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United Nations Development Programme

PROJECT DOCUMENT

INDONESIA

Project Title: Institutional Strengthening for the Implementation of Montreal Protocol in Indonesia (IS Phase XIV)
Project Number: 01003636 | Award ID : 1382866

Implementing Partner: Ministry of Environment/Environmental Management Agency

Start Date: May 2025 **End Date:** 31 December 2027 **PAC Meeting date:** 21 February 2025

Brief Description
The Institutional Strengthening (IS) for the Implementation of Montreal Protocol in Indonesia project is required to assist the Government of Indonesia to strengthen the capacity of relevant institutions and facilitate the work of sub national and local institutions on their roles to control and monitor substances that deplete the Ozone Layer and contribute to the Climate Change. The **objective** of IS project is to continue the support on integrating projects in the country and enhancing its achievements by supporting and ensuring the implementation of the Montreal Protocol programme in Indonesia. It will continue to: 1. deliver effective management, monitoring and enforcement on ODS phase-out activities including sustainability of ODS phase-out; 2. continue the implementation and enforcement of the Ozone Depleting Substances legal framework; 3. provide coordination and oversight in the implementation of HPMP; 4. continue the awareness outreach activities for active involvement of all stakeholders in sustaining ODS phase-out, HPMP implementation, KIP preparation and implementation. The project is expected to ensure (1) adoption/ implementation of ODS legislation and regulation to control and monitor ODS consumption. (2) efficient and timely data collection and reporting. (3) consultations and coordination with other national agencies/stakeholders. (4) supervision of timely implementation of phase-out activities and reduction in ODS consumption. (5) awareness raising and information exchange. (6) regional cooperation and participation to Montreal Protocol meetings. (7) integration of MLF gender policy in the implementation.

Contributing Outcome (UNSDCF, UNDP CPD): UNSDCF Output 3.1. Resilience to climate change and disasters and reduced greenhouse gas emissions. UNDP CPD Outcome 3: Institutions, communities and people actively apply and implement low carbon development, sustainable natural resources management and disaster resilience approaches that are all gender sensitive. Indicative Output(s) with gender marker: GEN2	**Total resources required:**	USD718,693
	Total resources allocated:	
	UNDP TRAC:	N/A
	Donor:	USD 718,693
	Government:	N/A
	In-Kind:	N/A
	Unfunded:	N/A

Agreed by (signatures):

UNDP	**Ministry of Environment/ Environmental Management Agency**
DocuSigned by: Norimasa Shimamura 4B63DD0498CD41A... Norimasa Shimamora Resident Representative	Ary Sudijanto Deputy of Climate Change and Carbon Governance
Date: 29-May-2025	Date: 16 June 2025

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LETTER OF AGREEMENT
BETWEEN
THE UNITED NATIONS DEVELOPMENT PROGRAMME
AND
THE MINISTRY OF ENVIRONMENT/ENVIRONMENTAL MANAGEMENT AGENCY
FOR THE PROVISION OF SUPPORT SERVICES

28 May 2025

Dear Mr. Sudijanto,

1. Reference is made to consultations between officials of the Ministry of Environment/Environmental Management Agency (the "Implementing Partner") and officials of UNDP with respect to the provision of support services by the UNDP Indonesia Country Office ("UNDP Indonesia") for the Institutional Strengthening for the Implementation of Montreal Protocol in Indonesia 14 (the "Project")

2. UNDP Indonesia may, at the request of the Implementing Partner, provide the following support services for the activities of the Project or the Work Plan(s) of the Portfolio (as applicable):

(a) Assistance with reporting requirements and direct payment; provided that, in providing such support services, UNDP Indonesia shall ensure that the capacity of the Implementing Partner is strengthened to enable it to carry out such activities directly.

(b) Identification and/or recruitment of Project or Portfolio (as applicable) and programme personnel.

(c) Identification and facilitation of training activities.

(d) Procurement of goods and services.

3. UNDP shall provide support services, including any procurement of goods and services and the recruitment of Project or Portfolio personnel (as applicable), in accordance with UNDP's regulations, rules, policies and procedures.

4. The support services to be provided by UNDP are described in detail in the Schedule hereto. This Letter and the Schedule will be attached to the Project or Portfolio Document (as applicable). If the requirements for support services by UNDP Indonesia change during the life of a project or

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portfolio, the Schedule may be amended by mutual agreement of UNDP and the Implementing Partner, and the amended Schedule will be attached to the Project or Portfolio Document (as applicable).

5. UNDP shall recover the costs incurred by UNDP Indonesia in providing support services from the Project or Portfolio (as applicable). The manner and method of cost-recovery by UNDP shall be specified in the Schedule.

6. The relevant provisions of the Partnership Framework Agreement signed on 28 September 2012 *with the Government* (the "PFA"), including the provisions on liability and privileges and immunities, shall apply to the provision of support services. The Implementing Partner shall retain overall responsibility for the Project or the Work Plan(s) of the Portfolio (as applicable). The responsibility of UNDP Indonesia shall be limited to providing the support services described in the Schedule hereto.

7. The Implementing Party shall indemnify, defend, hold and save harmless UNDP and its officials, agents and persons performing services for UNDP from and against all suits, proceedings, claims, demands, losses and liability of any kind, or nature brought by any third party against UNDP with respect to the support services.

8. In addition to the indemnification obligations set forth in this paragraph, the Implementing Party shall be obligated, at its sole expense, to defend UNDP and its officials, agents and employees, pursuant to this paragraph, regardless of whether the suits, proceedings, claims and demands in question actually give rise to or otherwise result in any loss or liability.

9. UNDP shall advise the Implementing Party about any such suits, proceedings, claims, demands, losses or liability within a reasonable period of time after having received actual notice thereof. The Implementing Party shall have sole control of the defence of any such suit, proceeding, claim or demand and all negotiations in connection with the settlement or compromise thereof, except with respect to the assertion or defense of the privileges and immunities of UNDP or any matter relating thereto, for which only UNDP itself is authorized to assert and maintain. UNDP shall have the right, at its own expense, to be represented in any such suit, proceeding, claim or demand by independent counsel of its choosing.

10. Nothing in or relating to this LOA shall be deemed a waiver, express or implied, of any of the privileges and immunities of the United Nations, including UNDP.

11. The provision of the support services may be suspended or terminated by UNDP in the event that the Project or Portfolio (as applicable) or the Implementing Partner's management of the

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Project or the Work Plan(s) of the Portfolio (as applicable) is suspended or terminated.

12. Notwithstanding paragraph 11 above, UNDP may suspend or terminate this Letter, in whole or in part, upon written notice to the Implementing Partner if circumstances arise which, in UNDP's opinion, jeopardize the successful provision of the support services.

13. Any claim or dispute arising under or in connection with this Letter shall be addressed in accordance with the relevant provisions of the Partnership Framework Agreement (PFA).

14. UNDP Indonesia shall submit progress reports on the support services provided and shall report on the costs incurred in providing such services, as may be requested by the Implementing Partner. The reporting will be done in accordance with UNDP's policies and guidelines on reporting.

15. Any modification to this Letter or the Schedule shall be effected by mutual written agreement of the Parties.

16. If you agree with the provisions set forth above, please sign two copies of this Letter and return both to UNDP. Upon signature by UNDP, this Letter shall constitute an agreement between the Parties for UNDP Indonesia to provide support services for the Project or Portfolio (as applicable).

DocuSigned by:
Norimasa Shimomura
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For and on behalf of UNDP
Norimasa Shimomura
Resident Representative
Date:
29-May-2025



For and on behalf of the Implementing Partner
Ary Sudijanto
Deputy of Climate Change and Carbon Governance,
Ministry of Environment/ Environmental Management Agency
Date:

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SCHEDULE
DESCRIPTION OF UNDP INDONESIA SUPPORT SERVICES

1. Reference is made to consultations between Ministry of Environment/Environmental Management Agency, the institution designated by the Government of Indonesia and UNDP with respect to the provision of support services by UNDP Indonesia for the Institutional Strengthening for the Implementation of Montreal Protocol in Indonesia 14 (the "Project")

2. In accordance with the provisions of the letter of agreement signed on 10 JUNE 2024 and the Project Document, UNDP Indonesia shall provide the following support services for the Project.

Support services	Schedule for the provision of the support services	Cost to UNDP of providing such support services	Indicative Amount and method of reimbursement of UNDP (USD)
1. Payments, disbursements and other financial transaction	During project implementation	Universal Price List	183.51
			Quantum billing
2. Recruitment of project personnel and consultants	During project implementation	Universal Price List	-
			Quantum billing
3. Procurement of services and equipment, and disposal/sale of equipment	During project implementation	Universal Price List	1,148.28
			Quantum billing
4. Organization of training, activities, conferences, and workshops	During project implementation	Universal Price List	-
			Quantum billing
5. Travel authorizations, visa requests, ticketing and travel arrangements	During project implementation	Universal Price List	1,758.00
			Quantum billing
6. Shipment, custom clearance and accreditation	During project implementation	Universal Price List	-
			Quantum billing
TOTAL UPL IS14 2025-2027			**3,089.79**

Items	UPL	Times/ Year	Sub Total Year	3 Years	TOTAL
HACT - Audit	61.17	1.00	61.17	1.00	61.17
HACT - Spot	61.17	1.00	61.17	2.00	122.34
N/A		1.00	-	2.00	-
N/A		1.00	-	1.00	-
HACT - Audit	382.76	1.00	382.76	1.00	382.76
HACT - Spot Check	382.76	1.00	382.76	2.00	765.52
N/A					
N/A					
UNDP Staffs Travel	73.25	8.00	586.00	3.00	1,758.00
N/A					
N/A					
TOTAL UPL IS14 2025-2027					**3,089.79**

3. Description of functions and responsibilities of the parties:

- The National Project Director (at Ministry of Environment/ Environmental Management Agency) makes a request of service as needed.
- UNDP Programme Officer, Procurement staff, finance and common service staff are responsible for implementing of above-mentioned services as requested.
- The reimbursement of UNDP Support Services Costs will be recorded as per transaction.

