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**United Nations  
Environment  
Programme**

**Implementation Committee under the  
Non-Compliance Procedure for the  
Montreal Protocol  
Fifty-ninth meeting**  
Montreal, Canada, 18 November 2017

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

**I. Opening of the meeting**

1. The fifty-ninth meeting of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol was held at the Conference Centre of the International Civil Aviation Organization in Montreal, Canada, on 18 November 2017.
2. The President of the Committee, Brian Ruddle (United Kingdom of Great Britain and Northern Ireland), opened the meeting at 10 a.m.
3. The Executive Secretary of the Ozone Secretariat, Tina Birmpili, welcomed the participants. She noted that the rate of data reporting for 2016 was at an historic high, with 196 of 197 parties having reported their data. She drew attention to various issues for consideration by the Committee, including the requests for changes in baseline data received from Pakistan and the Philippines and the follow-up on non-compliance-related issues through existing plans of action by Kazakhstan and Ukraine to return to compliance. In closing, she wished the Committee success in its deliberations.

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

**A. Attendance**

4. Representatives of the following Committee members attended the meeting: Bangladesh, Canada, Georgia, Haiti, Jordan, Kenya, Paraguay, Romania and United Kingdom of Great Britain and Northern Ireland. The representative of the Congo was unable to attend.
5. The meeting was also attended by representatives of the secretariat of the Multilateral Fund and representatives of the implementing agencies of the Fund: the United Nations Development Programme, the United Nations Environment Programme, the United Nations Industrial Development Organization and the World Bank.
6. The representatives of Kazakhstan and the Philippines attended as invited parties. A representative of Pakistan had been invited to attend, but was unable to do so.
7. A list of participants is set out in annex II to the present report.

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

8. The Committee adopted the following agenda on the basis of the provisional agenda (UNEP/OzL.Pro/ImpCom/59/R.1/Rev.1):

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: existing plans of action to return to compliance:
  - (a) Kazakhstan (decision XXVI/13 and recommendation 58/1);
  - (b) Ukraine (decision XXIV/18 and recommendation 58/2).
6. Data reporting obligations: reporting of zero in Article 7 data reporting forms (decision XXIV/14 and recommendation 58/4).
7. Consideration of other possible non-compliance issues arising out of the data report.
8. Requests for changes in baseline data (decisions XIII/15 and XV/19):
  - (a) Pakistan;
  - (b) Philippines.
9. Other matters.
10. Adoption of the recommendations and report of the meeting.
11. Closure of the meeting.

## **C. Organization of work**

9. The Committee agreed to follow its usual procedures.

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

10. 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/59/2 and UNEP/OzL.Pro/ImpCom/59/2/Add.1).

11. On the reporting of data under Article 7 for 2016, 196 of 197 parties had reported by 10 November 2017. Of those, 130 had reported by 30 June 2017, as encouraged in decision XV/15, and 180 had reported by 30 September 2017. Only the Holy See had yet to report, placing it in non-compliance with its data-reporting obligations under the Protocol.

12. With regard to non-compliance with the control measures for 2016, one party not operating under paragraph 1 of Article 5, Kazakhstan, had its case under consideration for its excess consumption of hydrochlorofluorocarbons (HCFCs).

13. On cases of possible non-compliance for 2016, one party not operating under paragraph 1 of Article 5 was yet to clarify its compliance status for some of its excess production. However, the party operating under paragraph 1 of Article 5 mentioned at the Committee's previous meeting had since provided clarification on its compliance status. Similarly, South Africa had corrected its data for 2016, confirming that it was in compliance with the control measures. In accordance with the non-compliance procedure, any cases not resolved would be brought to the attention of the Committee.

14. With regard to the reporting of excess production or consumption of ozone-depleting substances attributable to stockpiling (decisions XVIII/17 and XXII/20), reports had been submitted by Israel and the United States of America, representing three cases. Both parties had confirmed that they had the measures in place necessary to prevent the substances from being diverted for unauthorized uses, as required under paragraph 3 of decision XXII/20.
15. In respect of the reporting of process-agent uses (decisions X/14 and XXI/3), the four parties authorized to use ozone-depleting substances as process agents under decision XXIII/7 (China, the European Union, Israel and the United States) had all reported as required for 2016.
16. By decision XXIV/14, parties had been requested to specify zero quantities using zeros in their Article 7 data reporting forms, rather than leaving cells blank. The Secretariat had consistently worked to encourage parties to follow that guidance and had contacted parties that had submitted forms that included blank cells to request confirmation as to whether they represented zero quantities. There had been a steady fall in the number of parties submitting incomplete forms or forms that included blank cells, from 72 in 2012 to 23 (as at the time of the presentation by the Secretariat to the meeting) in 2016.
17. Requests for changes in baseline data for HCFCs had been received by the Secretariat from Pakistan and the Philippines. Details of the substantive discussions in that regard are set out in sections VIII.A and VIII.B of the present report.
18. 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**

