select Yes or No below; entering additional text only if an explanation is required. See section III of the Guide for further information.

Additional request	YES included	NO not included	Comment
1. Request for funding additional activities to maintain energy efficiency in line with decision 89/6 (for low-volume-consuming countries only)	☐	☒	
2. Request for activities related to environmentally sound management of used or unwanted controlled substances, including disposal (under decision 90/49(b)	☐	☒	

I. PROGRESS REPORT ON THE FIRST TRANCHE IMPLEMENTATION

I.1 Background

Montreal Protocol compliance target to be met in stage III of the HPMP

Phase-out commitment (%)	100	Year when target will be met	2030
☒ Servicing sector		☐ Manufacturing sector	

In the box below, provide a brief background (one to four paragraphs maximum) on the tranche of the HPMP being reported. See section I.1 of the Guide for guidance on what information to include.

The Stage III of the HPMP for Indonesia (2023-2030) is assisting the country to achieve complete phase-out of HCFC consumption by the year 2030, approved, in principle, in the amount of US $16,048,056, consisting of US $13,240,847, plus agency support costs of US $926,859, for UNDP and US $1,685,000, plus agency support costs of US $195,350, for the Government of Australia, on the understanding that no more funding from the Multilateral Fund would be provided for the phase-out of HCFCs.

The Air Conditioning and Refrigeration (AC-R) servicing and firefighting (FF) sectors account for all the remaining consumption of HCFCs during stage III. Therefore, it is necessary to have an effective strategy to address the sectors taking into account the need to (over-arching strategy): (i) Achieve is 100% phase-out compliance targets to the Montreal Protocol, by the year 2030; (ii) Create knowledge and support the NOU in establishing effective strategies to support sensitive sectors that require the use of such chemicals (Fisheries and Food Cold Chain); (iii) assist the phase-in of low-GWP alternatives through comprehensive technical assistance activities in conjunction with the private sector, benefiting 200 small and medium sized companies and 1,000 independent technicians to adopt good and safe practices in the Refrigeration sector; (iv) improve the capacities of 7,000 technicians with higher level training and certification to improve their knowledge and mitigate unwanted impacts due to the adoption of higher technologies, avoiding unemployment during this transition; (v) Improve the circularity of the refrigerants market with the creation of 14 recovery, recycling and reclamation centres with nationwide reach; and (vi) support critical stakeholders in the aviation and military sectors to access safe and environmentally free alternatives for HCFCs for use in sensitive fire-fighting systems.

ExCOM Decision 92/40 hence approved the first tranche of stage III of the HPMP for Indonesia and the corresponding tranche implementation plan in the amount of US $4,319,049, consisting of US $3,520,244, plus agency support costs of US $246,417, for UNDP and US $495,000, plus agency support costs of US $57,388, for the Government of Australia to achieve the following targets (of the Tranche 1 Action Plan):

- Update the Customs Officers Training Module;
- Issue HCFC-123 ban for Chillers sectors;
- Update the National Safety Standard and Competency Curriculum (Australia)
- Strengthen the operations of 5 (five) Reclaim Centres established under Stage II
- Conduct two (2) awareness raising campaigns and three (3) HCFCs alternatives Workshops (Australia)
- Train, at least, 100 Trainers (Australia)
- Procure basic training Units for the training Centres (Trainers for 14 Training Centres)
- Establish new 5 (five) reclaim centres (equipment and physical infra-structure)
- Initiate the T.A. component on Chillers by assessing the installed capacity and the needs of the sector and create SOPs for servicing procedures of existing legacy units.

I.2 ODS policy/legislative/regulatory and institutional framework

Indicate which regulatory/legislative measures in place by selecting Yes or No and where **yes** is indicated fill in the additional information requested in the space provided. See section I.2 of the Guide for further guidance.

HCFC-related legislation/regulations in place

Legislation/Regulation	Yes	No	Legislation/regulation number, year of adoption and other comments
HCFC licensing system (operational)	☒	☐	Click or tap here to enter text.
HCFC quota system (operational)	☒	☐	Click or tap here to enter text.
HCFC national import (and where relevant export and production) quotas issued for the year of tranche request and next year	☒	☐	2026 **Total HCFC quota:** 91.26 ODP Tonnes
Technician certification program in place	☒	☐	If YES, please clarify whether the certification programme is competency-based and/or mandatory Indonesia has a robust, tough at initial states of implementation, AC-R technicians certification framework managed by the Ministry of Manpower and supported by the Ministry of Environment that resulted in the establishment of the competency-based training. Technicians are assessed upon completion of training and certification is granted based on the Levels (2, 3, 4 and 5) of the skills required to perform the determined jobs in the area. This overarching scheme consists of 27 competency units. The standard is used as part of the national curriculum at the national and local governments training centers for AC-R sector
HFC licensing system	☒	☐	If NO, please explain Click or tap here to enter text.
HFC quota system	☒	☐	If NO, please explain Click or tap here to enter text.

In the box below provide a brief description (one to five paragraphs) of any relevant institutional changes and new or revised legislation/regulations related to HCFCs introduced since the previous tranche or stage report was submitted. (See section I.2 of the Guide for further guidance.)

A ban on HCFC-123-based chillers, including cooling system products (excluding fire extinguishers) and refrigeration-based electronic equipment containing HCFC-123, whether empty or charged, has been enacted and entered into force by 1 January 2026 through the Ministerial Regulation of Trade No. 47 of 2025 on the Goods Prohibited from Import.

