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**United Nations  
Environment  
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**Implementation Committee under the  
Non-Compliance Procedure for the  
Montreal Protocol  
Fifty-fourth meeting**  
Paris, 27 and 28 July 2015

**Report of the Implementation Committee under the  
Non-Compliance Procedure for the Montreal Protocol on the  
work of its fifty-fourth meeting**

**I. Opening of the meeting**

1. The fifty-fourth meeting of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol was held at the headquarters of the United Nations Educational, Scientific and Cultural Organization, Paris, on 27 July 2015.
2. Ms. Nancy Seymour (Canada), who had been elected President of the Committee in the period between the Committee's fifty-third and fifty-fourth meetings, opened the meeting at 10 a.m.
3. Ms. Tina Birmpili, Executive Secretary, Ozone Secretariat, welcomed the representatives of the members of the Committee and extended a warm welcome to Ms. Seymour following her election through inter- sessional consultations. Outlining the items on the agenda, she noted that nearly all parties had established systems for licensing imports and exports of ozone-depleting substances but said that some were falling short in their enforcement; she therefore urged all parties, through the Committee, to put in place mechanisms to ensure the full enforcement of regulatory measures for preventing illegal trade in ozone-depleting substances. Also noting the number of parties still to report their data for 2014, she stressed that timely reporting was critical not only to the invaluable work of the Committee in monitoring compliance and handling issues of non-compliance but also to the work of the Montreal Protocol's three assessment panels and, among other bodies, the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol in its efforts to determine the funding required for financial and technical assistance to parties operating under paragraph 1 of Article 5 of the Protocol (Article 5 parties). Thanking the committee for its good work, she said that such work had been a contributing factor to the high levels of compliance achieved to date, and she wished Committee members success in their deliberations.

**II. Adoption of the agenda and organization of work**

**A. Attendance**

4. Representatives of the following Committee members attended the meeting: Bosnia and Herzegovina, Canada, Cuba, Dominican Republic, Ghana, Italy, Lebanon, Mali, Pakistan and Poland.

5. The meeting was also attended by representatives of the secretariat of the Multilateral Fund and representatives of the implementing agencies of the Multilateral Fund – the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the United Nations Industrial Development Organization (UNIDO) and the World Bank.

6. A list of participants is set out in annex II to the present report.

## **B. Adoption of the agenda**

7. The Committee members agreed that, as no party had been invited to send a representative to the current meeting to provide information regarding the party's compliance situation, item 9 of the provisional agenda would be deleted from the agenda as adopted. The Committee accordingly adopted the following agenda on the basis of the provisional agenda (UNEP/OzL.Pro/ImpCom/54/R.1/Rev.1) as orally amended:

1. Opening of the meeting.
2. Adoption of the agenda and organization of work.
3. Presentation by the Secretariat on data and information under Articles 7 and 9 of the Montreal Protocol and on related issues.
4. Presentation by the secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol on relevant decisions of the Executive Committee of the Fund and on activities carried out by implementing agencies (the United Nations Development Programme, the United Nations Environment Programme, the United Nations Industrial Development Organization and the World Bank) to facilitate compliance by parties.
5. Follow-up on previous decisions of the parties and recommendations of the Implementation Committee on non-compliance-related issues:
  - (a) Data- and information-reporting obligations:
    - (i) Central African Republic (decision XXVI/12);
    - (ii) Israel (recommendation 53/4);
  - (b) Existing plans of action to return to compliance:
    - (i) Democratic People's Republic of Korea (decision XXVI/15);
    - (ii) Ecuador (decision XX/16);
    - (iii) Guatemala (decision XXVI/16);
    - (iv) Kazakhstan (decision XXVI/13);
    - (v) Ukraine (decision XXIV/18).
6. Possible non-compliance with:
  - (a) Bosnia and Herzegovina: hydrochlorofluorocarbon phase-out;
  - (b) Libya: hydrochlorofluorocarbon phase-out;
  - (c) South Africa: methyl chloroform phase-out.
7. Consideration of other possible non-compliance issues arising out of the data report.
8. Status of establishment of licensing systems under Article 4B of the Montreal Protocol by Botswana and South Sudan (decision XXV/15 and recommendation 53/6).
9. Other matters.
10. Adoption of the recommendations and report of the meeting.
11. Closure of the meeting.

## **C. Organization of work**

8. The Committee agreed to follow its procedures and to meet according to its usual schedule of two 3-hour sessions per day, subject to adjustment as appropriate.

### **III. Presentation by the Secretariat on data and information under Articles 7 and 9 of the Montreal Protocol and on related issues**

9. The representative of the Secretariat gave a presentation summarizing the report of the Secretariat on the data provided by parties in accordance with Articles 7 and 9 of the Montreal Protocol (UNEP/OzL.Pro/ImpCom/54/R.2).

10. On the status of ratification, he said that universal ratification of all amendments to the Montreal Protocol had been achieved in 2014 and that all 197 parties were now bound by all of the provisions of the Protocol and all its amendments.

