Report of the Fourth Extraordinary Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer

Introduction

1. By its decision XXXII/2, the Thirty-Second Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer 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. Accordingly, the Fourth Extraordinary Meeting of the Parties to the Montreal Protocol was held online on 21 May 2021.

I. Opening of the meeting

3. The meeting was opened by the President of the Thirty-Second Meeting of the Parties, Mr. Paul Krajnik (Austria), at 2.05 p.m. (Nairobi time (UTC + 3)) on Friday, 21 May 2021.

4. Opening remarks were delivered by Ms. Megumi Seki, Executive Secretary of the Ozone Secretariat, and Mr. Krajnik.

A. Statement by a representative of the United Nations Environment Programme

5. In her remarks, Ms. Seki welcomed the parties to the online meeting and extended the sympathies of the whole Secretariat to those affected directly by the COVID-19 pandemic. Acknowledging that online meetings were far from ideal, she noted that it was becoming more common to use such meetings for negotiation, which was necessary at a time when most countries were still facing serious challenges, including travel restrictions, owing to the COVID-19 pandemic.

6. The agenda for the meeting would focus solely on reaching a decision to facilitate the payment of contributions in 2021 to the Multilateral Fund for the Implementation of the Montreal Protocol for the triennium 2021–2023 by certain parties which had national financial systems and fiscal cycles that required a decision regarding the payment of their contributions to be taken before July 2021. A prompt decision was therefore vital to ensure that the Multilateral Fund did not lose valuable contributions from several donor parties.

1 All times mentioned are Nairobi time (UTC + 3).
7. The Multilateral Fund was currently operating with a sufficient interim budget, but any loss of contributions could negatively affect its support for the activities of parties operating under paragraph 1 of Article 5. She thanked the parties not operating under paragraph 1 of Article 5 (non-Article 5 parties) for their unflagging commitment and efforts to ensure that they could make their contributions to the Multilateral Fund for 2021, pending a decision on the replenishment for the triennium 2021–2023.

8. No decision had yet been made as to whether the combined twelfth meeting of the Conference of the Parties to the Vienna Convention for the Protection of the Ozone Layer (part II) and the Thirty-Third Meeting of the Parties, due to be held in October 2021, would take place in person or online. Negotiations on the replenishment of the Multilateral Fund had already been delayed from 2020, and a further delay until 2022, the second year of the replenishment period, would not be appropriate. Parties should therefore consider reaching consensus regarding online negotiations if the COVID-19 pandemic restrictions continued to prevent in-person meetings.

B. Statement by the President of the Thirty-Second Meeting of the Parties to the Montreal Protocol

9. In his statement, Mr. Krajnik recalled that the objective of the current meeting was to respond to the request put forward by certain parties in a draft decision to facilitate the ability of their Governments to make contributions to the Multilateral Fund for 2021 in the light of specific domestic circumstances in their countries. The draft decision, initially proposed by Australia and Norway, had garnered support from other parties, who had suggested changes to the original text.

10. He urged parties to show the flexibility and understanding necessary to be able to reach an agreement on the decision at the current meeting, while bearing in mind that the replenishment of the Multilateral Fund for the triennium 2021–2023 had not yet been completed and would be discussed further by the Open-ended Working Group at its forty-third meeting and the Thirty-Third Meeting of the Parties.

