



MOP 27 HIGHLIGHTS: TUESDAY, 3 NOVEMBER 2015

The Preparatory Segment of MOP 27 reconvened on Tuesday, 3 November 2015, in Dubai, UAE. Plenary convened for a stocktaking session in the morning and reconvened in the evening to hear updates on further progress. Four draft decisions were forwarded to the HLS for adoption. The contact group on feasibility and ways of managing HFCs resumed its discussions in the morning and continued throughout the day. The budget committee and informal groups on ODS releases from production processes and the assessment panels' quadrennial assessments met in the afternoon.

PLENARY

Following morning and evening stocktaking plenary sessions, parties agreed to forward the following decisions to the HLS for adoption: nominations for CUEs for 2016 and 2017 (UNEP/OzL.Pro.27/CRP.6); nominations for EUEs for 2016 (Draft decision XXVII /A); releases of ODS from production processes and opportunities for reducing such releases (UNEP/OzL.Pro.27/CRP.2); and membership changes in the SAP (UNEP/OzL.Pro.27/CRP.5).

ADMINISTRATIVE MATTERS: Consideration of membership of Montreal Protocol bodies for 2016: The Secretariat reminded delegates to submit outstanding nominations as soon as possible.

Financial report of the trust fund and budgets for the Montreal Protocol: Budget committee Co-Chair Leslie Smith (Grenada) reported that the committee had made "considerable progress" but still needed additional time to finalize the draft decision and determine the level of contribution of parties.

NOMINATIONS FOR CUEs FOR 2016 AND 2017: Co-Chair Rachmawaty noted that the draft decision on methyl bromide CUEs is available. AUSTRALIA reported that the CRP reflects TEAP recommendations, and that Canada and the US withdrew their nominations. The EU asked for more time to review the CRP before forwarding it to the HLS.

In the evening, plenary forwarded the draft decision to the HLS for adoption.

ISSUES RELATED TO ALTERNATIVES TO ODS:

Report by the TEAP on the full range of alternatives to ODS: CANADA introduced the document (UNEP/OzL.Pro.27/CRP.8), explaining that the document requests the TEAP to prepare a report for consideration by OEWG 37 that would, *inter alia*, update information on alternatives to ODS and HFCs and update and extend the business-as-usual scenario.

BURKINA FASO, FIJI and SAMOA urged the TEAP to consider alternatives to ODS in the fishing industry. AUSTRALIA, the EU, MEXICO and the US expressed their broad support for the draft decision. PAKISTAN and SAUDI ARABIA noted caution, saying that elements of the draft decision presuppose the outcome of the contact group discussions on HFCs management. INDIA opposed the draft decision.

Plenary agreed to allow further time to discuss the matter.

PROPOSED AMENDMENTS TO THE MONTREAL PROTOCOL: In the morning, Co-Convener Xia reported positively on the HFC management contact group's discussion from the previous day, noting that the discussion focused on challenges, with some emphasis on solutions. He asked for parties to contribute more and for deeper discussion on solutions to take place during the day's deliberations.

During the evening plenary session, Co-Convener McInerney reported that, over the course of the day, a number of constructive discussions had taken place, which allowed for progress to be made. He requested more time, to which the plenary agreed.

POTENTIAL AREAS OF FOCUS FOR THE ASSESSMENT PANELS' 2018 QUADRENNIAL ASSESSMENTS: Co-Chair Krajnik noted that the draft decision on the two nominations for SAP Co-Chairs has been made available (UNEP/OzL.Pro.27/CRP.5), along with their *curriculum vitae*. The plenary forwarded the draft decision to the HLS.

During the evening plenary session, the EU reported that, on the potential areas of focus for the 2018 quadrennial assessment, more time was needed to finalize the text. Co-Chair Krajnik said that the Secretariat would allocate a time and place for more discussion to take place.

OTHER MATTERS: ODS releases from production processes: The EU reported that the informal group had concluded its discussions and agreed on the text. Delegates forwarded the draft decision (UNEP/OzL.Pro.27/CRP.2) to the HLS for its consideration.

Financial matters associated with TEAP: SWITZERLAND stated that the draft decision was nearly complete, expressing hope that it should be concluded by morning.

Acknowledging that several items remain outstanding, Co-Chair Rachmawaty indicated that the preparatory segment will have to reconvene during the HLS and encouraged all CRP discussions to conclude as soon as possible.



CONTACT GROUPS AND INFORMAL DISCUSSIONS

CONTACT GROUP ON THE FEASIBILITY AND WAYS OF MANAGING HFCs: The contact group began by focusing on solutions and possible ways forward, with several non-Article 5 countries offering ideas, and several Article 5 countries welcoming the dialogue and suggestions.

On flexibility in implementation, several Article 5 and non-Article 5 countries expressed support for amendment language that would allow flexibility in prioritizing sectors for phase-down and in choice of substances, technologies and national compliance strategies. Article 5 countries supported, *inter alia*: including the concept of ratios in any phase-down; developing an HFC inventory; and exploring linkages between the concepts of flexibility and exemptions. They also urged ensuring flexibility in MLF funding, and called for conducting a potential HFC phase-down in concert with the HCFC phase-out.