I.3 HCFC consumption

Indicate when the most recent country programme and Article 7 (A7) data have been submitted and provide the expected date of submission in the comments box as necessary; if there are discrepancies between the two reports provide a brief explanation (one paragraph) in the space provided. Provide A7 consumption data (in metric tonnes (mt) and ODP tonnes) from the last five years for each substance consumed in the country, deleting unnecessary rows and provide a short (one to two paragraphs) explanation of the recent consumption trends. For countries exporting HCFC-141b contained in pre-blended polyols fill in the additional row for it and see section I.3 of the Guide for further guidance on filling in this part of the format.

Submission of latest ODS data reports

Report	Submission of data for the previous year		Most recent year submitted	Comments
	Yes	No		
Country programme	☒	☐	**2025**	
Article 7 data	☒	☐	**2024**	2025 preliminary consumption data was made available for UNDP to conduct the Verification

Explain any data discrepancies: Minor discrepancy was identified for 2023 in relation to HCFC-123 consumption, where the CP reported 27.64 metric tonnes, while the Article 7 submission reported 26.00 metric tonnes. This discrepancy was due to a miscalculation in the CP data for that year; the Article 7 data in 2023 has been confirmed as correct and verified against customs records. The CP data for 2023 will therefore be revised accordingly

Overview of current HCFC consumption:

NOTE: Rows with substances which are not applicable can be deleted. See section I.3 of the Guide for further guidance on filling in this part of the format.

Metric tonnes (mt) by substance (last five years)

Substance	2021	2022	2023	2024	2025
HCFC-22	2,913.70	2,483.68	2,707.34	2,358.05	1,983.03
HCFC-123	34.5	60.98	26.00	62.99	67.98
HCFC-124	-	-	-	-	-
HCFC-141b	100	0	-	-	-
HCFC-142b	6.41	0	-	-	-
HCFC-225ca	-	-	-	-	-
HCFC-225cb	-	-	-	-	-
Total	**3,054.61**	**2,544.66**	**2,733.34**	**2,421.04**	**2,051.01**
HCFC-141b in imported pre-blended polyols	-	-	-	-	-

ODP tonnes by substance (last five years)

Substance	2021	2022	2023	2024	2025
HCFC-22	160.25	136.60	148.90	129.69	109.07
HCFC-123	0.69	1.22	0.52	1.26	1.36
HCFC-124	-	-	-	-	-
HCFC-141b	11	0	-	-	-
HCFC-142b	0.42	0	-	-	-
HCFC-225ca	-	-	-	-	-
HCFC-225cb	-	-	-	-	-
Total	**172.36**	**137.82**	**149.42**	**130.95**	**110.43**
HCFC-141b in imported pre-blended polyols	-	-	-	-	-
Montreal Protocol Limit	**262.54**	**262.54**	**262.54**	**262.54**	**131.27**
Maximum Allowable Consumption	**252.44**	**252.44**	**181.76**	**181.76**	**131.27**

Based on the consumption data given above: Provide a description of the sector(s) and sub-sector(s) that use HCFCs in the country, including a short analysis and explanation of the consumption trends (i.e., increasing or decreasing). In addition, describe the use of HCFC-alternatives in the sectors and sub-sectors indicated.

The main sectors demanding HCFCs in Indonesia, since the approval of the 1st Tranche of the Stage III (2023), continue to be the Air Conditioning and Refrigeration (AC-R) servicing and firefighting (FF).

As demonstrated by the historical consumption analysis above (2021-2025), despite an unusual large drop in consumption in 2022, the consumption of HCFCs had been continued decreasing over the years due to a combination of regulatory activities (sector bans issues in Stage II and tight controls of quotas and imports) allied to the HPMP-III interventions supporting the servicing sector. Noting that in all years, the country consumption has been maintained well below the maximum allowable consumption levels agreed under the Stages II and III of the HPMP.

As reported during the review process of the HPMP-III proposal, the year 2022 had seen an unusual decrease in 2022 consumption due to legal dispute between two licensed importers. Given this legal issue, the importers could not utilize their import quota, resulting in this artificially lower consumption that did not reflect the real market needs during the 2022 period. The year 2023 has seen a recover of the consumption levels after the 2022 case once the above-mentioned dispute has been solved.

For countries exporting HCFC-141b contained in pre-blended polyols, insert a table below showing the amounts of HCFC-141b exported in pre-blended polyols and their destination countries and indicate whether an export ban will be issued.

Not applicable

[Insert table as needed]

I.4 HCFC phase-out activities

Fill out section I.4.1 for servicing sector activities by providing a brief overview of activities and filling in the tables indicated below. Information should be focused on the activities and outcomes during the implementation of the tranche being reported on and should be clearly tied to the agreed activities when the tranche was approved. For those countries with investment projects fill out the details in section I.4.2 by providing a brief overview of activities and filling out the tables provided. Note that the tables in this format should be used and rows may be deleted or added; additional tables can be inserted only if necessary. Further guidance on completing these parts of the format can be found in sections I.4.1 and I.4.2 of the accompanying Guide.

Delayed tranche request: If this tranche request is being submitted late provide explanation of the reasons and actions taken for the delayed submission below.

As per the Agreement established between the MLF and the Government of Indonesia, the 2nd Tranche of the HPMP-III for Indonesia was expected to be submitted to the first ExCOM Meeting of the year 2025.