II. Organizational matters

A. Attendance

11. The Fourth Extraordinary Meeting of the Parties to the Montreal Protocol was attended by representatives of the following parties: Albania, Algeria, Angola, Argentina, Australia, Austria, Bahrain, Bangladesh, Barbados, Belarus, Belgium, Bhutan, Bosnia and Herzegovina, Brazil, Brunei Darussalam, Bulgaria, Cambodia, Canada, Chile, China, Colombia, Costa Rica, Cuba, Czechia, Denmark, Dominican Republic, Ecuador, Egypt, Estonia, European Union, Fiji, Finland, France, Gambia, Germany, Grenada, Guinea, Guinea-Bissau, Guyana, Holy See, Hungary, Iceland, India, Indonesia, Ireland, Italy, Jamaica, Japan, Kenya, Kuwait, Latvia, Lithuania, Madagascar, Malaysia, Mexico, Micronesia (Federated States of), Montenegro, Morocco, Netherlands, New Zealand, Nicaragua, Nigeria, Niue, North Macedonia, Norway, Palau, Panama, Paraguay, Peru, Poland, Portugal, Russian Federation, Saint Kitts and Nevis, Saint Lucia, Samoa, Saudi Arabia, Slovakia, Solomon Islands, Sweden, Switzerland, Thailand, Tonga, Trinidad and Tobago, Tuvalu, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Yemen.


13. The following intergovernmental, non-governmental, industry, academic and other bodies and individuals were also represented or present: Daikin, Nolan Sherry and Associates Ltd., Environmental Investigation Agency, Institute for Governance and Sustainable Development, Natural Resources Defense Council.

B. Adoption of the agenda

14. The following agenda was adopted on the basis of the provisional agenda (UNEP/OzL.Pro.ExMOP.4/1):

1. Opening of the meeting:

(a) Statement by a representative of the United Nations Environment Programme;
(b) Statement by the President of the Thirty-Second Meeting of the Parties to the
Montreal Protocol.

2. Organizational matters:
   (a) Adoption of the agenda;
   (b) Organization of work;
   (c) Credentials of representatives.

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

4. Adoption of the report of the Extraordinary Meeting of the Parties.

5. Closure of the meeting.

C. Organization of work

15. The Meeting of the Parties decided to organize its work at the current meeting in accordance
    with the agenda for the meeting, whose only substantive item was the “Replenishment of the
    Multilateral Fund for the period 2021–2023: payment of national contributions for 2021”.

D. Credentials of representatives

16. The Senior Legal Officer of the Ozone Secretariat reported that the Bureau of the Meeting of
    the Parties to the Montreal Protocol had approved the credentials of the representatives of 47 of the
    88 parties represented at the meeting. The Bureau had also provisionally approved the participation of
    5 parties on the understanding that they would forward their credentials to the Secretariat as soon as
    possible. The Bureau urged all parties attending future meetings of the parties to make their best
    efforts to submit credentials to the Secretariat as required under rule 18 of the rules of procedure. The
    Bureau also recalled that under the rules of procedure credentials had to be issued either by a Head of
    State or Government or by a minister for foreign affairs. The Bureau further recalled that
    representatives of parties not presenting credentials in the correct form could be precluded from full
    participation in the meetings of the parties, including the right to vote in the future.

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

17. Introducing the item, the President recalled, as explained in the note by the Secretariat
    (UNEP/OzL.Pro.ExMOP/4/2), that two parties, Australia and Norway, had proposed a draft decision
    on the payment of national contributions to the Multilateral Fund for the year 2021. The draft decision
    was set out in document UNEP/OzL.Pro.ExMOP/4/3. It had been posted for comment in the online
    forum established to help parties with preparations for the Fourth Extraordinary Meeting of the Parties,
    and its proponents had held discussions with the parties that had commented. Subsequently, Australia,
    the European Union, New Zealand and Norway had submitted a revised version of the draft decision
    as set out in a conference room paper.

18. The representative of Australia introduced the revised draft decision, explaining that a number
    of parties wanted to make a contribution to the Multilateral Fund in 2021 and that they required a
decision by the parties to provide a legal basis for doing so. In Australia and New Zealand, the
national budgeting systems also required the payment of such contributions to take place in the first
half of the calendar year. The draft decision contained a table that set out the proposed contributions
for 2021 for Australia, New Zealand and a number of other donor parties that had associated
themselves with the draft decision. She thanked the parties that had provided input.