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I. DEVELOPMENT CHALLENGES

Indonesia continues its effort to the Vienna Convention for the Protection of the Ozone Layer and ratified the Montreal Protocol on Substances that Deplete the Ozone Layer in June 1992. This commitment shows that Indonesia is actively working to phase out the production and consumption of ozone-depleting substances (ODS) and phase-down of hydrofluorocarbons (HFCs). The main sectors that use ODS and HFCs in the cooling sector. Indonesia, like many other rapidly developing nations, is at the frontline of addressing the dual crises of climate change and growing energy demand, particularly in the cooling sector. The country's tropical climate, expanding urbanization, rising population, and increasing industrialization are driving significant growth in cooling demand for residential, commercial, and industrial applications. Cooling is no longer just a luxury, but a necessity for economic productivity, human health, and well-being, especially in the context of rising global temperatures.

As Indonesia experiences hotter and more extreme weather due to climate change, the demand for air conditioning and refrigeration is expected to soar. By 2030, cooling demand is forecast to grow exponentially, placing tremendous pressure on the country's energy systems and contributing significantly to greenhouse gas (GHG) emissions. If not managed strategically, this rising demand could lock Indonesia into a high-energy consumption trajectory, undermining its climate commitments and putting additional strain on its energy infrastructure.

Implementing the Montreal Protocol in Indonesia faces several development challenges. These challenges can hinder the effective phase-out ODS and phase-down HFCs require targeted strategies to address them. Existing regulations needs to updated regularly reflect the ongoing commitment and remains dynamic instrument, adapting to emerging challenges and scientific advancements while promoting sustainable practices and technologies. Increase coordination among various government agencies can result in consistent of the implementation of Montreal Protocol provisions.

Limited Public Awareness and Engagement

Indonesia has a population of over 280 million people, and the government recognizes 1,331 ethnic groups. Public awareness requires targeted strategies to enhance public engagement. By fostering a better understanding of ozone depletion and its implications, stakeholders can mobilize public support and participation in ODS management efforts.

Required Continuing Monitoring and Reporting

Since the phase-out of HCFCs, Indonesia has built strong collaboration between stakeholders to gather adequate data collection and monitoring tracking progress and compliance of the ODS import. This approach will be used as basis method for data collection for phasing down of HFCs. Addressing data collection challenges is crucial for the successful implementation of the Montreal Protocol. By investing in infrastructure, standardizing methodologies, and fostering collaboration among stakeholders, Indonesia can improve their data collection efforts, leading to better monitoring and more effective phase-out of ozone-depleting substances and HFCs.

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Impact of Cooling Demand and Climate Change

The increased cooling demand poses a significant economic and environmental challenge. On the one hand, the reliance on energy-intensive and inefficient cooling technologies—such as those using high-GWP (Global Warming Potential) refrigerants—can drive up Indonesia's energy costs, exacerbating inequality. Many low-income households may find themselves unable to afford adequate cooling, which can have direct consequences on health, productivity, and quality of life, especially in urban heat islands.

On the other hand, the widespread use of HFCs, powerful greenhouse gases with thousands of times the heat-trapping potential of CO_2, threatens to negate global efforts to mitigate climate change. The Kigali Amendment to the Montreal Protocol mandates the phasedown of HFCs to curb these emissions. However, Indonesia's transition to low-GWP refrigerants and energy-efficient cooling technologies is challenged by the need for financial investment, technological upgrades, and institutional capacity building.

Social and Economic Considerations

In addition to the environmental impacts, not only the reliance on inefficient cooling technologies but also the impacts of phasing out ODS and phase-down of HFCs in other sectors has significant social and economic implications. Energy consumption for cooling contributes to higher electricity costs for consumers and industries, straining the national grid and increasing Indonesia's reliance on fossil fuels for power generation. The energy sector is the largest contributor to the country's GHG emissions, and without targeted interventions, this trend will accelerate due to the increasing demand for cooling.

Moreover, the cooling sector is intricately linked to critical industries such as food supply chains, healthcare, and tourism. Ensuring access to energy-efficient and climate-friendly cooling technologies is essential for safeguarding public health (e.g., through reliable vaccine storage) and ensuring food security (e.g., through effective refrigeration of perishable goods). The economic sectors reliant on cooling contribute significantly to employment and GDP, and a failure to modernize these industries could result in reduced competitiveness and higher costs for consumers.

Institutional and Technical Challenges

At the institutional level, Indonesia faces challenges in effectively managing the transition away from high-GWP substances like HFCs. Insufficient technical knowledge and expertise in alternative technologies can impede the adoption of ozone-friendly practices. While the National Ozone Unit[1] (NOU) has made progress in phasing out ODS, the full enforcement of Kigali Amendment obligations requires enhanced institutional capacity, stronger interagency coordination, and improved policy frameworks. The current institutional framework needs to be supported

[1] Directorate of Climate Change Mitigation, Deputy Minister of Climate Change and Carbon Governance, Ministry of Environment/Environmental Management Agency

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continuously to ensure that policies, capacity building and training related to ODS phase-out, HFC phase-down, and energy efficiency are effectively implemented and enforced.

Addressing these challenges requires a comprehensive approach that includes strengthening institutional capacities, enhancing public awareness, and fostering collaboration among stakeholders. By focusing on these areas, Indonesia can better navigate the complexities of implementing the Montreal Protocol and contribute to global efforts in ozone layer protection.

Gender Inequality Challenges in Montreal Protocol related Programme in Indonesia

Gender inequality continues to persist and women are discriminated against in education, labor market, decision-making at various levels, health, and other spheres of life. The women are underrepresented in science, technology, and engineering fields. They are underrepresented in the refrigeration, air conditioning and foam sectors. There are few to perform in technical jobs and formally trained engineers and/or technicians. The majority of women take roles in other parts of the respective value chains, such as sales and administrative sectors due to local cultural inequalities. There have been limited efforts to engage women in project-related activities as implementers (e.g., trainers) and beneficiaries, and the vast lack of gender equality results in reporting (e.g., presentation of data disaggregated by sex). The lack of specific reporting requirements on gender equality by the MLF, and the targeted scope of projects. Many of the women engaged in the RAC and foam sectors are insufficiently aware of women's potential and their roles as important and capable actors of change.

II. STRATEGY

The Institutional Strengthening Project continues support for Indonesia's National Ozone Unit (NOU) in the Ministry of Environment/Environmental Management Agency, aiming to build NOU capacity to manage the ODS phase-out and HFC phasedown in line with Montreal Protocol commitments. The project provides essential financial, technical, and administrative support to sustain the systems, policies, and coordination needed to achieve and maintain these goals.

This project contributes to the broader UNDP CPD Outcome 3, which focuses on enhancing environmental resilience, promoting sustainable energy transitions, and strengthening climate adaptation and mitigation actions. The institutional strengthening of the National Ozone Unit (NOU) under the Ministry of Environment directly supports Indonesia's ability to meet its climate commitments, aligning with the Country Programme Document's (CPD) objectives of promoting environmental sustainability and inclusive governance. By building the capacity of the NOU, the project ensures that the country has the institutional framework required to meet its ODS and HFC reduction targets while contributing to Indonesia's broader goals of climate mitigation and sustainable development.

The Theory of Change for this project centers around strengthening the institutional capacity of the NOU to lead and coordinate all national efforts related to the phase-out of HCFCs and the phasedown of HFCs. If the project strengthens the National Ozone Unit's (NOU) capacity through targeted financial, technical, and administrative support, then the

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NOU will be fully equipped to manage and coordinate ODS phase-out and HFC phasedown efforts, leading Indonesia to achieve full compliance with its Montreal Protocol targets.

The project adopts a multi-pronged approach that focuses on reinforcing the NOU's institutional framework and technical capacity to deliver on Indonesia's phase-out commitments effectively. The approach builds on previous institutional strengthening efforts and integrates lessons learned, adapting to current challenges such as the expanded obligations under the Kigali Amendment.

The project will continue providing financial and administrative resources to ensure that the NOU can function as the lead entity for implementing ODS and HFC phase-out policies. This includes supporting the revision and enforcement of national regulations that reflect Indonesia's international obligations under the Montreal Protocol. The institutional strengthening will focus on ensuring that the NOU has the capacity to support policy and regulatory adjustments, and provide technical support to the government's decision-making processes. This will also involve promoting gender-sensitive policies to ensure inclusive decision-making in environmental governance. The project will also support the strengthening of NOU's ability to monitor and report on ODS and HFC consumption, including facilitating data collection processes, improving the licensing and quota systems, and ensuring timely submission of Article 7 and Country Programme reports to the Montreal Protocol. The institutional support provided by this project will ensure the NOU can provide timely technical guidance, administrative oversight, and stakeholder engagement across all sectors involved.

The project will also focus on continuous capacity development for NOU staff, industry stakeholders, and relevant national and local government bodies. Capacity-building programs will ensure that the NOU is equipped with the latest technical knowledge and skills to manage the Kigali Amendment's phasedown requirements. In addition, training programs for customs and border control authorities will strengthen their ability to detect and prevent illegal trade in ODS and HFCs. The stakeholder engagement strategy will emphasize maintaining strong communication and coordination with industry, particularly in sectors such as refrigeration, air conditioning, and foam manufacturing. Public awareness campaigns will further educate industries and consumers on the importance of adopting climate-friendly alternatives.

