

MOP-21 HIGHLIGHTS

WEDNESDAY, 4 NOVEMBER 2009

The preparatory segment of the twenty-first Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer (MOP-21) opened in Port Ghalib, Egypt, on Wednesday 4 November 2009.

In the morning, delegates exchanged views on the proposals to amend the Montreal Protocol to phase down hydrofluorocarbons (HFCs). During the afternoon, delegates discussed issues related to the Multilateral Fund (MLF), a proposal on institutional strengthening, and heard a presentation by the Technical and Economic Assessment Panel (TEAP) on destruction of ODS.

OPENING OF THE PREPARATORY SEGMENT

Preparatory Segment Co-Chair Maqsood Muhammad Akhtar (Pakistan) opened the session. Maged George, Minister for Environmental Affairs, Egypt, welcomed participants, emphasizing that the Montreal Protocol was one of the most successful international environmental agreements, and that the aim of this meeting was to further increase its effectiveness.

Marcos González, Executive Secretary, Ozone Secretariat, highlighted achievements made by the ozone treaties marked by universal ratification and phase-out of ODS. He noted the heavy agenda and outlined the major items requiring consideration at MOP-21, including: destruction of ODS banks; HFCs; alternatives to hydrochlorofluorocarbons (HCFCs) in the refrigeration and air-conditioning sectors; quarantine and pre-shipment exemptions; and matters related to the financial mechanism.

ORGANIZATIONAL MATTERS

Co-Chair Martin Sirois (Canada) introduced the agenda (UNEP/OzL.Pro.21/1) together with the organization of work. It was adopted with minor amendments.

CONSIDERATION OF MEMBERSHIP OF MONTREAL PROTOCOL BODIES FOR 2010

Co-Chair Akhtar reminded participants of the need to nominate members to the Bureau, the Implementation Committee and the Executive Committee of the MLF, noting that the President of the Bureau would be from the Group of Latin American and Caribbean Countries (GRULAC).

FINANCIAL REPORTS AND BUDGETS OF THE TRUST FUNDS FOR THE VIENNA CONVENTION AND THE MONTREAL PROTOCOL

Co-Chair Akhtar noted the need for parties to establish a budget committee to deliberate on and recommend, among other things, a revised budget for 2009, a budget for 2010 and

an indicative budget for 2011 (UNEP/OzL.Pro.21/4 and Add.1). CANADA, the US, JAPAN, SWEDEN and SWITZERLAND volunteered to participate in the group.

HIGH GLOBAL WARMING POTENTIAL ALTERNATIVES TO OZONE-DEPLETING SUBSTANCES

PROPOSED AMENDMENT TO THE MONTREAL PROTOCOL: Co-Chair Sirois introduced this item and invited the proponents of the two proposed amendments to introduce them. In its introduction, FSM emphasized the urgency of undertaking an HFC phase-down. MEXICO presented the North American amendment proposal, noting that the objective of the modification to the Protocol is to include a production and consumption phase-down of HFCs in both Article 5 and non-Article 5 countries. CANADA highlighted the need to phase down HFCs partly because the rise of HFC use is directly related to the phase-out of HCFCs, and noted that the Protocol is uniquely placed to phase down these chemicals due to the existence of the TEAP and MLF. The US emphasized that taking action on a HFC phase-down would send a signal to private sector partners to develop new alternatives that protect the ozone and climate systems; said that language in the Vienna Convention supports addressing HFCs under the Montreal Protocol; and underscored that the amendment would not affect the UNFCCC since the climate convention focuses on HFC emissions, not on the production and consumption.

In the ensuing discussion, Sweden, on behalf of the EU, emphasized that the regulation of greenhouse gases should be under the umbrella of the climate regime but that after the Copenhagen climate meeting the Montreal Protocol could present a tool to develop and implement a global arrangement for the phase-down of HFCs. NORWAY supported the basic principles of both amendment proposals and highlighted the need to take decisions based on solid data. JAPAN highlighted the need to take action on HFCs, but also to consider carefully the interpretation of the Vienna Convention. AUSTRALIA said it was ready to consider all the proposals and highlighted importance of dialogue with UNFCCC. NEW ZEALAND stressed the benefits of including control of HFCs in the Montreal Protocol. SAINT LUCIA supported a phase-down approach to give industry time to identify alternatives. GRENADA, NIGERIA, CAMEROON and the Solomon Islands, on behalf of the PACIFIC SMALL ISLAND DEVELOPING STATES, supported the amendment proposals.

SWITZERLAND supported action on HFCs, but stated details such as baseline references and phase-down strategies required discussion. INDONESIA stressed that developing countries are still working on HCFC phase-out. COLOMBIA and ARGENTINA emphasized the need to further consider

technical, financial and legal aspects of the proposals, with ARGENTINA explaining it required more time to consider the issue. SENEGAL said that many questions needed to be addressed before moving forward with an amendment. The DOMINICAN REPUBLIC clarified that its position would be announced Friday.

INDIA, supported by JORDAN, stressed that HFCs are not ODS and are therefore outside the ambit of the Montreal Protocol. CHINA, supported by JORDAN, highlighted that the proposed amendment would cause a conflict in international law, set a dangerous precedent, and preferred focusing discussions on efforts to phase out HCFCs. PAKISTAN, YEMEN, VENEZUELA, MALAYSIA, SAUDIA ARABIA and BRAZIL opposed controlling HFCs under the Montreal Protocol. MALAYSIA and BRAZIL called for prioritizing the phase-out of HCFCs and destruction of ODS banks.

