

**COP 9/MOP 23 HIGHLIGHTS:
TUESDAY, 22 NOVEMBER 2011**

The preparatory segment of COP 9 to the Vienna Convention and MOP 23 to the Montreal Protocol convened for its second day in Bali, Indonesia, on Tuesday, 22 November 2011.

In the morning, delegates addressed issues related to exemptions from Article 2, and began discussions on updating the TEAP nomination process and information on ODS alternatives.

During the afternoon, delegates heard reports of the Implementation Committee and the recommendations from the Ozone Research Managers (ORM) meeting. In the late afternoon and in an evening plenary session, delegates discussed proposals to amend the Montreal Protocol.

Contact groups on replenishment and QPS uses of methyl bromide met throughout the day and into the evening.

MONTREAL PROTOCOL ISSUES

ISSUES RELATED TO EXEMPTIONS FROM ARTICLE 2 OF THE MONTREAL PROTOCOL: QPS uses of methyl bromide: The EU introduced their draft decision (UNEP/OzL.Pro.23/CRP.6) requesting, *inter alia*, the TEAP to provide data on trends in methyl bromide consumption and the Secretariat to work with the International Plant Protection Convention (IPPC) to determine phytosanitary needs. Supported by SWITZERLAND, he called for strengthened relations between the Montreal Protocol and the IPPC.

INDIA, supported by ARGENTINA, objected to the draft decision, noting the use of methyl bromide in QPS is not controlled by the Montreal Protocol. MEXICO, supported by COLOMBIA, AUSTRALIA, and JAPAN called for better information on current methyl bromide usage. INDONESIA, JAPAN, and NEW ZEALAND highlighted its use for the export of food and other biological products, with NEW ZEALAND suggesting this issue falls within the domain of sovereign and bilateral decision making.

CHINA, ARGENTINA, and INDIA said parties should provide detailed information on methyl bromide use for QPS on a voluntary basis. They also said this may require financial and technical assistance.

BRAZIL, the US, the PHILIPPINES, and MAURITIUS proposed further discussions, and delegates agreed to convene a contact group.

Global laboratory and analytical-use exemption: CHINA, AUSTRALIA, the EU, and the US announced that they had drafted a CRP proposing a grace period for developing countries on exemptions for ODS in laboratory and analytical use, to be submitted for plenary discussion.

Sustained mitigation of ODS emissions from feedstock and process-agent uses: Co-Chair Alkemaded introduced a TEAP study on the feasibility of reducing or eliminating ODS emissions from feedstock and process-agent uses, highlighting, *inter alia*: a lack of viable alternatives for ODS use in feedstocks; uncertain estimates of feedstock emissions;

and inconsistencies between carbon tetrachloride emissions. The EU described intersessional progress, resulting in a CRP on feedstocks (UNEP/OzL.Pro.23/CRP.4) and one on process agents (UNEP/OzL.Pro.23/CRP.5). The US emphasized intersessional efforts to resolve top-down and bottom-up measurements of carbon tetrachloride. The EU, supported by the US, AUSTRALIA, and CANADA, but opposed by INDIA, proposed forming a contact group. Co-Chair Alkemaded proposed, and parties agreed, to establish a contact group chaired by Blaise Horisberger (Switzerland).

UPDATING THE NOMINATION PROCESSES AND RECUSAL GUIDELINES FOR THE TEAP: Co-Chair Sylla introduced the agenda item on updating the nomination process and recusal guidelines for the TEAP. Delegates agreed to establish a contact group, co-chaired by Masami Fujimoto (Japan) and Javier Camargo (Colombia).

TREATMENT OF OZONE-DEPLETING SUBSTANCES USED TO SERVICE SHIPS: Co-Chair Alkemaded introduced the draft decision (UNEP/OzL.Conv.9/3-UNEP/OzL.Pro.23/3[K]) on reporting and regulation responsibilities of flag-of-convenience countries, requesting parties to provide a consensus proposal. Delegates agreed to convene a contact group co-chaired by Marissa Gowrie (Trinidad and Tobago) and Cornelius Rhein (EU).

ADDITIONAL INFORMATION ON ALTERNATIVES TO ODS: Delegates agreed to continue discussions on a proposed study of low and high-GWP alternatives to CFCs and HCFCs (UNEP/OzL.Conv.9/3-UNEP/OzL.Pro.23/3[J]) tabled by Switzerland, in a contact group co-chaired by Leslie Smith (Grenada) and Mikkel Sørensen (Denmark).

