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**Twenty-Eighth Meeting of the Parties to
the Montreal Protocol on Substances
that Deplete the Ozone Layer**
Kigali, 10–14 October 2016

Issues for discussion by and information for the attention of the Twenty-Eighth Meeting of the Parties to the Montreal Protocol

Note by the Secretariat

I. Introduction

1. The present note sets out an overview of the substantive issues on the provisional agenda for the Twenty-Eighth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer. Section II provides an overview of the preparatory segment and section III of the high-level segment. For most agenda items a brief summary is given of the background and the related discussion that took place during the thirty-eighth meeting of the Open-ended Working Group of the Parties to the Montreal Protocol, held in Vienna from 18 to 22 July 2016. The resumed thirty-seventh meeting of the Open-ended Working Group and the Third Extraordinary Meeting of the Parties were also held in Vienna in conjunction with the thirty-eighth meeting of the Open-ended Working Group in accordance with the Dubai pathway on hydrofluorocarbons (HFCs), and the outcomes of those meetings are also reflected in the present document under the agenda item on the Dubai pathway. The resumed thirty-eighth meeting of the Open-ended Working Group is scheduled to be convened immediately prior to the Twenty-Eighth Meeting of the Parties and its outcome may also be considered under the agenda item on the Dubai pathway as appropriate.

2. Further information on some agenda items will be provided in an addendum to the present note when reports by the Technology and Economic Assessment Panel on alternatives to ozone-depleting substances (decision XXVII/4), on the climate benefits and financial implications of HFC phasedown (decision Ex.III/1) and on the final evaluation of critical-use nominations become available. The addendum will provide summaries of those reports.

II. Overview of items on the agenda for the preparatory segment (10–12 October 2016)

A. Opening of the preparatory segment (item 1 of the provisional agenda for the preparatory segment)

3. The preparatory segment of the meeting is scheduled to be opened at 10 a.m. on Monday, 10 October 2016, at the Radisson Blu Hotel & Convention Centre in Kigali. On-site registration will start at 8 a.m. on Friday, 7 October 2016, the day prior to the resumed thirty-eighth meeting of the Open-ended Working Group that will precede the Twenty-Eighth Meeting of the Parties. Registration will be open from 8 a.m. every day for the duration of the meetings. Participants are encouraged to pre-register online at <http://registration.unon.org/ozone> using the registration code MOPKIGALI.

4. In addition, as the meetings will be virtually paperless, participants are urged to bring their own laptops and handheld devices for obtaining meeting documents.

5. The preparatory segment will be jointly chaired by Mr. Paul Krajnik (Austria) and Mr. Leslie Smith (Grenada), the Co-Chairs of the Open-ended Working Group.

Statements by representatives of the Government of Rwanda and the United Nations Environment Programme (items 1 (a) and (b) of the provisional agenda for the preparatory segment)

6. Welcoming statements will be made by representatives of the Government of Rwanda and the United Nations Environment Programme (UNEP).

B. Organizational matters (item 2 of the provisional agenda for the preparatory segment)

1. Adoption of the agenda of the preparatory segment (item 2 (a) of the provisional agenda for the preparatory segment)

7. The provisional agenda for the preparatory segment is set out in section I of document UNEP/OzL.Pro.28/1 and will be before the parties for adoption. The parties may wish to adopt the agenda, including any items that they may agree to raise under item 15, "Other matters".

2. Organization of work (item 2 (b) of the provisional agenda for the preparatory segment)

8. Under item 2 (b), the Co-Chairs are expected to present a proposal to the parties on how they wish to proceed with the work on the items on the agenda.

C. Administrative matters (item 3 of the provisional agenda for the preparatory segment)

1. Consideration of membership of Montreal Protocol bodies for 2017 (item 3 (a) of the provisional agenda for the preparatory segment)

(a) Members of the Implementation Committee

9. Each year the Meeting of the Parties considers the membership of the Implementation Committee. In accordance with the non-compliance procedure adopted by the parties, the Committee consists of 10 parties, each of which selects an individual to represent it. Those parties are elected for two years on the basis of equitable geographical distribution, that is, two are elected to represent each of the regional groupings of African States, Asian and Pacific States, Eastern European States, Latin American and Caribbean States and Western European and other States. Committee members may serve two consecutive two-year terms.

10. The current members of the Committee are Bangladesh, Bosnia and Herzegovina, Canada, Cuba, Haiti, Kenya, Mali, Romania, Pakistan and the United Kingdom of Great Britain and Northern Ireland. Bosnia and Herzegovina and Cuba will conclude the second year of their second two-year terms in 2016 and are therefore not eligible for re-election. Bangladesh, Canada, Haiti, Kenya and Romania will complete the first year of their two-year terms in 2016; they will therefore continue as members for 2017. Mali and Pakistan will conclude the second year of their first two-year terms in 2016 and will therefore have to be replaced or re-elected. The United Kingdom of Great Britain and Northern Ireland, which in 2016 replaced Italy to complete the latter's first two-year term, is eligible to serve on the Committee for a second two-year period if nominated by its regional group.

11. In accordance with decision XII/13, the Committee selects its President and Vice-President from among its members. The selection process usually takes place through consultations among the Committee members during a Meeting of the Parties to ensure the continuity of the two offices. The Secretariat has prepared a draft decision on the matter for the consideration of the parties (UNEP/OzL.Pro.28/3, draft decision XXVIII/[BB]).

12. During the preparatory segment, the parties may wish to consult among themselves with the aim of nominating new Committee members for inclusion in the draft decision for possible adoption during the high-level segment.

