

## MOP 28 HIGHLIGHTS: THURSDAY, 13 OCTOBER 2016

The penultimate day of MOP 28 took place on Thursday, 13 October 2016, in Kigali, Rwanda. The HLS opened in the morning, where delegates: heard opening statements; participated in a ministerial roundtable, 'Towards an Agreement on an HFC Amendment under the Montreal Protocol: Addressing the Remaining Issues'; heard presentations on the 2018 Assessment Reports from the Assessment Panels; and listened to statements from Heads of Delegation.

Informal consultations on HFCs took place throughout the day, with the HFC Management Contact Group convening in the late afternoon for further negotiation. Informal discussions on HCFC-related issues also took place.

Delegates attended a reception hosted by the Government of Rwanda in the evening.

### HIGH-LEVEL PLENARY SEGMENT

Acting MOP 27 President Lucie Desforges (Canada) opened the HLS, welcoming UN Environment Programme (UNEP) Executive Director, Erik Solheim, and President of Rwanda, Paul Kagame, to the ozone family. She emphasized the time has come to deliver on the Dubai pathway and reach an agreement that works for all.

Solheim called on delegates to draw inspiration from the Montreal Protocol's history, reminding delegates the Protocol is the world's most successful environmental agreement and stressing that no one nation can address HFCs on its own. He urged delegates to be flexible but ambitious.

President Kagame urged delegates to be ambitious and not only seek to "get an amendment done," but to do it well. He noted that prior Protocol controls were imposed without sacrificing economic progress and posited that the same would prove true for HFCs. He urged including action toward significantly improving energy efficiency in appliances using coolants in the amendment.

**ORGANIZATIONAL MATTERS:** The MOP 28 Bureau was elected by acclamation as follows: as President, Vincent Biruta (Rwanda); as Vice Presidents, Abdulbasit Sairati (Saudi Arabia), Andrei Pilipchuk (Belarus), and Elias Gómez Mesa (Dominican Republic); and as rapporteur, Mikkel Sorensen (Denmark).

Delegates adopted the agenda (UNEP/OzL.Pro.28/1) without amendment. Plenary agreed to the organization of work as outlined by MOP 28 President Biruta.

MOP 28 President Biruta requested parties to submit credentials for inspection by the Bureau.

**MINISTERIAL ROUNDTABLE: Towards an Agreement on an HFC Amendment under the Montreal Protocol—Addressing the Remaining Issues:** Moderator Johnston Barkat, UN Assistant Secretary-General and UN Ombudsman,

invited panelists to discuss the issues to be resolved before an amendment can be adopted at MOP 28. Alberto D'Alotto, National Director for Global Affairs, Foreign Ministry, Argentina, highlighted his country's commitment to an ambitious HFC phase-down, underscoring the need for affordable technologies and implementation time. Irene Cañas Díaz, Deputy Minister, Ministry of Environment and Energy, Costa Rica, said producers and consumers should move in the same, ambitious direction. Miguel Arias Cañete, European Commissioner for Climate Action and Energy, urged delegates not to lose sight of the "big picture."

Shri Anil Madhav Dave, Minister of State for Environment, Forest and Climate Change, India, called for a sense of urgency to address technology and financing concerns and reach a balanced decision.

Ibrahim Usman Jibril, State Minister of Environment, Nigeria, urged a spirit of "give and take" to resolve outstanding baseline years, freeze date and technical and financial issues to reach a historic agreement.

US Environmental Protection Agency (EPA) Administrator Gina McCarthy reflected on "tremendous progress" towards an amendment since MOP 27, urging delegates to conclude negotiations on an ambitious amendment, with a quick freeze date, by Thursday evening. Solheim recommended viewing an amendment as a business opportunity, rather than as a cost.

Responding to delegates' questions, panelists said: an ambitious amendment could send a strong market signal so that technologies will develop that benefit all; lessons from the Protocol's history suggest cost-effective and efficient innovations will be sparked; energy efficiency is important, as more efficient technologies will save money over time while generating more economic opportunities; and early financing and aid are important for generating benefits.

Dave highlighted seven major issues to be discussed: common but differentiated responsibilities (CBDR); flexibility; economic growth; availability of non-HFC technology; intellectual property rights (IPR); cost-effective and safe penetration of alternatives; and economic costs. McCarthy urged delegations to consider whether they would be better off with or without an HFC amendment and recognized that there is a "package" of issues to be addressed.

From the floor, parties highlighted concerns regarding certainty of viable alternatives and ensuring HFC alternatives are environmentally sound to prevent having to phase out these alternatives at a later stage. Solheim expressed confidence that technological change would follow if markets are regulated. D'Alotto said he was reassured by the US' and EU's remarks concerning market signals, noting that sufficient phase-down time will still be needed.

### **PRESENTATIONS BY THE ASSESSMENT PANELS ON PROGRESS IN THEIR WORK AND ANY EMERGING ISSUES:**

SAP Co-Chair David Fahey provided an overview of the 2018 assessment, which is in preparation and will address, *inter alia*, the reappearance of the Antarctic ozone hole in 2016 and the TEAP/SAP CTC budget analysis. He noted topics previously addressed will be updated. He highlighted the expected recovery of global ozone to 1980 levels by mid-century, stressing future projections will depend on actions by parties on control of substances.

Environmental Effects Assessment Panel (EEAP) Co-Chair Janet Bornman presented updates from the Panel that respond to party requests at MOP 27. She highlighted that ozone model simulations under different GHG emission scenarios indicate different trends in ultraviolet (UV) radiation, with UV radiation increasing in some regions and producing a range of effects on human health, natural ecosystems and agriculture. EEAP Co-Chair Nigel Paul described additional effects from UV exposure, including on aquatic ecosystems and changes in plastics and wood materials.