11. On reporting pursuant to Article 9 for 2014, no new information had been received from parties since the fifty-third meeting. Previous submissions under Article 9 were, however, available on the Secretariat's web site. As to reporting under Article 7 for 2014, 107 parties had reported to date and the situation of any parties that had failed to do so by the 30 September 2015 deadline would be reviewed at the Committee's fifty-fifth meeting. For the period 1986–2013, all 197 parties had complied with their annual data reporting requirements, including the Central African Republic, which had not reported its data by the twenty-six meeting of the Parties (decision XXVI/12) but had since done so.

12. On compliance with the control measures of the Protocol for 2014, the Committee had one case of non-compliance before it concerning Libya and its obligation to freeze consumption of hydrochlorofluorocarbons (HCFCs). Another party had yet to clarify its status with regard to possible excess consumption. As the 90-day minimum period for the Secretariat to seek resolution of it with the party in line with the non-compliance procedure had not yet lapsed, however, the matter was not before the Committee at the current meeting.

13. On accounting for essential-use and critical-use exemptions, all parties with exemptions for chlorofluorocarbons (CFCs) or methyl bromide for 2014 had submitted reports accounting for their use of the substances in accordance with those exemptions.

14. On the reporting of exports and destination countries in accordance with decision XVII/16, all 30 parties reporting on exports for 2013 had specified destinations for all or some exports, and destinations had been specified for 98 per cent of exports by weight. One party had reported exports to non-parties but was in the process of clarifying the matter with the Secretariat and it appeared that the reported exports had not in fact taken place in that year. The Secretariat also reported that it had sent in January 2015 aggregated information from exporting Parties to all importing Parties as requested in decision XVII/16.

15. Regarding imports and source countries (decision XXIV/12), 43 of the 164 parties reporting imports for 2013 had specified sources for all or some imports, with sources specified for 39 per cent of imports by weight. There were no reports of imports from non-parties, and three non-parties had reported imports without specifying their sources. The Secretariat also reported that it had sent in January 2015 invitations to Parties, which had also acted as reminders, to request the compilations of aggregate information received from importing Parties prepared by the Secretariat in accordance with decision XXIV/12. Only requesting Parties received the compiled information. Aggregate statistics on exports and imports for 2014 would be presented once all the data had been received and processed.

16. On the reporting of stockpiled excess production or consumption of ozone-depleting substances (decisions XVIII/17 and XXII/20), to date no Parties had submitted such information for 2014. Israel had met its reporting requirement since the fifty-third meeting and had submitted a complete set of data for 2013 on measures in place to prevent unauthorized uses of all stockpiled methyl bromide. As to reporting on process-agent uses of ozone-depleting substances, the four parties still allowed such uses – China, the European Union, Israel and the United States of America – had submitted their reports for 2013, as required by decision XXIII/7, and one of those parties, the European Union, had reported for 2014. All other parties, having previously reported that they no longer used ozone-depleting substances as process agents, no longer needed to report on the matter.

17. On the production of phased-out ozone-depleting substances in 2013, total production had amounted to 385,000 tonnes, most of which consisted of CFCs (48 per cent) and carbon tetrachloride (51 per cent) and all of which had been used as feedstock. Regarding the 1.5 per cent of total bromochloromethane production unaccounted for in the Secretariat's report, he said that it had been stockpiled and was recorded in the relevant figures for stockpiled excess production. On the destruction of ozone-depleting substances, 18 parties had reported destroying a total of about 15,000 tonnes in 2013.

18. Regarding the statistical information requested by the Committee at its fifty-third meeting on quarantine and pre-shipment uses of methyl bromide, he said that it had not been included in the Secretariat's report owing to an oversight and would be presented at the Committee's fifty-fifth meeting.
19. He presented the Secretariat's analysis of the responses by parties to the request in decision XXIV/14 to affirmatively specify zero quantities with zeros – instead of leaving blank cells – in their Article 7 data reporting forms. Of the 197 parties reporting for 2013, 60 (30 per cent) had left blank cells in their forms and 17 of those (28 per cent) had responded to Secretariat requests for clarification, which was an improvement on the previous year. An analysis of the 2014 reporting forms would be presented to the Committee at its next meeting.
20. Finally, on the revision of HCFC baseline data, he said that the baseline for Nigeria had been revised from 398.2 to 344.9 ODP tonnes following the detection and correction by the Secretariat of a recording error in the party's Article 7 data for the years 2009–2012: the calculated consumption for the Party had mistakenly included imports of HCFC-141b in pre-blended polyols.
21. In the ensuing discussion, one representative expressed concern about the number of parties continuing to leave cells blank in their Article 7 data reporting forms and failing to respond to Secretariat requests to clarify whether those blank cells meant zero quantities. In addition to the disregard shown for the Committee's recommendations and the decisions of the Meeting of the Parties, it amounted to a failure to provide full information and a case of non-compliance with the reporting obligations under the Montreal Protocol. Following the expression of similar views by other representatives it was agreed that the Secretariat would list the names of parties that continued to disregard its requests regarding blank cells in its data report; that the implementing agencies of the Multilateral Fund would be encouraged to liaise with parties on the subject, including at regional network meetings, and that the Committee would revisit the matter at its fifty-fifth meeting and if necessary adopt a relevant recommendation and draft decision, possibly naming those parties that continued to leave cells blank without explanation. The representative of UNEP said that his organization was already reminding parties of the need to comply with the requirement during network meetings and would continue to do so at forthcoming meetings – where time could be allotted for the Secretariat to address the subject – as well as within the framework of its institutional strengthening projects with individual parties on data reporting.
22. One representative expressed concern that some parties were using Multilateral Fund country programme forms to report Article 7 data; given that those forms included data that differed from Article 7 data, which might lead to problems. The representative of the Secretariat said that when it received such forms, the information on production, imports and exports was extracted and recorded, and the parties concerned were requested to resubmit their Article 7 data using the correct form. Not all, unfortunately, responded to such requests.
23. Responding to a request for clarification as to why five exporting parties had provided no information on destination countries and what had been done to elicit such information, he said that the Secretariat had re-contacted the parties concerned to request the information but had received no response, adding that such reporting was voluntary according to decision XVII/16. Responding to a question from another representative on how to identify original source countries in the case of imports arriving via free trade zones, he said that the Meeting of the Parties had decided that a country that imported ozone-depleting substances and then re-exported them to a third country was considered the source country of the import vis-à-vis the third country; on the other hand, when a substance was merely transhipped through the second country and the second country did not recognize the shipment as an import then the original exporting country was considered the source country vis-à-vis the third country. In the case of an import exported from one country through a free trade zone in a second country for ultimate shipment to a third country, the first country should be listed as the source country unless the country in which the free trade zone was located had itself recognized the shipment as an import. The representative of UNEP said that the treatment of shipments passing through free trade zones was a source of confusion at regional network meetings.
24. The Committee took note of the information presented.