(b) Members of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol

13. The Twenty-Eighth Meeting of the Parties will consider the membership of the Executive Committee of the Multilateral Fund. In accordance with its terms of reference, the Executive Committee consists of seven members from parties operating under paragraph 1 of Article 5 of the Montreal Protocol (Article 5 parties) and seven members from parties not so operating (non-Article 5 parties). For 2017, the seven members from Article 5 parties are expected to be selected from the regional groups as follows: two members from African States, two members from Asian-Pacific States, two members from Latin American and Caribbean States and one member to fill the seat that rotates among the regions, which for 2017 will be from the Eastern European and Central Asian region (decision XVI/38).

14. Each of the two groups of parties elects its Executive Committee members and reports their names to the Secretariat for endorsement by the Meeting of the Parties. In addition, the terms of reference of the Executive Committee call for the election from among the members of the Committee of a Chair and a Vice-Chair, who alternate each year between Article 5 parties and non-Article 5 parties. As representatives of Mexico and Austria served as Chair and Vice-Chair, respectively, during 2016, the Article 5 parties will be expected to nominate the Vice-Chair for 2017 and the non-Article 5 parties will be expected to nominate the Chair.

15. The Twenty-Eighth Meeting of the Parties will need to adopt a decision in which it endorses the selection of the new Committee members and takes note of the selection of the Committee's Chair and Vice-Chair for 2017. The Secretariat has prepared a draft decision on the matter for the consideration of the parties (UNEP/OzL.Pro.28/3, draft decision XXVIII/[CC]).

16. During the preparatory segment, the parties may wish to consult among themselves and consider the new composition of the Committee to enable the Secretariat to include nominated parties in the draft decision for possible adoption, with any amendments that the parties deem appropriate, during the high-level segment.

(c) Co-Chairs of the Open-ended Working Group

17. Each year the Meeting of the Parties selects one representative from among Article 5 parties and one representative from among non-Article 5 parties to serve as Co-Chairs of the Open-ended Working Group in the subsequent year. In accordance with decision XXVII/14, Mr. Paul Krajnik (Austria) and Mr. Leslie Smith (Grenada) have served as Co-Chairs of the Open-ended Working Group in 2016. The Twenty-Eighth Meeting of the Parties is expected to adopt a decision naming the Co-Chairs of the Open-ended Working Group for 2017. The Secretariat has prepared a draft decision on the matter for the consideration of the parties (UNEP/OzL.Pro.28/3, draft decision XXVIII/[DD]).

18. The Twenty-Eighth Meeting of the Parties may wish to consult as necessary and nominate the two persons to serve as Co-Chairs of the Open-ended Working Group in 2017, whose names can then be included in the draft decision for possible adoption during the high-level segment.

2. Financial report of the trust fund and budgets for the Montreal Protocol (item 3 (b) of the provisional agenda for the preparatory segment)

19. The financial reports and budgets for the Montreal Protocol are considered annually by the Meeting of the Parties. The budget document for the current meeting is set out in document UNEP/OzL.Pro.28/4 and Corr.1, while the financial report may be found in document UNEP/OzL.Pro.28/4/Add.1. Under item 3 (b) of the provisional agenda for the preparatory segment, the parties are expected to establish a budget committee to deliberate on and recommend a draft decision on the budget for adoption, as appropriate, during the high-level segment (UNEP/OzL.Pro.28/3, draft decision XXVIII/[AA]).

D. Report by the Technology and Economic Assessment Panel on updated and new information on alternatives to ozone-depleting substances (decision XXVII/4) (item 4 of the provisional agenda for the preparatory segment)

20. By decision XXVII/4, the Twenty-Seventh Meeting of the Parties requested the Technology and Economic Assessment Panel

“to prepare a report for consideration by the Open-ended Working Group at its thirty-seventh meeting,¹ and thereafter an updated report to be submitted to the Twenty-Eighth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer in 2016, that would:

(a) Update, where necessary, and provide new information on alternatives to ozone-depleting substances, including not-in-kind alternatives, based on the guidance and assessment criteria provided in subparagraph 1 (a) of decision XXVI/9 and taking into account the most recent findings on the suitability of alternatives at high-ambient temperatures, highlighting in particular:

- (i) The availability and market penetration of these alternatives in different regions;
- (ii) The availability of alternatives for replacement and retrofit of refrigeration systems in fishing vessels, including in small island countries;
- (iii) New substances in development that could be used as alternatives to ozone-depleting substances and that could become available in the near-future;
- (iv) The energy efficiency associated with the use of these alternatives;
- (v) The total warming impact and total costs associated with these alternatives and the systems where they are used;

(b) Update and extend to 2050 all the scenarios in the decision XXVI/9 report.”

21. The Panel and its task force² have organized their work to ensure that relevant information could be presented for consideration by the parties at the two Open-ended Working Group meetings in 2016 and that the updated final report will be ready for consideration by the Twenty-Eighth Meeting of the Parties in accordance with decision XXVII/4.

22. The initial report was prepared for the thirty-seventh meeting of the Open-ended Working Group, held in Geneva in April 2016. The report provided an update on new refrigerant alternatives, information on research studies on alternatives for use under high-ambient-temperature conditions and the extension of the mitigation scenarios for the refrigeration and air-conditioning sector in the decision XXVI/9 report to 2050. During the thirty-seventh meeting, interested parties met informally with members of the Panel to present questions, share information and provide guidance for the second report.

23. The Panel and its task force prepared a second report for the thirty-eighth meeting of the Open-ended Working Group, held in Vienna in July 2016, taking into consideration the comments and further guidance³ it received from parties at the thirty-seventh meeting of the Open-ended Working Group. It focused on the refrigeration and air-conditioning sector, updating the information on refrigerant alternatives and technologies; further elaborated on the use of the term “environmentally sound”; elaborated on technical considerations relating to the safe use of the refrigerants; provided new and updated information on the availability of alternatives for the replacement and retrofitting of refrigeration systems in fishing vessels, including in small island States; and provided additional

¹ The Technology and Economic Assessment Panel and its technical options committees and task forces have already issued two reports: an initial report for the thirty-seventh meeting of the Open-ended Working Group (http://conf.montreal-protocol.org/meeting/oewg/oewg-37/presession/Background_documents) and a second report for the thirty-eighth meeting of the Open-ended Working Group (<http://conf.montreal-protocol.org/meeting/oewg/oewg-38/presession/SitePages/Home.aspx>).