19. The representative of the secretariat of the Multilateral Fund gave a presentation on data submitted under the country programme reports, the status of the HCFC phase-out, the results of the survey of alternatives to ozone-depleting substances and matters relating to the Kigali Amendment to the Montreal Protocol.
20. With regard to data submitted under the country programme reports, he confirmed that the secretariat verified country programme data against Article 7 data, reviewed consumption and production data in project proposals and communicated discrepancies to the implementing agencies for further action. Discrepancies had been noted for three parties (South Africa, the Syrian Arab Republic and Turkey) in 2016, and the issues had been or were being resolved.
21. HCFC phase-out plans for consumption had been approved in all relevant countries except the Syrian Arab Republic. An HCFC production phase-out management plan for China, representing some 95 per cent of total production, had been approved. Most foam manufacturing and a significant proportion of the manufacturing of air conditioning were under conversion, with most such conversions being to low-global-warming-potential alternatives. In addition, all countries were addressing the problem of HCFC phase-out in the refrigeration sector. The cumulative amount of HCFCs that would have been phased out on completion of the HCFC phase-out plans for consumption would be in excess of 19,300 ODP-tonnes, or 59 per cent of the starting point for aggregate reduction of HCFC consumption.
22. Introducing the results of the survey of alternatives to ozone-depleting substances, he emphasized that the results would change, potentially significantly, once data from a number of countries with large consumption, including Brazil, China and India, had been made available. Other limitations to the application of the findings included the lack of a regulatory system to monitor the import and export of alternatives to ozone-depleting substances, in particular HFCs, in many countries, and the dynamic nature of markets for the adoption of HFCs and other alternatives to ozone-depleting substances, leading to difficulties in projecting consumption.
23. The survey had been carried out by approaching 127 countries, of which 119 (77 low-volume ODS-consuming countries and 42 non-low-volume ODS-consuming countries) had submitted data and projections, representing 91 per cent and 24 per cent of the HCFC baseline respectively. Reported

consumption had grown from 100,005 tonnes<sup>1</sup> to 182,141 tonnes in the period between 2012 and 2015, representing average annual growth of 22 per cent. In 2015, growth had been 345 million CO<sub>2</sub> tonnes.

24. Several points stood out among the lessons learned from the survey process, including: given that HFC blends constituted a significant portion of HFC consumption, early action to promote awareness of HFCs and HFC blends was essential; the existence of Harmonized System codes for all substances, including blends, was critical; training and capacity-building for enforcement authorities on HFC blends and mechanisms for monitoring and reporting consumption were vital for accurate data monitoring and reporting; mandatory data-reporting mechanisms needed to be progressively implemented; and standardization of blend composition was important to ensure the accuracy of data reporting and the safe use of such substances.

25. He cautioned against forecasting too firmly ahead through the use of historical data. The high response rate to the survey and the wide-ranging use to which the data obtained would be put were highly encouraging, but a more comprehensive analysis of consumption by all parties operating under paragraph 1 of Article 5 was required for global policy analysis and decision-making.

26. With regard to funding the phase-down of HFC consumption and production, in decision 79/44 the Executive Committee had set out an agreement to develop guidelines for funding the phase-down of HFCs for submission to the Thirtieth Meeting of the Parties. It incorporated an agreement to integrate into the cost guidelines the following principles, which were agreed upon in decision XXVIII/2: flexibility in implementation; a cut-off date for eligible capacity; second and third conversions; sustained aggregate reductions in HFC consumption and production; categories eligible for incremental cost in the consumption manufacturing sector, the production sector and the refrigeration servicing sector; and eligibility of Annex F substances subject to high-ambient-temperature exemptions.

27. In respect of the consumption manufacturing sector, in decisions 78/3 and 79/45 the Executive Committee had set out an agreement to consider HFC-related projects in the manufacturing sector to gain experience in the incremental capital costs associated with the phase-down of HFCs; approval of the first investment project for \$3.13 million to phase out 230.63 metric tonnes of HFC-134a at a domestic refrigeration manufacturing facility in Bangladesh, including compressors; and approval of \$240,000 for the preparation of six additional projects to phase out HFCs in the domestic and commercial refrigeration sectors and two in the polyurethane foam sectors.

28. Regarding support for enabling activities and institutional strengthening, in decision 79/46 the Executive Committee had set out the criteria for the consideration of enabling activities in parties operating under paragraph 1 of Article 5, for which \$8.27 million had already been approved for the funding of enabling activities across 59 countries, while in decision XXVIII/2 the Committee had mandated an agreement to consider increasing funding for institutional strengthening at a future meeting.

