



COP10/MOP26 HIGHLIGHTS: TUESDAY, 18 NOVEMBER 2014

The Preparatory Segment of the Vienna Convention (VC) COP10 and Montreal Protocol (MP) MOP26 continued on Tuesday, 18 November 2014, in Paris, France. In the morning, delegates heard progress reports on discussions in the contact groups on the MLF Replenishment, CUE nominations and monitoring of trade. Delegates also resumed their deliberations on the releases, breakdown products and opportunities for reduction of ODS.

In the morning and afternoon, delegates addressed the final Report by the TEAP on ODS Alternatives. The afternoon plenary session saw delegates discuss proposed amendments to the Protocol.

The Budget Committee and the contact groups on the MLF replenishment, CUE nominations and monitoring of trade also met during the day.

STATUS OF CONTACT GROUP DISCUSSIONS

Co-Chair McInerney invited contact group Co-Chairs to report on progress.

Agustín Sánchez (Mexico), Donnalyn Charles (Saint Lucia) and Leslie Smith (Grenada) reported that additional time was needed to advance discussions in contact groups on MLF Replenishment, CUE nominations, and monitoring of trade, respectively.

MONTREAL PROTOCOL ISSUES

RELEASES, BREAKDOWN PRODUCTS AND OPPORTUNITIES FOR REDUCTION OF RELEASES OF ODS: Delegates resumed consideration of this issue in the morning plenary session. Co-Chair Mwendandu proposed establishing a contact group on draft decision XXVI/[H] (Releases of halogenated substances from production, including co- or by-production, and opportunities for the reduction of releases), and invited the EU and India to consult with the Co-Chairs on draft decision XXVI/[I] (Breakdown products and their effects). The EU welcomed this way forward, noting that emissions had been addressed under the MP before, and feedstocks, while in exempted uses, fall under the MP. INDIA reiterated his opposition to forming a contact group on issues that do not fall under the MP, such as co- and by-production.

On draft decision XXVI/[I], Co-Chair Mwendandu proposed the EU resubmit it when more information is available.

On decision XXVI/[H], Co-Chair Mwendandu said a majority of parties had expressed an interest in discussing it in a contact group, proposing that India's objection be recorded. INDIA

sought clarification on whether a contact group could be formed in the absence of consensus. The Secretariat supported the Co-Chair's ruling, explaining that the decision was a procedural one and noting that "consensus does not mean unanimity." INDIA cautioned against establishing precedent and, supported by PAKISTAN, SAUDI ARABIA, KUWAIT, IRAQ and EGYPT, emphasized a lack of consensus on contact group formation. JORDAN opposed establishing a contact group.

CANADA, with SWITZERLAND and CAMEROON, noted that failure to form a contact group due to lack of consensus on an issue is a "recent development" under the MP. Supporting this, CHINA observed that consensus "does not simply mean agreement of all." He queried whether the issue was on the agenda, but urged that discussions continue "to preserve the spirit of the ozone family." The US noted that a contact group is a way to build consensus.

Co-Chair Mwendandu announced that the Co-Chairs, India, the EU and other interested parties will consult informally on the way forward. The EU requested that the initial ruling by the Co-Chair to establish a contact group that was subsequently "undone" be recorded in the report of the meeting.

ISSUES RELATED TO ALTERNATIVES TO ODS:

Final Report by the TEAP on ODS Alternatives: Co-Chair McInerney introduced this item, informing delegates that the report is an updated and finalized version of the one presented to OEWG34. Various TEAP members outlined how the scenarios had been developed, in particular considerations and findings for the RAC, foam, MDIs and civil aviation sectors. TEAP TOC Co-Chair Dan Verdonik summarized the key findings: information on available alternatives continues to evolve; RAC is the dominant sector in terms of consumption under a business-as-usual (BAU) scenario; and it has been possible to identify plausible measures that support two mitigation scenarios beyond the BAU assumptions.

In response to questions from parties, the panel explained that, among others: it is difficult to predict transition in extruded polystyrene because many of the larger "players" have not yet decided on technology changes; assessing appropriate technologies for RAC in high ambient temperature environments remains a significant challenge; the TEAP used a 52°C ceiling for its high ambient temperature assumptions; CO2 is not yet feasible as a coolant for high ambient temperature regions because of energy efficiency concerns; and the costs of alternatives in RAC over a life cycle are difficult to predict because they are dependent on how industry and consumers adopt alternative technologies.



Opening the floor to discuss further action on the report, the US, supported by AUSTRALIA, CANADA, the EU and NEW ZEALAND, said that it had submitted a draft CRP requesting the TEAP, *inter alia*, to assess the technical and economic considerations of implementing a global phase-down of HFCs, and to investigate deploying climate-friendly alternatives in areas with high ambient temperatures. SAUDI ARABIA, with BAHRAIN, INDIA, IRAQ, JORDAN, KUWAIT and OMAN, opposed the CRP, with SAUDI ARABIA adding that assessments regarding HFCs do not fall within the ambit of the MP.

Noting that many parties acknowledged that there are gaps in information, Co-Chair McInerney proposed establishing a contact group so that parties could formulate a CRP instructing the TEAP to fill the information gaps identified, while not necessarily considering the US proposal. Delegates agreed.