The project will integrate gender-sensitive approaches into its institutional strengthening efforts by ensuring that women have a meaningful role in decision-making processes within the NOU and across related agencies. Capacity-building initiatives will ensure that both men and women benefit equally from training opportunities, and that gender-sensitive policies are reflected in environmental regulations.

Role of UNDP

The United Nations Development Programme (UNDP) is one of the Implementing Agencies assigned by the Montreal Protocol. It is important to the implementation of the Montreal Protocol because it helps developing countries reduce and eliminate ozone-depleting substances (ODS). The UNDP's work includes (a) facilitating developing countries to access funding from the Multilateral Fund for the Implementation of the Montreal Protocol, (b) introducing energy-

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efficient and safe alternatives to ODS in consumer products, (c) Increasing the recovery and recycling of refrigerants and appliances, (d) Preparing country programs and institutional strengthening projects to support the development of national ODS phase-out strategies, (e) Developing refrigerant management plans to provide cost-effective strategies for ODS phase-out

III. RESULTS AND PARTNERSHIPS

Expected Results

IS Phase XIII successfully achieved seven key objectives during the implementation period, supporting Indonesia's compliance with the Montreal Protocol.

Under Objective 1 – Adoption and Implementation of Legislation, a major milestone was the development and enforcement of the HFC licensing system, formalized through Ministerial Regulation of Trade No. 36/2023. To enhance control over the import of controlled substances, the government allocated import quotas for HCFCs for 2023 and 2024, accompanied by the issuance of 12 import recommendations for HCFCs and 5 for Methyl Bromide. The import recommendation process was integrated into the national systems, SINSW and INATRADE, enabling streamlined online processing and improving transparency. Additionally, IS Phase XIII supported regular monitoring of foam manufacturers and ODS importers to ensure continued compliance with national regulations.

Under Objective 2 – Data Reporting, IS Phase XIII supported the Government of Indonesia in the successful and timely submission of ODS and HFC consumption data under Article 7 and the Country Programme, in accordance with the Montreal Protocol. These reporting obligations were met through consistent coordination with key line ministries, including the Ministry of Trade, Ministry of Industry, Ministry of Agriculture, Customs, and the National Single Window. Coordination meetings were held quarterly to ensure the accuracy and consistency of data prior to submission. To achieve Objective 3 – National Coordination, collaboration with relevant national stakeholders was enhanced through meetings, focused group discussions, and stakeholder outreach in preparation for the HFC licensing system and phase-down strategies under the Kigali Amendment.

IS Phase XIII also contributed to Objective 4 – Supervision of Phase-Out and Phase-Down Activities, by overseeing the implementation of HCFC phase-out strategies. The project supported the achievement of 2023 HCFC reduction targets and maintained the sustainability of HPMP outcomes. It also facilitated the successful review and approval of Tranche 4 of HPMP Stage II, the submission of HPMP Stage III, and the KIP preparation, all endorsed by the Multilateral Fund.
In support of Objective 5 – Public Awareness and Outreach, the IS Phase XIII project, developed and disseminated social media content and communication materials. Public outreach efforts also included working group discussions on communication strategies. World Ozone Day 2023 was commemorated through a range of national events, including the Women Leaders Talkshow, Ozone2Climate Fun Day, and the first National Ozone Skills Competition. In 2024, World Ozone Day celebrations were expanded to multiple regions in collaboration with the Climate Change Control Centers (Balai Pengendalian Perubahan Iklim), promoting public awareness on non-ODS products, as well as the phase-out and phase-down of controlled substances.

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To fulfill Objective 6 – Regional Cooperation and Participation, Indonesia actively engaged in regional and international Montreal Protocol meetings. Participation included the Joint Network Meeting in Bangkok, the 16th Annual EAP-MP Workshop in Yogyakarta, OEWG-44 in Bangkok, and MOP-35 in Nairobi. These activities were supported under IS Phase XIII to strengthen institutional capacity and continuity.Finally, under Objective 7 – Gender Integration, IS Phase XIII supported the incorporation of gender perspectives into Montreal Protocol implementation. This was achieved through consultations with stakeholders and alignment with the Multilateral Fund's Operational Gender Policy, contributing to more inclusive and equitable project implementation

The table below summarises the planned activities and expected results (output) under the context of the phase XIV (as reported to the Multilateral Fund of the Montreal Protocol):**Components or elements**	**Planned activities (phase XIV)**	**Expected outputs to be achieved (phase XIV)**
Objective 1: Adoption/implementation of legislation and regulation to control and monitor the imports and use of Montreal Protocol controlled substances		
Effective implementation and enforcement of the licensing and quota system for all Montreal Protocol controlled substances	▪ Establish national HCFCs import allocation for 2025,2026 and 2027. ▪ Establish HCFCs import recommendation for 2025, 2026 and 2027. ▪ Issue ODS and HFC import recommendation through web-based tool.	▪ HCFCs import quota allocated for 2025, 2026 and 2027; ▪ HCFCs import recommendations issued for 2025, 2026 and 2027. ▪ ODS and HFC import recommendation issued for 2025,2026 and 2027 using web-based tool.
Enforcement of control measures to sustain the phase out of substances already achieved	▪ Conduct periodic monitoring of manufacturers, importers and ODS stockpile.	▪ Sustain the phase out of substances already achieved through effective and regular monitoring activities in 2025, 2026 and 2027.
Objective 2: Accurate and timely data collection and reporting of consumption of all Montreal Protocol controlled substances		
Monitoring customs import/export data of controlled substances	▪ Continued the evaluation of ODS import data of 2025, 2026 and 2027 with Customs Authority.	▪ Import data of year 2025, 2026 and 2027 checked and evaluated.
Supporting effective and timely data collection for Article 7 and Country Programme data reporting	▪ Submit Article 7 data for 2024, 2025, 2026 ▪ Submit CP data for 2024, 2025, 2026	▪ Article 7 data and CP data duly submitted for 2024, 2025 and 2026.
Supporting data reporting requirements for HFCs and blends under the Kigali Amendment and monitoring the country compliance in ODP tonnes and CO_2-eq tonnes	▪ Support data reporting for HFCs and blends through Article 7 data and CP data report.	▪ Data reporting requirements fulfilled for HFCs and Blends for the year 2024, 2025 and 2026.
Objective 3: Efficient coordination between national agencies/stakeholders to support the objectives of the Montreal Protocol		
Establishment/enhancement of inter and intra-governmental cooperation mechanisms particularly for the implementation of the Kigali Amendment	▪ Organise coordination meetings and consultations with relevant ministries for the year 2025, 2026 and 2027.	▪ Cooperation mechanism enhanced through coordination meetings, focused group discussions and consultations with relevant ministries, associations and private sectors for the year 2025, 2026 and 2027.
Objective 4: Supervision of timely implementation of HCFC phase out/HFC phase down activities and the resulting reduction in consumption of controlled substances		

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The table below summarises the planned activities and expected results (output) under the context of the phase XIV (as reported to the Multilateral Fund of the Montreal Protocol):**Components or elements**	**Planned activities (phase XIV)**	**Expected outputs to be achieved (phase XIV)**
Overall coordination of planned projects and expected outputs for approved and ongoing national plans	▪ Supervise the timely implementation of HCFC reduction targets; ▪ Provide coordination and guidance support to the preparation and implementation of KIP Stage I	▪ HCFC reduction targets achieved; ▪ Relevant ExCom decisions implemented;
Facilitation of timely review and submission of tranches/new stages/individual projects	▪ Facilitate the timely review and submission of KIP Stage I	▪ New stages /individual projects submitted as scheduled.
Objective 5: Promoting awareness raising and information exchange on relevant issues of the Montreal Protocol		
Raising awareness based on assessment of information needs for the general public and for specific sectors to support implementation of Multilateral Fund projects	▪ Continued the capacity building and information dissemination actions on Ozone layer protection, ODS phase-out, HFC phase-down and introduction alternative substance to stakeholders.	▪ Awareness and knowledge of the general public and stakeholders enhanced/improved regarding ODS, HFCs and their alternatives.
Consultation with stakeholders in development of a plan for communication and awareness	▪ Conduct meetings/discussions with stakeholders for communication and awareness raising in 2025, 2026 and 2027.	▪ Consultations held with stakeholders for communication and awareness raising activities/campaigns
Organizing celebration of World Ozone Day	▪ Design and organize events to celebrate World Ozone Day	▪ Ozone Day celebrated for 2025, 2026 and 202.
Objective 6: Regional cooperation and participation in Montreal Protocol meetings		
Participation in the regional network meetings to provide continuity and institutional capacity building.	▪ Support participation in the regional network meetings in 2025, 2026 and 2027.	▪ Continuity and institutional capacity building provided through participation in the regional network meetings during 2025, 2026 and 2027.
Encouraging country participation at Open-ended Working Group/Meeting of the Parties.	▪ Support the participation of Indonesia delegation in OEWG/MOP meetings during 2025, 2026 and 2027	▪ Indonesia's participation at Open-ended Working Group/Meeting of the Parties supported
Objective 7: Integration of MLF gender policy in implementation of the Montreal Protocol		
Encouraging consultations with stakeholders to mainstream gender into activities of Montreal Protocol activities	▪ Facilitate/Organise discussions, workshops and consultations on gender mainstreaming for Montreal Protocol related activities with relevant stakeholders. ▪ Encourage equity for male and female participants to adopt regulations to control and monitor the imports of Ozone Depleting Substances (component #1). ▪ Encourage equity for male and female participants in the process of data collection and analysis (component #4). ▪ Capacity building in the gender-based decision-making process and implementation of Montreal Protocol programme in Indonesia (component #5). ▪ Capacity building for the Ministry of Environment/Environmental Management Agency (Implementing Partner) and relevant partners in gender equality and PSEAH approach in the IS and other relevant Montreal Protocol programme implementation (component #7).	▪ Effective support provided to the implementation of the Operational Gender Policy of the MLF in Indonesia during 2025, 2026 and 2027. ▪ Equity for male and female participants to adopt regulations to control and monitor the imports of Ozone Depleting Substances (component #1). ▪ Equity for male and female participants in the process of data collection and analysis (component #4). ▪ Capacitated gender awareness in the decision-making process and implementation of Montreal Protocol programme in Indonesia (component #5). ▪ Capacitated Ministry of Environment/Environmental Management Agency (Implementing Partner) and relevant partners in gender equality and PSEAH approach in the IS and other relevant Montreal