TEAP Co-Chair Ashley Woodcock presented for TEAP, highlighting, *inter alia*: the International Civil Aviation Organization has approved a requirement to replace halons in cargo bays in all new aircraft designs by 2024; CFC phase-out in MDIs will be achieved in 2016; and Russian Federation will phase out CFC solvents in aerospace applications in 2016, completing the global phase-out.

### **PRESENTATION BY THE MLF EXCOM CHAIR ON THE WORK OF THE EXCOM, THE MLF SECRETARIAT AND THE MLF'S IMPLEMENTING AGENCIES:**

Agustín Sánchez Guevara (Mexico), Chair, MLF ExCom, presented the Report of the ExCom since MOP 27 (UNEP/OzL.Pro.28/10), highlighting the MLF's decisions, activities and achievements, and noting funding approval for 142 HPMPs, 14 Stage II HPMPs, an HCFC production phase-out management plan for China, and 144 country surveys of ODS alternatives.

**STATEMENTS BY HEADS OF DELEGATION:** Many, including DJIBOUTI, the HOLY SEE and NIGERIA, underscored the importance of agreeing on an ambitious amendment to phase down HFCs to contribute to addressing climate change. NORWAY stated "the politics are clear" and not adopting an amendment will send the wrong signals, observing the entry into force of the Paris Agreement in three weeks.

EU said taking HFC action is a "smart choice" given: fast and cost-effective results; energy efficiency savings; and availability of moderate-cost alternatives. Slovakia, for the EU, recognized that different national circumstances require a flexible amendment.

BANGLADESH lamented the lack of viable alternatives to HFCs in some sectors, including medicine. LAO PEOPLE'S DEMOCRATIC REPUBLIC (PDR) emphasized the importance of the MLF-funded national survey of ODS alternatives. CHINA urged taking into account Article 5 countries' concerns regarding alternatives, financial and technical support, and safety. SINGAPORE called for balancing ambition with practicality, noting it is necessary to have viable and available technologies. CAMEROON highlighted concerns about the availability of alternatives and support.

SOUTH AFRICA, with CAMEROON and UGANDA, supported a 2020-2022 baseline. VENEZUELA stressed the need to include social benefits in any HFC amendment. BRAZIL supported an ambitious, feasible 'Kigali Amendment' that preserves the successful Protocol institutions and methods. INDIA called for just and equitable HFC management.

KENYA, MYANMAR and others provided an overview of national efforts to implement the Montreal Protocol and fulfil its concomitant obligations. ZIMBABWE stressed training for refrigeration technicians and customs agents, and problems caused by dumping of obsolete technologies.

MADAGASCAR noted her country's vulnerability to climate change and the opportunity to protect the atmosphere for future generations. NEPAL outlined the challenges faced as a small country heavily dependent on agriculture.

### **HFC MANAGEMENT CONTACT GROUP**

The HFC Management Contact Group focused its discussion on the work and role of the Legal Drafting Group (LDG). LDG Facilitator Brian Ruddle shared the LDG's progress, informing it has turned the solutions agreed in Vienna into legal text and an updated draft amendment text has been provided to the Secretariat. Ruddle explained, for example, that the draft references the HAT exemption text as this text includes specific agreement that the HAT exemption be referenced in an amendment.

In response to a query from Pakistan, LDG Facilitator Ruddle elaborated that the Group has taken a "minimalist approach" to amendment text that reflects the minimum that needs to be included in the amendment text, with the remainder set out as proposed decision text that parties could decide to include in decision text.

Following protracted discussion, LDG Facilitator Ruddle confirmed the LDG is not taking any decisions and Co-Chair Patrick McInerney reminded delegates that the Contact Group had agreed the LDG should avoid presenting piecemeal text. SOUTH AFRICA stressed the LDG is not developing any solutions to challenges but is looking at the text alongside elements of the Protocol text and highlighting areas on which parties still need to agree.

RUSSIAN FEDERATION urged translation of the text into all UN languages.

The Contact Group agreed to reconvene on Friday.

### **IN THE CORRIDORS**

"What's next?" Those were the words uttered by many participants who left Thursday evening's HFC Management Contact Group confused about how the Contact Group would continue in its work towards adopting an amendment. At the Group's commencement, many expressed optimism that an amendment was finally within reach, pointing to progress on baselines during the informal discussions and agreement by a critical player to move towards a more ambitious baseline.

After 90 minutes of "circular arguments" and "stalling," however, the Contact Group broke with few delegates able to point to any forward progress. One key insider said that, at this pace, "it's over, there won't be an amendment—at least not in Kigali." Others pointed to the significant number of issues raised by the LDG that have not yet even been addressed by the Contact Group, with one delegate saying "we have at least 24 more HOURS of negotiating to do on these issues." Several delegates expressed regret that an "Ambassadorial-type" had not emerged to pull together key adversaries in small groups to hammer out some agreements or at least begin to resolve differences. More optimistic delegates stressed, "we WILL reach agreement," with a few suggesting the possibility for decision text on agreed solutions, intersessionals and a final meeting before the end of 2016.

Despite the tension within the negotiations, the dome of the Convention Centre, which was lit up in green, provided a ray of hope by reminding delegates of the importance of the environment and thus the discussions underway. And leaving the reception, many are hoping that details of the negotiations can be pounded out as passionately as the traditional dances that filled the halls late into the night.

**ENB SUMMARY AND ANALYSIS:** The Earth Negotiations Bulletin summary and analysis of MOP 28 will be available on Tuesday, 18 October 2016, online at: <http://www.iisd.ca/ozone/resumed-oweg38-mop28/>