29. With regard to HFC-23 by-product control, an agreement was in place to consider possible cost-effective options for compensation in respect of HCFC-22 swing plants to allow for compliance with the control obligations. The secretariat would commission an evaluation of cost-effective and environmentally sustainable options for HFC-23 destruction from HCFC-22 production facilities and invite the implementing agencies to submit proposals for technology demonstration for HFC-23 by-product mitigation or conversion technologies. The funds had already been approved for the preparation of a technology demonstration project to convert HFC-23 by-product to valuable organic halides.

30. Since the Twenty-Eighth Meeting of the Parties, the Fund had held four meetings at which the phase-out of HFCs had been discussed and it already had related agreements in place. The secretariat had received a request to prepare a wide-ranging document covering all aspects of the HFC phase-down as it related to the refrigeration servicing sector, and the Executive Committee had already agreed to fund projects to obtain meaningful data for that purpose. The first-ever phase-out of HFCs using R600A technology had been approved by the Committee at its meeting immediately before the current meeting and funding was already in place for the project, indicating a strong commitment from Governments to ratifying the Kigali Amendment.

31. As had been previously reported, 17 parties not operating under paragraph 1 of Article 5 had pledged additional voluntary contributions to provide fast-start support for HFC phase-down. As at 14 November 2017, 11 of those countries had paid those contributions, totalling \$14 million.

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<sup>1</sup> tonne = metric ton.

The funds had been used in the approval of enabling activities to 59 countries, one HFC-related investment project, preparatory funding for eight HFC-related investment projects and one demonstration project relating to HFC-23 by-products.

32. 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: existing plans of action to return to compliance**

### **A. Kazakhstan (decision XXVI/13 and recommendation 58/1)**

33. The representative of the Secretariat recalled that at its previous meeting the Committee had discussed with the representative of Kazakhstan the reasons for the inconsistency between its reported HCFC data for 2015 and the targets under its plan of action to return to compliance with its obligations under the Montreal Protocol. In recommendation 58/1, the Committee had requested corrected data for 2015 and the submission of data for 2016.

34. Kazakhstan had subsequently submitted revised data for 2015 and data for 2016, which confirmed that it had been in non-compliance with its obligations for HCFC consumption, although in compliance with its obligations for methyl bromide consumption, for both years. In response to requests from the Secretariat, the party had explained that the main reasons for that non-compliance included the poor quality of customs equipment, including detectors for determining the type of ozone-depleting substances; a lack of capacity on the part of companies' technical staff for the transition to natural refrigerants; insufficient public awareness of the need to replace HCFCs with ozone-friendly substances and of the harm caused by ozone-depleting substances; and uncontrolled imports of substances from other States members of the Eurasian Economic Union.

35. The party had also mentioned that there had been no technical support provided to reduce the consumption of ozone-depleting substances since 2008, although a project proposal for the elimination of HCFCs, developed jointly with the United Nations Development Programme, was currently under review by the Global Environment Facility.

36. Kazakhstan had submitted a proposal for a revised plan of action, which included a reduction in HCFC consumption to no greater than 7.5 ODP-tonnes in 2017, 2018 and 2019, 6.0 ODP-tonnes in 2020, 3.95 ODP-tonnes in 2021 and 0.5 ODP-tonnes in 2022, 2023 and 2024, with total phase-out by 1 January 2025. Additional consumption would be needed for the servicing of refrigeration and air-conditioning equipment between 2020 and 2030, as allowed for under the Montreal Protocol.

37. Members of the Committee, while expressing appreciation for the submission by Kazakhstan of an explanation and a revised plan of action, voiced concern at the lengthy delay that it envisaged before phase-out would be achieved, which would imply consumption for several years after the phase-out dates.

38. A representative of Kazakhstan, while presenting the revised plan of action, explained that, after the adoption of decision XXVI/13, his Government had been improving its regulations for HCFC consumption and had been attempting to control imports, but had been experiencing the challenges that it had reported to the Secretariat. A detailed examination of customs import data, together with a survey of the main HCFC-using companies, had confirmed that those companies had not exceeded their quota levels, which suggested that illegal imports were occurring.

39. The approval by the Global Environment Facility of the project that Kazakhstan had put forward, with assistance from the United Nations Development Programme, would be essential to the future phase-out of consumption, both of HCFCs and HFCs, and would enable the Government to improve its import controls and update its legislation. Given that project approval normally took up to 16 months, however, it would not be feasible to begin implementation until 2019, with the first significant reduction in consumption not expected until 2021.

40. Responding to questions from members of the Committee, he explained that consumption of HCFCs was expected to continue until 2025, owing to anticipated imports from the Russian Federation. One important outcome of support from the Global Environment Facility would be an improvement in the quality of the detection equipment used by customs authorities.