#### **IV. Presentation by the secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol on relevant decisions of the Executive Committee of the Fund and on activities carried out by implementing agencies (the United Nations Development Programme, the United Nations Environment Programme, the United Nations Industrial Development Organization and the World Bank) to facilitate compliance by parties**

25. The representative of the Multilateral Fund secretariat reported on relevant decisions of the Executive Committee of the Multilateral Fund and on activities carried out by implementing agencies, summarizing information provided in the annex to the note by the secretariat on country programme data and prospects for compliance (UNEP/OzL.Pro/ImpCom/54/INF/R.3).

26. He informed the Committee that a total of \$3.5 billion had to date been provided for the phase-out of all categories of ozone-depleting substances apart from HCFCs. Since the adoption of the accelerated phase-out of HCFCs in 2007, the Executive Committee had approved in principle \$559 million for stage I HCFC phase-out management plans in 140 countries and \$12 million for stage II plans in two countries, relating to 26 per cent of Article 5 parties' baseline consumption. All but four parties had received stage I funding to achieve the Protocol's target of a 10 per cent reduction in HCFCs by 2015, but 115 parties had adopted more ambitious phase-out targets, including nine that had committed to complete phase-out well before the Protocol's target date of 2030. A stage I project for the HCFC production sector had been approved in one country, representing 89 per cent of the total of Article 5 parties' HCFC production. The preparation of stage II management plans was well under way, with project preparation funding approved for 31 parties.

27. Stage I HCFC phase-out management plans required confirmation of the establishment of operational licensing systems for the import and export of HCFCs. All Article 5 parties had established such systems, with the exception of South Sudan, which had been experiencing a difficult political and security situation. Dominica and Mauritania, however, had not yet amended their licensing systems to include the accelerated control measures for HCFCs adopted in 2007. All Article 5 parties also had HCFC quota systems in place, with the exception of Burundi, where a provisional system was in place and a formal system was to be established by the close of 2015. It was subsequently clarified that all parties with approved HPMPs had licensing and quota systems.

28. Turning to countries at risk of non-compliance, he informed the Committee that in Bosnia and Herzegovina a penalty clause had been applied, but the country currently appeared to have returned to compliance. In Libya, institutional strengthening support had been approved for only one year due to the country's non-compliance and lack of an operational licensing system. Since confirmation had recently been received that the licensing system had become operational, stage I of the country's HCFC phase-out management plan could be submitted to the Executive Committee for consideration at its next meeting.

29. The Executive Committee always paid close attention to country programme data and the prospects for compliance that they revealed; accordingly, it had decided that implementing agencies should assist parties in addressing any data discrepancies between parties' country programme reports and the reports on production and consumption that they submitted to the Ozone Secretariat under Article 7 of the Protocol. He drew attention to the sectoral and national distribution of HCFC consumption, as summarized in tables 9 and 10 of the annex to document UNEP/OzL.Pro/ImpCom/54/INF/R.3. In 2013, China had accounted for about 60 per cent of remaining HCFC consumption, more than twice as much as the next 14 largest consuming countries combined and about six times as much as all other consuming countries combined.

30. He stressed that, in line with decision XIX/6, the Executive Committee afforded a high priority to the introduction of low-GWP technologies with minimum impact on the climate in the context of the accelerated HCFC phase-out. Given their current limited availability in some sectors, the Executive Committee was therefore supporting demonstration projects for such technologies. The sum of \$10.4 million had been allocated for demonstration projects and feasibility studies for district cooling; implementing agencies had submitted project proposals totalling about \$25 million, and project preparation had been approved to date for 13 demonstration projects and one feasibility study. In some cases, parties were receiving funding for the introduction of high-GWP alternatives to HCFCs as an interim solution until low-GWP alternatives became available.