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The table below summarises the planned activities and expected results (output) under the context of the phase XIV (as reported to the Multilateral Fund of the Montreal Protocol):**Components or elements**	**Planned activities (phase XIV)**	**Expected outputs to be achieved (phase XIV)**
		Protocol programme implementation (component #7).

Objective 1: Adoption and Implementation of Legislation and Regulation to Control and Monitor the Imports and Use of Montreal Protocol Controlled Substances

During Phase XIV, Indonesia aims to strengthen the implementation and enforcement of its licensing and quota system for all Montreal Protocol controlled substances. This includes establishing national import quotas and issuing import recommendations for HCFCs and HFCs for the years 2025, 2026, and 2027. Import recommendation will be issued through a dedicated web-based tool, enhancing efficiency and transparency in the process. In addition to regulatory measures, enforcement will be reinforced through periodic monitoring of manufacturers, importers, and existing ODS stockpiles to ensure sustained phase-out of substances that have already been eliminated under earlier phases

Objective 2: Accurate and timely data collection and reporting of consumption of all Montreal Protocol controlled substances

Indonesia will continue to prioritize accurate monitoring and reporting of controlled substances. This involves ongoing evaluation of ODS import and export data for the years 2025 to 2027 in collaboration with the Customs and relevant stakeholders. Furthermore, Indonesia will fulfill its obligations under the Montreal Protocol by submitting Article 7 data and Country Programme (CP) reports for the years 2024, 2025, and 2026. As part of the Kigali Amendment implementation, the country will also ensure comprehensive data reporting for HFCs and their blends

Objective 3: Efficient coordination between national agencies/stakeholders to support the objectives of the Montreal Protocol

To ensure smooth implementation of the Montreal Protocol, the Indonesian government plans to enhance inter- and intra-governmental cooperation mechanisms. This will be achieved through the organization of regular coordination meetings and focused discussions with relevant ministries, private sector, and industry associations from 2025 to 2027. These will promote better alignment of national policies with Montreal Protocol objectives, especially those related to the Kigali Amendment.

Objective 4: Supervision of timely implementation of HCFC phase out/HFC phase down activities and the resulting reduction in consumption of controlled substances

Under this objective, the government will oversee the timely execution of national phase-out targets for HCFCs, ensuring that all activities remain aligned with approved implementation plans. Support will also be provided for the preparation and implementation of the Kigali Implementation Plan (KIP) Stage I. Additionally, project will facilitate the

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timely review and submission of new project stages and tranches to the Multilateral Fund, ensuring continuity compliance with ExCom decisions.

Objective 5: Promoting awareness raising and information exchange on relevant issues of the Montreal Protocol

Raising public and stakeholder awareness remains a key priority. IS will support Indonesia to continue capacity-building efforts and disseminate information on ozone layer protection, the phase-out of ODS, the phase-down of HFCs, and the promotion of alternative substances. IS will support MOE to organize World Ozone Day celebration in 2025, 2026, and 2027 for further public engagement and education on Montreal Protocol implementation efforts.

Objective 6: Regional cooperation and participation in Montreal Protocol meetings

IS will support Indonesia's active participation in regional network meetings, the Open-Ended Working Group (OEWG), and the Meeting of the Parties (MOP) sessions in 2025, 2026, and 2027. These engagements will keep Indonesia updated on international developments and enable it to contribute to global efforts under the Protocol while ensuring alignment with national priorities.

Objective 7: Integration of MLF gender policy in implementation of the Montreal Protocol

In line with the Multilateral Fund's Operational Gender Policy, IS will encourage gender mainstreaming to be integrated across all Montreal Protocol activities. Workshops and consultations will promote the development of gender-responsive planning strategies. The equal participation of men and women will be promoted in the formulation of regulations, data collection, and decision-making. Key institutions will also receive training to incorporate gender equality and PSEAH principles into program implementation

Resources Required to Achieve the Expected Results

The project needs the following resources to deliver the expected results:

- The Government of Indonesia that assigns the Ministry of Environment/Environmental Management Agency as the Implementing Partner to design, implement and monitor the progress and performance of the Institutional Strengthening (IS) project in close coordination with UNDP Country Office and UNDP at global and regional level.
- The Project staff required for procurement, contract management, finance, coordination, reporting, and general support.
- Consultancy service and/or research institutions for technical support and capacity building. The competitive selection of contractors will be undertaken in line with the UNDP procurement policy.
- Other direct operation costs, such as transport and visibility.
- Indirect cost (charged as DPC in the budget): financial management, procurement, IT, HR, and operation costs that are apportioned to the project, to be collected based on UPL.

Partnerships

The Government of Indonesia, with the support of UNDP, will implement the activities of the Institutional Strengthening (IS) Project, which is critical to achieving sustained compliance with the Montreal Protocol commitments. Through

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effective partnerships, this project will enhance the capacity of Indonesia's National Ozone Unit (NOU) to manage ODS phase-out and HFC phasedown activities, in alignment with HCFC control targets and the phasedown milestones set by the Kigali Amendment.

The success of this Institutional Strengthening phase relies on collaborative efforts across a wide range of stakeholders, including private sector partners, public agencies, and industry leaders in the refrigeration and air-conditioning (RAC), foam, firefighting, solvent and other sectors. The project will work closely with the Ministry of Environment/Environmental Management Agency, offering policy guidance and legislative support to facilitate regulatory actions for controlling HCFCs and HFCs, including new ministerial directives and adjustments to licensing and quota systems.

Indonesia will meet upcoming ODS phase-out targets and address future challenges related to HFC phasedown through these partnerships, alongside the continued technical support provided by UNDP. This collaboration will also support the development and implementation of Indonesia's Kigali Implementation Plan (KIP) for the phasedown of HFCs, ensuring compliance with the Protocol's goals and fostering a sustainable transition to low-GWP alternatives.

Gender Equality

The Institutional Strengthening (IS) project will promote the importance of gender equality through the results of Objective 7 on the Integration of Multilateral Fund (MLF) Gender policies in the implementation of the Montreal Protocol. It will adhere to the output 3.1. of UN Sustainable Development Cooperation Framework (UNSDCF) and outcome 3 of UNDP Country Programme Development (CPD).

Through its implementation, the project will prepare Gender Gap Analysis and Action Plan. It will work with relevant stakeholders and experts to address the inequality that hinders the efforts of the country to break discrimination against women in education, labor market, decision-making at various levels, health, and other spheres of life. It will ensure the women to represent equally in science, technology, and engineering fields, especially in the refrigeration, air conditioning (RAC) and foam sectors. It will encourage more women to perform in technical jobs and formally trained engineers and/or technicians, and report the progress through the presentation of data disaggregated by sex. It will motivate more women to be engaged in the RAC and foam sectors to be sufficiently aware of women's potential and their roles as important and capable actors of change.

Risks and Assumptions

The project's success relies on several key assumptions, including sustained government commitment to Montreal Protocol compliance, active engagement from industry stakeholders, and the availability of low-GWP alternative technologies at a manageable cost. Major risks that could threaten the achievement of project results include potential delays in legislative reform, resistance from industries to adopt new technologies due to financial or technical barriers, and fluctuations in the availability and affordability of compliant alternatives in the global market.

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To mitigate these risks, the project will maintain close collaboration with the Ministry of Environment/Environmental Management Agency to prioritize regulatory adjustments, actively engage industry associations to promote compliance, and seek additional financial incentives to support the transition to sustainable technologies. Potential adverse social or environmental impacts, such as job displacement in affected industries or increased costs for consumers, will be addressed through targeted outreach and capacity-building to ensure an inclusive, sustainable transition. A comprehensive risk log, including mitigation actions, will be maintained and regularly updated to support adaptive project management and safeguard expected outcomes.

Stakeholder Engagement

Acknowledging the importance of Leave No One Behind (LNOB), the Institutional Strengthening Project will engage a broad range of stakeholders to ensure effective and inclusive implementation, supporting Indonesia's compliance with the Montreal Protocol:

National Ozone Unit (NOU)[2]: As the primary beneficiary, the NOU will receive targeted financial and technical support to lead the implementation, policy development, and enforcement of ODS and HFC phase-out regulations. Regular coordination meetings will be held to align the project's activities with NOU's strategic goals.

Ministry of Environment/Environmental Management Agency (MoE): Serving as the implementing partner, this ministry will receive technical guidance to support the legislative processes and coordinate with other governmental agencies. The project will engage the ministry through policy workshops, working groups, and regular consultations.

