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Open-ended Working Group of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer Resumed thirty-sixth meeting Dubai, United Arab Emirates, 29 and 30 October 2015

Report of the Open-ended Working Group of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer on the work of its resumed thirty-sixth meeting

I. Opening of the meeting

- 1. The resumed thirty-sixth meeting of the Open-ended Working Group of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer was held at the Conrad Hotel, Dubai, United Arab Emirates, on 29 and 30 October 2015. The meeting was co-chaired by Mr. Paul Krajnik (Austria) and Ms. Emma Rachmawaty (Indonesia).
- 2. The meeting was opened at 10.15 a.m. on Thursday, 29 October 2015, by Ms. Rachmawaty.
- 3. The Executive Secretary of the Ozone Secretariat, Ms. Tina Birmpili, made an opening statement in which she recalled that the current meeting had been resumed to build on the progress made at the thirty-sixth meeting of the Working Group, held in Paris from 20 to 24 July 2015, on the mandate for a contact group on the feasibility and ways of managing hydrofluorocarbons (HFCs).
- 4. She said that the parties had identified a number of interlinked issues requiring further discussion: the need to recognize the special situation of developing countries; the question of whether the Multilateral Fund for the Implementation of the Montreal Protocol should be the financial mechanism for HFC management and the level of funding needed to help parties operating under paragraph 1 of Article 5 to comply with HFC-related measures; the relevance of intellectual property rights when addressing HFC management; the need for flexibility in implementation to enable countries to develop their own strategies; the question of exemptions, for instance for high-ambient-temperature countries, and a mechanism for the periodic review of alternatives; the effect of the phase-out of hydrochlorofluorocarbons on the use of HFCs; how trade provisions would apply if HFCs were managed under the Protocol; and the synergies between the Vienna Convention for the Protection of the Ozone Layer and the Montreal Protocol and the United Nations Framework Convention on Climate Change and its Kyoto Protocol.
- 5. She noted that the parties had made tangible progress towards reaching an agreement on a contact group and, with sufficient political will and commitment, were close to finding a constructive path forward. In conclusion, she urged the parties to work together and listen to one another's diverse views in order to build a spirit of trust and bridge different perspectives.

II. Organizational matters

A. Attendance

- 6. The following parties to the Montreal Protocol were represented: Afghanistan, Albania, Angola, Antigua and Barbuda, Argentina, Armenia, Australia, Austria, Azerbaijan, Bahamas, Bahrain, Bangladesh, Belarus, Benin, Bosnia and Herzegovina, Botswana, Brazil, Cambodia, Cameroon, Canada, Chad, China, Comoros, Cook Islands, Costa Rica, Côte d'Ivoire, Cuba, Czech Republic, Denmark, Egypt, El Salvador, Estonia, Ethiopia, European Union, Finland, France, Gabon, Georgia, Germany, Ghana, Grenada, Guatemala, Guinea-Bissau, Guyana, Haiti, Honduras, India, Indonesia, Iran (Islamic Republic of), Iraq, Ireland, Italy, Jamaica, Japan, Jordan, Kenya, Kuwait, Kyrgyzstan, Lao People's Democratic Republic, Lebanon, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritius, Mexico, Micronesia (Federated States of), Mongolia, Montenegro, Mozambique, Nepal, Netherlands, New Zealand, Niger, Nigeria, Norway, Oman, Pakistan, Palau, Panama, Paraguay, Philippines, Poland, Qatar, Republic of Korea, Romania, Russian Federation, Samoa, Saudi Arabia, Senegal, Somalia, South Africa, Spain, Sri Lanka, Sudan, Swaziland, Sweden, Switzerland, Turkey, Ukraine, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Uruguay, Uzbekistan, Venezuela (Bolivarian Republic of), Viet Nam and Zimbabwe.
- 7. The following United Nations entities, organizations and specialized agencies were represented as observers: secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol, United Nations Development Programme, United Nations Environment Programme, secretariat of the United Nations Framework Convention on Climate Change, United Nations Industrial Development Organization and the World Bank. Also in attendance were representatives of the Scientific Assessment Panel and the Technology and Economic Assessment Panel of the Montreal Protocol.
- 8. The following intergovernmental, non-governmental and industry bodies were represented as observers: Air-conditioning, Heating and Refrigeration Institute, Alliance for Responsible Atmospheric Policy, Carrier Corporation, Center for Climate and Energy Solutions, Centre for Science and Environment, Chemours, China Refrigeration and Air-Conditioning Industry Association, Daikin Industries, Environment Research Center, Environmental Investigation Agency, Gluckman Consulting, Green Energy and Environment Research Laboratories, Honeywell, ICF International, Industrial Technology Research Institute, Ingersoll Rand, Institute for Governance and Sustainable Development, Institute of Nuclear and Energy Research (Instituto de Pesquisas Energeticas e Nucleares), International Institute of Refrigeration, Japan Refrigeration and Air-Conditioning Industry Association, Johnson Controls, Kuwait University, Lawrence Berkeley National Laboratory, Natural Resources Defense Council, Petra Engineering, Refrigerants Australia, Refrigeration and Air-Conditioning Manufacturers Association, Squire Patton Boggs, SRF Limited, United Technologies Climate, Controls and Security, World Avoided Project.