31. In decision XXVI/9, the meeting of the Parties had requested the Executive Committee to consider providing additional funding for inventories or surveys of alternatives to ozone-depleting substances. The Executive Committee had responded quickly, approving surveys in 85 Article 5 parties to date and allowing the submission of funding requests from the remainder. The surveys were designed to provide data or estimates by sector and sub-sector of the alternatives currently in use and forecasts of future consumption of the most commonly used alternatives. Analysis of the results of the surveys would be presented at the first meeting of the Executive Committee in 2017.
32. Given its importance in enabling Article 5 parties to comply with the Montreal Protocol and to address the challenges related to the phase-out of HCFCs, the Executive Committee had agreed to fund all institutional strengthening projects and renewals at a level of 28 per cent higher than the historically agreed level, and at a higher minimum level of \$42,500 per year.
33. Finally, he reported on a number of changes in the funding for stage II HCFC phase-out management plans, including the flexibility to transfer up to 20 per cent of approved funding from incremental operating costs to incremental capital costs; funding for up to 25 per cent above the cost-effectiveness threshold when needed for the introduction of low-GWP alternatives; provision of a higher premium, of 40 per cent above the cost-effectiveness threshold, for small and medium-sized enterprises in the foam sector with consumption of less than 20 tonnes; consideration of a higher level of incremental operating costs for projects making the transition to low-GWP alternatives, particularly for small and medium-sized enterprises; and increased funding in the refrigeration servicing sector.
34. Members of the Committee thanked the representative of the Multilateral Fund for the hard work of the Executive Committee and the Secretariat of the Multilateral Fund, as demonstrated in his report. In response to questions about licensing systems, he said that the Multilateral Fund Secretariat was seeking clarification from Dominica and Mauritania about why they had not updated their licensing systems in line with the accelerated phase-out of HCFCs agreed in 2007.
35. The representative of the Ozone Secretariat added that under Article 4 of the Montreal Protocol Parties were obliged to establish licensing systems and report their existence to the Secretariat within three months of becoming party to the Protocol. There was no obligation, however, to report on the details of such systems, and it was not easy for the Secretariat to discover whether licensing systems had been updated to cover the 2007 adjustments to the Protocol; even if they had not it did not mean that the Party concerned was in non-compliance with its obligations concerning the establishment of licensing systems.
36. In response to a question about the ability of parties to move from very high levels of methyl bromide consumption to zero in a short space of time – as information contained in the annex to document UNEP/OzL.Pro/ImpCom/54/INF/R.3 seemed to suggest had happened – the representative of the Multilateral Fund Secretariat confirmed that the Executive Committee had only under special circumstances approved projects with phase-out dates beyond the Protocol's requirements. Tunisia and Egypt would continue to consume limited amounts of methyl bromide beyond the 2015 phase-out date, but that use was for the treatment of high-moisture dates as allowed by decision XV/12 of the Meeting of the Parties – until two years after the Technology and Economic Assessment Panel formally concluded that there were alternatives to methyl bromide that were available for high-moisture dates. A project was under way to eliminate that use. South Sudan had a project completion date beyond 2015 because of its very late ratification of the Montreal Protocol.
37. The representative of UNIDO confirmed that in Chile, although consumption of methyl bromide had been higher than permitted in 2013, the party's phase-out project was complete and no imports were expected in 2015. Similarly, 2014 was the last year for which Guatemala expected to report any consumption.
38. In response to a further question about the absence of a baselines for consumption of methyl bromide in Angola and Guinea, as noted in paragraph 17 of the annex to document UNEP/OzL.Pro/ImpCom/54/INF/R.3, the representative of the Ozone Secretariat explained that Parties were only required to report baselines if they also reported consumption. Angola and Guinea had never reported any consumption of methyl bromide and therefore had no obligation to report baselines.
39. Responding to a question about the applicability of the increased levels for funding of institutional strengthening for projects already approved, the representative of the Multilateral Fund Secretariat explained that in line with its normal procedures the Executive Committee had approved a number of such projects in the early stages of its seventy-fourth meeting, before discussing the wider policy issue of increasing funding. The projects had therefore been approved under the old funding guidelines.

40. Finally, the representative of the Multilateral Fund Secretariat provided additional details on the sectoral and regional breakdowns of demonstration projects for low-GWP alternatives. The representative of the Ozone Secretariat explained that full details would be reported to the Twenty-Seventh Meeting of the Parties.

41. The Committee took note of the information presented.

## **V. Follow-up on previous decisions of the parties and recommendations of the Implementation Committee on non-compliance-related issues**

### **A. Data- and information-reporting obligations**

#### **1. Central African Republic (decision XXVI/12)**

42. The representative of the Secretariat, introducing the sub-item, recalling that the Central African Republic had not reported its Article 7 data on the production and consumption of ozone-depleting substances for 2013 by the time of the twenty-sixth meeting of the Parties, and that decision XXVI/12 had urged the party to do so as a matter of urgency. The data had since been reported, in July 2015, and confirmed the party's compliance with its control measures under the Montreal Protocol for 2013.