USE OF METHYL BROMIDE IN AFRICA: Co-Chair Alkemaded introduced the draft decision (UNEP/OzL.Conv.9/3-UNEP/OzL.Pro.23/3[A]) for TEAP to review consumption trends in Africa, study phase-out implications, and recommend activities. Parties agreed to defer discussion until Egypt's CRP is available.

PROPOSED AMENDMENTS TO THE MONTREAL PROTOCOL: The Chair invited proponents to brief the plenary on elements of their proposals. Introducing its proposal (UNEP/OzLPro.23/5), the FEDERATED STATES OF MICRONESIA (FSM) appealed to parties to consider their moral and ethical obligations to include HFCs under the Montreal Protocol. The US, CANADA and MEXICO discussed the North American proposal (UNEP/OzL.Pro.23/6) and highlighted the recently released UNEP study linking climate and ozone through HFCs. The US reiterated the responsibility of parties to the Vienna Convention to prevent negative environmental impacts due to phase-out decisions.

In response to the proposals, BURKINA FASO, BRAZIL, the COOK ISLANDS, GEORGIA, SENEGAL, UGANDA, the FORMER YUGOSLAV REPUBLIC OF MACEDONIA, BENIN, COLOMBIA, NIGERIA, EU, SAINT LUCIA, GRENADA, BANGLADESH, SWITZERLAND, the

MARSHALL ISLANDS, BELARUS, AUSTRALIA, INDONESIA, the DOMINICAN REPUBLIC, JAPAN, and KENYA supported establishing a contact group to discuss the amendments. MOZAMBIQUE supported the amendment proposals.

GEORGIA emphasized that with so many critical issues to be resolved under the Kyoto Protocol, UNFCCC negotiators are unlikely to concentrate on HFCs. He called for clear signals to industry regarding phase-out of HFCs. KUWAIT and the FORMER YUGOSLAV REPUBLIC OF MACEDONIA called for urgent action, noting the high temperatures in Gulf countries, and recent flood and drought events, respectively.

ARGENTINA maintained that HFCs fall under the ambit of the Kyoto Protocol, and said the Montreal Protocol should instead focus on providing incentives for low-GWP alternatives through the MLF. VENEZUELA, CHINA, and INDIA also objected to establishing a contact group on the issue.

MALAYSIA proposed deferring discussion of the amendment proposals. Noting lack of agreement among parties to continue discussions in a contact group, Co-Chair Alkemade proposed parties continue discussions informally. The US and CANADA expressed disappointment, stating that many parties were prepared to discuss the issue. Co-Chair Alkemade suggested parties raise issues related to the proposals in the ODS Alternatives Contact Group.

POTENTIAL AREAS OF FOCUS FOR THE ASSESSMENT PANELS' 2014 QUADRENNIAL REPORTS: Co-Chair Sylla introduced the Secretariat's compilation of ideas from the assessment panels, and suggested the EU's CRP be posted online to determine parties' interest in establishing a contact group, and parties agreed.

STATUS OF NEPAL RELATIVE TO THE COPENHAGEN AMENDMENT TO THE MONTREAL PROTOCOL: Chair Sylla introduced Nepal's request for MOP to consider its compliance status. NEPAL, supported by EGYPT, GRENADA, and KUWAIT, urged parties to consider Nepal as a full compliant party, allowing it access to finance from the MLF.

A representative of the Implementation Committee outlined that this issue was considered at its meeting on 18 November, noting that Nepal is in compliance with the Protocol, but is yet to ratify the Copenhagen Amendment; therefore, the status of Nepal is that of a non-ratifying party. Parties agreed to revisit the issue at MOP 24.

COMPLIANCE AND REPORTING ISSUES CONSIDERED BY THE IMPLEMENTATION COMMITTEE: Ghazi Al Odat (Jordan) reported on compliance discussions at the ImpCom's 46th and 47th meetings. He presented draft decisions on: parties who have not submitted reports; non-compliance in Libya, Iraq, and Yemen; trade with Kazakhstan by the EU and the Russian Federation; revisions of baseline numbers; decimal places; and licensing. Co-Chair Alkemade proposed, and delegates agreed, to forward the draft decisions (UNEP/OzL.Pro.23/CRP.3) to the high-level segment.