Customs and Border Control Authorities: To strengthen enforcement of ODS and HFC import/export controls, customs officers will participate in specialized training and receive guidance on monitoring and compliance protocols.

Private Sector and Industry Associations: Key partners in the refrigeration and air-conditioning (RAC) sectors will be engaged to adopt and transition to low-GWP alternatives. Industry associations will be involved in awareness campaigns, and targeted workshops will be organized to address industry-specific challenges in adopting climate-friendly technologies.

Public and Environmental NGOs: NGOs will participate in advocacy and awareness-raising activities to increase public understanding of sustainable cooling practices and the importance of phasing down high-GWP refrigerants.

The primary beneficiaries include the NOU, industries, customs officials, national government, local government and the Ministry of Environment/Environmental Management Agency. To ensure ongoing engagement, the project will hold regular stakeholder forums, industry workshops, and targeted training sessions tailored to each group's role in implementing phase-out activities. Communication channels will be established to provide these groups with continuous updates and resources for compliance with Montreal Protocol goals.

South-South and Triangular Cooperation (SSC/TrC)[3]

The project will leverage South-South and Triangular Cooperation to enhance Indonesia's capacity to meet its Montreal Protocol obligations by fostering knowledge exchange and collaboration with other Article 5 countries. Through

[2] A Sub Directorate under the Assistant Deputy of Climate Change Mitigation and Carbon Governance, Ministry of Environment/Environmental Management Agency focusing on the Ozone Layer Protection program in the country.

[3] Please see Considerations for South-South and Triangular Cooperation Design, Implementation, and Documentation.

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SSC/TrC, Indonesia can share its experiences in policy development, regulatory enforcement, and industry transformation related to ODS phase-out and HFC phasedown, while also learning from best practices in countries facing similar challenges. This cooperation will include participation in Conference of the Parties to the Vienna Convention and Meeting of the Parties to the Montreal Protocol, other regional workshops, joint studies, and bilateral engagements, creating opportunities for Indonesia to adopt proven strategies and innovative solutions that accelerate its transition to sustainable cooling technologies.

Digital Solutions[4]

This project will integrate digital solutions to improve data collection, reporting, and stakeholder engagement for the effective phase-out of ODS and phasedown of HFCs. Digital monitoring and reporting system will be used to streamline data on imports, consumption, and compliance, ensuring accurate, real-time information that supports regulatory enforcement and timely reporting to the Montreal Protocol. Additionally, digital outreach platforms will be used to raise awareness among industries and the public, providing accessible information on sustainable practices and regulatory updates.

Knowledge

To promote awareness and facilitate knowledge sharing, the project will produce knowledge and media products to illustrate the environmental and economic benefits of ODS and HFC reduction, as well as best practices for ODS phase-out and HFC phasedown in Indonesia and on the new technology of the ODS and HFCs alternatives. The project will also ensure that lessons learned and best practices are easily accessible to regional and global stakeholders though both online and offline channels, enhancing Indonesia's contribution to international knowledge-sharing in sustainable cooling practices.

Sustainability and Scaling Up

The project is designed with a strong commitment to leveraging relevant national systems to ensure sustainability and scalability of results. The project activities will be integrated into existing national frameworks, taking into account local structures and processes. The project aims to work closely with local stakeholders and authorities to facilitate a seamless handover of project activities. This will involve capacity building at the national level, ensuring that local entities are equipped to sustain and potentially scale up the achieved results. In terms of strengthening national capacities, the project includes targeted training programs and knowledge transfer initiatives. Regular monitoring and evaluation processes will be implemented to assess the progress of capacity building efforts and adjust strategies accordingly.

Contributions to United Nations Sustainable Development Cooperation Framework (UNSDCF), UNDP Country Programme Document (CPD), National Priorities and Sustainable Development Goals (SDGs)

[4] Please see the Guideline "Embedding Digital in Project Design".

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UNSDCF 2021-2025 Strategic Priority 3: Climate and Disaster Resilience. Outcome 3: Institutions, communities, and people actively apply and implement low carbon development, sustainable natural resources management, and disaster resilience approaches that are all gender sensitive.

UNDP Indonesia CPD Output 2.3. Low emission and climate-resilient objectives addressed in development plans and policies to promote economic diversification and green growth (UNDP Strategic Plan Output 2.1.1)

Indonesia National Priorities: The Institutional Strengthening for the Phase out of Ozone Depleting Substances (ODS) and Hydrofluorocarbons (HFCs) will address, specifically the national priorities are described in 2 (two) groups of policies, i.e. (1) enhancing disaster resilience and climate change, and (2) implementing low carbon development. Based on the Montreal Protocol and its amendments, the Institutional Strengthening project is encouraging the Government of Indonesia (through the MoE) to invite the community to jointly protect the Ozone Layer by reducing and phasing out Ozone Depleting Substances (ODS) and phasing down Hydrofluorocarbon (HFC). It promotes the use of products and refrigerants that do not contain Ozone Depleting Potential (ODP) and low Global Warming Potential (GWP). Along with UNDP, the Government of Indonesia provides technical support, policy interventions, capacity building and awareness to strengthen the institution to implement ozone and climate-friendly substances and energy-efficient technologies. The protection of the ozone layer is in line with Indonesia's priorities and endeavours to reduce greenhouse gas emissions (GHG) and mitigate climate change, which are also among the national priorities. Indonesia is committed to reduce its emissions by 31.89 percent by 2030 (unconditional) and 43.20 percent (conditional scenarios) with international support. By protecting the ozone layer, Indonesia will be able to protect the people from the harmful effects of ultraviolet radiation, such as skin cancer, cataracts, and immune system disorders.

The project contributes to several **Sustainable Development Goals (SDGs)**, including (a) SDG 13 – The Montreal Protocol has been a significant effort to combat climate change. The phase-out of most ODS has led to the regeneration of the ozone layer and significant reductions in GHG emissions. Especially, SDG 13.3.1 Institutional Strengthening of the Montreal Protocol helps to improve education, awareness-raising and institutional capacity on climate change mitigation and (b) SDG17 – The Montreal Protocol is an example of how partnership is essential to achieving sustainable development. The Multilateral Fund for the Implementation of the Montreal Protocol has provided more than $4 billion to developing countries to help them meet their commitments under the Protocol.

IV. PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

The project's strategy has been designed to maximize impact and cost-effectiveness by focusing on institutional strengthening and leveraging partnerships and best practices. Drawing on the Theory of Change, the strategy prioritizes targeted financial and technical support for Indonesia's National Ozone Unit (NOU), which will allow the project to achieve sustainable outcomes with a streamlined approach. By focusing on regulatory improvements, capacity-building, and data-driven monitoring systems, the project will enhance Indonesia's compliance capacity without duplicating efforts or resources.

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A portfolio management approach will further improve efficiency by coordinating activities with related environmental and climate initiatives, enabling the NOU to benefit from existing infrastructure, expertise, and funding mechanisms. This approach not only reduces operational costs but also fosters continuous learning and adaptation as lessons from concurrent projects are incorporated into implementation strategies.

Additionally, the project will explore joint operations with partners, particularly in areas like monitoring, data collection, and outreach, to reduce costs and strengthen enforcement capabilities. Collaborating with customs authorities, industry associations, and other government agencies will enable consistent data collection, and support a unified message in stakeholder engagement. By applying these strategies and building on lessons from similar initiatives in other Article 5 countries, the project ensures an efficient and effective pathway toward Indonesia's Montreal Protocol targets.

Project Management

The Institutional Strengthening Project will be implemented by the Ministry of Environment/ Environmental Management Agency under national implementation modality (NIM). It is operated primarily through Directorate Climate Change Mitigation) within the Deputy of Climate Change and Carbon Governance, Ministry of Environment/Environmental Management Agency in Jakarta, which will coordinate Ozone Depleting Substances (ODS) and Hydrofluorocarbons (HFC) control nationwide. The NOU[5]'s office infrastructure will be used for central operations, with dedicated logistical and technical support from the UNDP Country Office in Jakarta.

To strengthen the preparation, implementation, monitoring and evaluation, the project will be under the collaboration of UNDP. To ensure efficient resource sharing, joint outreach campaigns, and unified training initiatives, optimizing costs and leveraging synergies, the project works closely with other relevant projects that are coordinated by UNDP and Kigali Implementation Plan (KIP). Standard UNDP audit protocols will apply to ensure compliance and transparency in financial management. Direct project costs will be managed according to UNDP's policies.

[5] Office under the management of the Directorate of Climate Change Mitigation, Ministry of Environment/Environmental Management Agency

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V. RESULTS FRAMEWORK[6]

Intended Outcome as stated in the UNSDCF/Country [or Regional] Programme Results and Resource Framework:
UNSDCF Output 3.1. Resilience to climate change and disasters and reduced greenhouse gas emissions.

Outcome indicators as stated in the Country Programme [or Regional] Results and Resources Framework, including baseline and targets:
UNDP CPD Outcome 3: Institutions, communities and people actively apply and implement low carbon development, sustainable natural resources management and disaster resilience approaches that are all gender sensitive.

Applicable Output(s) from the UNDP Strategic Plan: : Capacity of government to meet its obligations under international environmental conventions and protocols timely and adequately is strengthened.