41. The Committee therefore agreed as follows:

- (a) To note with appreciation that Kazakhstan had submitted its corrected Article 7 data for 2015 and its Article 7 data for 2016;
- (b) To note with concern, however, that the reported data for 2015 and 2016 indicated that the party's consumption of HCFCs for those years exceeded its commitments under its plan of action as recorded in decision XXVI/13, as well as the control measures under the Montreal Protocol;
- (c) To note that the reported consumption data for 2015 and 2016 placed the party in non-compliance with its commitments under decision XXVI/13 for those years;
- (d) To note with appreciation the submission by Kazakhstan of an explanation for the deviation from its plan of action, along with a revised plan of action to return to compliance;
- (e) To forward for consideration by the Twenty-Ninth Meeting of the Parties the draft decision set out in section B of annex I to the present report, in which the parties would, among other things, note that the party was in non-compliance with its commitments for 2015 and 2016 under its existing plan of action as recorded in decision XXVI/13 and note with appreciation the party's explanation for that deviation and its submission of a revised plan of action with time-specific benchmarks to ensure a return to compliance by 2025.

#### **Recommendation 59/1**

### **B. Ukraine (decision XXIV/18 and recommendation 58/2)**

42. The representative of the Secretariat said that at the Committee's previous meeting it had requested Ukraine to report its data on ozone-depleting substances for 2016 so that the Committee could assess its compliance status at the current meeting. The consumption data for 2016 that Ukraine had subsequently reported indicated that it was in compliance with its obligations under decision XXIV/18.

43. During the discussions, a representative of the United Nations Development Programme confirmed that it had been working to assist Ukraine with its phase-out and data collection to prepare its national strategy. He noted that there had been a reduction in HCFC consumption which may be attributable to the economic downturn. Should the economic situation improve, resulting in an increase in consumption, the party might need to seek assistance from the Global Environment Facility to continue to meet its obligations.

44. The Committee therefore agreed to note with appreciation that Ukraine had reported its data under Article 7 of the Montreal Protocol for 2016, which indicated that it was in compliance with the benchmark recorded in decision XXIV/18 and the control measures under the Montreal Protocol.

## **VI. Data reporting obligations: reporting of zero in Article 7 data reporting forms (decision XXIV/14 and recommendation 58/4)**

45. The representative of the Secretariat explained that, in decision XXIV/14, the parties had recalled the need for consistent reporting of production, imports, exports and destruction of ozone-depleting substances in accordance with Article 7 of the Montreal Protocol and had noted that the data reporting forms submitted by parties sometimes contained blank cells, in which no numbers indicating quantities of ozone-depleting substances had been entered. The parties had also noted that such blank cells could be intended by a party to indicate zero consumption or production or, alternatively, could represent non-reporting by that party in respect of those substances. Parties had thus been requested, when reporting production, imports, exports or destruction, to enter a number, including zero where appropriate, in each cell in the forms submitted, rather than leaving the cell blank. The Secretariat had also been asked to request clarification from any party submitting a reporting form containing a blank cell.

46. While there had been a steady fall in the number of parties submitting reporting forms containing blank cells, as noted in the report of the Secretariat under agenda item 3, several parties continued to do so. Sometimes the Secretariat had to expend considerable effort, including requesting assistance from the Compliance Assistance Programme of the United Nations Environment Programme, to resolve the ambiguity thus represented.

47. Responding to questions from members of the Committee, the representative of the Secretariat explained that the Secretariat did not seek clarification of blank cells for optional data that parties were encouraged but not required to report, such as data under the annex to the imports data form which

included the country of origin of imports. Similarly, if parties reported that they had no imports at all, there was no need to check the corresponding data form, and hence no need to seek clarification. The Secretariat needed to seek clarification only in cases in which parties had reported that they had imports or production, but had also left blank cells in the corresponding data form.

48. One member of the Committee suggested that forms could automatically have zeros entered in every cell, with parties needing to change that only when they had data to report.

49. Responding to a question raised by another member, the representative of the Secretariat said that persistent failure by a party to clarify blank cells, even after a request for clarification, would result in the case being brought to the Committee for consideration. The Committee had previously, at its fifty-fourth meeting, instructed the Secretariat to list the names of parties that continued to disregard its requests regarding blank cells in its data report. The Committee was to revisit the matter and, if necessary, adopt a relevant recommendation and draft decision at its fifty-fifth meeting to address the situation, but all the parties in question at that time had responded to the requests for clarification.