² During December 2015 and in early 2016 the Panel established a task force to prepare the report called for in decision XXVII/4. In accordance with the terms of reference of the Technology and Economic Assessment Panel, the nomination of members to the task force was carried out in full consultation with the parties of which the nominated members were nationals.

³ UNEP/OzL.Pro.WG.1/38/2, paras. 7 and 8 and annex I.

background information on refrigeration systems in the fishing industry, with particular consideration of the situation in the Pacific Islands region. The report further covered the results of the testing programmes for refrigerants under high ambient temperature conditions, including summary tables for each of the testing programmes; revised mitigation scenarios for parties operating under paragraph 1 of Article 5; and updated tables for total demand, demand driven by new manufacturing and servicing demand.

24. The Panel and its task force are preparing the final report to be considered by the Twenty-Eighth Meeting of the Parties, taking into account the comments and suggestions⁴ made by the parties during the thirty-eighth meeting of the Open-ended Working Group as well as any additional information available to the task force. The final report will be posted on the meeting portal as soon as it is available and the Secretariat will include a summary of the report in the addendum to the present note.

E. Report by the Technology and Economic Assessment Panel on assessment of the climate benefits and the financial implications for the Multilateral Fund of the hydrofluorocarbons phasedown schedules in the amendment proposals (decision Ex.III/1) (item 5 of the provisional agenda for the preparatory segment)

25. During the thirty-eighth meeting of the Open-ended Working Group a number of conference room papers were submitted for consideration under the agenda item on the Dubai pathway on HFCs. One of the conference room papers was submitted by Canada and the United States of America and was subsequently adopted by the parties at their Third Extraordinary Meeting as decision Ex.III/1. The decision requests the Technology and Economic Assessment Panel to prepare a report for consideration by the Twenty-Eighth Meeting of the Parties assessing the climate benefits, and the financial implications for the Multilateral Fund for the Implementation of the Montreal Protocol, of the schedules for phasing down the use of HFCs under each of the proposed amendments.

26. The Technology and Economic Assessment Panel is preparing the report requested in decision Ex.III/1. When the report becomes available, it will be posted on the meeting portal and a summary of it will be included in the addendum to the present note.

F. Dubai pathway on hydrofluorocarbons (decision XXVII/1) (item 6 of the provisional agenda for the preparatory segment)

27. Decision XXVII/1, on the Dubai pathway on hydrofluorocarbons, was adopted by the Twenty-Seventh Meeting of the Parties in Dubai in November 2015. In paragraph 1 of the decision the parties decided to work “to an HFC amendment in 2016 by first resolving challenges by generating solutions in the contact group on the feasibility and ways of managing HFCs”. That contact group was established by the Twenty-Seventh Meeting of the Parties as a result of an agreement reached at the resumed thirty-sixth meeting of the Open-ended Working Group on the mandate of the contact group. The progress made by the contact group in its deliberations and the further progress that still needs to be made were captured in decision XXVII/1, paragraphs 2 and 3, respectively.

28. In accordance with paragraph 4 of decision XXVII/1, a series of Open-ended Working Group meetings and other meetings, including the Third Extraordinary Meeting of the Parties, have been convened in 2016 to make progress on the Dubai pathway. The meetings held were as follows:

- (a) Thirty-seventh meeting of the Open-ended Working Group, Geneva, 4–8 April 2016;
- (b) Resumed thirty-seventh meeting of the Open-ended Working Group, Vienna, 15 and 16 July 2016;
- (c) Thirty-eighth meeting of the Open-ended Working Group, Vienna, 18–21 July 2016, which was suspended, resumed in the margins of the Third Extraordinary Meeting of the Parties solely to allow the continuation of the work on the Dubai pathway by the contact group and currently remains suspended, to be resumed just prior to the Twenty-Eighth Meeting of the Parties;
- (d) Third Extraordinary Meeting of the Parties, Vienna, 22 and 23 July 2016.

⁴ The comments and suggestions made by the parties can be found in the report of the thirty-eighth meeting of the Open-ended Working Group, UNEP/OzL.Pro.WG.1/38/8, paras. 17–32.

29. During those meetings, the contact group continued its deliberations on the Dubai pathway, as a result of which the Third Extraordinary Meeting of the Parties:

(a) Adopted decision Ex.III/1, “Report by the Technology and Economic Assessment Panel on the climate benefits and costs of reducing hydrofluorocarbons under the Dubai pathway”;

(b) Endorsed the solutions to the challenges identified in the Dubai pathway set out in annex II to the report of the Third Extraordinary Meeting of the Parties (UNEP/OzL.Pro.ExMOP.3/7) as a basis for discussion at the resumed thirty-eighth meeting of the Open-ended Working Group and the Twenty-Eighth Meeting of the Parties;

(c) Decided that the following three draft decisions submitted in conference room papers by Pakistan and India (annexes III, IV and V to the report of the Third Extraordinary Meeting of the Parties (UNEP/OzL.Pro.ExMOP.3/7)) would be considered by the Open-ended Working Group at its resumed thirty-eighth meeting and by the Twenty-Eighth Meeting of the Parties:

- (i) Submission by India: “Text for consideration by the parties for inclusion in decisions under the Dubai pathway on hydrofluorocarbons under the Montreal Protocol on Substances that Deplete the Ozone Layer”;
- (ii) Submission by Pakistan: “Text for consideration by the Parties for inclusion in decisions related to the phasedown of hydrofluorocarbons under the Montreal Protocol on Substances that Deplete the Ozone Layer”;
- (iii) Submission by Pakistan: “Text for consideration by the Parties for inclusion in decisions under the Dubai pathway on hydrofluorocarbons under the Montreal Protocol on Substances that Deplete the Ozone Layer”;

(d) Decided that the document developed by the contact group showing the baseline ranges and freeze date preferences of various parties and groups would be annexed to the report of the Third Extraordinary Meeting of the Parties (UNEP/OzL.Pro.ExMOP.3/7, annex VI) as information for all parties;

(e) Decided that the Secretariat would update the consolidation of proposals to amend the Montreal Protocol⁵ based on the latest developments;⁶

(f) Decided that the thirty-eighth meeting of the Open-ended Working Group would remain suspended and resume immediately prior to the Twenty-Eighth Meeting of the Parties, subject to the making of additional contributions to the trust fund for the Montreal Protocol.

30. In accordance with the decisions of the Third Extraordinary Meeting of the Parties, the thirty-eighth meeting of the Open-ended Working Group will be resumed on 8 October 2016 immediately prior to the Twenty-Eighth Meeting of the Parties, at which time it is expected that discussion will continue on the amendment proposals, including baselines, freeze and reduction steps; on the proposals submitted by India and Pakistan; and on the solutions to challenges about which it was agreed that further work was needed. These matters are discussed in the note by the Secretariat for the resumed thirty-eighth meeting of the Open-ended Working Group (UNEP/OzL.Pro.WG.1/resumed.38/2). The Twenty-Eighth Meeting of the Parties is expected to hear about the progress made at and the outcome of the resumed thirty-eighth meeting of the Open-ended Working Group under agenda item 6 on the Dubai pathway on HFCs. Taking into account the progress and the outcome, the parties may wish to decide on the way forward as appropriate.

G. Issues related to exemptions from Articles 2A–2I of the Montreal Protocol (item 7 of the provisional agenda for the preparatory segment)

1. Nominations for essential-use exemptions for 2017 (item 7 (a) of the provisional agenda for the preparatory segment)

31. In accordance with decision IV/25, China submitted one request for an essential-use exemption for 2017, for the use of 65 metric tonnes of carbon tetrachloride for the testing of oil in water, a laboratory and analytical use. China’s request was evaluated by the Medical and Chemicals Technical Options Committee. The Committee commended China for its continuing efforts to find a method for the analysis of oil in water that did not entail the use of ozone-depleting substances and recommended an exemption for 65 metric tonnes of carbon tetrachloride for 2017. The Committee also

⁵ UNEP/OzL.Pro.WG.1/resumed.37/INF/1–UNEP/OzL.Pro.WG.1/38/INF/1–UNEP/OzL.Pro.ExMOP/3/INF/1.

⁶ The updated consolidation will be issued as document UNEP/OzL.Pro.WG.1/resumed.38/INF/1–UNEP/OzL.Pro.28/INF/1.

recommended that China, prior to any further similar nomination, provide specific information on the evaluation of alternative international methods for the testing of oil in water, progress in the development of its own alternative method and a timeline for the phase-out of laboratory and analytical uses of carbon tetrachloride (see the 2016 report of the Technology and Economic Assessment Panel, vol. 1, sect. 5.2.1.3).

32. During the thirty-eighth meeting of the Open-ended Working Group, the representative of China introduced a conference room paper presenting a draft decision on China's proposed essential-use exemption. The draft decision was presented and discussed in plenary and further discussed in informal consultations. The Working Group decided that a revised version of the draft decision should be forwarded to the Twenty-Eighth Meeting of the Parties for further consideration.

33. The parties may wish to consider draft decision XXVIII/[A] (UNEP/OzL.Pro.28/3) for possible adoption during the high-level segment.

2. Nominations for critical-use exemptions for 2017 and 2018 (item 7 (b) of the provisional agenda for the preparatory segment)

34. In 2016, three Article 5 parties, Argentina, China and South Africa, submitted five nominations for critical-use exemptions in 2017, while non-Article 5 parties Australia and Canada submitted one nomination each for 2018 and 2017, respectively. The Methyl Bromide Technical Options Committee reviewed those critical-use nominations as well as additional information submitted by the nominating parties in response to the first round of questions by the Committee. The Committee's interim recommendations on the quantities of methyl bromide eligible to be allowed under critical-use exemptions are included in volume 2 of the Technology and Economic Assessment Panel's 2016 report.

35. Bilateral discussions took place during and after the thirty-eighth meeting of the Open-ended Working Group between the Methyl Bromide Technical Options Committee and nominating parties on the initial evaluation of the nominations and the interim recommendations, including to clarify what further information was needed to enable the Committee to carry out its final evaluation of the nominations and to formulate final recommendations for consideration by the Twenty-Eighth Meeting of the Parties. Four nominating parties (Argentina, Australia, Canada and South Africa) have requested the reassessment of their nominations and submitted additional information. The Committee is currently reviewing the additional information and carrying out its final evaluation.

36. When the final evaluation report becomes available, the Secretariat will post it on the meeting portal and include a summary of the final recommendations in the addendum to the present note.