Project title and Quantum Project Number: Institutional Strengthening for the Implementation of Montreal Protocol in Indonesia

EXPECTED OUTPUTS	OUTPUT INDICATORS[7]	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)				DATA COLLECTION METHODS & RISKS
			Value	Year	Year 2025	Year 2026	Year 2027	FINAL	
Output 1 *Strengthening Institutional Capacity for the Implementation of the Montreal Protocol in Indonesia*	1.1. Adoption/implementation of legislation and regulation to control and monitor the imports and use of Montreal Protocol controlled substances	*HCFCs and HFCs national import allocations*	*2*	*2024*	*2*	*2*	*2*	6	*Web based report of HCFC and HFC national imports allocations* *Risk: There is a risk of political changes affecting regulatory processes*
	1.2. Accurate and timely data collection and reporting of consumption of all Montreal Protocol controlled substances	*Ozone Secretariat and MLF Secretariat*	*2*	*2024*	*2*	*2*	*2*	6	*Consumptions of ODS/HFC reported each year.* *Risk: There is a risk of delayed adoption of alternative technologies*
	1.3 Efficient coordination between national agencies/stakeholders to support the objectives of the Montreal Protocol	*Project Report*	*1*	*2024*	*1*	*1*	*1*	3	*Coordination meeting* *Risk: There is a risk of limited cooperation among key stakeholders*
	1.4 Supervision of timely implementation of HCFC phase out/HFC phase down activities and the resulting reduction in consumption of controlled substances	*Project Report*	*1*	*2024*	*2*	*2*	*2*	6	*Monitoring of HCFCs and HFCs consumption* *Risk: There is a risk of limited cooperation among key stakeholders*
	1.5 Promoting awareness raising and information exchange on relevant issues of the Montreal Protocol	*Project Report*	*2*	*2024*	*2*	*2*	*2*	6	Awareness and Ozone Day celebration report Risk: There is a risk of insufficient public awareness of project goals

[6] UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project.

[7] It is recommended that projects use output indicators from the Strategic Plan IRRF, as relevant, in addition to project-specific results indicators. Indicators should be disaggregated by sex or for other targeted groups where relevant.

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EXPECTED OUTPUTS	OUTPUT INDICATORS[7]	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)				DATA COLLECTION METHODS & RISKS
			Value	Year	Year 2025	Year 2026	Year 2027	FINAL	
	1.6 Regional cooperation and participation in Montreal Protocol meetings	*Project Report*	*2*	*2024*	*3*	*3*	*3*	9	Report on participation to OEWG, MOP and regional meeting Risk: There is a risk of climate or disaster-related disruption
	1.7: Integration of MLF gender policy in implementation of the Montreal Protocol	*Project Report*	*0*	*2024*	*1*	*1*	*1*	3	Number of women involved in the consultation series *Risk: There is a risk of limited cooperation among key stakeholders*

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VI. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans:
Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	- Monthly report (PP 10/2011 and UNDP) - Quarterly report (PP 39/2006, PP 10/2011 and UNDP) - Six Month Report (PP 10/2011 and UNDP) - Annual Report (PP 10/2011 and UNDP)	Slower than expected progress will be addressed by project management.	PMU, MOE, Bappenas	Included in IS budget
Monitor and Manage Risk	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Quarterly	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.	MOE and PMU	Included in IS budget
Learn	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.	MOE and PMU	Included in IS budget
Project Review (Project Board) **Project Quality Assurance** **Review and Make Course Corrections**	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	At least annually	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified. Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.	MOE, Bappenas, Ministry of Trade, Ministry of Industry, Ministry of Finance and PMU	Included in IS budget

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Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
	Internal review of data and evidence from all monitoring actions to inform decision making.		Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.		
Audit or Spot Check	Audits will be conducted in accordance with UNDP's audit policy to manage financial risks. Spot checks will be conducted in line with UNDP policy	Annually (as deemed necessary)	To address any gaps in financial management To address any gap in the delivery of AWP	UNDP to assign Public Accountant Office (KAP)	Included in IS budget

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VII. MULTI-YEAR WORK PLAN [8] [9]

Expected Output (Baseline, Indicators)	Planned Activities	Responsible Party	Quantum Account Code	Quantum Budget Description	Time Frame Q1	Q2	Q3	Q4	Quantum budget 2025 (US$)	Quantum budget 2026 (US$)	Quantum budget 2027 (US$)	Total	Budget Notes
	1.1. Adoption/ implementation of legislation and regulation to control and monitor the imports and use of Montreal Protocol controlled substances	MoE	71600	Travel	X	X	X	X	5.000	5.000	5.000	15.000	
			75700	Training, Workshops	X	X	X	X	22.000	22.000	22.000	66.000	
	Total Activity 1.1								**27.000**	**27.000**	**27.000**	**81.000**	
	1.2. Accurate and timely data collection and reporting of consumption of all Montreal Protocol controlled substances	MoE	72100	Contractual Service - Companies	X	X	X	X	10.000	10.000	10.000	30.000	
			75700	Training, Workshops	X	X	X	X	14.000	14.000	14.000	42.000	
	Total Activity 1.2								**24.000**	**24.000**	**24.000**	**72.000**	
	1.3 Efficient coordination between national agencies/stakeholders to support the objectives of the Montreal Protocol	MoE	71600	Travel	X	X	X	X	5.000	5.000	5.000	15.000	
			72100	Contractual Services - Companies	X	X	X	X	5.000	5.000	5.000	15.000	
			75700	Training, Workshops	X	X	X	X	25.000	25.000	25.000	75.000	
	Total Activity 1.3								**35.000**	**35.000**	**35.000**	**105.000**	
	1.4 Supervision of timely implementation of HCFC phase out/HFC phase down activities and the resulting reduction in consumption of controlled substances		71600	Travel	X	X	X	X	15.000	15.000	15.000	45.000	
			75700	Training, Workshops	X	X	X	X	10.000	10.000	10.000	30.000	
	Total Activity 1.4								**25.000**	**25.000**	**25.000**	**75.000**	
	1.5 Promoting awareness raising and information exchange on relevant issues of the Montreal Protocol	MoE	72100	Contractual Services - Companies	X	X	X	X	25.000	30.000	30.000	85.000	
			75700	Training, Workshops	X	X	X	X	5.000	5.000	5.000	15.000	
	Total Activity 1.5								**30.000**	**35.000**	**35.000**	**100.000**	
	1.6 Regional cooperation and participation in Montreal Protocol meetings	MoE	71600	Travel	X	X	X	X	20.000	20.000	20.000	60.000	
	Total Activity 1.6								**20.000**	**20.000**	**20.000**	**60.000**	

[8] Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32

[9] Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

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	1.7: Integration of MLF gender policy in implementation of the Montreal Protocol	MoE	71300	Local Consultants	X	X	X	X	5.000	-	-	5.000	
			75700	Training, Workshops	X	X	X	X	-	5.000	5.000	10.000	
	Total Activity 1.7								**5.000**	**5.000**	**5.000**	**15.000**	
Monitoring and Evaluation (M&E)	M&E	**MoE**	75700	Workshops and Confer	X	X	X	X	2.000	2.000	2.000	6.000	
		UNDP	71200	International Consultants			X		-	-	8.000	8.000	
		UNDP	74100	Prof. Services Audit	X	X	X	X	5.000	5.000	5.000	15.000	
									7.000	**7.000**	**15.000**	**29.000**	
Project Management Cost (PMC)	PMC	**MoE**	71800	Contractual Services - Imp Partner	X	X	X	X	45.000	45.000	45.000	135.000	
			71600	Travel	X	X	X	X	3.693	4.000	4.000	11.693	
			72500	Supplies	X	X	X	X	4.000	4.000	4.000	12.000	
			72800	Information Technology Equipment	X	X	X	X	8.000	-	-	8.000	
			74500	Miscellaneous Expenses	X	X	X	X	2.000	2.000	2.000	6.000	
			75700	Training, Workshops	X	X	X	X	3.000	3.000	3.000	9.000	
	Total PMC								**65.693**	**58.000**	**58.000**	**181.693**	
	Total Budget								**238.693**	**236.000**	**244.000**	**718.693**	

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VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

The Institutional Strengthening Project Management Unit (IS-PMU) organization structure will be to support (strengthen) the role of the Ministry of Environment/Environmental Management Agency in carrying out the technical activities required for the project implementation. The PMU will consist of a dedicated team of a National Project Manager (NPM), Associates/ 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/ Audits are facilitated.