However, given delays in the project initiation that impacted the timely the completion of large procurement of Training Equipment/Trainers and the Reclaim Centres, UNDP and the Government of Indonesia were not able to fulfil the requirement of the Paragraph 5(c), namely: that Indonesia was not able to achieve the rate of disbursement of 20 per cent under the 1st Tranche by the submission deadline of the 95th ExCOM (February 2025).

I.4.1 Servicing sector activities

Narrative summary: In the section below provide a brief narrative (one to two pages maximum) of continued or new activities implemented during the tranche for the servicing sector. See section I.4.1 of the accompanying Guide for further guidance.

The Stage III is the last phase of the HPMP, to be implemented from 2023 to 2030, during which Indonesia would have to achieve the 2025 and 2030 compliance targets in the consumption sector as per the accelerated phase-out schedule of the Montreal Protocol for HCFCs.

The implementation of Stage III follows the procedures and guidelines laid down by the ExCom. The project is implemented following UNDP's National Implementation Modality. Under this framework, specific Financial, Procurement and Human Resources Rules and Execution Regulations, as well as Gender and Environmental and Social Screening Policies and Standards of UNDP are observed at the project activities implemented with support from UNDP. The Adherence to the UNDP's Policies and Regulations is assured through PMU.

The Government of Indonesia, through its National Ozone Unit under the Department of Climate Change Mitigation, hosted by the Ministry of Environment (MoE), act as Implementing Partner (IP) to the project. The IP is accountable for: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Project Accountability Mechanism (Project Board).

A Project Steering Committee (PSC or Project Board) was fully established. This multi-stakeholder board serves to review performance based on established monitoring and evaluation metrics and high-level implementation issues to ensure quality delivery of results. The Project Board, being the most senior dedicated oversight body for a UNDP 'Development Project' (defined in the Project Policy Management (PPM) as an instrument where UNDP "delivers outputs where UNDP has accountability for design, oversight and quality assurance of the entire project") follows the specific Terms of Reference (TORs) and co-chaired by the MoE and UNDP Senior Representatives.

The implementation of the 1st Tranche, as agreed upon the approval of the of the stage III, gives priority on establishing the initial infrastructure for the training centres and reclaim centres required to ensure that the consequential activities of training and capacity building can scale up in future tranches, in addition to delivering technical assistance activities to improve the Standards and Competency Units required to elevate the Certification programme of technicians towards levels 4 and 5, as well as set the minimum requirements of the Government to allow the full execution of the ban on the imports and installation of new HCFC-123 based Chillers as from 2026 and onwards. In this regard, the following activities were implemented from July 2023 till December 2026:

1) Component: Custom Officers Capacity Building (Budget USD 10,000)

(a) Risk profiling in Indonesia has been updated and Policies compendium incorporated in it in computerized (online) format, with low- and high-risk profiles automatically generated by the single-window system based on predefined criteria.

(b) 341 Custom Officers (nationwide) were trained based on the computerized risk profile system (60 women, 281 men);

2) Component: Regulatory Framework (Budget USD 60,000 MLF – USD 80,000 AUS)

(a) the national APP "MontiR-AC" developed under the Stage II was upgraded adding an improved system for registering certified technicians and integrating data and mapping of technicians, training providers, and competency testing facilities, so that HPMP training programmes and equipment support can be managed and delivered through a single integrated platform. Currently, 11,390 certified technicians are registered (99% are men).
(b) 3 (three) working meetings held between Experts and Officials of the Government of Australia and the Government of Indonesia to (i) assess baseline Curriculum competency in Indonesia; (ii) present comparative analysis of Australian's Code of Practice to technicians; and (iii) establish working plan to review Curriculum competency and update National Safety Standard needed to deliver Certification related to flammable refrigerants. This work requires engagement with the Ministry of Manpower and Standards Bureau, hence will continue along the implementation of the 2nd Tranche (Bilateral Component – Australia).

3) Component: Recovery, Reclaim and Re-use (3Rs) of Refrigerants (Budget USD 855,000).

(a) Procurement of additional 9 Reclamation equipment was completed (delivery expected for June 2026).
(b) Training on Reclamation practices delivered to 31 technicians (31 males) for the 5 Centres (created under Stage II) delivered.

4) Component: Awareness Raising (Budget USD 40,000 MLF – USD 165,000 AUS)

(a) two (2) nation-wide Awareness Campaigns were delivered;
(b) three (3) Alternative technologies workshops supported by the Government of Australia were held in Bekasi, Samarinda and Bekasi, which also constituted of round tables with Australian experts to exchange experiences on HCFCs phase-out in Australia.

5) Component: Good Practices Training / Technicians Capacity Building (Budget USD 250,000 AUS)

(a) 79 Trainers (56 male / 23 female) were trained
(b) 1,041 technicians trained (1023 male / 18 female) and all of them received Certification Level 3.

6) Component: Equipment Procurement (Training Centers) (Budget USD 2,135,340)

(a) 85 sets training equipment were procured to 14 national level (Ministry of Manpower owned/administered) TVETs (commissioning and training dates happening during March, May, June and September 2026):
- 25 units of R-32 Room AC full maintenance trainer (including fault simulator)
- 23 units of R-32 split units installation trainer (including recovery unit)
- 18 units of Refrigeration basic cycle unit and electrical installation trainer (R-22)
- 19 units of Stand-alone refrigerator (door unit) trainer (including fault simulator)

7) Component: T.A. for Chillers Installation and Servicing Sector (Budget USD 95,904)

(a) Internal meetings and consultations with the stakeholders of the Chillers sectors were carried out aiming to establish the Ban.
(b) Mapping of HCFC-123 installed based chillers and sub-sector needs assessment for servicing initiated.

MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Quantitative summary: For training and equipment components (as applicable): Please list in the table below the specific targets (as relevant) achieved during the implementation of the tranche being reported on (rows can be added or deleted as necessary). See section I.4.1 of the accompanying Guide for further guidance.

Activity	Over-arching original targets (Stage III)	Total achieved (tranche 1)	Cumulative total (stage)	Male (tranche)	Female (tranche)	Comments
Number of customs officers trained	900	341	341	281	60	
Number of brokers/importers trained	n/a	n/a	n/a	n/a	n/a	
Number of other stakeholders trained (specify which stakeholders in comments box)	n/a	n/a	n/a	n/a	n/a	
Number of technicians certified	7,000	1,041	1,041	1,038	18	
Number of technicians trained on good servicing practices for refrigeration and air-conditioning equipment	7,000	1,041	1,041	1,038	18	
Number of trainers trained on good servicing practices for refrigeration and air-conditioning equipment	500	79	79	56	23	
Workshops, Seminars and/or Congress to disseminate low-GWP alternatives	10	3	3	n/a	n/a	
Awareness Raising campaigns on (a) implementation of sector bans and (b) end-users awareness on choice and use of low GWP based cooling equipment	17	2	2	n/a	n/a	
Nation-wide APP MontiR-AC updated with new functionalities and able register-track certified technicians	1	1	1	11,276	114	
Number of tool kits and equipment distributed to refrigeration and air-conditioning technicians	1,000	0	0			Activity planned for future tranches
Number of recycling reuse and reclamation centres equipped and/or renovated	9	9	9	n/a	n/a	Procurement completed, installation planned for Jul-Aug 2026
Number of national technical institutions equipped and/or renovated	14	14	14	n/a	n/a	
Number of training units/trainers procured for national technical institutions	150	85	85			
Number of other stakeholder/ organizations that received tools/equipment (specify stakeholder/organization in comment box)	200	0	0			Activity planned for future tranches: these are tools and recovery units for formal service shops

Fund disbursement and progress on activity implementation (see section I.4.1 of the accompanying Guide for instructions to fill out the table below).

Agency	Project component (2)	Activities and targets planned for the tranche (3)	Activities and targets completed for the tranche *(4)*	Activities remaining to be implemented during the next tranche *(5)*	Funding originally planned (US$) *(6)*	Funds disbursed (US$) *(7)*	Funds hard committed* (US$) *(8)*	Balance of funds to be disbursed (US$)* *6 – (7+8)*
UNDP	Customs Officers' Capacities Building	Customs Officers Training Module Updated	Completed	None	10,000	10,000	0	0
		Not planned for this tranche	341 Custom Officers (nationwide) were trained	None	0	0	170,500	-170,500
UNDP	Regulatory Framework	*Not planned for this tranche*	APP "MontiR-AC" upgraded	None	0	0	10,852	-10,852
		Legislation/Policies Compendium prepared	Changed to: Risk profile updated in single window	Legislation/Policies Compendium prepared	30,000	8,412	0	21,588
		Issuance of HCFC-123 ban on Chillers (new Chillers)	As of January 2026, Indonesia has banned the use of HCFC-123 in new chillers	Post-regulatory enforcement , including awareness, stakeholder dissemination, and initial market monitoring	30,000	16,720	0	13,280
Australia		Update National Safety Standard and Competency Curriculum	3 (three) working meetings	Continue consultations and Competency review processes	80,000	28,163	0	51,837
UNDP	Improved Capacities for RRR	5 SOPs on Recycling and Reclamation Established	none	Prepared 5 SOPs	45,000	0	0	45,000
		50 trainers capacitated on Reclamation Practices	31 people trained	19 people to be trained	10,000	0	0	10,000
		Improvement of RRR Stations in 5 Reclaim Centers	none	Improve 9 Centers	200,000	0	0	200,000
UNDP	Awareness Raising to sustain Phase-out	2 Awareness Campaigns on HCFC Bans/Phase-out	1 campaign delivered	1 campaign	20,000	0	10,000	10,000
		2 End-User Awareness Campaign on ODS-free products	1 campaign delivered	1 campaign	20,000	0	10,000	10,000
Australia		3 Capacity Building Low-GWP alternative Technologies	3 workshops delivered	None	165,000	78,163	35,000	51,837
Australia	Training and Certification	100 Trainers capacitated	79 trainers capacitated	21 trainers pending	250,000	21,661	0	228,339
UNDP		Not foreseen	none	1,041 technicians trained and certified at Level 3	0	300,000	0	-300,000
UNDP	Procurement of Equipment	150 Basic Training Units for Training Centers	85 Equipment procured	Procure remaining 65, distribute, install commission and train for all 150	2,135,340	1,169,500	0	965,840
		5 Reclaim Centers	9 sets equipment procured	Distribute and support installation, commissioning and training	600,000	1,679	532,562	65,759
UNDP	TA for Chillers Sector	Installed capacity of HCFC-123 Chillers mapped	ongoing	Finalize mapping. /studies	70,000	21,000	0	49,000
		Needs of Chillers servicing sector assessed	ongoing	Finalize assessment	20,000	3,777	0	16,223
		SOPs for best practices in the servicing chillers	ongoing	Deliver SOPs	5,904	0	0	5,904