GREENPEACE INTERNATIONAL recommended, *inter alia*, phasing out HFCs globally by 2020 without a grace period for developing countries, saying this would be to their benefit. GREEN COOLING ASSOCIATION emphasized that an HFC phase-out is technically and commercially possible, and stressed the need for policy certainty.

FURTHER CONSIDERATION OF WORK INITIATED BY OEWG-29: SWITZERLAND said a number of points still needed to be clarified in order to move forward on the two draft decisions on HCFCs and HFCs (XXI/[I] and XXI/[J] in UNEP/OzL.Pro.21.3).

Delegates established a contact group on high global warming potential alternatives, to be co-chaired by Laura Berón (Argentina) and Mikkel Sorensen (Denmark).

ISSUES RELATED TO THE FINANCIAL MECHANISM OF THE MONTREAL PROTOCOL

TERMS OF REFERENCE OF EVALUATION OF THE FINANCIAL MECHANISM OF THE MONTREAL PROTOCOL: Co-Chair Akhtar noted that a draft decision concerning evaluation of the financial mechanism of the Montreal Protocol was forwarded to MOP-21 with bracketed text. Co-Chair Akhtar suggested and delegates agreed to establish a contact group on the MLF to consider this issue.

PROPOSAL ON INSTITUTIONAL STRENGTHENING ACTIVITIES UNDER THE MULTILATERAL FUND: Co-Chair Siros reminded participants of the need to consider a draft decision relating to the funding of institutional strengthening through the MLF (UNEP/OzL.Pro.21/3).

GRULAC, supported by BURKINA FASO, PAKISTAN, the AFRICA GROUP, KENYA, SAUDI ARABIA, INDIA, KUWAIT, MALAYSIA, MAURITIUS, LEBANON and others, emphasized institutional strengthening beyond 2010 as being crucial for Article 5 parties' ability to fully implement present and future agreements in the Montreal Protocol.

The US outlined the importance of institutional strengthening in contributing to the successful implementation of the Montreal Protocol and for HCFC phase out. He said that a "new concept" for institutional strengthening would be considered at the Executive Committee (ExComm) meeting, scheduled to convene after MOP-21. AUSTRALIA supported addressing this matter at the ExComm. CHINA underscored the need for continued institutional strengthening, citing the significant work remaining to phase out ODS. The EU, with SWITZERLAND, highlighted its continued commitment to support institutional strengthening, with SWITZERLAND stressing the need to communicate this to the ExComm. JAPAN welcomed further discussion on the issue in a contact group. ARGENTINA stressed that the issue of institutional strengthening was political in nature and therefore warranted discussion by the MOP.

Delegates agreed to defer this issue to the contact group on the MLF for further consideration.

ENVIRONMENTALLY SOUND MANAGEMENT OF BANKS OF ODS

PRESENTATION OF THE FINAL ANALYSIS OF THE TASK FORCE OF THE TEAP: Co-Chairs Paul Ashford, Lambert Kuijpers and Paulo Vodianitskaia presented the final report of the TEAP task force on the management and destruction of ODS banks (UNEP/OzL.Pro.21/7). The main conclusions of the report included, *inter alia*: the collection, recovery and destruction of refrigerants of all types represents the most immediate and cost-effective method of mitigating climate impacts from the release of ODS banks; decisions to include ODS substitutes within the scope of end-of-life activities could increase the demand for destruction capacity to as much as 400,000-450,000 tonnes annually by 2030; and the potential funding of ODS bank management activities continues to receive significant attention. BRAZIL clarified that the information on Brazil contained in the TEAP report was not official data.

FURTHER CONSIDERATION OF WORK INITIATED BY THE OEWG-29: The US introduced a draft decision on destruction (CRP.2). The EU encouraged further analysis on, *inter alia*, ODS destruction and cost calculations. CHINA, INDONESIA and LIBERIA suggested that the issue of ODS banks be addressed as a matter of priority. JAPAN and CANADA said the US proposal presented a good basis for further discussion. BRAZIL emphasized the importance of destruction and of the support by the MLF for Article 5 countries. Delegates agreed to establish a contact group on the issue of ODS banks.

CONTACT GROUPS

HFCS: After an initial discussion on how the contact group would proceed, Co-Chair Sorenson noted that even though many parties did not want to immediately delve into a substantive discussion of the new amendment proposal by the US, Canada, and Mexico, there was a general interest in having it presented and discussed from a "conceptual viewpoint." Sorenson noted this approach would help clarify questions raised in plenary. Delegates also noted general interest in having a substantive discussion on the draft decisions on HFCs and HCFCs and a general discussion on the Secretariat's concept note on high global warming potential alternatives to ODS (UNEP/OzL.Pro.21/INF/3). Sorenson emphasized that throughout the week the contact group would continue to "adjust and adapt" the spirit in the room.

ODS BANKS: The contact group on ODS banks, co-chaired by Anne Gabriel (Australia) and Mazen Hussein (Lebanon), met in the evening. Delegates agreed to use the US proposal (CRP.2) as a basis for work and discuss it in the context of the outcomes of the OEWG contact group and issues raised in plenary.

IN THE CORRIDORS

As delegates gathered in the holiday resort of Port Ghalib on the shores of the Red Sea, many remarked there would be little time for enjoying the delights of the desert or the sea, due to a full substantive agenda. Some remarked that the initial exchange of views on phasing down HFCs was "sobering," with strong support for the HFC amendment proposals starkly juxtaposed against resistance to considering the issue at all. As work on the issue was deferred to a contact group, many delegates were unsure about how much progress could be made at MOP-21. One seasoned delegate recalled the work of MOP-19 in 2007 on the issue of HCFCs, at which many delegates doubted a decision on HCFC phase-out was possible. He said he had learned not to underestimate the Montreal Protocol.