The PMU will continue to be facilitated by UNDP and placed within the physical structure of MOE, directly supporting the National Ozone Officer (NOO) in the implementation activities. It will ensure close coordination of activities to assure the proper reporting lines and deployment of joint activities. The works undertaken by inter alia include:

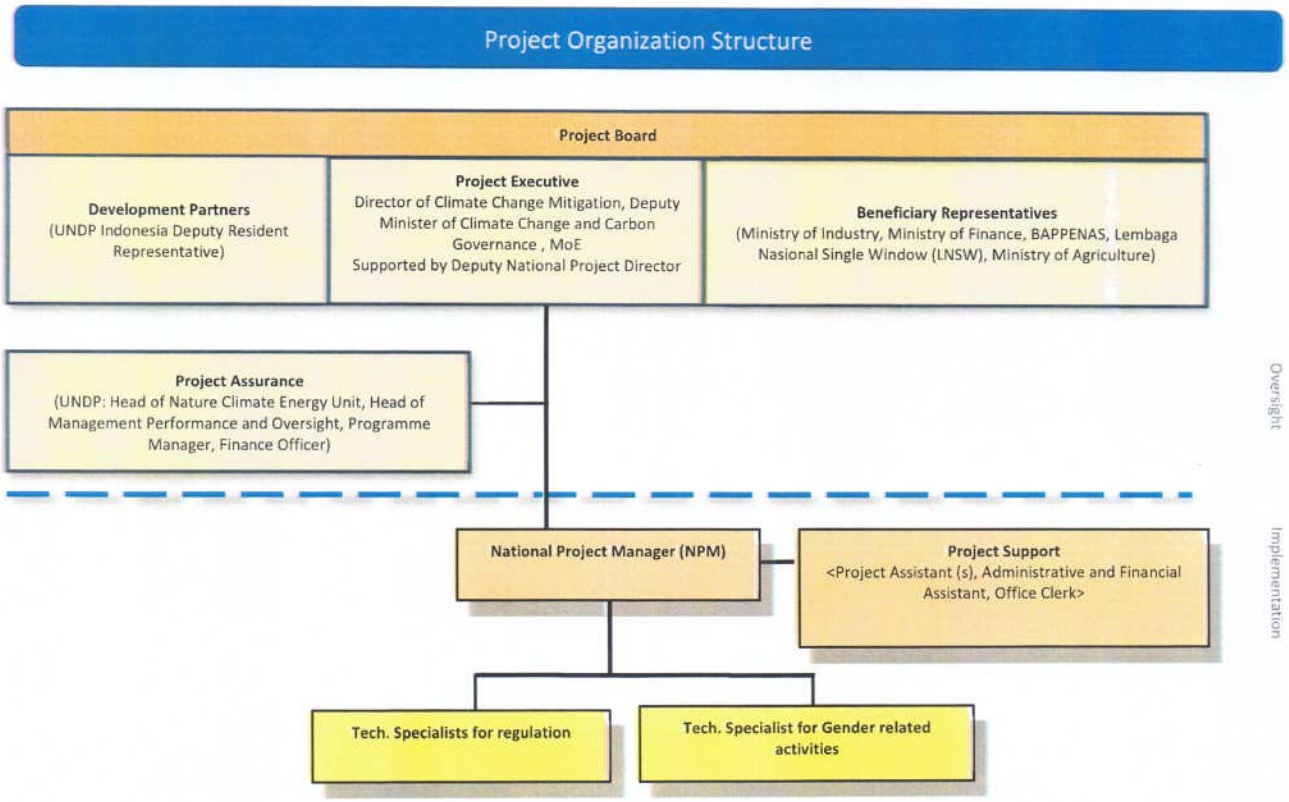
- Carry on the relevant execution follow ups through physical on-site visits.
- Manage the implementation of subprojects, technical assistance and other activities.
- Organize missions, meetings and technical visits to project partners, stakeholders and beneficiaries.
- Prepare periodic reports and report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

Institutional Arrangements

The National Ozone Unit (NOU) of Indonesia is housed by the Ministry of Environment/Environmental Management Agency (MOE), within the administration of the Director of Climate Change Mitigation, under the management of 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.

A Project Board (Project Steering Committee) will be established that consists of multi-stakeholders to serve to review performance based on established monitoring and evaluation metrics and high-level implementation issues to ensure quality delivery of results.

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Project Board

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") will follow the specific Terms of Reference (TORs).

The composition of the Project Board includes individuals assigned to the following roles:

1. **Project Executive:** This is an individual who represents ownership of the project and chair (or co-chairs) the Project Board. The Executive is the Director of Climate Change Mitigation, Deputy of Climate Change and Carbon Governance, Ministry of Environment/Environmental Management Agency. For this project, two individuals will co-share the Project Board to represent Ministry of Environment/ Environmental Management Agency and UNDP.
2. **Beneficiary Representatives:** Ministry of Industry, Ministry of Finance, BAPPENAS, Lembaga Nasional Single Window, Ministry of Agriculture.
3. **Project Assurance** will be conducted by UNDP, i.e. Head of Nature Climate Energy Unit, Head of Management Performance and Oversight, Programme Manager, Finance Officer.
4. **National Project Manager (NPM) and Project Support** consisting of Project Assistant(s), Administrative and Financial Assistant, and Office Clerk.

Beneficiary Representative(s):

Their primary function within the board is to ensure the realization of project results from the perspective of project beneficiaries.

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Development Partner:

UNDP Indonesia Deputy Resident Representative (DRR). UNDP is accountable to the Multilateral Fund Secretariat for the implementation of this project. This includes overseeing project execution undertaken by the Implementing Partner to ensure that the project is being carried out in accordance with UNDP policies and procedures and the standards and provisions outlined in the Delegation of Authority (DOA) letter for this project. The UNDP, in consultation with UNDP Bureaus and the Implementing Partner, retains the right to revoke the project DOA, suspend or cancel this project. UNDP is responsible for the Project Assurance function in the project governance structure and presents to the Project Board and attends Project Board meetings as a non-voting member. UNDP will ensure annual work plan, delivery results, project monitoring and evaluation, oversight activities in the system, and reporting.

Implementation modality:

The project will be implemented following UNDP's Assisted National Implementation Modality (Assistance to NIM). 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 will be observed. Adherence to the UNDP's Policies and Regulations will be assured through PMU.

Implementing Partner (IP):

The Implementing Partner for this project is Ministry of Environment/ Environmental Management Agency (MoE). The Director of Climate Change Mitigation is the National Project Director (NPD). The IP is the entity to which the UNDP Administrator has entrusted the implementation of UNDP assistance specified in this signed project document along with the assumption of full responsibility and accountability for the effective use of the project resources and the delivery of outputs, as set forth in this document. The Implementing Partner is responsible for executing this project. The IP's specific tasks include:

- Project planning, coordination, management, monitoring, evaluation and reporting. This includes providing all required information and data necessary for timely, comprehensive and evidence-based project reporting, including results and financial data, as necessary. The Implementing Partner will strive to ensure project-level M&E is undertaken by national institutes and is aligned with national systems so that the data used and generated by the project supports national systems.
- Overseeing the management of project risks as included in this project document and new risks that may emerge during project implementation.
- Procurement of goods and services, including human resources.
- Financial management, including overseeing financial expenditures against project budgets.
- Approving and signing the multiyear workplan.
- Approving and signing the combined delivery report at the end of the year; and,
- Signing the financial report or the funding authorization and certificate of expenditures.
- The implementing partner will provide the following in-kind contribution:
    - Assist in gaining access to all relevant data and information required for the project that is accessible for public viewing;

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- Office space (i.e. room/workspace) for the Project team, consultants and experts;
- Use of office support facilities by the Project team, consultants and experts (e.g. fax machine, stationary, photocopy machine, telephone), and secretarial support where applicable;
- Facilities for convening meetings, workshops and seminars.

Responsible Party:

The main Responsible Party is similar to the Implementing Partner. As requested by the Implementing Partner, Ministry of Environment is responsible for providing implementation and technical support services as outlined in the Letter of Agreement (LOA) signed between UNDP and MoE, which include but are not limited to:

- Identification and recruitment of project personnel;
- Procurement of goods and services;
- Identification of training activities and assistance in carrying them out.

Relevant stakeholders are engaged, anytime, to assist the implementation of specific activities, outcomes or components of the project, and there can be related as governmental departments, chamber of commerce, industry associations and non government organizations (NGOs) regarding environment management, public health, metrological verification, policy and standard, etc. If engage, they will also be responsible for providing technical support and consultations to facilitate project implementation and decision making of governance and management.

Project Management Unit (PMU):

The PMU will be established, with operational support from UNDP, and placed within the structure of the IP to provide direct assistance to the National Ozone Officer (NOO) the technical and administrative capacities required to execute the project and support the IP to fulfil its project execution responsibilities. It will ensure close coordination of activities to assure the proper reporting lines and deployment of joint activities. The works undertaken by inter alia include:

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

The National Project Manager (NPM) is the senior most representative of the Project Management Unit (PMU) and is responsible for the overall day-to-day management of the project on behalf of the Implementing Partner, including the mobilization of all project inputs, supervision over project staff, responsible parties, consultants and sub-contractors.

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The project manager typically presents key deliverables and documents to the board for their review and approval, including progress reports, annual work plans, adjustments to tolerance levels and risk registers.

Handover of Goods and Services (or Berita Acara Serah Terima – BAST)

With respect to the Government of Indonesia's reporting procedures on grant realization, UNDP shall prepare the Minutes of Handover of Goods and Services (Berita Acara Serah Terima – BAST) to be signed jointly by UNDP and the Implementing Partner's Proxy Budget User (Kuasa Pengguna Anggaran – KPA). This will be submitted by the Implementing Partner to the Directorate General of Budget Financing and Risk Management (Direktorat Jenderal Pengelolaan Pembiayaan dan Risiko – DJPPR) and the State Treasury Service Office (Kantor Pelayanan Perbendaharaan Negara – KPPN) under the Directorate General of Treasury (Direktorat Jenderal Perbendaharaan) of the Ministry of Finance.

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IX. LEGAL CONTEXT

The project document shall be the instrument envisaged and defined in the Supplemental Provisions to the Project Document, attached hereto and forming an integral part hereof, as "the Project Document".

This project will be implemented by the Ministry of Environment/ Environmental Management Agency ("Implementing Partner") in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

X. RISK MANAGEMENT

Government Entity: National Implementation Modality (NIM)

1. Consistent with the Supplemental Provisions to the Project Document, the responsibility for the safety and security of the Implementing Partner and its personnel and property, and of UNDP's property in the Implementing Partner's custody, rests with the Implementing Partner. To this end, the Implementing Partner shall:
   a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
   b) assume all risks and liabilities related to the Implementing Partner's security, and the full implementation of the security plan.

2. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the Implementing Partner's obligations under this Project Document.