**Hard Commitments refer to funds "immobilized" or "locked" into signed Purchase Orders or Contracts that bring legal obligations for disbursements upon delivery of goods and services contracted by the Project, hence these funds cannot the transferred or re-allocated to any other activity and are not considered "Balance" as per UNDP Rules (following IPSAS Standard).*

List any other quantifiable results achieved under the tranche and cumulatively under the stage below. For activities related to end-user-related projects implemented as part of decision 84/84, provide a summary of the project(s) as approved (including funding and targets), activities implemented during the tranche, challenges encountered, and any adjustments that have been made to the approved activities.
Not applicable

Remarks or additional comments: These may be included here as necessary, including challenges in implementation, please specify if any.
Not applicable

I.4.2 Progress on implementation of investment projects

Narrative summary: In the section below provide a brief narrative (one page maximum) of the investment project components implemented during the tranche. See section I.4.2 of the accompanying Guide for further guidance.

Not applicable

For tranches with investment components please fill out the table below. See section I.4.2 of the accompanying Guide for further guidance.

Fund disbursement and progress on project milestones (add or delete rows as needed)

Overall funds approved	HCFC substance to be phased-out	Alternative to be phased in	Total HCFC to be phased out (mt)	Overall funds approved in stage (US $)	Funds allocated for this tranche (US $)	Funds disbursed in this tranche (US $)	Balance of funds to be disbursed (US$) *	Project milestone reached for each enterprise	Expected date of project completion (mm/yy)
To enter subsector name, click here									
To enter enterprise name, click here.	(select)								
To enter enterprise name, click here.	(select)								
To enter enterprise name, click here	(select)								
To enter enterprise name, click here	(select)								
To enter enterprise name, click here.	(select)								
Sub-total	n/a							n/a	
To enter subsector name click here.									
To enter enterprise name, click here.	(select)								
To enter enterprise name, click here	(select)								
To enter enterprise name, click here	(select)								
Total	n/a							n/a	

*Includes funds committed

Remarks or additional comments: Include here as necessary remarks or additional information on contingencies encountered, reasons for delays, where applicable, pictures, changes to the original plan (e.g., enterprises found ineligible or that will not participate, new eligible enterprises identified, needed changes to the originally approved technology).
Not applicable

I.4.3 Other impacts on the environment including on the climate

In the box below describe (up to one page) the activities initiated to reduce potential impact to the environment with emphasis on the climate impact associated with the phase-out of HCFCs (i.e., use of low-GWP substances, energy efficiency, etc.). See section I.4.3 of the accompanying Guide for further guidance.

It is assumed that the activities will support phasing out the consumption of HCFCs due to better practices and recovery of refrigerant as well as through preparing the sector for adopting new alternative technologies. It is important to understand that the improved servicing practices for technicians trained during stage III would lead to HCFC emission reductions every year also in the subsequent years. Thus, the total reduction of HCFCs consumption from 2023 - 2030 would lead to the following climate mitigation co-benefits

Parameter	Impact
Quantity of HCFC consumption reduction (total 2023-2030 in mt)	3,479.90
CO2-eq reductions (in metric tonnes, from 2030)	5,960,700*

I.4.4 Consideration of the Multilateral Fund gender policy in HPMP implementation

In the box below describe (up to one page) the activities initiated to implement the gender policy of the Multilateral Fund into activities of the HPMP. See section I.4.4 of the accompanying Guide for further guidance.

Gender responsive and/or sensitive interventions are mainstreaming in all activities of HPMP, wherever and whenever possible, including with systematic collection of gender-related data from participants to the project, beneficiaries and stakeholders.

The training programmes are designed to encourage participation of women participants (with dedicated sessions for women). The training centres are also providing opportunity to these women technicians to progress their career as a trainer.

The project itself demonstrates high engagement in gender-sensitive actions, for example, PMU has balance presence of men and women as personnel, this ensures men and women are part of decision making and implementation of activities.

Awareness activities are also held to encourage men and women participation. Considering the nature of work under RAC sector, it is noted that Indonesia has very few women technicians. However, at the Ministries and private sector stakeholders do have an important share of women occupying administrative and managerial positions.

1.4.5 Sustainability of the HCFC phase-out and assessment of risks

Include information on how the long-term sustainability of the HCFC phase-out and the activities will be assured and a discussion on identified risks to project implementation or sustainability and how they will be mitigated. See section I.4.5 of the accompanying Guide for further guidance.

Qualitative discussion of the risks to the successful implementation of the project and its sustainability, includes possible challenges in the market uptake of new technologies, assessment of the implementation timeline, readiness of the sector to convert to new technologies, and other challenges, which are always discussed both at Project Board level, but also consulted and discussed with stakeholders in consultative meetings, awareness activities and technical workshops implemented by the Project.

A Risk Log was developed and submitted with the Stage III over-arching proposal, making part of the approved project. Risks are monitoring and reported to UNDP quarterly during the whole project lifecycle. The main risk owner is the MoE, which monitoring is undertaken by PMU. The risks listed under the Ris Log are not exhaustive and are subject of continuous monitoring being subject of reclassification (to increase or reduce them) but also subject to identification of new risks that may arise during project implementation.

Various policy measures are embedded in the project design as risk management tools, such as the continuous monitoring of license and quota system, ban on import of HCFC-123 based equipment, awareness raising activities and etc. In addition to ensure sustainability of the reduction of the consumption of HCFC, nine (9) additional reclamation centres are being established in the country.

The Project Board will continue to monitor and review the progress and risks related to sustainability annually and mitigation plan will be developed and implemented.