One non-Article 5 country suggested linking cost-effectiveness with funding made available for the phase-down. Two non-Article 5 countries suggested there was potential for substantial flexibility as long as it fell within the framework given by the Montreal Protocol.

An Article 5 country suggested linking commitments to actual country emission of HFCs using a volumetric approach, but other speakers questioned the practicality of such an approach. One non-Article 5 country suggested that if the baseline used for phase-down combines both HCFCs and HFCs, then countries could have many choices in how to meet targets. Regarding sectors and uses for which no viable technology is available as a phase-down deadline approaches, two non-Article 5 countries suggested that the proposed periodic technology review could allow for adjustments when necessary.

On financial support, several non-Article 5 countries suggested “clear and transparent guidance” from the MOP to the ExCom on what the MLF would support, including a definition of what constitutes second and third stage conversions. One non-Article 5 country suggested that support for conversions might require a limit on GWP levels. Another suggested specifying support for training on alternative technologies and defining and adopting safety standards.

Observing that the RAC sector is already moving to address HFCs, an Article 5 country requested support for capacity building during phase-down.

On the differentiation of sectors, one Article 5 country highlighted challenges in a phase-down for countries with high ambient temperatures, noting that 95% of their consumption occurs in the RAC sector.

On incentives, one Article 5 country questioned whether the proposed cut-off date should be linked to the amendment’s date of adoption, cautioning that this may discourage some parties to commit. A non-Article 5 country proposed linking cut-off dates to the date of adoption of any agreement.

An Article 5 country suggested a focus on disposal, while stressing that incentives should ensure that all parties benefit, identifying some countries that are without production sectors.

One non-Article 5 country acknowledged the need to learn from past mistakes during ODS phase-outs, noting that sometimes consumption was replaced by manufacturing in other enterprises. He stated that if the Montreal Protocol agreed to address HFCs, dialogue on additional incentives could continue.

The Co-Conveners suggested having a tool, either an information document or on-screen projection, illustrating challenges and matching proposed solutions. Several delegations supported using such a tool, while others suggested it was premature, preferring to continue to focus on generating possible solutions.

INFORMAL GROUP ON ASSESSMENT PANELS’

QUADRENNIAL ASSESSMENTS: The informal discussion on potential areas of focus for the 2018 quadrennial reports of the assessment panels (UNEP/OzL.Pro.27/CRP.1) continued its discussion, including on the role of the SAP and the EEAP in exploring environmental impacts. Participants agreed on references to, *inter alia*: technically and economically feasible choices for reducing and eliminating ODS in all relevant sectors, including through the use of alternatives, taking into account their performance; 30 April 2018 as the deadline for the synthesis text; “defined” consistent units and terminology; and atmospheric physical and chemical processes affecting the ozone layer rather than referencing climate change. Participants did not reach agreement on several other paragraphs of the text.

INFORMAL GROUP ON ODS RELEASES: The informal group on the draft decision on ODS releases from production processes and opportunities to reduce releases (UNEP/OzL.Pro.27.CRP.2) agreed to, *inter alia*: including text from the SAP report on the estimated lifetime of carbon tetrachloride (CCl₄); removal of halon 2402 from the draft decision as this discrepancy was clarified by new data; and that the SPARC report findings would be presented at MOP 28, instead of OEWG 37, with countries underscoring that the SAP will only “provide an update” to learn and benefit from the SPARC findings. Countries discussed in what capacity and how much time would be required for the SAP to analyze the SPARC findings and how these findings relate to the assessment panels’ quadrennial reports.

IN THE CORRIDORS

Compared to the slow-pace and general disagreement that plagued Monday’s HFC contact group, Tuesday’s discussions moved forward with clearer focus. Monday offered delegates an opportunity to share general challenges, which one participant termed a “venting session,” allowing delegates to share frustrations and perhaps, as another participant suggested, help to re-build trust on the issue.

While the Protocol prides itself on its generally high degree of trust within the ozone family, disagreements over the HCFC phase-out and the protracted discussion on whether or not to amend the Protocol to tackle HFCs has frayed this trust over time. Some seasoned delegates suggested that the contact group’s slow pace may have been deliberate in order to allow participants a chance to air concerns and grievances. This process allowed the discussion to “get down to business,” on Tuesday, with one participant noting that this was evidenced through delegates requesting the debate focus on specific challenges and jointly discuss solutions to these challenges in order to bring about “a meeting of the minds.”

Alongside the increased levels of trust, Tuesday was also characterized by a more positive tone, at least in the HFC contact group. Several Article 5 countries expressed their appreciation for the “very constructive” morning session, stating it offered “workable solutions.” Despite the more positive atmosphere, the group acknowledged that much work remains, especially since it has yet to put anything to paper, even, as some suggested, as a tool to track ideas and match them to challenges. Although some countries still express hope for a “first step” HFC amendment at this MOP, many delegates cautioned it is much too early for actual negotiations. Still, today’s session suggested room for cautious optimism on the group’s progress going forward.