United Nations Environment Programme

Fourth Extraordinary Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer
Online, 21 May 2021
Item 3 of the provisional agenda*

Replenishment of the Multilateral Fund for the period 2021–2023: payment of national contributions for 2021

Issues for discussion by and information for the attention of the Fourth Extraordinary Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer

Note by the Secretariat

I. Introduction

1. By its decision XXXII/2, on an extraordinary meeting of the parties in 2021, the Thirty-Second Meeting of the Parties to the Montreal Protocol, held online from 23 to 27 November 2020, authorized the Secretariat to organize an extraordinary meeting of the parties in 2021 to enable parties to take a decision on the replenishment of the Multilateral Fund for the Implementation of the Montreal Protocol for the triennium 2021–2023, if and when the circumstances related to the global coronavirus disease (COVID-19) pandemic permitted it.

2. The possibility of holding an extraordinary meeting of the parties in 2021 had been indicated in the contingency plan for meetings under the ozone treaties sent by the Secretariat to the parties in September 2020. By that time, it had become clear that, owing to the circumstances related to the COVID-19 pandemic, the combined twelfth meeting (part I) of the Conference of the Parties to the Vienna Convention for the Protection of the Ozone Layer and the Thirty-Second Meeting of the Parties to the Montreal Protocol could not be held in person, rendering difficult the negotiations on the replenishment. Instead of adopting a decision on the replenishment of the Multilateral Fund for the period 2021–2023, parties adopted decision XXXII/1, by which an interim budget of $268 million for the Multilateral Fund was adopted for the triennium 2021–2023, prioritizing those funds for the year 2021 as part of the triennium 2021–2023, until such time as the Parties adopted a final decision on replenishment, including a revised budget, for the triennium 2021–2023.

3. In early 2021, some donor parties expressed their willingness to make their 2021 contributions to the Multilateral Fund before the Thirty-Third Meeting of the Parties, at which a decision on the 2021–2023 replenishment is expected. The situations faced by those parties differ, however, according to their domestic funding systems. In order to be able to contribute, many parties require a decision by the parties that specifies the amount to be paid; for other parties, an invoice issued by the Treasurer suffices. Furthermore, the fiscal year of a few donor parties requires that payment of contributions for

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* UNEP/OzL.Pro.ExMOP.4/1.
2021 be made before July 2021; other donor parties can make the payment at any time in 2021 or even retroactively in 2022.

4. On 22 March 2021, the Secretariat notified the parties that the Fourth Extraordinary Meeting of the Parties, on the replenishment of the Multilateral Fund for the period 2021–2023, would be held on 21 May 2021 and would focus exclusively on the payment of national contributions for 2021. The notification was issued on the basis of an initial request received by the Secretariat and consultations with several parties. The initial request was reinforced by a letter, signed jointly by Australia, Canada, Japan and New Zealand, received by the Secretariat on 25 March 2021. With reference to decision XXXII/2, the letter encouraged the Secretariat to convene an extraordinary meeting of the parties in May or early June 2021 to facilitate contributions from at least two donor parties, Australia and New Zealand. Those donor parties required a decision to be taken by the parties, before the end of their fiscal year – 30 June 2021 – specifying the level of their respective contributions for 2021. Without such a decision, or if it were taken later than the end of June 2021, those donor parties would be unable to make their contributions for 2021.

5. Section II of the present note provides further information on the issue to be discussed at the Fourth Extraordinary Meeting of the Parties.

6. A meeting portal for the Fourth Extraordinary Meeting of the Parties has been established at www.ozone.unep.org/meetings/fourth-extraordinary-meeting-parties-montreal-protocol-replenishment-2021-contributions-some-parties. Information about the meeting, along with the pre-session documents, will be posted on the portal.

II. Credentials

7. Participants in the Fourth Extraordinary Meeting of the Parties are required to present their credentials, which will be examined by the Bureau of the Thirty-Second Meeting of the Parties.

8. The rules of procedure applicable to meetings of the parties provide that the credentials of representatives and the names of any alternate representatives and advisers should be submitted, if possible, not later than 24 hours after the opening of the meeting. As the Fourth Extraordinary Meeting of the Parties will be conducted over a period of one day, it is requested that credentials be submitted to the Ozone Secretariat before the opening of the meeting, if possible. Any later change in the composition of the delegation should also be submitted to the Secretariat. Credentials should be issued by a Head of State or Government, by a minister for foreign affairs or, in the case of a regional economic integration organization, by the competent authority of that organization.

III. Item 3 of the provisional agenda: replenishment of the Multilateral Fund for the period 2021–2023: payment of national contributions for 2021

9. Two parties, Australia and Norway, have proposed a draft decision on the payment of national contributions to the Multilateral Fund for 2021, which is contained in document UNEP/OzL.Pro.ExMOP.4/3. The draft decision recalls decision XXXII/1, on the interim budget for the Multilateral Fund for the triennium 2021–2023, and notes that the parties will take decisions in 2021 on the replenishment of the Multilateral Fund to adopt a budget for the triennium 2021–2023, including regular contributions by parties, and potentially on the extension of the fixed-exchange-rate mechanism. The draft decision recognizes that the receipt of contributions to the Multilateral Fund in 2021, before a final decision on the budget for the triennium 2021–2023 by the Meeting of the Parties, would help ensure the continued functioning of the Multilateral Fund during 2021. The decision also recognizes that some parties have advised the Secretariat that, under their national budget processes, their ability to contribute to the Multilateral Fund in 2021 requires a decision by the Meeting of the Parties stating the level of that contribution. The decision notes that any contributions made by parties in advance of decisions on the final budget for the Multilateral Fund for the triennium 2021–2023 and on the extension of the fixed-exchange-rate mechanism would count towards the level of contributions finally decided on for the triennium 2021–2023.

10. Operative paragraph 1 of the draft decision provides for the parties to adopt, on an interim basis, in advance of a decision by the Meeting of the Parties on the final budget for the Multilateral Fund for the triennium 2021–2023, the level of contributions for 2021 for the parties listed in the table in the annex to the decision. Operative paragraph 2 provides that any contributions by parties made in advance of such a decision by the Meeting of the Parties shall be without prejudice to the overall level of the replenishment or to the agreed level of contributions by parties.
11. The Secretariat has set up an online forum with a dedicated tab on the replenishment at https://online.ozone.unep.org/t/replenishment-exmop491. The purpose of the forum is to help parties with preparations for the online Fourth Extraordinary Meeting of the Parties. The draft decision has been posted in the online forum, and parties may wish to comment and exchange views on it. Parties may also wish to conduct informal and bilateral consultations as necessary. The comments may be considered by the proponents of the draft decision prior to the Fourth Extraordinary Meeting of the Parties.

12. At the Fourth Extraordinary Meeting, parties may wish to discuss the draft decision with a view to its adoption, as appropriate.