50. The Committee therefore agreed as follows:

(a) To note with appreciation that most parties, when reporting production, imports, exports or destruction, were in compliance with the request in decision XXIV/14 to enter a number, including zero, where appropriate, in each cell in the data reporting forms that they submitted to the Secretariat, rather than leaving the cell blank;

(b) To forward for consideration by the Twenty-Ninth Meeting of the Parties the draft decision set out in section E of annex I to the present report, urging all parties to ensure that the requirements of decision XXIV/14 were complied with in order to avoid the need for clarifications by the Secretariat and the possible resulting delays in assessing parties' compliance with their data reporting obligations.

**Recommendation 59/2**

## **VII. Consideration of other possible non-compliance issues arising out of the data report** <sup>[1]</sup><sub>SEP</sub>

51. The representative of the Secretariat, recalling his presentation under item 3 of the agenda, said that only one party, the Holy See, had thus far failed to report its consumption and production data for 2016, in breach of its obligation, under Article 7 of the Montreal Protocol, to report annual data by no later than 30 September of the following year.

52. The Committee therefore agreed to forward for consideration by the Twenty-Ninth Meeting of the Parties the draft decision set out in section A of annex I to the present report, which would, among other things, record and note with appreciation the number of parties that had reported ozone-depleting-substance data for the year 2016 and list the parties that were in non-compliance with their data-reporting obligations under the Montreal Protocol.

**Recommendation 59/3**

## **VIII. Requests for changes in baseline data**

53. The representative of the Secretariat recalled the methodology that the parties had agreed upon in decision XV/19 for the submission of requests for changes in baseline data. The party requesting the change was required to do the following: identify which data were considered incorrect and propose new figures; explain why the existing baseline data were incorrect, including describing the methodology used for data collection and verification; explain why the changes should be considered correct, including describing the methodology used for data collection and verification; and provide supporting documentation.

### **A. Pakistan**

54. The representative of the Secretariat explained that Pakistan had requested a change in its HCFC consumption data. It had explained that the absence, until 2012, of specific Harmonized System customs codes for HCFC-142b had resulted in imports of the substance being reported as imports of HCFC-22. Since 2012, when the specific Harmonized System code was introduced for HCFC-142b, the party had been reporting the substance separately. The party was therefore requesting revisions of the consumption data that had reported for the years 2009 and 2010 (the baseline years), as well as

2011, to reflect higher consumption of HCFC-142b and correspondingly lower consumption of HCFC-22.

55. The request was linked to funding to be provided under the Multilateral Fund, given that revision of the baseline data for HCFC-142b was a condition of approval of an investment project for Pakistan to phase out the use of HCFC-142b in the extruded polystyrene foam manufacturing sector, in line with decision 76/39 of the Executive Committee. The net effect of the requested changes would increase the party's baseline consumption from 247.4 ODP-tonnes to 248.11 ODP-tonnes.

56. Subsequent clarifications by Pakistan had confirmed that one enterprise, Symbol Industries, had used a blend of HCFC-142b and HCFC-22 (in the ratio 60:40) to manufacture extruded polystyrene board. It had acquired the blend both through direct imports and local purchases from commercial importers, but all imports of the blend into Pakistan by commercial importers had been destined for the company. All quantities of the blend had been reported as HCFC-22, which meant that it was possible to calculate the revised figures on the basis of the composition of the blend; that had been accounted for in the proposed revisions of the consumption data for the baseline years and for 2011.

57. Pakistan had provided supporting information, including copies of goods declaration forms for direct imports by Symbol Industries, summaries of purchase and consumption of blowing agent as a share of HCFC-142b and of the annual quantity of the blend purchased by Symbol Industries, details of the purchase of the blend in the ratio 60:40 during the period 2009–2011, letters from two of the three commercial importers importing HCFC-142b, confirming that it had been imported only in the blend for Symbol Industries (information from the third importer was awaited), and the 2015 annual verification audit report for HCFC consumption.

58. A representative of Pakistan had been due to attend the meeting, but unfortunately had been unable to do so. Responding to questions from members of the Committee, the representative of the United Nations Industrial Development Organization confirmed that Symbol Industries was the only company in Pakistan using HCFC-142b, in a blend with HCFC-22, to produce extruded polystyrene foam. While other companies also produced foams, they used HCFC-141b or other substances. He also observed that the company itself had identified the issue in the recording of imports and reported it to the Government.

59. Members of the Committee observed that, while the information provided by Pakistan was helpful, it had also indicated that six companies had been allocated quotas for the import of HCFC-142b in 2015. While Symbol Industries had been the only company to have used its quota allocation and actually imported the substance in 2015, the Committee noted that the 2015 quota had been allocated only to companies that had imported the substance in the baseline years 2009 and 2010. Pakistan had reported that three of the other companies had imported HCFC-142b, in addition to Symbol Industries itself, and those companies had been contacted to confirm that their imports were to supply Symbol Industries. Two had thus far confirmed that their only import of HCFC-142b had been for the use of Symbol Industries. However, that meant that two other companies, Nasir Corporation and Simlim International, could have imported HCFC-142b and did not appear to have been contacted for further information. The Committee concurred that that issue needed to be resolved before the Twenty-Ninth Meeting of the Parties could approve the request for a change in baseline data.