43. The Committee took note of the information presented.

#### **2. Israel (recommendation 53/4)**

44. The representative of the Secretariat recalled that Israel had not reported on its permitted process-agent use of 3.5 tonnes of ozone-depleting substances for 2013 (decision XXIII/7) by the time of the fifty-third meeting of the Committee and that the party had accordingly been requested to submit the outstanding information as a matter of urgency (recommendation 53/4). The information had since been submitted and showed that Israel was within the limits of make-up and the maximum emissions prescribed by decision XXIII/7.

45. The Committee took note of the information presented.

### **B. Existing plans of action to return to compliance**

#### **1. Democratic People's Republic of Korea (decision XXVI/15), Ecuador (decision XX/16) and Guatemala (decision XXVI/16)**

46. Introducing the sub-item, the representative of the Secretariat presented the cases of non-compliance with the HCFC phase-out schedule on the part of the Democratic People's Republic of Korea and Guatemala, which were the subject of decisions XXVI/15 and XXVI/16, respectively, and the methyl bromide phase-out schedule on the part of Ecuador, which was the subject of decision XX/16. The decisions included plans of action for returning to compliance that set targets for 2014 of 80 ODP-tonnes consumption and 29 ODP-tonnes production of HCFCs for the Democratic People's Republic of Korea; 4.35 ODP-tonnes consumption of HCFCs for Guatemala; and 52.8 ODP-tonnes consumption of methyl bromide for Ecuador. All three parties had submitted their 2014 Article 7 data in a timely fashion, in compliance with their reporting obligations under the Montreal Protocol, and that data had shown the parties to be in compliance with their commitments under their plans of action.

47. The Committee therefore noted that the Democratic People's Republic of Korea, Ecuador and Guatemala had submitted their data for 2014 in accordance with their obligations under Article 7 of the Montreal Protocol and that the data indicated that they were in compliance with their commitments for that year.

#### **Recommendation 54/1**

#### **2. Kazakhstan (decision XXVI/13)**

48. The representative of the Secretariat recalled that Kazakhstan, in accordance with its plan of action set out in decision XXVI/13, had committed itself to limiting its 2014 consumption of HCFCs to 40 ODP-tonnes and of methyl bromide to 6 ODP-tonnes. As the party had not yet reported its 2014 Article 7 data, however, its progress in meeting the commitments could not be assessed at the current meeting.

49. In the ensuing discussion, it was noted that the deadline for reporting 2014 data had not yet passed. In response to a question, the representative of the Secretariat said that there had been no opportunity to discuss the matter in person with a representative of the party during either the thirty-sixth meeting of the Open-ended Working Group of the Parties to the Montreal Protocol or the most recent regional network meeting, as Kazakhstan had not been represented at those meetings. The representative of Poland said that her country, as the member of the Committee from the same region as Kazakhstan, had attempted to contact the relevant officials in Kazakhstan without success.

50. The representative of UNIDO reported that Kazakhstan had applied for funding from the Global Environment Facility (GEF) for two proposed projects aimed at implementing its plan of action and returning to compliance with regard to HCFCs and methyl bromide, which he hoped would be ready for approval by September 2015. One representative, recalling that the Committee had discussed the possibility of GEF-funded projects to assist the party at its fifty-third meeting, welcomed the news that the two proposed projects were being negotiated, and there was general agreement as to the importance of those projects for the party.

51. The Committee therefore agreed:

To urge Kazakhstan to report to the Secretariat its data on ozone-depleting substances for 2014 in accordance with Article 7 of the Protocol, as a matter of urgency and preferably no later than 15 September 2015, in order that the Committee might assess at its fifty-fifth meeting the party's compliance with its commitments in decision XXVI/13.

#### **Recommendation 54/2**

### **3. Ukraine (decision XXIV/18)**

52. The representative of the Secretariat reported that Ukraine had not yet submitted its Article 7 data for 2014, possibly owing to staff changes within the relevant government departments. As a result, the Committee could not at the current meeting assess the party's compliance with its commitment, set out in decision XXIV/18, to reduce its HCFC consumption to 51.30 ODP-tonnes by 2014, to implement a quota system and to introduce a gradual ban on imports of equipment containing or relying on ozone-depleting substances, together with new legislation to control the substances more closely. Ukraine had not been represented at the thirty-sixth meeting of the Open-ended Working Group and the Secretariat had therefore been unable to raise the matter with the party at that time.

53. The representative of UNDP provided additional information, reporting that the new national ozone officer in Ukraine, appointed after a year of multiple institutional changes, had just taken office and was becoming familiar with the issues; he also said that the environment ministry was working with the customs authorities to ensure the collection and timely submission of the 2014 HCFC consumption data. He suggested that appropriate reporting by the ozone office could be anticipated following the appointment of a new environment minister, which was expected shortly.

54. The Committee therefore agreed:

To urge Ukraine to report to the Secretariat its data on ozone-depleting substances for 2014 in accordance with Article 7 of the Protocol, along with information on its implementation of paragraphs 2 (b), (c) and (d) of decision XXIV/18, as a matter of urgency and preferably no later than 15 September 2015, in order that the Committee might assess at its fifty-fifth meeting the party's compliance with its commitments in decision XXIV/18.