H. Terms of reference for the study on the 2018–2020 replenishment of the Multilateral Fund for the Implementation of the Montreal Protocol (item 8 of the provisional agenda for the preparatory segment)

37. Since its establishment in 1990 on an interim basis, the Multilateral Fund for the Implementation of the Montreal Protocol has operated with three-year funding cycles, and the parties have accordingly adopted decisions on the replenishment of the Fund in 1993, 1996, 1999, 2002, 2005, 2008, 2011 and 2014. The last replenishment decision, decision XXVI/10, was adopted by the parties in 2014 and covers the period 2015–2017. It has been the parties' custom, in the year preceding the last year of each funding cycle, to develop terms of reference for a study designed to estimate the funds necessary to enable parties to achieve compliance during the forthcoming replenishment period. In 2016, therefore, the parties may wish to consider the terms of reference for a study of the funding needed for the replenishment period 2018–2020.

38. During the thirty-eighth meeting of the Open-ended Working Group, a contact group was established to develop the terms of reference for the study to be carried out in 2017, based on the previous terms of reference adopted in 2013 under decision XXV/8 for a study for the 2015–2017 replenishment. The contact group worked on the terms of reference but did not manage to conclude its work. The Open-ended Working Group agreed to forward the draft terms of reference, as set out in annex I to the present note, for further consideration by the Twenty-Eighth Meeting of the Parties.

I. Report by the Technology and Economic Assessment Panel and the Scientific Assessment Panel on analysis of the discrepancies between observed atmospheric concentrations of and reported data on carbon tetrachloride (decision XXVII/7) (item 9 of the provisional agenda for the preparatory segment)

39. In decision XXVII/7, the parties reiterated their concern about the discrepancies between observed atmospheric concentrations of and reported data on carbon tetrachloride, requested the Technology and Economic Assessment Panel and the Scientific Assessment Panel to continue their analysis of those discrepancies and to report on the results of their analysis, including an update on their previous findings, to the Twenty-Eighth Meeting of the Parties.

40. During the thirty-eighth meeting of the Open-ended Working Group, a co-chair of the Scientific Assessment Panel announced that the report to be presented to the Twenty-Eighth Meeting of the Parties would take into account a report recently released by the World Climate Research Programme under its Stratosphere-troposphere processes and their role in climate (SPARC) project, entitled “The mystery of carbon tetrachloride”, which had been posted on the meeting portal together with a factsheet on the findings prepared by the Scientific Assessment Panel.⁷

41. Both the Scientific Assessment Panel and the Technology and Economic Assessment Panel are expected to present a report at the Twenty-Eighth Meeting of the Parties for consideration by the parties.

J. Proposal to establish an ad hoc standards coordination group (UNEP/OzL.Pro.WG.1/38/8, para. 92) (item 10 of the provisional agenda for the preparatory segment)

42. At the thirty-eighth meeting of the Open-ended Working Group, under the agenda item on “other matters”, the representative of China introduced a conference room paper containing a draft decision that would establish an ad hoc standards coordination group. The aim of the initiative was to improve coordination with relevant international and regional standards bodies on the revision and updating of international safety standards pertaining to the use of alternative substances, including flammable refrigerants, in refrigeration and air-conditioning products and equipment. Safety standards have implications for the phasedown of HFCs and were one of the major challenges identified in the Dubai pathway. The proposed ad hoc standards coordination group would keep parties apprised of progress being made in the revision of standards, including through a proposed workshop on standardization to be held in 2017.

43. In the discussion of the draft decision, representatives spoke of the importance of not undermining safety; of the need to adapt standards to developments in technology while continuing to ensure the safety of workers and the public; of existing work on standards pertaining to low-global-warming-potential (GWP) alternatives; on the need to incorporate international safety standards into national legislation; on the role of the parties to the Montreal Protocol in any possible coordinating activities on international standard setting and on the possibility of holding a workshop on the way forward while keeping within the mandate of the Montreal Protocol.

44. Following the above discussion in plenary and informal consultations the draft decision was revised to reflect the comments of interested parties. Several representatives indicated that it would be necessary for parties to consult at the national level regarding the revised draft decision. The Working Group agreed to forward the revised draft decision (UNEP/OzL.Pro.28/3, draft decision XXVIII/[B]) for further consideration by the Twenty-Eighth Meeting of the Parties.

K. Compliance and data reporting issues: presentation on and consideration of the work and recommended decisions of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol (item 11 of the provisional agenda for the preparatory segment)

45. The President of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol will report on compliance issues considered during the fifty-sixth and fifty-seventh meetings of the Committee. During its fifty-sixth meeting the Committee agreed to forward one draft decision to the Meeting of the Parties. The fifty-seventh meeting of the Committee will be held on 9 October 2016, immediately prior to the Twenty-Eighth Meeting of the Parties.

⁷ <http://conf.montreal-protocol.org/meeting/oweg/oweg-38/publications/SitePages/Home.aspx>.

46. Draft decisions emanating from the Committee's two meetings will be presented by the President for consideration and adoption by the Twenty-Eighth Meeting of the Parties.

L. Membership of the Technology and Economic Assessment Panel (item 12 of the provisional agenda for the preparatory segment)

47. Volume 1 of the Technology and Economic Assessment Panel's 2016 report, annex 1, provides information on the status of membership in the Panel and its technical options committees. The addendum to the note by the Secretariat for the thirty-eighth meeting of the Open-ended Working Group⁸ includes a summary table (table 2) listing the co-chairs and members whose memberships will expire at the end of 2016.⁹ The expertise currently needed by the Panel and its technical options committees is identified in the "matrix of needed expertise" set out in annex 2 to volume 1 of the Panel's 2016 report and is posted on the Ozone Secretariat website (<http://ozone.unep.org/en/teap-experts-required>).

48. The Panel's terms of reference, approved by the parties in decision XXIV/8, specify in paragraph 2.3 that "the Meeting of the Parties shall appoint the members of TEAP for a period of no more than four years. The Meeting of the Parties may re-appoint Members of the Panel upon nomination by the relevant party for additional periods of up to four years each." With regard to the technical options committees, paragraph 2.5 of the terms of reference specifies that "The TOC members are appointed by the TOC co-chairs, in consultation with TEAP, for a period of no more than four years. TOC members may be re-appointed following the procedure for nominations for additional periods of up to four years each." The Panel has clarified that new appointments to technical options committees start from the date of appointment by the committee's co-chairs and end as at 31 December of the final year of appointment, for a maximum duration of four years.