19. She explained that the amounts in the table were the same as those paid by the parties in 2020,
as that had been considered the best way of setting the level in the absence of a decision on the final
replenishment amount for the triennium 2021–2023. Switzerland, however, had included an amount
greater than its 2020 contribution. She underlined that the level of the contributions in the table did not
in any way reflect parties’ positions regarding the level of the future replenishment and that any
contribution made by a party in advance of the agreement on the replenishment level would count
towards that party’s overall contribution to the Fund for the period 2021–2023.
20. The representatives of New Zealand and the European Union also took the floor to emphasize the importance of a decision by the parties in enabling them to make their contributions and, for New Zealand, the importance of such a decision being taken before the end of June 2021.

21. In the ensuing discussion, all the representatives who took the floor thanked the Secretariat for organizing the meeting and congratulated Ms. Megumi Seki on her appointment as Executive Secretary of the Ozone Secretariat. Many representatives also thanked the proponents of the draft decision and the parties that were seeking to make their contributions in advance of a decision on the replenishment of the Multilateral Fund with a view to ensuring its continued functioning. One representative stressed the importance of the parties reaching a decision in 2021 on the replenishment for the triennium 2021–2023 to avoid negative consequences for Article 5 parties. Another representative underlined the crucial nature of the support offered by the Multilateral Fund given the challenges faced by Article 5 parties in simultaneously phasing out hydrochlorofluorocarbons and phasing down hydrofluorocarbons. Two representatives requested that the donor parties increase their contributions to the Multilateral Fund.

22. The representative of a party that did not appear in the table in the revised draft decision said that, although his country also required a decision by the parties in order to make its contribution, it was not yet in a position to specify an amount owing to its internal processes. He therefore appreciated that the decision allowed not only the parties in the table to make contributions, but also any other party wishing to do so. Another representative also expressed his appreciation for that flexibility noting that, although his country was not intending to make a contribution before the final decision by the parties on the level of replenishment, if that decision were to be delayed further it might consider doing so.

23. Pending a decision on whether use of the fixed-exchange-rate mechanism would be extended, one representative said that it was his country’s understanding that, once the final decision on replenishment had been made, advance contributions by parties made in national currencies would be deducted from their agreed contribution level at the agreed exchange rate and their subsequent contributions for 2022 and 2023 would be calculated accordingly. Two other representatives said that they had the same understanding.

24. The Fourth Extraordinary Meeting of the Parties agreed to adopt the revised draft decision set out in the conference room paper without amendment.

IV. Adoption of decision by the Fourth Extraordinary Meeting of the Parties

25. The Fourth Extraordinary Meeting of the Parties adopted the following decision on the basis of the draft decision submitted by Australia, the European Union, New Zealand and Norway:

The Fourth Extraordinary Meeting of the Parties decides:

Decision Ex.IV/1: 2021 contributions to the Multilateral Fund for the Implementation of the Montreal Protocol for the triennium 2021–2023

Taking into account the current exceptional circumstances related to the coronavirus disease (COVID-19) pandemic, and without setting a precedent,

Recalling decision XXXII/1 on the interim budget for the Multilateral Fund for the Implementation of the Montreal Protocol for the triennium 2021–2023,

Noting that the next Meeting of the Parties is expected to take a final decision on the replenishment of the Multilateral Fund, including a revised budget for the triennium 2021–2023, including regular contributions by parties and potential extension of the fixed-exchange-rate mechanism,

Recognizing that contributions to the Multilateral Fund in 2021, before a final decision including a revised budget for the triennium 2021–2023 has been taken by the Meeting of the Parties, would help ensure the continued functioning of the Multilateral Fund during 2021,

Recognizing also that some parties have advised that under their national budgeting processes, contributing to the Multilateral Fund in 2021 requires a decision by a Meeting of the Parties stating the level of this contribution,
Noting that any contributions made by parties in advance of a final decision including a revised budget for the Multilateral Fund for the triennium 2021–2023 and of a decision on the potential extension of the fixed-exchange-rate mechanism would count towards the level of contributions to be decided on for the triennium 2021–2023,

1. To adopt the level of indicative contributions for the parties listed in table A for 2021 on an interim basis in advance of a final decision by the Meeting of the Parties on a revised budget for the Multilateral Fund for the triennium 2021–2023;

2. That any contributions by parties made in advance of a final decision on the revised budget for the Multilateral Fund for the triennium 2021–2023 shall be without prejudice to the overall level of the replenishment or to the agreed level of contributions by parties.