#### **Recommendation 54/3**

## **VI. Possible non-compliance with control measures under the Protocol**

### **A. Bosnia and Herzegovina: hydrochlorofluorocarbon phase-out**

55. Introducing agenda item 6 (a), the representative of the Secretariat recalled that Bosnia and Herzegovina had reported excess consumption of HCFCs in 2013. In response to Secretariat requests, Bosnia and Herzegovina had provided an explanation for the party's excess HCFC consumption in 2013, supported by a verification report dated 10 April 2014, as well as a plan of action for returning to compliance. Bosnia and Herzegovina had explained that the excess HCFC consumption in 2013 was due to its failure to introduce enforceable import and export quotas for that year, mainly because of the complex procedures involved in the adoption of the relevant regulations. After the Party's HCFC phase-out management plan had been finally agreed in November 2013, however, quotas had been applied to imports of HCFCs beginning in 2014, and the Party had expressed confidence that with its HCFC licensing and import quota system in place it would remain in compliance with its HCFC

obligations from 2014 onwards. Its 2014 data showed consumption of HCFCs of 3.37 ODP-tonnes, in compliance with the Party's obligations under the Protocol.

56. Members of the Committee expressed appreciation and congratulated Bosnia and Herzegovina on its efforts to return to compliance. Responding to questions, the representative of Bosnia and Herzegovina (a member of the Committee) explained that import quotas had been allocated in proportion to the historic import levels of the main importers, although in fact, imports of HCFC-22 in 2014 had been lower than allowed under the quotas. Imports of HCFC-141b would be banned from 1 January 2016, and investment projects to phase out the remaining uses of HCFCs were all well under way. Apart from providing information the representative of Bosnia and Herzegovina took no part in the Committee's deliberations on the formulation of a recommendation on the compliance situation of the party.

57. The Committee therefore agreed:

*Noting with concern* that Bosnia and Herzegovina had reported consumption of 5.1 ODP-tonnes of the Annex C, group I, controlled substances (hydrochlorofluorocarbons) in 2013, an amount that was inconsistent with the requirement under the Protocol to limit consumption of those substances to no more than 4.7 ODP-tonnes in that year,

*Noting with appreciation*, however, the party's submission of an explanation and a plan of action including the implementation of regulatory and administrative measures for returning to compliance with the Protocol's control measures for hydrochlorofluorocarbons in 2014 and subsequent years,

*Noting* that the party's submission of data under Article 7 for 2014 showed that Bosnia and Herzegovina was in compliance with its hydrochlorofluorocarbon consumption obligations under the control measures of the Protocol for that year,

1. To monitor closely the progress of Bosnia and Herzegovina with regard to the implementation of its obligations under the Protocol;

2. To forward for consideration by the Twenty-Seventh Meeting of the Parties the draft decision contained in section A of annex I to the present report.

#### **Recommendation 54/4**

### **B. Libya: hydrochlorofluorocarbon phase-out**

58. Introducing agenda item 6 (b), the representative of the Secretariat recalled that Libya had reported excess consumption of HCFCs in 2013 and 2014. In response to Secretariat requests, Libya had provided an explanation for its excess HCFC consumption in the two years, a plan of action with time-specific benchmarks for returning to compliance and a copy of its regulations for a licensing system. Libya had attributed its excess consumption in both years to a lack of approved licensing and quota systems, together with the difficult political situation in the country, which had prevented the implementation of any phase-out activity. The Party, however, expected the necessary policy and legislative procedures to be finalized in the fourth quarter of 2015, and licensing and quota systems to be in place by 2017. The establishment of the licensing system, it had explained, had been delayed from its expected 2015 date by the unstable political situation. Libya hoped that its HCFC phase-out management plan, including three projects in the foam sector, would be approved by the Executive Committee at its seventy-fifth meeting. The Executive Committee had approved the renewal of Libya's institutional strengthening project for one year and had encouraged the party to work with UNIDO to return to compliance and submit its request for a second year of funding in 2016.

59. In the ensuing discussion the representatives recognized that Libya faced severe political and security challenges. Nevertheless, it was said, the plan of action submitted by Libya was not yet fully acceptable. In particular it was said that it would be desirable for the quota system to be implemented earlier than 2017. A new plan of action should be prepared to reflect the changes and information communicated to the Secretariat since the preparation of the original plan of action. The decision of the Government of Libya to ban the procurement of air-conditioners containing HCFCs was applauded, and it was asked whether the ban could be extended to their import as well as their procurement.

60. The representative of the Secretariat said that Libya was planning to introduce a quota system soon but was not confident of being able to operate it fully in the short term. She suggested that the Committee might like to consider inviting a representative of Libya to its next meeting to discuss the issue. The representative of UNIDO observed that Libya's update to its proposed plan of action included a reduction in consumption of HCFCs in 2015 that would bring it into compliance with the

Protocol. UNIDO was continuing to working with Libya in operationalizing its licensing system and hoped to assist it in submitting its HCFC phase-out management plan at the next meeting of the Executive Committee.