49. The Open-ended Working Group at its thirty-eighth meeting decided that parties could work and consult as necessary to submit nominations at the Twenty-Eighth Meeting of the Parties. It was also pointed out that needed expertise and regional and gender balance should be taken into consideration in nominating and appointing members.

50. The parties may wish to consult and to submit proposals for appointments to the Panel and its technical options committees in the form of conference room papers during the Twenty-Eighth Meeting of the Parties.

M. Issues related to the phase-out of hydrochlorofluorocarbons (decision XXVII/5) (item 13 of the provisional agenda for the preparatory segment)

51. In decision XIX/6, the Meeting of the Parties decided to address certain issues related to the phase-out of hydrochlorofluorocarbons (HCFCs) as specified in paragraphs 12–14 of the decision:

(a) In paragraph 12, the Meeting of the Parties decided to address the possibilities or need for essential-use exemptions for HCFCs, no later than 2015 for parties not operating under paragraph 1 of Article 5 of the Protocol and no later than 2020 for parties operating under that paragraph (Article 5 parties);

(b) In paragraph 13, the Meeting of the Parties decided to review in 2015 the need for the 0.5 per cent for servicing provided for in paragraph 3 of the same decision, which specifies the HCFC reduction steps for non-Article 5 parties, and to review in 2025 the need for the annual average of 2.5 per cent for servicing provided for in paragraph 4 (d) of the same decision, which specifies the HCFC reduction steps for Article 5 parties;

(c) In order to satisfy basic domestic needs, in paragraph 14 the Meeting of the Parties decided to allow for up to 10 per cent of baseline levels of HCFC production until 2020 and, for the period after that, to consider no later than 2015 further reductions of production for basic domestic needs.

52. In accordance with decision XIX/6 the issues were discussed in 2015 and the parties adopted decision XXVII/5 at their Twenty-Seventh Meeting, on the basis of which the Technology and Economic Assessment Panel prepared a report¹⁰ recognizing that there is some uncertainty about the

⁸ UNEP/OzL.Pro.WG.1/38/2/Add.1.

⁹ A correction was made to the Panel's progress report and consequently to the summary table in the addendum to the Secretariat's note. Those corrections are reflected in a corrigendum to volume 1 of the Panel's 2016 report and in document UNEP/OzL.Pro.WG.1/38/2/Add.1/Corr.1.

¹⁰ The Technology and Economic Assessment Panel 2016 report, volume 3, Decision XXVII/5 Working Group Report: Issues Related to the Phase-out of HCFCs

need after 2020 for essential uses and for servicing existing refrigeration and air-conditioning equipment by non-Article 5 parties in relation to HCFCs listed in group I of Annex C of the Montreal Protocol. The report provides an overview of the trends in aggregated HCFC production and consumption in non-Article 5 parties and in Article 5 parties and discusses the possible future need in the former to use HCFCs for servicing existing refrigeration and air-conditioning equipment and for essential uses and to produce HCFCs to cover the basic domestic needs of Article 5 parties. Canada and the United States of America submitted relevant information, which was considered by the Panel in preparing the report.

53. During the thirty-eighth meeting of the Open-ended Working Group, parties said that essential-use exemptions would probably be needed in only a limited number of cases; that further need for HCFCs was unlikely for production for basic domestic needs and servicing but could be further discussed; that the Technology and Economic Assessment Panel should continue its work on the matter, including to provide information on any need for essential-use exemptions for laboratory and analytical uses and stocks of HCFCs; that, in the light of uncertainties, it would be prudent to maintain a small servicing tail and to consider removing the restriction that limited it to existing refrigeration and air-conditioning equipment given the possibility that other types of equipment might also need servicing; and that the linkages between HCFC phase-out and HFC phasedown noted in the discussion of proposed amendments to the Montreal Protocol in respect of HFCs had considerable relevance to the calculation of future HCFC needs.

54. Interested parties were encouraged to consult in the margins of the thirty-eighth meeting of the Open-ended Working Group, but no resulting proposals were submitted at the meeting. The Working Group agreed that interested parties would submit any further proposals for consideration by the Twenty-Eighth Meeting of the Parties.

N. Availability of recovered, recycled or reclaimed halons (decision XXVI/7) (item 14 of the provisional agenda for the preparatory segment)

55. In 2014 parties discussed concerns about the availability of recovered, recycled or reclaimed halons for remaining fire safety uses, in particular in civil aviation. Pursuant to decision XXVI/7, adopted by the Twenty-Sixth Meeting of the Parties in 2014, and at the request of the Ozone Secretariat, the Technology and Economic Assessment Panel, through its Halons Technical Options Committee, reviewed the information submitted by four parties – Australia, Canada, the European Union and the United States of America – on halons, including their recovery, recycling and reclamation to meet required purity standards, their availability and supply, particularly for use in civil aviation, and any national actions being taken to expedite their replacement. The Halons Technical Options Committee provided a summary of the four submissions (Technology and Economic Assessment Panel 2016 report, vol.1, section 3.3.5) for information and consideration by the parties.

56. During the thirty-eighth meeting of the Open-ended Working Group, parties said that it was necessary to send a clear message to the aviation industry to the effect that it should accelerate its progress in the development, approval and deployment of halon alternatives; that the adoption of a resolution by the Assembly of the International Civil Aviation Organization (ICAO) would pave the way for the replacement of halons in cargo compartment fire suppression systems by 2024; that the development of alternatives to halons should be encouraged; that large quantities of halons might be available from salvaged ships for reuse in aircraft applications; that the Technology and Economic Assessment Panel, the Secretariat and ICAO should cooperate more closely to ensure the exchange of relevant information; and that the lack of facilities for halon recovery in some countries was a matter of concern.