### Table A

<table>
<thead>
<tr>
<th>Party</th>
<th>Amount in United States dollars or in national currency*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>AUD 7 833 905</td>
</tr>
<tr>
<td>Austria</td>
<td>USD 1 814 500</td>
</tr>
<tr>
<td>Belgium</td>
<td>EUR 2 066 538</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>USD 113 333</td>
</tr>
<tr>
<td>Croatia</td>
<td>HRK 1 718 129</td>
</tr>
<tr>
<td>Cyprus</td>
<td>EUR 100 377</td>
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<tr>
<td>Czechia</td>
<td>USD 867 000</td>
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<tr>
<td>Denmark</td>
<td>DKK 10 142 404</td>
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<tr>
<td>Estonia</td>
<td>EUR 88 795</td>
</tr>
<tr>
<td>Finland</td>
<td>EUR 1 064 772</td>
</tr>
<tr>
<td>France</td>
<td>EUR 11 346 191</td>
</tr>
<tr>
<td>Germany</td>
<td>EUR 14 918 851</td>
</tr>
<tr>
<td>Greece</td>
<td>EUR 1 099 827</td>
</tr>
<tr>
<td>Hungary</td>
<td>HUF 115 977 788</td>
</tr>
<tr>
<td>Ireland</td>
<td>EUR 782 325</td>
</tr>
<tr>
<td>Italy</td>
<td>EUR 8 751 822</td>
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<tr>
<td>Latvia</td>
<td>EUR 116 747</td>
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<tr>
<td>Lithuania</td>
<td>EUR 168 171</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>EUR 149 485</td>
</tr>
<tr>
<td>Malta</td>
<td>EUR 37 371</td>
</tr>
<tr>
<td>Netherlands</td>
<td>USD 3 734 833</td>
</tr>
<tr>
<td>Poland</td>
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<td>Norway</td>
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<tr>
<td>New Zealand</td>
<td>NZD 957 172</td>
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<tr>
<td>Portugal</td>
<td>EUR 915 287</td>
</tr>
<tr>
<td>Romania</td>
<td>RON 1 941 505</td>
</tr>
<tr>
<td>Slovakia</td>
<td>EUR 373 558</td>
</tr>
<tr>
<td>Slovenia</td>
<td>EUR 196 122</td>
</tr>
<tr>
<td>Spain</td>
<td>EUR 5 704 676</td>
</tr>
<tr>
<td>Sweden</td>
<td>SEK 21 440 390</td>
</tr>
<tr>
<td>Switzerland</td>
<td>CHF 3 900 000**</td>
</tr>
<tr>
<td>United Kingdom of Great Britain and Northern Ireland</td>
<td>USD 11 247 500</td>
</tr>
</tbody>
</table>

* Based on the amounts set out in annex III to the report of the combined eleventh meeting of the Conference of the Parties to the Vienna Convention and the Twenty-Ninth Meeting of the Parties to the Montreal Protocol.

** The amount included in the table for Switzerland is more than the amount set out in annex III to the report of the combined eleventh meeting of the Conference of the Parties to the Vienna Convention and the Twenty-Ninth Meeting of the Parties to the Montreal Protocol.
V. Adoption of the report of the Extraordinary Meeting of the Parties

26. Owing to the brief nature of the one-day online meeting and the resulting difficulties associated with the preparation of a meeting report in time for adoption during the meeting, the parties decided to entrust the secretariat with the preparation of the report. The Secretariat would post the draft report on the meeting portal and would take parties’ comments into account in finalizing the report.

VI. Closure of the meeting

27. Following the customary exchange of courtesies, the meeting was declared closed at 3.25 p.m. on Friday, 21 May 2021.