I.4.6 Co-financing (where applicable)

If applicable describe financial incentives and opportunities for co-financing that were identified and implemented during the tranche under review. See section I.4.6 of the accompanying Guide for further guidance.

Not applicable at the moment (co-finance from training and reclaim centers are yet to be reported)

I.4.7 Project management and monitoring

Brief description (one to four paragraphs) of roles and responsibilities of key stakeholders in the implementation of the tranche (government departments, the National Ozone Unit, project management unit (PMU), and non-governmental organizations, other).

The Republic of Indonesia has entrusted the work related to the ozone layer protection and implementation of the Montreal Protocol on Substances the Ozone Layer to MOE. The National Ozone Unit (NOU) of Indonesia is housed by the MOE (previously MOEF) within the administration of the Director of Climate Change Mitigation, under the management of the Deputy of Climate Change and Carbon Governance of the MOE.

The NOU is the national focal point for the implementation of Montreal Protocol programs in Indonesia. NOU communicates its programs to relevant stakeholders in Indonesia. It is responsible for the management and monitoring of the national strategy to phase out Ozone Depleting Substances (ODS) in compliance with the Montreal Protocol. It is also responsible for undertaking awareness raising activities and information/data reporting.

The access of NOU to senior decision makers is facilitated through meetings with the Steering Committee (SC)/Technical Steering Committee (TSC) of the Ozone Layer Protection programme. The SC/TSC consists of senior decision makers from relevant ministries and institutions. The NOU reports its activities, progress and plans at least once a year. The SC/TSC provides guidance and recommendations to the NOU for the improvement of programme implementation.

The MOE is in charge of the intra and inter-institutional coordination with relevant stakeholders, including the SC/TSC, other working units in the MOE, Ministry of Finance, Ministry of Trade, Ministry of Industry, Ministry of Agriculture, universities/academia, association of industries, association of engineers/technicians, etc.

The structure established for the PMU under the stage II has been successfully transferred to the Stage III in order to retain expertise in the technical and implementation areas, as well as to assure a smooth transition between projects. PMU is composed of a dedicated team of a Manager, Assistants and Experts to assure the project is timely implemented following the Rules and Regulations of the MLF and the Implementing Agencies (IAs), reporting systems are in place and Independent Verifications and Audits are facilitated.

The PMU is facilitated by UNDP and placed within the structure of MOE (physically and reporting-wise), reporting directly to the National Ozone Officer (NOO). This arrangement ensures close coordination of activities to assure the proper reporting lines and deployment of joint activities. The works undertaken by inter alia include:

i. Carry on the relevant execution follow ups through physical on-site visits
ii. Manage the implementation of subprojects, technical assistance and other activities.
iii. Organize missions, meetings and technical visits to project partners, stakeholders and beneficiaries.
iv. Prepare periodic reports and report to the PSC.
v. Prepare technical documentation and organize of meetings for evaluation.
vi. Make recommendations to the MOEF and UNDP regarding implementation performance, achievement of milestones, field verification of enterprises and endorsement of disbursements.
vii. Carry on the day-to-day administration of the HPMP activities (managerial and operational).
viii. Budget and financial control of approved funds.
ix. Prepare annual budget reviews pursuant to IA's rules and regulations

Breakdown of project monitoring activities and disbursements		
Responsible entity NOU		
Activity (add/delete rows as needed)	**Amount allocated for tranche (US $)**	**Amount disbursed (US $)**
Project Personnel/consultants	**168,000**	**50,735.11**
Official Mission	**30,000**	**9,405.72**
Office rental, premisses	**76,000**	**37,183.67**
Office equipment & supplies	**35,000**	**10,458.10**
Verification	**15,000**	**13,605.40**
Total	**324,000**	**121,388**

I.4.8 Other information

Provide a short summary (half a page maximum) comparing the overall progress of the tranche implementation with the information provided in the remark's column of the most recent Annual Progress and Financial Report and explain the difference.

The initiation of the implementation of the Stage III of Indonesia suffered 8 months delays due to the internal re-organization of the Ministry of Environment – MoE (after separation from the Ministry of Forestry - MoF) and additional approval steps of the national Project Document with the Ministry of National Development Planning (BAPPENAS) that require all international cooperation projects to be duly registered in their database..

The MoE placed its best efforts to speed up implementation despite the initial delay caused by external factors to the project itself. Given the size, complexity of activities and stakeholders involved, the initial year of implementation had a strong focus on delivering activities needed to enable large procurement and technical assistance to take. This include the establishment of the Project Board and the linkages with the multi-stakeholders committee on Ozone, re-establishment of the working committee with the Ministry of Manpower (to advance the review of the competency-based standards, initiate training activities and establish strategies to initiate Levels 3 and 4 of the Certification scheme, as well as a large spectrum of consultation with the TVETs (with site visits to all) to determine training needs, equipment needs, and assess site locations for the creation of Reclaim Centers. This also included the transition of the PMU personnel from the Stage II to the Stage III (change of contracts, administrative procedures, etc.) as well as the recruitment of technical experts to support the technical execution of the components.

With the separation of MoE and MoF, the MoE lost the ability to use the de-centralized offices of the MoF in the provinces that functioning as execution arms of the HPMP-II, hence it had to create a new structure to support the PMU reaching the different geographic zones of Indonesia targeted by the HPMP-III (this is also expect to elevate the implementation costs of PMU over time).