61. The Committee therefore agreed:

*Noting with concern* that Libya had reported consumption of the Annex C, group I, controlled substances (hydrochlorofluorocarbons) of 144.0 ODP-tonnes in 2013 and 122.4 ODP-tonnes in 2014, amounts that were inconsistent with the Protocol's requirement to limit consumption of those substances to no greater than 118.38 ODP-tonnes in those years,

*Noting* the submission by Libya of an explanation for its excess consumption of hydrochlorofluorocarbons in 2013 and 2014 along with a plan of action to ensure its return to compliance,

*Noting with appreciation* that in response to a request from the Secretariat Libya had provided additional information regarding its plan of action, some of which modified the plan of action,

1. To request Libya to submit to the Secretariat as a matter of urgency, and no later than 15 September 2015, an updated plan of action with time-specific benchmarks for ensuring the party's prompt return to compliance;

2. To invite Libya to send a representative to the fifty-fifth meeting of the Committee to discuss the matter.

**Recommendation 54/5**

### **C. South Africa: methyl chloroform phase-out**

62. Introducing agenda item 6 (c), the representative of the Secretariat recalled that South Africa had reported excess consumption of methyl chloroform in 2011 and 2012. The Secretariat had discussed the issue with the representative of South Africa during the thirty-sixth meeting of the Open-Ended Working Group of the Parties to the Montreal Protocol. He had explained that the problem had appeared to arise from possible errors in the use of customs codes during the recording of imports and said that the Government would need more time to investigate the issue further and provide a definitive response.

63. Members of the Committee observed that South Africa had reported zero consumption of methyl chloroform in 2013. If the 2014 data also showed zero consumption, whatever the problems in 2011 and 2012, the Party would have already returned to compliance. The Committee agreed that it should return to the matter at its next meeting, when 2014 data should be available along with further information from the Party.

64. The Committee therefore agreed:

*Noting* that South Africa had reported zero consumption of the Annex B, group III, controlled substance (methyl chloroform) for the years 2011–2013,

*Noting with concern* that South Africa had subsequently reported revised data on consumption of methyl chloroform of 8.1 ODP-tonnes in 2011 and 3.6 ODP-tonnes in 2012, amounts that were inconsistent with the Protocol's requirement to limit consumption of those substances to no greater than zero ODP-tonnes in those years,

*Noting with appreciation* that South Africa's reported 2013 consumption data showed that the party was in compliance with its methyl chloroform consumption obligations under the control measures of the Protocol for that year,

*Noting* the efforts made by the party to provide an explanation for its excess consumption of methyl chloroform in 2011 and 2012 but noting with concern that it had to date provided only a partial explanation,

1. To request South Africa to submit to the Secretariat as a matter of urgency, and no later than 15 September 2015, an explanation for its excess consumption and, if appropriate, a plan of action with time-specific benchmarks for ensuring the party's prompt return to compliance;

2. To invite South Africa, if necessary, to send a representative to the fifty-fifth meeting of the Committee to discuss the matter;

3. In the absence of the submission of the outstanding information and a full explanation for the excess consumption, to forward for consideration by the Twenty-Seventh Meeting of the Parties the draft decision contained in section B of annex I to the present report.

**Recommendation 54/6**

## **VII. Consideration of other possible non-compliance issues arising out of the data report**

65. The representative of the Secretariat reported that there were no other possible non-compliance issues arising out of the data report for consideration by the Committee.

## **VIII. Status of establishment of licensing systems under Article 4B of the Montreal Protocol by Botswana and South Sudan (decision XXV/15 and recommendation 53/6)**

66. Introducing item 8, the representative of the Secretariat recalled that Botswana and South Sudan had been requested in decision XXV/15 and recommendations 52/5 and 53/6 to establish systems for licensing imports and exports of ozone-depleting substances as a matter of urgency and to report thereon to the Secretariat.

### **A. Botswana**

67. In subsequent communications with the Secretariat Botswana had reported that its licensing system had become operational in December 2014.

68. The Committee therefore agreed:

*Noting with appreciation* the efforts made by Botswana in the establishment and operation of a system for licensing the import and export of ozone-depleting substances under Article 4B of the Montreal Protocol,

To note that Botswana had established and was implementing a system for licensing the import and export of controlled ozone-depleting substances in accordance with its obligations under Article 4B of the Protocol.

**Recommendation 54/7**

### **B. South Sudan**

69. In subsequent communications with the Secretariat South Sudan had explained that it was facing serious political and security challenges that had inhibited its adoption of the necessary legislation and that it had accordingly made no further progress towards the establishment of its licensing system; in addition, UNEP had experienced problems in transferring funds into the country.

70. The representative of UNEP reported that the Government of South Sudan had drafted environmental management legislation that empowered the minister for the environment to issue regulations for ozone-depleting substances, including a licensing system. The legislation was awaiting consideration by the country's Parliament, which had been unable to meet recently because of the security situation. It was hoped that the legislation would be adopted by the end of 2015, after which the quota and licensing systems could be established. UNEP was continuing to work closely with South Sudan, but, as the party had explained to the Secretariat, had experienced problems in transferring financial assistance associated with the recent introduction of a new financial system in the United Nations.