3. The Implementing Partner agrees to undertake all reasonable efforts to ensure that no UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism, that the recipients of any amounts provided by UNDP hereunder do not appear on the United Nations Security Council Consolidated Sanctions List, and that no UNDP funds received pursuant to the Project Document are used for money laundering activities. The United Nations Security Council Consolidated Sanctions List can be accessed via https://www.un.org/securitycouncil/content/un-sc-consolidated-list.

4. The Implementing Partner acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the Implementing Partner, and each of its responsible parties, their respective sub-recipients and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.
(a) In the implementation of the activities under this Project Document, the Implementing Partner, and each of its sub-parties referred to above, shall comply with the standards of conduct set forth in the Secretary General's Bulletin

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ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse" ("SEA").

(b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, the Implementing Partner, and each of its sub-parties referred to above, shall not engage in any form of sexual harassment ("SH"). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an intimidating, hostile or offensive work environment. SH may occur in the workplace or in connection with work. While typically involving a pattern of conduct, SH may take the form of a single incident. In assessing the reasonableness of expectations or perceptions, the perspective of the person who is the target of the conduct shall be considered.

5. a) In the performance of the activities under this Project Document, the Implementing Partner shall (with respect to its own activities), and shall require from its sub-parties referred to in paragraph 4 (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, the Implementing Partner will and will require that such sub-parties will take all appropriate measures to:

i. Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;

ii. Offer employees and associated personnel training on prevention and response to SH and SEA, where the Implementing Partner and its sub-parties referred to in paragraph 4 have not put in place its own training regarding the prevention of SH and SEA, the Implementing Partner and its sub-parties may use the training material available at UNDP;

iii. Report and monitor allegations of SH and SEA of which the Implementing Partner and its sub-parties referred to in paragraph 4 have been informed or have otherwise become aware, and status thereof;

iv. Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and

v. Promptly and confidentially record and investigate any allegations credible enough to warrant an investigation of SH or SEA. The Implementing Partner shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties referred to in paragraph 4 with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the Implementing Partner shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.

b) The Implementing Partner shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the Implementing

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Partner, and each of its sub-parties referred to in paragraph 4, to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.

6. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (http://www.undp.org/ses) and related Accountability Mechanism (http://www.undp.org/secu-srm).

7. The Implementing Partner shall: (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 Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.

8. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

9. The Implementing Partner will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, responsible parties, subcontractors and sub-recipients in implementing the project or using UNDP funds.

10. In the implementation of the activities under this Project Document, UNDP places reasonable reliance upon the Implementing Partner for it to apply its laws, regulations and processes, and applicable international laws regarding anti money laundering and countering the financing of terrorism, to ensure consistency with the principles of then in force the UNDP Anti-Money Laundering and Countering the Financing of Terrorism Policy.

11. The Implementing Partner will ensure that its financial management, anti-corruption, anti-fraud and anti money laundering and countering the financing of terrorism policies are in place and enforced for all funding received from or through UNDP.

12. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to the Implementing Partner: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. The Implementing Partner agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.

13. In the event that an investigation is required, UNDP has the obligation to conduct investigations relating to any aspect of UNDP projects and programmes in accordance with UNDP's regulations, rules, policies and procedures. The Implementing Partner shall provide its full cooperation, including making available personnel, relevant documentation, and granting access to the Implementing Partner's (and its consultants', responsible parties', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as

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may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with the Implementing Partner to find a solution.

14. The signatories to this Project Document will promptly inform one another in case of any incidence of inappropriate use of funds, credible allegation of fraud or corruption or other financial irregularities with due confidentiality.

Where the Implementing Partner becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, the Implementing Partner will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). The Implementing Partner shall provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

15. UNDP shall be entitled to a refund from the Implementing Partner of any funds provided that have been used inappropriately, including through fraud, corruption or other financial irregularity, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the Implementing Partner under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail the Implementing Partner's obligations under this Project Document.

Where such funds have not been refunded to UNDP, the Implementing Partner agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to the Implementing Partner for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud, corruption or other financial irregularity, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors, and sub-recipients.

16. Each contract issued by the Implementing Partner in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from the Implementing Partner shall cooperate with any and all investigations and post-payment audits.

17. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.

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18. The Implementing Partner shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to each responsible party, subcontractor and sub-recipient and that all the clauses under this section entitled "Risk Management Standard Clauses" are included, *mutatis mutandis*, in all sub-contracts or sub-agreements entered into further to this Project Document.

XI. ANNEXES

1. **Project Quality Assurance Report**

2. **Social and Environmental Screening Template** [English], including additional Social and Environmental Assessments or Management Plans as relevant. *(NOTE: The SES Screening is not required for projects in which UNDP is Administrative Agent only and/or projects comprised solely of reports, coordination of events, trainings, workshops, meetings, conferences, preparation of communication materials, strengthening capacities of partners to participate in international negotiations and conferences, partnership coordination and management of networks, or global/regional projects with no country level activities).*

3. **Risk Analysis**. Use the standard Risk Register template. Please refer to the Deliverable Description of the Risk Register for instructions

4. **Capacity Assessment:** Results of capacity assessments of Implementing Partner (including Partner Capacity Assessment Tool (PCAT) and HACT Micro Assessment)

5. **Project Board Terms of Reference and TORs of key management positions.** The standard Project Board TOR can be found here.

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ANNEX 3: OFFLINE PROJECT RISK REGISTER TEMPLATE

Project Title: Institutional Strengthening for the Implementation of Montreal Protocol in Indonesia	**Project Number: 01003636**	**Date: 25-Oct-24**

#	Event	Cause	Impact(s)	Risk Category and Sub-category *(including Risk Appetite)*	Impact, Likelihood & Risk Level	Risk Valid From/To	Risk Owner *(individual/ team accountable for managing the risk)*	Risk Treatment and Treatment Owner
1	There is a risk of political changes affecting regulatory processes	As a result of government restructuring on the institutions/ structures, mandates and priorities	Which will impact in timely adoption of policies that are relevant to ODS phase-out and HFC phasedown	**7. STRATEGIC (7.6. Change/turnover in government) - UNDP Risk Appetite: OPEN TO SEEKING**	Likelihood: **3 - Moderately likely** Impact: **4 - Extensive** Risk level: **MODERATE (equates to a risk appetite of EXPLORATORY)**	From: 31-Mar-25 To: 31-Dec-27	• NPD/DNPD • NPM • Programme Manager	Risk Treatment 1.1: Maintain close collaboration with key government bodies to secure policy continuity. Risk Treatment Owner: UNDP Country Office
2	There is a risk of limited cooperation among key stakeholders	As a result of varying levels of engagement from industrial and governmental stakeholders	Which will impact in timely compliance with phase-out and phasedown targests	**7. STRATEGIC (7.3. Stakeholder relations and partnerships) - UNDP Risk Appetite: OPEN TO SEEKING**	Likelihood: **2 - Low likelihood** Impact: **3 - Intermediate** Risk level: **LOW (equates to a risk appetite of CAUTIOUS)**	From: 31-Mar-25 To: 31-Dec -27	• NPD/DNPD • NPM • Programme Manager	Risk Treatment 2.1: Conduct regular stakeholder forums to ensure ongoing coordination and involvement. Risk Treatment Owner: NPD/DNPD, NPM

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#	Event	Cause	Impact(s)	Risk Category and Sub-category *(including Risk Appetite)*	Impact, Likelihood & Risk Level	Risk Valid From/To	Risk Owner *(individual/ team accountable for managing the risk)*	Risk Treatment and Treatment Owner
3	There is a risk of delayed adoption of alternative technologies	As a result of limited local availability of low-GWP alternatives	Slow phase-out in key sectors such as refrigeration and air-conditioning, delaying overall Montreal Protocol targets	**7. STRATEGIC (7.8. Innovating, piloting, experimenting) - UNDP Risk Appetite: OPEN TO SEEKING**	Likelihood: **2 - Low likelihood** Impact: **3 - Intermediate** Risk level: **MODERATE (equates to a risk appetite of EXPLORATORY)**	From: 31-Mar-25 To: 31-Dec-27	NPD/DNPD NPM	Risk Treatment 3.1: Hold periodic consultations with industry leaders and technology providers to closely monitor the technology adoption. Risk Treatment Owner: NOU
4	There is a risk of climate or disaster-related disruption	As a result of natural hazards (e.g. flooding, earthquakes, storms) affecting project implementation	Which will impact in project implementation and operation	**1. SOCIAL AND ENVIRONMENTAL (1.5. Climate change and disaster risks) - UNDP Risk Appetite: CAUTIOUS**	Likelihood: **2 - Low likelihood** Impact: **3 - Intermediate** Risk level: **LOW (equates to a risk appetite of CAUTIOUS)**	From: 31-Mar-25 To: 31-Dec-27	NPD/DNPD NPMNP Programme Manager	Risk Treatment 4.1: Follow UNDP disaster response and continuity policies, including remote working capabilities and alternate site. Risk Treatment Owner: UNDP Country Office, NOU
5	There is a risk of insufficient public awareness of project goals	As a result of limited outreach and public engagement capacity	Which will impact in reduced support for phase-out and phasedown activities	**5. REPUTATIONAL (5.4. Communications) - UNDP Risk Appetite: CAUTIOUS**	Likelihood: **2 - Low likelihood** Impact: **2 - Minor** Risk level: **LOW (equates to a risk appetite of MINIMAL)**	From: 31-Mar-25 To: 31-Dec-27	NPD/DNPD NPM	Risk Treatment 5.1: Conduct digital and community-based awareness campaigns. Risk Treatment Owner: NOU

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ANNEX 7: DOA and IS XIV submitted proposal

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