60. The Committee therefore agreed as follows:

*Noting with appreciation* the information submitted by Pakistan in support of its request to revise its existing consumption data for the years 2009, 2010 and 2011 for the Annex C, group I, controlled substances (hydrochlorofluorocarbons),

*Noting* that decision XV/19 sets out the methodology for submission of requests for revision of baseline data,

*Noting with appreciation* the efforts made by Pakistan to fulfil the information requirements of decision XV/19,

To forward for consideration by the Twenty-Ninth Meeting of the Parties the draft decision set out in section C of annex I to the present report, by which the Meeting of the Parties would approve the request by Pakistan for the revision of its consumption data for hydrochlorofluorocarbons, as set out in the table below, provided that the Secretariat receives confirmation from Pakistan, prior to the adoption of the decision by the Twenty-Ninth Meeting of the Parties, that the imports of HCFC-142b by the two other companies in 2009 and 2010 had been accounted for in the revised baseline data:

Substance	Existing consumption data (ODP-tonnes)			Revised consumption data (ODP-tonnes)		
	2009	2010	Baseline <sup>a</sup>	2009	2010	Baseline <sup>a</sup>
HCFC-141b	134.2	142.8		134.20	142.80	
HCFC-142b	–	–		4.62	4.68	
HCFC-22	105.6	112.2		101.69	108.22	
<b>Total</b>	<b>239.8</b>	<b>255.0</b>	<b>247.4</b>	<b>240.51</b>	<b>255.70</b>	<b>248.11</b>

<sup>a</sup> Hydrochlorofluorocarbon baselines established after the Twenty-Third Meeting of the Parties are presented using two decimal places, whereas those established before are presented using one decimal place (see decision XXIII/30).

#### Recommendation 59/4

### B. Philippines

61. The representative of the Secretariat explained that the Philippines had requested a change in its HCFC consumption data for the baseline years 2009 and 2010. During the implementation of the first stage of the party's HCFC phase-out management plan, discrepancies had been noted between verified HCFC consumption data and the data reported under Article 7. Further investigation had revealed that the original data reported had been based on pre-shipment import clearances issued to importers, but those allocations were not always used. The revised data were based on records of the actual arrival of shipments of HCFCs.

62. The party had provided extensive supporting documentation in the form of copies of several hundred customs documents, and had clarified issues at the request of the Secretariat. As a result, the party's calculation had been adjusted, with the agreement of the party. The net effect of the proposed revisions would reduce the party's baseline consumption from 209.4 ODP-tonnes to 161.97 ODP-tonnes.

63. A representative of the Philippines attended the meeting at the invitation of the Committee. Responding to questions, he confirmed that consumption data to be reported in the future would also be based on records of actual imports from customs and revenue collection authorities rather than on import clearances, and should therefore be accurate.

64. The Committee therefore agreed as follows:

*Noting with appreciation* the information submitted by the Philippines in support of its request to revise its existing consumption data for the years 2009 and 2010 for the Annex C, group I, controlled substances (hydrochlorofluorocarbons),

*Noting* that decision XV/19 sets out the methodology for submission of requests for revision of baseline data,

*Noting with appreciation* the efforts made by the Philippines to fulfil the information requirements of decision XV/19,

To forward for consideration by the Twenty-Ninth Meeting of the Parties the draft decision set out in section D of annex I to the present report, by which the Meeting of the Parties would approve the request by the Philippines to revise its consumption data for hydrochlorofluorocarbons for the baseline years 2009 and 2010 to 162.98 ODP-tonnes and 160.96 ODP-tonnes respectively.

#### Recommendation 59/5

### IX. Other matters

65. No other matters were discussed.

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

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

### XI. Closure of the meeting

67. Following the customary exchange of courtesies, the President declared the meeting closed at 3.20 p.m. on Saturday, 18 November 2017.