57. No concrete proposals were submitted during the thirty-eighth meeting of the Open-ended Working Group. The issue has been placed on the provisional agenda for the Twenty-Eighth Meeting of the Parties in case parties still wish to submit proposals for consideration by the Twenty-Eighth Meeting of the Parties.

O. Other matters (item 15 of the provisional agenda for the preparatory segment)

58. Any additional substantive issues agreed for inclusion on the agenda under item 2 (a), “Adoption of the agenda”, will be taken up under agenda item 15, “Other matters”.

III. Overview of items on the provisional agenda for the high-level segment (13 and 14 October 2016)

A. Opening of the high-level segment (item 1 of the provisional agenda for the high-level segment)

59. The high-level segment is scheduled to be opened at 10 a.m. on Thursday, 13 October 2016.

Statements by representatives of the Government of Rwanda and the United Nations Environment Programme and the President of the Twenty-Seventh Meeting of the Parties to the Montreal Protocol (items 1 (a), (b) and (c) of the provisional agenda for the high-level segment)

60. Opening statements will be made by the representatives of the Government of Rwanda and UNEP and by the President of the Twenty-Seventh Meeting of the Parties to the Montreal Protocol. It is expected that the Executive Director of UNEP will also address the meeting participants.

B. Organizational matters (item 2 of the provisional agenda for the high-level segment)

1. Election of officers for the Twenty-Eighth Meeting of the Parties to the Montreal Protocol (item 2 (a) of the provisional agenda for the high-level segment)

61. In accordance with rule 21 of the rules of procedure, the Twenty-Eighth Meeting of the Parties must elect a president, three vice-presidents and a rapporteur. A representative of a party from the group of Western European and other States presided over the Twenty-Seventh Meeting of the Parties, while a representative of a party from the group of Latin American and Caribbean States served as rapporteur. On the basis of regional rotation agreed by the parties, the parties may wish to elect a party from the group of African States to preside over the Twenty-Eighth Meeting of the Parties and to elect a party from the group of Western European and other States as rapporteur. The parties may also wish to elect three vice-presidents, one each from Asian-Pacific States, Eastern European States and Latin American and Caribbean States.

2. Adoption of the agenda of the high-level segment of the Twenty-Eighth Meeting of the Parties to the Montreal Protocol (item 2 (b) of the provisional agenda for the high-level segment)

62. The provisional agenda for the high-level segment is set out in section II of document UNEP/OzL.Pro.28/1 and will be before the parties for adoption. The parties may wish to adopt that agenda, including any items that they may agree to include under item 8, "Other matters".

3. Organization of work (item 2 (c) of the provisional agenda for the high-level segment)

63. The President of the Twenty-Eighth Meeting of the Parties is expected to outline a plan of work for discussing the items on the agenda.

4. Credentials of representatives (item 2 (d) of the provisional agenda for the high-level segment)

64. In accordance with rule 18 of the rules of procedure for meetings of the parties to the Montreal Protocol, the credentials of representatives of parties attending a meeting of the parties must be submitted to the Executive Secretary of the meeting, if possible not later than 24 hours after the opening of the meeting. Representatives are urged to come to the meeting with duly signed credentials and to submit them to the Secretariat as soon as possible after the start of the meeting. In accordance with rule 19 of the rules of procedure, the elected officers of the meeting will examine the credentials and submit their report thereon to the parties.

C. Presentations by the assessment panels on progress in their work and any emerging issues (item 3 of the provisional agenda for the high-level segment)

65. Under this agenda item, the three assessment panels will present the progress in their work and any emerging issues. The parties may wish to take note of their reports and take action either at the current meeting or later as they deem appropriate.

D. Presentation by the Chair of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol on the work of the Executive Committee, the Multilateral Fund secretariat and the Fund's implementing agencies (item 4 of the provisional agenda for the high-level segment)

66. Under agenda item 4, the Chair of the Executive Committee of the Multilateral Fund will introduce a report by the Executive Committee to the parties highlighting the key decisions made by the Committee and the work undertaken by the Multilateral Fund secretariat and the Fund's implementing agencies since the Twenty-Seventh Meeting of the Parties (see UNEP/OzL.Pro.28/10).

E. Statements by heads of delegation and discussion on key topics (item 5 of the provisional agenda for the high-level segment)

67. During the high-level segments of the Twenty-Sixth, Twenty-Seventh and Third Extraordinary Meetings of the Parties in 2014, 2015 and 2016, respectively, ministerial round-table discussions were held on issues that are of current interest to the parties to the Montreal Protocol. The discussions have brought into the limelight, and provided direction on, some of those issues, stimulating further open dialogue among the parties. Ministerial round-table discussions may be held during the Twenty-Eighth Meeting of the Parties under agenda item 5 of the high-level segment. Further details will be provided in the addendum to the present note.

68. In addition to possible ministerial round-table discussions, heads of delegation will be invited to make statements. From the first day of the preparatory segment of the meeting, the Secretariat will begin accepting requests to speak and will compile a list of speakers based on those requests. In the interests of fairness to all delegations and to ensure that all who wish to speak have an opportunity to do so, it will be important for heads of delegation to limit their statements to four or five minutes. Statements by heads of delegations of parties will be delivered in the order in which their requests to speak are received, subject to the understanding that ministers will be accorded priority.

