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Montreal Protocol on Substances that Deplete the Ozone Layer

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Thirty-Seventh Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer
Nairobi, 3–7 November 2025
Item 12 of the provisional agenda*

Further strengthening Montreal Protocol institutions

Outcomes of the informal meeting on facilitating implementation of the Montreal Protocol**

Note by the Secretariat

I. Background

1. In accordance with paragraph 4 of decision XXXVI/9 of the Thirty-Sixth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer, a one-day informal meeting was convened at the United Nations Office at Nairobi on Sunday, 2 November 2025, immediately prior to the Thirty-Seventh Meeting of the Parties, to be held at the same venue from 3 to 7 November 2025.

2. The informal meeting's objective, as set out in paragraph 4 of decision XXXVI/9, was to reflect, based on existing documents, on facilitating the implementation of the Montreal Protocol.

3. A document containing a concept note and provisional programme,[1] which also included a non-exhaustive list of existing documents on the matter, was made available in advance of the meeting. In addition, the analysis of systemic issues in relation to compliance based on cases considered by the Committee over the past 10 years,[2] which was prepared for consideration by the Implementation Committee at its seventy-fourth meeting and at the informal meeting, was a key document from which issues and specific examples were drawn.

4. The informal meeting addressed the following issues related to enhancing the implementation of the Montreal Protocol:

(a) Import and export licensing systems;

(b) Illegal trade;

(c) Data collection and reporting systems;

(d) Capacity enhancement.

* UNEP/OzL.Pro.37/1.

** The present document is being issued without formal editing.

[1] Available at https://ozone.unep.org/system/files/documents/IM_concept-note-and-provisional-programme.pdf.

[2] UNEP/OzL.Pro/ImpCom/74/6, annex II.

5. The informal meeting featured a total of 31 speakers, including 8 session facilitators, and was attended by around 300 participants in total, including representatives of Governments, experts on illegal trade and representatives of international and non-governmental organizations and other entities. The plenary sessions included presentations and reflections from parties on their experience, and question-and-answer segments that allowed participants to contribute through questions and comments. Breakout group sessions began with ice-breaker interventions from resource persons, followed by in-depth discussions of key questions relating to the issues listed in paragraph 4 above.

6. The present note provides a summary of key discussion points and take-away messages that emerged from each session of the informal meeting. It is intended to inform discussions at the Thirty-Seventh Meeting of the Parties.

II. Key points emerging from the informal meeting

A. Import and export licensing systems

7. Session 2 set the stage for discussions on import and licensing systems. Presenters recalled the key functions and features of an effective licensing system, drawing on the common features of such systems and notable practices and mechanisms adopted by parties, as described in the note by the Secretariat containing a summary of common features of licensing systems (UNEP/OzL.Pro.WG.1/47/4) and the earlier note on the same subject (UNEP/OzL.Pro/Workshop.11/2/Add.2–UNEP/OzL.Pro.WG.1/45/5/Add.2), as well as on country-specific examples under different circumstances as presented by parties. Presentations emphasized the benefits of digitization of licensing systems to a variety of stakeholders, the advantages of including equipment containing controlled substances in a party's licensing system, and the importance of legislation for effective licensing systems.

8. In the breakout group discussions on licensing systems during sessions 4 and 5, participants delved into the core functions of licensing systems, challenges of establishing and fully implementing a system for licensing the import and export of new, used, recycled and reclaimed controlled substances and the associated quota system, especially in the light of the Kigali Amendment to the Montreal Protocol. Participants also discussed possible practicable outcomes that could be considered by the Thirty-Seventh Meeting of the Parties. With regard to core features, participants emphasized the role of a clear legislative framework, an electronic system for data management, quota management, institutional coordination, reporting and monitoring, the use of the informal prior informed consent procedure, coverage of reclaimed substances, and flexibility for national circumstances. Notable practices identified included licensing of equipment, the strategic use of fees and levies, and incorporation of end-of-life considerations in licensing systems.

9. Challenges discussed included the lack of an adequate information technology infrastructure in many parties operating under paragraph 1 of Article 5 of the Montreal Protocol, the difficulty in managing new importers and unused quotas, tracking of misdeclared or mixed consignments, limited capacity for enforcement and data verification, delays in legislative approval, coordination among inter-ministerial departments, and incomplete tracking of reclaimed or recovered substances.

10. Key takeaways from the four breakout groups included the following:

(a) Establishment by law of the definition of responsibilities and other obligations (reporting, verification, etc.);

(b) Development of a fully digital and automatic single window system that allows sharing and access of all stakeholders, including the national ozone unit, regulators and customs office, with frequent data sharing and collaboration between the customs office and the national ozone unit during the development and adoption of such system;

(c) Strong enforcement mechanisms including the ability to use sanctions to ensure compliance;

(d) Generic open-source licensing software (e.g., the upgrade of the United for Efficiency (U4E) product registry software) that can be integrated into the custom systems;

(e) Use of additional national customs codes of up to 12 digits to improve monitoring and reporting (e.g. for blends or mixed consignments, etc.);

(f) Updating the checklist on core features of a licensing system of controlled substances;

(g) Development or update of practical guidelines on how to establish an automatic licensing system (step by step) including best practice examples.