## Annex I

### **Draft decisions approved by the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol at its fifty-eighth and fifty-ninth meetings for consideration by the Twenty-Ninth Meeting of the Parties to the Montreal Protocol**

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

#### **A. Draft decision XXIX/[...]: Data and information provided by the parties in accordance with Article 7 of the Montreal Protocol**

1. To note with appreciation that [196] of the 197 parties that should have reported data for 2016 have done so and that 180 of those parties had reported their data by 30 September 2017 as required under paragraph 3 of Article 7 of the Montreal Protocol on Substances that Deplete the Ozone Layer;

2. To note with appreciation that 130 of those parties had reported their data by 30 June 2017 in accordance with decision XV/15 and that reporting by 30 June each year greatly facilitates the work of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol in assisting parties operating under paragraph 1 of Article 5 of the Protocol to comply with the control measures under the Protocol;

[3. To note that a lack of timely data reporting by parties impedes the effective monitoring and assessment of parties' compliance with their obligations under the Montreal Protocol;

4. To note with concern that one party, namely the Holy See, had not reported its 2016 data as required under Article 7 of the Montreal Protocol, and that this placed it in non-compliance with its data reporting obligations under the Montreal Protocol until such time as the Secretariat receives its outstanding data;

5. To urge that party to report the required data to the Secretariat as quickly as possible;

6. To request the Implementation Committee to review the situation of that party at its sixtieth meeting;]

7. To encourage parties to continue to report consumption and production data as soon as figures are available, and preferably by 30 June each year, as agreed in decision XV/15;

#### **B. Draft decision XXIX/[...]: Non-compliance in 2015 and 2016 with the provisions of the Montreal Protocol governing consumption of the controlled substance in Annex C, group I (hydrochlorofluorocarbons), by Kazakhstan**

*Noting* that Kazakhstan ratified the Montreal Protocol on Substances that Deplete the Ozone Layer on 26 August 1998, the London Amendment on 26 July 2001, the Copenhagen Amendment and the Montreal Amendment on 28 June 2011 and the Beijing Amendment on 19 September 2014 and is a party not operating under paragraph 1 of Article 5 of the Protocol,

*Noting also* that the Global Environment Facility has approved the amount of [\$5,688,452] to enable Kazakhstan to achieve compliance with the Protocol,

1. To recall decision XXVI/13, in which the Twenty-Sixth Meeting of the Parties noted that Kazakhstan was in non-compliance with the consumption control measures under the Montreal Protocol on Substances that Deplete the Ozone Layer for hydrochlorofluorocarbons in the years 2011, 2012 and 2013 but also noted with appreciation the plan of action submitted by Kazakhstan to ensure its prompt return to compliance with those measures by 2016;

2. To note with concern that Kazakhstan has reported annual consumption of the controlled substance in Annex C, group I (hydrochlorofluorocarbons), for 2015 of 12.1 ODP-tonnes and for 2016 of 5.0 ODP-tonnes, which is inconsistent with its commitment contained in decision XXVI/13 to reduce its consumption of hydrochlorofluorocarbons to no greater than 9.9 ODP-tonnes in 2015 and 3.95 ODP-tonnes in 2016 and with the Protocol's requirement to limit consumption to no greater than 3.95 ODP-tonnes for each of those years, and that the party was therefore in

non-compliance with the consumption control measures for that substance under the Protocol for 2015 and 2016;

3. To note with appreciation the submission by Kazakhstan of an explanation for that deviation along with a revised plan of action to return to compliance with the Protocol's hydrochlorofluorocarbon control measures under which, without prejudice to the operation of the financial mechanism of the Protocol, Kazakhstan specifically commits itself to reducing its consumption of hydrochlorofluorocarbons to no greater than:

(a) 7.5 ODP-tonnes in 2017, 2018 and 2019;

(b) 6.0 ODP-tonnes in 2020;

(c) 3.95 ODP-tonnes in 2021;

(d) 0.5 ODP-tonnes in 2022, 2023 and 2024;

(e) Zero ODP-tonnes by 1 January 2025, save for consumption restricted to the servicing of refrigeration and air-conditioning equipment during the period from 2020 to 2030, as prescribed in the Protocol;

4. To continue to monitor closely progress by Kazakhstan with regard to the implementation of its plan of action and the phase-out of hydrochlorofluorocarbons, and that, 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, 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, as set out in annex V to the report of the Fourth Meeting of the Parties;<sup>2</sup>

5. To caution Kazakhstan, under item B of the indicative list of measures that may be taken by the Meeting of the Parties in respect of non-compliance, that, should it fail to return to compliance, the Meeting of the Parties will consider measures consistent with item C of the indicative list of measures, which allows for the suspension of specific rights and privileges under the Protocol, and that this may include the possibility of actions available under Article 4, such as ensuring that the supply of hydrochlorofluorocarbons that are the subject of non-compliance is ceased so that exporting parties are not contributing to a continuing situation of non-compliance;

### **C. [Draft decision XXIX/[...]: Request for the revision of baseline data by Pakistan**

*Noting* that, in decision XIII/15, the Thirteenth Meeting of the Parties decided to advise parties requesting changes in reported baseline data for the base years to present their requests before the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol, which in turn would work with the Secretariat and the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol to confirm the justification for the changes and present them to the Meeting of the Parties for approval,

*Noting also* that decision XV/19 sets out the methodology for the submission of such requests,

1. That Pakistan has presented sufficient information, in accordance with decision XV/19, to justify its request for the revision of its consumption data for hydrochlorofluorocarbons for the years 2009 and 2010, which are part of the baseline for parties operating under paragraph 1 of Article 5;

2. To approve the request by Pakistan, and to revise its consumption data for hydrochlorofluorocarbons for the baseline years 2009 and 2010, as indicated in the following table:

<sup>2</sup> UNEP/OzL.Pro.4/15.

