



## **RESUMED OEWG 36 HIGHLIGHTS: 29–30 OCTOBER 2015**

The resumed session of the thirty-sixth meeting of the open-ended working group (OEWG 36) of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer met in Dubai, United Arab Emirates (UAE) from Thursday-Friday, 29-30 October 2015.

At the final OEWG 36 plenary session, held in Paris, France, from 20-24 July 2015, participants agreed to suspend the meeting and resume it immediately prior to the twenty-seventh Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer (MOP 27), held during November 2015, in order to conclude discussions under agenda item seven. Agenda item seven dealt with the report of the intersessional informal discussions on the feasibility and ways of managing hydrofluorocarbons (HFCs).

### **OPENING SESSION**

On Thursday morning, OEWG 36 Co-Chair Emma Rachmawaty (Indonesia) opened the resumed session, welcoming delegates.

In her opening remarks, Tina Birmipili, Executive Secretary, Ozone Secretariat, recognized the progress made at the OEWG 36 session held in Paris during July 2015 on developing the mandate for a contact group on the feasibility and ways of managing HFCs. She suggested that eight key issues had been identified to form part of the draft mandate, for which a common understanding needs to be developed. She noted that these include:

- the relevance and recognition of the special situation of developing countries, in terms of additional time in control schedules, different baselines and reduction percentages from the baseline, as well as financial assistance and technology transfer;
- the Multilateral Fund (MLF) as the financial mechanism for any HFC management, and the level of funding necessary to match the needs of Article 5 parties to comply with any HFC-related measures, and what costs would be covered by the MLF;
- intellectual property rights;

- flexibility in implementation that enables countries to set their own strategies and set their own priorities in sectors and technologies;
- exemptions, and a mechanism for the periodic review of alternatives;
- the relationship of HFCs with the hydrochlorofluorocarbons (HCFC) phase-out;
- non-party trade provisions; and,
- addressing the modalities of managing HFCs to not cause any future contradiction between the Montreal Protocol and the Kyoto Protocol provisions.

She stressed that these eight issues are closely interlinked.

Birmipili also noted that a contact group is a forum for holding structured discussions and can ensure that all concerns are addressed in depth. While recognizing that delegates are participating with national instructions and expectations, she urged delegates to continue their collegiality, which enables progress, by acting as individuals working with colleagues towards building a successful Montreal Protocol.

### **ORGANIZATIONAL MATTERS**

Co-Chair Rachmawaty introduced the provisional agenda (UNEP/OzL.Pro.WG.1/resumed.36/1), and delegates adopted it without change. Co-Chair Paul Krajnik (Austria) suggested, and delegates agreed to, the proposed organization of work.

### **CONTINUATION OF THE DISCUSSION UNDER ITEM 7 OF THE AGENDA OF OEWG 36**

Plenary convened on Thursday morning, where Co-Chair Paul Krajnik (Austria) suggested adjourning plenary to allow the informal discussions on the terms of reference for a contact group on the feasibility and ways of managing HFCs.

Reporting back to plenary on Thursday afternoon, informal discussions Co-Convener, Rafael Da Soler (Brazil), noted that the group was close to agreement on bracketed text in the introductory paragraphs. He requested further time for the group to discuss and agree on text for the terms of reference. Informal group discussions continued into the afternoon.



On Friday morning, following a request from Co-Chair Krajnik to hear an update on progress, informal discussions Co-Convenor Patrick McInerney (Australia) noted that parties had agreed on introductory text, and what remained to discuss and agree on dealt with issues of finance and financial mechanisms. He requested further time for discussions.

Co-Chair Krajnik agreed, noting that the discussions must be finished by 5:00 pm, in order for participants to conclude the agenda item and adopt the report of the resumed OEWG session. Deliberations continued throughout the morning. Following lunch, a small group convened to try and finalize the remaining outstanding text.

Participants reconvened in plenary at 6:21 pm. Co-Chair Krajnik asked the Co-Convenors to report on the proceedings. Co-Convenor McInerney reported success in developing the text of the mandate for a contact group on HFCs' management. He asked that the final text be projected for all delegates to see, noting that it was also posted to the OEWG's website. He suggested that it might not be necessary to read it through line-by-line, since most delegations had participated in the informal group. Co-Chair Krajnik agreed and asked if the plenary agreed with the outcome as projected on-screen. Seeing no objection, the mandate was adopted. Co-Chair Krajnik noted that the mandate would be annexed to the report of the resumed OEWG session and would be forwarded to MOP 27 for its consideration.

### **CLOSURE OF THE MEETING**

The meeting report was adopted without amendment, and the meeting was closed at 6:34 pm.

### **MANDATE FOR A CONTACT GROUP ON THE FEASIBILITY AND WAYS OF MANAGING HFCs**

The text below sets out the mandate, as agreed on by the resumed session of OEWG 36, for a contact group on the feasibility and ways of managing HFCs.

**CONTACT GROUP MANDATE:** OEWG 35 met in Bangkok, Thailand, from 22-24 April 2015, where it agreed that "it would continue to work intersessionally, in an informal manner, to study the feasibility and ways of managing HFCs, including, *inter alia*, the related challenges set out in annex II to the OEWG 35 meeting report, with a view to establishing a contact group on the feasibility and ways of managing HFCs at OEWG 36" (paragraph 128, UNEP/OzL.Pro.WG.1/35/6).

The informal meeting was convened from 12-13 June 2015, in Vienna, Austria, on the above-mentioned basis.

The parties have recognized in their interventions the success of the Montreal Protocol and its institutions in phasing out ozone depleting substances (ODS).

The management of HFCs is applicable to both Article 5 and non-Article 5 parties.

Parties agree that nothing should be considered agreed until everything is agreed.

Parties agree that they shall first resolve the challenges mentioned below by generating solutions in a contact group:

- the relevance and recognition of the special situation of developing countries and the principles under the Montreal Protocol, which have enabled sufficient additional time in the implementation of commitments by Article 5 countries;
- maintaining the MLF as the financial mechanism, and to agree that additional financial resources will be provided by non-Article 5 parties to offset costs arising out of HFCs management for Article 5 parties if obligations are agreed to. In this regard, key elements for financial support from the MLF for Article 5 parties will be developed by the contact group to provide guidance to the Executive Committee (ExCom) of the MLF, taking into account the concerns of parties;
- the elements in paragraph 1(a) of decision XXVI/9 (response to the report by the Technology and Economic Assessment Panel (TEAP) on information on alternatives to ODS), including intellectual property rights (IPR) issues in considering the feasibility and the ways of managing HFCs;
- flexibility in implementation that enables countries to set their own strategies and set their own priorities in sectors and technologies;
- exemption process and a mechanism for periodic review of alternatives, including the consideration of availability or lack of availability of alternatives in all sectors in Article 5 countries and the special needs for countries with high ambient temperatures, based on all the elements listed in paragraph 1(a) of decision XXVI/9 (response to the report by the TEAP on information on alternatives to ODS);
- relationship with the HCFC phase-out;
- non-party trade provisions; and
- legal aspects, synergies and other issues related to the UN Framework Convention on Climate Change (UNFCCC) in the context of HFC management under the Montreal Protocol.

Then, the parties will discuss in the contact group the ways of managing HFCs, including the amendment proposals submitted by the parties.