F. Report by the co-chairs of the preparatory segment and consideration of the decisions recommended for adoption by the Twenty-Eighth Meeting of the Parties to the Montreal Protocol (item 6 of the provisional agenda for the high-level segment)

69. Under agenda item 6, the co-chairs of the preparatory segment will be invited to report to the parties on the progress made in reaching consensus on the substantive issues on the agenda, including on the draft decisions to be considered for adoption during the high-level segment.

G. Dates and venue for the Twenty-Ninth Meeting of the Parties to the Montreal Protocol (item 7 of the provisional agenda for the high-level segment)

70. At the Twenty-Seventh Meeting of the Parties, the representative of the Dominican Republic conveyed an offer by his Government to host the Twenty-Ninth Meeting of the Parties in Punta Cana in 2017. It is expected that the Twenty-Eighth Meeting of the Parties will make a decision on the matter. The relevant draft decision is set out as draft decision XXVIII/[EE] in document UNEP/OzL.Pro.28/3.

H. Other matters (item 8 of the provisional agenda for the high-level segment)

71. Any additional substantive issues agreed for inclusion on the agenda under item 2 (b), "Adoption of the agenda", will be taken up under agenda item 8, "Other matters".

I. Adoption of decisions by the Twenty-Eighth Meeting of the Parties to the Montreal Protocol (item 9 of the provisional agenda for the high-level segment)

72. Under agenda item 9, the Twenty-Eighth Meeting of the Parties will adopt decisions on the matters on the agenda.

J. Adoption of the report (item 10 of the provisional agenda for the high-level segment)

73. Under agenda item 10, the Twenty-Eighth Meeting of the Parties will adopt the report of the meeting.

K. Closure of the meeting (item 11 of the provisional agenda for the high-level segment)

74. The Twenty-Eighth Meeting of the Parties to the Montreal Protocol is expected to close by 6 p.m. on Friday, 14 October 2016.

Annex

Terms of reference for the study on the 2018–2020 replenishment of the Multilateral Fund for the Implementation of the Montreal Protocol

Recalling the parties' decisions on previous terms of reference for studies on the replenishment of the Multilateral Fund for the Implementation of the Montreal Protocol,

Recalling also the parties' decisions on previous replenishments of the Multilateral Fund,

1. To request the Technology and Economic Assessment Panel to prepare a report for submission to the Twenty-Ninth Meeting of the Parties, and to submit it through the Open-ended Working Group at its [XXX] meeting, to enable the Twenty-Ninth Meeting of the Parties to take a decision on the appropriate level of the 2018–2020 replenishment of the Multilateral Fund;

2. That, in preparing the report referred to in paragraph 1 of the present decision, the Panel should take into account, among other things:

(a) All control measures and relevant decisions agreed upon by the parties to the Montreal Protocol and the Executive Committee, in particular those pertaining to the special needs of low-volume- and very-low-volume-consuming countries[, in addition to small and medium-sized enterprises], and the decisions of the Twenty-Eighth Meeting of the Parties and the Executive Committee at its seventy-seventh and [seventy-eighth] meetings insofar as those decisions will necessitate expenditure by the Multilateral Fund during the period 2018–2020;

(b) The need to allocate resources to enable all parties operating under paragraph 1 of Article 5 to maintain compliance with Articles 2A–2E, 2G, 2H and 2I of the Protocol; [to be further reviewed]

[(c) The need to allocate resources to enable all parties operating under paragraph 1 of Article 5 to meet [2020 and 2025] compliance obligations in respect of Articles 2F of the Protocol, [to be further reviewed] [providing [full] support for low GWP alternatives in HCFC phase-out and] taking into account [decision XIX/6 of the meeting of the Parties and] the extended commitment provided by parties operating under paragraph 1 of Article 5 under approved hydrochlorofluorocarbon phase-out management plans;]

[(d) Dividing the funding relating to the 2020 target applicable to hydrochlorofluorocarbon consumption and production in an appropriate manner, including, but not limited to, one scenario that divides the funding relating to the 2020 target applicable to hydrochlorofluorocarbon consumption equally between the [2015–2017 and 2018–2020] replenishments;]

(e) Rules and guidelines agreed upon by the Executive Committee at all its meetings, up to and including its seventy-seventh [or seventy-eighth] meeting, for determining eligibility for the funding of investment projects and non-investment projects, including, but not limited to, institutional strengthening;

[(f) The need to allocate sufficient resources [to] [commensurate with] the activities in the servicing sector in stage II [and stage III] of hydrochlorofluorocarbon phase-out management plans [and beyond] [up to 2020] through technical assistance such as recovery, training, [measures to manage controlled substances destruction projects,] [equipment support] and other necessary activities;]

3. [to be further reviewed] That, as a separate element to the funding requirement estimated in paragraph 2 of the present decision, the Panel should [provide][update] indicative figures for additional resources that would be needed to enable parties operating under paragraph 1 of Article 5 to gradually avoid high-global-warming-potential alternatives to ozone-depleting substances, taking into account the availability of safe, environmentally friendly, technically proven and economically viable technologies;

[3bis To provide information on key issues related to funding of an HFC phasedown being considered by the Parties;]

[Provide information on methodologies and cost calculations associated with expanding the list of eligible costs in the servicing sector when phasing down HFC;]

[Panel should provide indicative figures for additional resources that would be needed to enable parties not operating under paragraph 1 of Article 5 to gradually avoid high-global-warming-potential alternatives to ozone-depleting substances;]

4. That, in preparing the said report, the Panel should consult widely all relevant persons and institutions and other relevant sources of information deemed useful;

5. That the Panel should strive to complete the report referred to above in good time to enable it to be distributed to all parties two months before the [XXX] meeting of the Open-ended Working Group;

6. That the Panel should provide indicative figures for the periods 2021–2023 and 2024–2026 to support a stable and sufficient level of funding, on the understanding that those figures will be updated in subsequent replenishment studies;]