<i>Substance</i>	<i>Previous hydrochlorofluorocarbon data (ODP-tonnes)</i>			<i>New hydrochlorofluorocarbon data (ODP-tonnes)</i>		
	<i>2009</i>	<i>2010</i>	<i>Baseline<sup>a</sup></i>	<i>2009</i>	<i>2010</i>	<i>Baseline<sup>a</sup></i>
HCFC-141b	134.2	142.8		134.20	142.80	
HCFC-142b	–	–		4.62	4.68	
HCFC-22	105.6	112.2		101.69	108.22	
<b>Total</b>	<b>239.8</b>	<b>255.0</b>	<b>247.4</b>	<b>240.51</b>	<b>255.70</b>	<b>248.11</b>

<sup>a</sup> Hydrochlorofluorocarbon baselines established after the Twenty-Third Meeting of the Parties are presented using two decimal places, whereas those established before are presented using one decimal place (see decision XXIII/30).]

#### D. Draft decision XXIX/[...]: Request for the revision of baseline data by the Philippines

*Noting* that, in decision XIII/15, the Thirteenth Meeting of the Parties decided to advise parties requesting changes in reported baseline data for the base years to present their requests before the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol, which in turn would work with the Secretariat and the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol to confirm the justification for the changes and present them to the Meeting of the Parties for approval,

*Noting also* that decision XV/19 sets out the methodology for the submission of such requests,

1. That the Philippines has presented sufficient information, in accordance with decision XV/19, to justify its request for the revision of its consumption data for hydrochlorofluorocarbons for both 2009 and 2010, which are part of the baseline for parties operating under paragraph 1 of Article 5;

2. To approve the request by the Philippines, and to revise its consumption data for hydrochlorofluorocarbons for the baseline years 2009 and 2010, as indicated in the following table:

	<i>Previous hydrochlorofluorocarbon data (ODP-tonnes)</i>			<i>New hydrochlorofluorocarbon data (ODP-tonnes)</i>		
	<i>2009</i>	<i>2010</i>	<i>Baseline<sup>a</sup></i>	<i>2009</i>	<i>2010</i>	<i>Baseline<sup>a</sup></i>
	194.7	222.0	<b>208.4</b>	162.98	160.96	<b>161.97</b>

<sup>a</sup> Hydrochlorofluorocarbon baselines established after the Twenty-Third Meeting of the Parties are presented using two decimal places, whereas those established before are presented using one decimal place (see decision XXIII/30).

#### E. Draft decision XXIX/[...]: Reporting of zero in Article 7 data reporting forms

*Recalling* decision XXIV/14, in which the Twenty-Fourth Meeting of the Parties recalled the need for consistent reporting of production, imports, exports and destruction of ozone-depleting substances in accordance with Article 7 of the Montreal Protocol on Substances that Deplete the Ozone Layer and noted that the forms for reporting in accordance with Article 7 submitted by parties sometimes contained blank cells, in which no numbers indicating quantities of ozone-depleting substances were entered, and that such blank cells could be intended by a party in a given case to indicate zero controlled substances or, alternatively, could represent non-reporting by that party in respect of those substances,

*Recalling also* that, by decision XXIV/14, the Twenty-Fourth Meeting of the Parties requested the parties, when reporting production, imports, exports or destruction, to enter a number, including zero, where appropriate, in each cell in the data reporting forms that they submitted, rather than leaving the cell blank, and asked the Secretariat to request clarification from any party that submitted a form containing a blank cell,

1. To note with appreciation that the majority of parties are complying with the request made in decision XXIV/14 to enter a number, including zero, where appropriate, in each cell in the data reporting forms that they submit, rather than leaving the cell blank;

2. To note, however, that some parties are continuing to submit forms containing blank cells, which requires additional work by the Secretariat to request clarification from the parties and results in delays in compiling information and assessing parties' compliance with the control measures under the Montreal Protocol on Substances that Deplete the Ozone Layer;

3. To urge the parties, when submitting forms for reporting data in accordance with Article 7, to ensure that all cells in the forms are completed with a number, including zero, where appropriate, rather than leaving the cell blank;

4. To request the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol to review the status of compliance by the parties with paragraph 3 of the present decision at its sixty-first meeting.

## Annex II

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