The implementation followed the year 2025 with the "hard activities": with support from the Government of Australia a committee of Australian-Indonesian experts was created to support the MoE ad MoM (Ministry of Manpower) to start the work on the safety standards creation and the review of the competency-based units to expand certification to Level 4. In parallel, the PMU and MoE continue with the work related to the Institutional and Regulatory frameworks by delivering the upgrade of MontiR-AC and the online risk profiling and Policies compendium to strengthen the ODS-HFCs import controls (though not foreseen in Tranche 1, the MoE and Customs decided to advance the training of Customs Officers giving the pressing need to expand capacities to control HFCs, hence 341 Customs Officers were trained under the Tranche 1).

The MoE, with support from UNDP, also procured 85 basic training units (for Room AC and light commercial refrigeration applications) for the TVETs as well as, in December 2025, they completed the procurement of all remaining equipment to establish the 9 Reclaim Centers targeted in the Stage III (with delivery expected for June 2026). As well, though not foreseen in the Action Plan of Tranche 1, the MoE and the MoM considered of critical importance to immediately resume the training and certification of Level 3 technicians to not loose momentum, hence 1,041 technicians (1,023 men and 18 women) were trained and certified along the years 2024 and 2025.

Finally, MoE and PMU delivered two (2) awareness raising activities out of four (4) foreseen in the year 2025 and, with support from the Government of Australia, three (3) technical workshops were held in Bekasi, Samarinda and Jakarta, with participation of Australian and Indonesian experts, to discuss HCFCs phase-out, technology transition and applicability of low-GWP alternatives.

I.5 Financial report

In the two tables below please fill in disbursement amounts for each agency, add or delete column/row as necessary depending on number of implementing agencies and number of tranches. See section I.5 of the accompanying Guide for further guidance.

Table 1. Disbursement by agency and by tranche

Tranche	Agency	UNDP	Bilateral agency	Total	Disbursement rate
	Amount	*(US $)*	*(US $)*	*(US $)*	*(%)*
First	Approved	3,520,244	495,000	4,015,244	44
	Disbursed	1,652,476	127,987	1,780,463	
Total	**Approved**	**3,520,244**	**495,000**	**4,015,244**	44
	Disbursed	**1,652,476**	**127,987**	**1,780,463**	

Table 2. Disbursement by agency and component in current tranche

Agency	Component	Total for stage III (US $)	Total for tranche 1 (US $)	Disbursed for tranche 1 (US $)	Hard Committed* (US $)	Balance (US $)
UNDP	Servicing Sector	11,973,347	3,196,244	1,652,476	733,914	809,854
Australia	Servicing Sector	1,685,000	495,000	127,987	35,000	332,013
UNDP	PMU	1,267,500	324,000	121,388	0	202,612

*Please clarify and include relevant information on any funding that has been committed but not yet disbursed.

Hard Commitments refer to funds "immobilized" or "locked" into signed Purchase Orders or Contracts that bring legal obligations for disbursements upon delivery of goods and services contracted by the Project, hence these funds cannot the transferred or re-allocated to any other activity and are not considered "Balance" as per UNDP Rules (following IPSAS Standard).

US $ 170,500 (UNDP) refers to signed Contract for the delivery of training to Customs Officers (pending disbursement).
US $ 10,852 (UNDP) refers to signed Contract with Developer that supported the upgrade of MontiR-AC
US $ 20,000 (UNDP) refers to signed Contract with advertising company for the airing of the awareness campaigns
US $ 35,000 (AUS) refers to signed Purchase Order for services providers that supported the realization of the Workshops
US $ 532,562 (UNDP) refers to signed Purchase Order with international supplier of the Reclamation units and ancillary equipment procured by the project at the end of 2025 that will be delivered by June 2026 (when disbursement will be realized).

PS: though PMU funding serves to pay for fixed costs of Project Personnel salaries and operational functioning of the PMU, as there are not part of signed contracts, as per IPSA Rules, these are not "set aside" as hard commitment, but considered as future expenditures projects. Hence UNDP does not report these figures as "committed" to the ExCOM.

II. Verification report

If a verification report was required, include it in a separate file attachment following the guidelines for verification reports contained in Annex II to the accompanying Guide and specify the years covered below.

From **2023**	To **2025**

III. Requested tranche implementation plan

Tranche implementation plan narrative summary: In the section below provide a detailed narrative (one to three page maximum) of the activities and targets in the implementation plan for the requested tranche. See section III of the accompanying Guide for further guidance.

For the execution of the 2nd Tranche, the MoE will continue to, and expand, the delivery of de-centralized activities to cover as many provinces possible to increase the impact of HPMP-III and reach out stakeholders requiring assistance as critical strategy to mainstream activities and ensure the sustainability of the phase-out.

The Custom Officers will continue to be trained, reaching to another 300 Officers and expanding the capacitation to Custom Brokers, so they are familiarized with the national Policies on ODS and HFCs control and learn how to properly use HS codes, apply for quotas and report imports.

The MoE will initiate the national studies on sensitive sectors that still largely depend on HCFC-22, namely Fisheries and Agricultural/Food Cold Chain, in order to assess needs, prepare technology landscape, socialize results of the studies and define strategies to sustain the phase-out.

The NOU will deliver six (6) awareness campaigns (2 from tranche 1 plus 4 new under 2nd tranche) and three (3) technical workshops – with assistance from the Government of Australia – will continue and will be taken to new locations not previously supported. In parallel, training activities will continue with the training of 250 Trainers and additional 3,000 technicians (including their certification).