71. The Committee therefore agreed:

*Noting* that South Sudan had not yet established a system for licensing the import and export of ozone-depleting substances as called for by Article 4B of the Montreal Protocol, decision XXV/15 and recommendation 53/6,

*To urge* South Sudan to establish a system for licensing the import and export of ozone-depleting substances and to submit to the Secretariat, no later than 15 September 2015, information on the status of that system for consideration by the Implementation Committee at its fifty-fifth meeting and by the Twenty-Seventh Meeting of the Parties.

**Recommendation 54/8**

## **IX. Other matters**

72. The Committee took up no other matters.

## **X. Adoption of the recommendations and report of the meeting**

73. The Committee approved the recommendations set out in the present report and agreed to entrust the approval of the meeting report to the President and the Vice-President, who also served as Rapporteur for the meeting, working in consultation with the Secretariat.

## **XI. Closure of the meeting**

74. Following the customary exchange of courtesies, the President declared the meeting closed at 5.30 p.m. on Monday, 27 July 2015.

## Annex I

### Draft decisions approved by the Implementation Committee at its fifty-fourth meeting for consideration by the Meeting of the Parties

*The Twenty-Seventh Meeting of the Parties decides:*

#### A. Draft decision XXVII/-: Non-compliance with the Montreal Protocol by Bosnia and Herzegovina

*Noting* that Bosnia and Herzegovina ratified the Montreal Protocol on Substances that Deplete the Ozone Layer on 1 September 1993, the London Amendment, the Copenhagen Amendment and the Montreal Amendment on 11 August 2003 and the Beijing Amendment on 11 October 2011 and is classified as a party operating under paragraph 1 of Article 5 of the Protocol,

*Noting also* that the Executive Committee has approved [\$xxx] from the Multilateral Fund for the Implementation of the Montreal Protocol in accordance with Article 10 of the Protocol to enable Bosnia and Herzegovina to achieve compliance with the Protocol,

1. That Bosnia and Herzegovina reported annual consumption for the controlled substances in Annex C, group I (hydrochlorofluorocarbons), for 2013 of 5.13 ODP-tonnes, which exceeds the party's maximum allowable consumption of 4.7 ODP-tonnes for those controlled substances for that year, and was therefore in non-compliance with the consumption control measures under the Protocol for hydrochlorofluorocarbons;

2. To note with appreciation the submission by Bosnia and Herzegovina of a plan of action to ensure its return to compliance with the Protocol's hydrochlorofluorocarbon consumption control measures in 2014 and subsequent years;

3. To note also with appreciation that the party submitted an explanation for its non-compliance, which confirmed that it had introduced a comprehensive set of measures necessary to ensure future compliance;

4. That the party's submission of ozone-depleting-substance data for 2014 showed that Bosnia and Herzegovina was in compliance with its hydrochlorofluorocarbon consumption obligations under the control measures of the Protocol;

5. That no further action is necessary in view of the party's return to compliance with the hydrochlorofluorocarbon phase-out in 2014 and its implementation of regulatory and administrative measures to ensure compliance with the Protocol's control measures for hydrochlorofluorocarbons for subsequent years;

6. To monitor closely the party's progress with regard to the implementation of its obligations under the Protocol;

#### B. Draft decision XXVII/-: Non-compliance with the Montreal Protocol by South Africa

*Noting* that South Africa ratified the Montreal Protocol on Substances that Deplete the Ozone Layer on 15 January 1990, the London Amendment on 12 May 1992, the Copenhagen Amendment on 13 March 2001 and the Montreal Amendment and Beijing Amendment on 11 November 2004 and is classified as a party operating under paragraph 1 of Article 5 of the Protocol,

*Noting also* that the Executive Committee has approved [\$xxx] from the Multilateral Fund for the Implementation of the Montreal Protocol in accordance with Article 10 of the Protocol to enable South Africa to achieve compliance with the Protocol,

1. That the annual consumption reported by South Africa of the controlled substances in Annex B, group III (1,1,1-trichloroethane (methyl chloroform)), of 8.1 ODP-tonnes for 2011 and 3.6 ODP-tonnes for 2012, exceeds the party's maximum allowable consumption of zero ODP-tonnes for those controlled substances for those years and that the party was therefore in non-compliance with the consumption control measures under the Protocol for methyl chloroform;

2. To request South Africa to submit to the Secretariat, as a matter of urgency and no later than 31 March 2016, for consideration by the Implementation Committee at its fifty-sixth meeting, an explanation for its excess consumption, together with a plan of action with time-specific

benchmarks to ensure the party's prompt return to compliance with its methyl chloroform obligations under the Protocol;

3. To monitor closely the progress of South Africa with regard to the phase-out of methyl chloroform. To the degree that the party is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a party in good standing and, in that regard, South Africa should continue to receive international assistance to enable it to meet its commitments in accordance with item A of the indicative list of measures that may be taken by the Meeting of the Parties in respect of non-compliance;

4. To caution South Africa, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Meeting of the Parties will consider measures consistent with item C of the indicative list of measures, which may include the possibility of actions available under Article 4, such as ensuring that the supply of methyl chloroform that is the subject of non-compliance is ceased so that exporting parties are not contributing to a continuing situation of non-compliance.

## Annex II

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