VIENNA CONVENTION ISSUES

REPORT OF THE EIGHTH MEETING OF THE OZONE RESEARCH MANAGERS OF THE PARTIES TO THE VIENNA CONVENTION: Michael Kurylo, Chair of the 8th Ozone Research Managers (ORM) meeting, presented recommendations, including: continuing and expanding systematic tracking and analysis of ozone and climate-related gases; study of the relationships between ozone and climate variability and change; data archiving; and national capacity building (UNEP/OzL.Conv.9/6).

CHINA expressed concern over duplication of observation work under the climate change framework. Kurylo responded that efforts would be complementary.

SRI LANKA introduced a draft decision (CRP.2) adopting the ORM recommendations, and AUSTRALIA suggested discussion on this be combined with the draft decision on the Vienna Convention Trust Fund financing of such activities (CRP.1). CHINA requested more time for discussion, as CRP.2 refers to increasing concentrations of GHGs and associated climate

change. Brazil shared China's concerns regarding the climate change regime, which, he said, has a systematic monitoring and observatory programme. The EU supported the decision, while the US proposed further discussion.

STATUS OF THE GENERAL TRUST FUND FOR FINANCING ACTIVITIES ON RESEARCH AND SYSTEMATIC OBSERVATIONS RELEVANT TO THE VIENNA CONVENTION: The Secretariat introduced the Trust Fund discussion. Sri Lanka also introduced a draft decision on financing activities (UNEP/OzL.Conv.9/CRP.1), which the EU supported.

Co-Chair Sylla suggested, and delegates agreed, to revisit the discussion of Vienna Convention issues later in the week, once parties have considered the draft decisions.

OTHER MATTERS

Co-Chair Alkemade reported that Indonesia is further revising the Bali Declaration (CRP.8), taking into consideration the views expressed by other parties during informal consultations.

CONTACT GROUPS

REPLENISHMENT: Co-Chaired by Jozéf Buys (Belgium) and Donnalyn Charles (Saint Lucia), the Contact Group met in the morning, afternoon, and evening. In its first meeting, the parties discussed the composition of the group. Parties agreed to a limited number of members, with some favoring 12 from Article 5 parties and 12 from non-Article 5 parties, while others preferred 11 from each. After further deliberations, Co-Chair Buys proposed, and the group agreed, that the regional groups would nominate representative parties, with 11 from Article 5 parties and 11 from non-Article 5 parties.

In the afternoon session, TEAP introduced five production sector funding scenarios, which the group discussed. One delegate asked about the funding allocation for 2015 for 10% reduction of HCFCs, with the Secretariat confirming an allocation of US\$51.76 million.

In the evening, Colombia presented a list of 11 Article 5 parties nominated to the contact group. The TEAP presented a revised table on all the non-HCFC production elements of the replenishment with total funding requirements of US\$316.86-339.75 million, which it reported reflected recent Executive Committee decisions.

QPS USES OF METHYL BROMIDE: On Tuesday afternoon, the EU outlined its proposed decision (CRP.6) and parties discussed, *inter alia*: collation of data on current usage of methyl bromide as a phytosanitary measure; provision of data on methyl bromide used for QPS applications; and information on alternatives. Some parties discussed the voluntary nature of reporting and the accuracy of data submitted as a basis of analysis by the TEAP and MBTOC. The contact group agreed to reconvene when co-chairs are identified.

IN THE CORRIDORS

As parties haggled on Tuesday over the balance of representatives participating in the replenishment negotiations, and donors hinted they were short on funds, many predicted a fraught few days.

On the sidelines, environmental NGOs were busy drawing links between the replenishment process and climate change mitigation activities. They, and some Article 5 parties, argued that replenishment negotiations provide an opportunity to "make good" on the original promise of climate benefits from HCFC phase-out. Recalling the TEAP prediction of mitigation benefits through the conversion to climate-friendly alternatives and energy-efficient technologies (avoiding up to 17.5-25.5 gigatonnes CO₂ equivalent), NGOs said parties must commit adequate funds to ensure this transition. They said investments into low-GWP alternative technologies would be consistent with the frequent calls for transition to a green economy, through investment in commercializing such alternatives.