New procurement of servicing tools for 1,000 technicians and 200 units of good practices and recovery equipment for formal service shops will be carried out with delivery and distribution staggered along the years 2026, 2027 and 2028.

The final new activities to be initiated under Tranche 2 refer to the technical assistance for Fire Fighting sector, aiming to map the installed capacity of HCFC-123 systems, assess the needs of the stakeholders of this sector, prepared guidelines for servicing, recycling and disposal of systems and green procurement guidelines for alternate systems that do not use HCFCs and HFCs.

In continuation to the Tranche 1 implementation, the project will:

1) continue the delivery of T.A. for Chillers sector
2) finalize procurement of pending 65 pieces of training units for TVET
3) finalize the installation of the nine (9) Reclaim Centers, and with that, MoE and UNDP will be able to fully deliver the technical assistance component that includes the design of SOPs for their operation, fully train the staff responsible for their operation as well as improve the physical structure to ensure safety measures are in place for handling and storage of refrigerants and their wastes.

New investment component for implementation: If an investment component was approved in principle to commence in the requested tranche, details of that component should be provided in the space below or insert table(s) below. See section III of the accompanying Guide for further guidance.

Not applicable

[Insert table(s) as needed]

Tranche implementation plan activities, targets and funding

Agency (1)	Project/component (2)	Specific activities (3)	Targets and outcomes (4)	Funds requested for the next tranche (US $) (5)	Balance of funds remaining to be disbursed from previous tranche (US $)* (6)	Total budget for the planned implementation period (US $) (7)
UNDP	Import ControS	Custom officers training	300 officers trained	250,000	0	250,000
UNDP	Regulatory framework	Prepare compendium, align with risk profile online	Legislation/policies compendium prepared	60,000	21,588	81,588
		HCFC-123 ban on Chillers	Ban enforced	0	13,280	13,280
Australia		Update National Safety Standard and Competency Curriculum	Competency unit and safety standards agreed and forwarded for approval	0	51,837	51,837
UNDP	Improved capacities for RRR	Prepare SOPs on recycling and reclamation	14 SOPS prepared	0	45,000	45,000
		Deliver training on reclamation practices	19 (tranche 1) + 75 operators trained	0	10,000	10,000
		Improve RRR stations in 14 reclaim centers	RRR infra-structure improved	0	200,000	200,000
UNDP	Awareness Raising to sustain Phase-out	Prepare and deliver Awareness Campaigns on HCFC Bans/Phase-out and for end-users of equipment use and maintenance, MontiR-AC, etc.	4 Campaigns on HCFCs ban delivered	148,000	10,000	158,000
			5 Campaigns geared to end-users delivered	50,000	10,000	60,000
Australia		Capacity Building on Low-GWP alternative RAC Technologies	4 Workshops delivered	55,000	51,837	106,837
Australia	Training and Certification	Train the Trainers and Certification Assessors	271 Trainers trained (21 Tranche 1 + 250 Tranche 2)	610,000	0	610,000
UNDP		Train and Certify technicians	3,000 technicians trained and certified	2,750,000	0	2,750,000
UNDP	Procurement of Equipment	Procure and deliver Basic Training Units for Training Centers	65 units procured and commissioned (1st Tranche) 85 Units commissioned (from 1st Tranche)	0	965,840	965,840
		Deliver, Commission and Train Reclaim Centers	14 Reclaim Centers equipment operational	0	65,759	65,759
		Procure and deliver equipment to service shops	200 units of recovery and good practices equipment	1,210,572	0	1,210,572
		Procure and deliver tools to independent technicians	*For 3rd Tranche only*		0	
UNDP	TA for Chillers Sector	Deliver Technical Assistance for Chillers Sub-Sector	Installed capacity of HCFC-123 Chillers mapped	0	49,000	49,000
			Needs of Chillers servicing sector assessed	0	16,223	16,223
			SOPs for best practices in the servicing chillers	10,285	5,904	16,189
			Guidelines/Green Procurement Manuals prepared	15,000	0	15,000
			Alternatives landscape for HCFC-123 assessed	20,000	0	20,000
			Stakeholders' consultations carried out	35,000	0	35,000
UNDP	TA for Firefighting	Deliver Technical Assistance for Fire-Fighting Sub-Sector	Installed capacity of HCFC-123 systems mapped	50,000	0	50,000
			Guidelines/Green Procurement Manuals prepared	32,382	0	32,382
			Stakeholders' consultations carried out	20,000	0	20,000
			Needs of Chillers servicing sector assessed	19,793	0	19,793
UNDP	Sensitive Sectors Strategy Building	Conduct sector assessment, conduct stakeholders consultation, launch report and capacity building	Fisheries Sector assessed, Report issued and consulted	95,000	0	95,000
			Cold Chain Sector assessed, Report issued and consulted	95,000	0	95,000
UNDP	PMU	Support MoE on project execution	3rd Tranche Request delivered on time	304,000	202,612	506,612
			Totals	**5,830,032**	**1,718,880**	**7,548,912**

*Amount from column (8) of the table on Fund disbursement and progress on activity implementation in section I.4.1 above

Remarks or additional comments: Include as necessary and if there are any changes to the projects approved in principle.
Not applicable

[Insert table as needed]

For countries requesting funding for activities related to environmentally sound management of used or unwanted controlled substances, including disposal (decision 90/49(b)), complete the following:
Justification for activity requested:
Funding requested (US $):
Project description:
Project activities and budget, including performance indicators per activity (fill in here or insert table below).

[Insert table as needed]