B. Illegal trade

11. Session 3 began with an overview of patterns of illegal trade in controlled substances and a synthesis of best practices to address illegal trade. Those presentations were followed by reflections from parties on specific aspects of illegal trade, in particular on ways to manage illegal trade situations and the importance of prior informed consent as a means of preventing such trade. Presentations highlighted that the full scale of illegal trade in controlled substances remains uncertain and that information on such trade is likely to be underreported. They also emphasized the need for smarter and more coordinated responses in the face of two simultaneous challenges of phasing out HCFCs on one hand and phasing down HFCs on the other, with HFCs including more than 50 different substances and blends, making monitoring and enforcement difficult. Country reflections presented the advantages of an enhanced approach that could combine the existing licensing framework with a prior informed consent procedure and after-the-fact challenges including the best way to deal with material once it is confiscated or seized.

12. Discussions in the breakout groups focusing on illegal trade during sessions 4 and 5 explored key aspects of the challenges relating to illegal trade, the most effective responses to date and how the available information could be increased in quantity and better disseminated and used. Among other things, participants explored the reasons behind the low level of reporting on illegal trade to the Secretariat, including the assumption that illegal trade may cast a shadow on the efficiency of a licensing system rather than being considered as a sign of its success. They also identified a range of enforcement measures that have proven to be useful not only in terms of punishment of offenders but also in finding solutions for seized or confiscated substances.

13. Key takeaways from those discussions included the need to improve insights into trade and illegal flows of controlled substances and to strengthen capacity and cooperation to combat illegal trade. Participants reiterated how effective legislation and regulatory frameworks are required to prevent and deter illegal trade and how the growing role of e-commerce as an emerging channel for illegal trade required increased attention. Other key points that emerged from the discussions included the following:

(a) Domestic trade, which could be linked to illegal trade, should also be addressed, and e-commerce platforms and marketplaces regulated, including through improved supply chain tracking;

(b) Development of Standard Operating Procedures (SOPs) can support a harmonized, end-to-end approach to case handling, seizure management, reporting, and sanctions;

(c) Inter-agency cooperation between national ozone units and customs needs to be strengthened and cross-border /cross-region dialogues between the focal points, national ozone units and customs authorities of countries with trade ties should be encouraged to facilitate legitimate trade;

(d) The need to further promote iPIC as a useful tool allowing parties to confirm authorized importers and exporters;

(e) Specific trade-related issues, such as Free Trade Zones (FTZs), transshipment, and re-export, require reinforced enforcement measures and effective use of existing resources, international guidance, specific legislation, and sensitization of customs authorities.

C. Data collection and reporting systems

14. During session 6, the core features of a system of data collection and reporting for the Montreal Protocol and best practices in addressing some of the challenges relating to those systems were surveyed on the basis of the reflections of two parties. Those reflections acknowledged the importance of information held by customs authorities while at the same time recognizing the need to have customs data verified. Measures such as creating an interface between the customs and licensing systems and maintaining good relations with importers contribute to the robustness of the data collection system.

15. The breakout group discussions during session 7 highlighted best practices, including the importance of using both top-down and bottom-up approaches, together with surveys and sectoral assessments as key sources of data for reporting on controlled substances and sharing national data among multiple agencies for better data management. These best practices must be complemented by arrangements for institutional coordination. The benefits of an integrated e-licensing system as well as of digitization of data capture and analysis were also acknowledged.

16. Identified challenges relating to the collection of data on HFC consumption include the difficulty in tracking blends and non-standard products (i.e., those that do not follow standard ASHRAE specifications), limited technical capacity among customs officers, importers and staff of national ozone units, and discrepancy in data.

17. In relation to transboundary issues, the importance of cooperation among trading countries for data sharing was identified. Flagged vessels sales of controlled substances was suggested as one issue that could be revisited by parties.

D. Capacity enhancement

18. While no dedicated session was scheduled for capacity enhancement, the following related needs and concrete recommendations emerged from the sessions:

(a) Strengthening the technical capacity of national ozone officers and the staff of national ozone units;

(b) Equipping customs officers and enforcement agencies with appropriate tools, technology, and technical training to detect and address illegal trade effectively;

(c) Enhancing public awareness and stakeholder engagement (e.g., with importers).

E. Final session: key takeaways

19. During the final session, facilitators of the breakout groups were invited to briefly present the outcomes of discussions in their groups. Four cross cutting issues (in no particular order of importance) were identified:

(a) The value of information sharing;

(b) The need to transition to an online digital system such as a single-window system;

(c) The central place of a robust legal framework for an effective licensing system, for addressing illegal trade, and for data collection and reporting systems;

(d) Whether the role of iPIC can be strengthened.

20. A basket of key takeaways and ideas had been presented to parties through discussions at the informal meeting, with some that could be implemented without a decision of the Meeting of the Parties, and some that would need more discussion among parties. The challenge was now for parties to prioritise win-win solutions that could be implemented and to identify key takeaways for future discussions.