B. Adoption of the agenda

- 9. The Working Group adopted the following agenda on the basis of the provisional agenda set out in document UNEP/OzL.Pro.WG.1/resumed.36/1:
 - (a) Opening of the meeting.
 - (b) Organizational matters:
 - (a) Adoption of the agenda;
 - (b) Organization of work.
 - (c) Continuation of the discussion under item 7 of the agenda of the thirty-sixth meeting of the Open-ended Working Group.
 - (d) Adoption of the report of the resumed thirty-sixth meeting.
 - (e) Closure of the meeting.

C. Organization of work

10. Upon the proposal of the Co-Chair, the Working Group agreed that it would conduct its discussions informally and that periodic reports would be provided in plenary session in order for decisions to be taken.

III. Continuation of the discussion under item 7 of the agenda of the thirty-sixth meeting of the Open-ended Working Group

- 11. The Co-Chair recalled that at the thirty-fifth meeting of the Working Group the parties had agreed to continue to work intersessionally in an informal manner to study the feasibility and ways of managing HFCs, with a view to the establishment of a contact group at the Working Group's thirty-sixth meeting.
- 12. At the thirty-sixth meeting, the co-convener of the informal discussions had reported on the progress that had been made. The Working Group had agreed to allow the informal consultations on HFCs to continue during the thirty-sixth meeting and the co-conveners had reported periodically in plenary session on the progress achieved.
- 13. At the final plenary session of the thirty-sixth meeting, the co-convener had reported that, although steady progress had been made, a few items had remained unresolved and it had therefore not been possible to conclude the consultations. Accordingly, the Working Group had agreed that the draft mandate document developed during the informal consultations as it stood at the suspension of the thirty-sixth meeting, on 24 July 2015, would be annexed to the report of the meeting, that the meeting would be suspended, rather than adjourned, at the conclusion of that session and that the discussions would continue at the resumed thirty-sixth meeting.
- 14. The Working Group agreed that the co-conveners of the informal discussions, Patrick McInerney (Australia) and Rafael da Soler (Brazil), would continue to facilitate the discussions.
- 15. Subsequently, the co-convener of the informal discussions reported that the participants in the discussions had, after showing much flexibility and willingness to compromise, agreed upon a mandate for a possible contact group on the feasibility and ways of managing HFCs.
- 16. The Working Group agreed to annex the text of the mandate document to the present report, without formal editing, and to circulate it as a working document for consideration by the Twenty-Seventh Meeting of the Parties.

IV. Adoption of the report of the resumed thirty-sixth meeting

17. The Working Group adopted the present report on the evening of Friday, 30 October 2015, on the basis of the draft report contained in document UNEP/OzL.Pro.WG.1/resumed.36/L.1. The Secretariat was entrusted with the finalization of the report following the closure of the meeting.

V. Closure of the meeting

18. Following the customary exchange of courtesies, the resumed thirty-sixth meeting of the Working Group was declared closed at 6.35 p.m. on Friday, 30 October 2015.

Annex

Mandate for a possible contact group on the feasibility and ways of managing HFCs

The Open-ended Working Group of the Parties to the Montreal Protocol at its thirty-fifth meeting held in Bangkok from 22 to 24 April 2015, agreed that "it would continue to work inter-sessionally 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 [report of the thirty-fifth meeting of the Open-ended Working Group], with a view to the establishment of a contact group on the feasibility and ways of managing HFCs at the thirty-sixth meeting of the Open-ended Working Group" (paragraph 128, UNEP/OzL.Pro.WG.1/35/6).

The informal meeting was convened on the 12-13 of June in Vienna on the above mentioned basis.

The parties have recognised in their interventions the success of the Montreal Protocol and its institutions in phasing out ODSs.

The management of HFCs is applicable to both A5 and non-A5 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.

- 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 A5 countries,
- Maintain the MLF as the financial mechanism, and to agree that additional financial resources will be provided by non-A5 parties to offset costs arising out of HFC management for A5 parties if obligations are agreed to. In this regard, key elements for financial support from the MLF for A5 parties will be developed by the contact group to provide guidance to the ExCom of the MLF, taking into account the concerns of parties.
- The elements in paragraph 1(a) of decision XXVI/9 including 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 A5 countries and special needs for high ambient countries, based on all the elements listed in paragraph 1(a) of decision XXVI/9,
 - Relationship with the HCFC phase out,
 - Non-party trade provisions, and
- Legal aspects, synergies and other issues related to the UNFCCC in the context of HFC management under the MP.

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