Information Submitted by Parties on their Implementation of Paragraph 9 of Decision XIX/6 to Promote a Transition from ODS that Minimizes Environmental Impact: Co-Chair McInerney introduced this agenda item (UNEP/OzL.Pro.26/9, UNEP/OzL.Pro.WG.1/34/INF/4, Add.1 and Add.2), noting that the documents detail submissions by parties on promoting the transition from ODS that minimize environmental impact.

The EU said the information submitted helped parties to see what action is being taken on high-GWP alternatives. He said that this information is relevant to a number of other agenda items that have been discussed and should not be discussed in isolation.

PROPOSED AMENDMENTS TO THE MONTREAL PROTOCOL: In the afternoon plenary session, Co-Chair McInerney invited the amendments' proponents to present their proposals. CANADA introduced the North American proposal (UNEP/OzL.Pro.26/5). Noting regulatory actions and high-level statements by a number of countries signaling a willingness to consider HFCs' phase-down, she stressed that a patchwork of domestic measures will not be enough to prompt the development of alternatives to HFCs. She urged parties to agree to establish a contact group.

The FSM introduced its proposal (UNEP/OzL.Pro.26/6), co-sponsored by the Maldives, arguing that there is a growing consensus on the need to phase-down HFC production and consumption because of their negative climate impact. He urged establishing a contact group as a signal that would set in motion "the next big wave of investment" in innovating HFCs alternatives. The MALDIVES underscored that the MP is a suitable and competent body to address HFCs.

KUWAIT, with SAUDI ARABIA, reported that the Cooperation Council for the Arab States of the Gulf (GCC) is opposing the creation of a contact group on the HFCs' phase-down proposals since the issue falls under the ambit of the UNFCCC. LEBANON said that the current non-availability of viable HFC alternatives could not allow it to accept any MP amendment on the issue. PAKISTAN, BAHRAIN, OMAN, IRAN, JORDAN, VENEZUELA, IRAQ, MALAYSIA, INDONESIA, EGYPT and SUDAN said HFCs do not fall under the remit of the MP and should be discussed under the UNFCCC, opposing a contact group on the amendment proposals.

MEXICO, GEORGIA, COOK ISLANDS, JAPAN, SWITZERLAND, NIGERIA, FIJI, NEW ZEALAND, AUSTRALIA, GRENADA, SENEGAL, COLOMBIA, CAMEROON, BURINA FASO, MACEDONIA, TURKEY, DOMINICAN REPUBLIC, SAINT LUCIA, SOUTH AFRICA, BELARUS, TRINIDAD AND TOBAGO, the EU and the ENVIRONMENTAL INVESTIGATION AGENCY favored setting up a contact group. MEXICO described control of HFCs

under the MP as a "moral duty," as they had been introduced as alternatives to HCFCs. MAURITIUS supported discussing HFC phase-down proposals under the MP. COOK ISLANDS called for harmonization of "a global patchwork of regulations." JAPAN and the EU noted that HFCs are already being phased out domestically. SWITZERLAND urged parties to strengthen synergies with the UNFCCC and "send a strong message" as countries announce their pledges to the Green Climate Fund (GCF). REPUBLIC OF KOREA, "in principle," favored phasing down HFCs under the MP. BRAZIL suggested that the EU discussion paper was a good basis for discussion on HFCs. CHINA said it was open-minded on how to address HFCs.

SINGAPORE called for discussion of economically viable, technologically feasible and safe alternatives to HFCs, particularly in high-ambient-temperature countries with high urban density.

The US, supported by many, suggested that an informal group be formed to discuss a possible mandate for a contact group. The NATURAL RESOURCES DEFENSE COUNCIL pleaded for the MOP to find a solution to HFCs growth within the MP framework.

Chair McInerney suggested that delegates reflect on the afternoon's discussion and decide in the morning whether to support the US proposal on the way forward. SAUDI ARABIA said it could accept a general informal discussion, but not on one particular issue, and not in the context of an informal group.

CONSIDERATION OF THE MEMBERSHIP OF MONTREAL PROTOCOL BODIES FOR 2015: Co-Chair Mwendandu introduced this item, saying that parties must undertake internal consultations and submit their nominations to the Secretariat by Tuesday, 18 November 2014.

CONTACT GROUP ON MLF REPLENISHMENT

In the replenishment contact group, Article 5 countries questioned the TEAP estimates, saying the second phase of addressing HCFCs would have to deal mostly with SMEs, resulting in higher costs. Non-Article 5 countries pointed to insufficient data to establish that SMEs would be the main focus, and said sectoral and programmatic approaches could help reduce costs, as they did for the phase-out of CFCs.

IN THE CORRIDORS

The second day of the MOP began with delegates anticipating with some trepidation what one delegate called "the debate on whether to discuss whether to negotiate" on HFCs. Discussions on whether and how to consider the proposed amendments to the Protocol began after lunch but were not completed. "It's the usual suspects again," complained one seasoned negotiator. "We've been discussing the issue for six years now, and still no progress is being made even though alternatives to HFCs are available and already being used." As one delegate was heard noting, some HFC alternatives are even being manufactured in Article 5 countries.

While some delegates reiterated that HFCs should fall under the MP is parties' "moral duty" and favored a formal contact group, others kept insisting that HFCs fell under the ambit of the UNFCCC, not the MP, going as far as to prohibit discussion on other agenda items that might even mention HFCs. Even as proponents of the HFCs amendment proposals suggested establishing an informal group to discuss what a possible mandate for a contact group under the MP might look like, one frustrated delegate was heard pointing out, "it's like playing ping-pong with the UNFCCC."