

F. Decision XIX/6: Adjustments to the Montreal Protocol with regard to Annex C, Group I, substances (hydrochlorofluorocarbons)

The Parties agree to accelerate the phase-out of production and consumption of hydrochlorofluorocarbons (HCFCs), by way of an adjustment in accordance with paragraph 9 of Article 2 of the Montreal Protocol and as contained in the annex to the present decision, on the basis of the following:

1. For Parties operating under paragraph 1 of Article 5 of the Protocol (Article 5 Parties), to choose as the baseline the average of the 2009 and 2010 levels of, respectively, consumption and production; and
2. To freeze, at that baseline level, consumption and production in 2013;
3. For Parties operating under Article 2 of the Protocol (Article 2 Parties) to have completed the accelerated phase-out of production and consumption in 2020, on the basis of the following reduction steps:
 - (a) By 2010 of 75 per cent;
 - (b) By 2015 of 90 per cent;
 - (c) While allowing 0.5 per cent for servicing the period 2020–2030;
4. For Article 5 Parties to have completed the accelerated phase-out of production and consumption in 2030, on the basis of the following reduction steps:
 - (a) By 2015 of 10 per cent;
 - (b) By 2020 of 35 per cent;
 - (c) By 2025 of 67.5 per cent;
 - (d) While allowing for servicing an annual average of 2.5 per cent during the period 2030–2040;
5. To agree that the funding available through the Multilateral Fund for the Implementation of the Montreal Protocol in the upcoming replenishments shall be stable and sufficient to meet all agreed incremental costs to enable Article 5 Parties to comply with the accelerated phase-out schedule both for production and consumption sectors as set out above, and based on that understanding, to also direct the Executive Committee of the Multilateral Fund to make the necessary changes to the eligibility criteria related to the post-1995 facilities and second conversions;
6. To direct the Executive Committee, in providing technical and financial assistance, to pay particular attention to Article 5 Parties with low volume and very low volume consumption of HCFCs;
7. To direct the Executive Committee to assist Parties in preparing their phase-out management plans for an accelerated HCFC phase-out;
8. To direct the Executive Committee, as a matter of priority, to assist Article 5 Parties in conducting surveys to improve reliability in establishing their baseline data on HCFCs;
9. To encourage Parties to promote the selection of alternatives to HCFCs that minimize environmental impacts, in particular impacts on climate, as well as meeting other health, safety and economic considerations;
10. To request Parties to report regularly on their implementation of paragraph 7 of Article 2F of the Protocol;
11. To agree that the Executive Committee, when developing and applying funding criteria for projects and programmes, and taking into account paragraph 6, give priority to cost-effective projects and programmes which focus on, *inter alia*:
 - (a) Phasing-out first those HCFCs with higher ozone-depleting potential, taking into account national circumstances;
 - (b) Substitutes and alternatives that minimize other impacts on the environment, including on the climate, taking into account global-warming potential, energy use and other relevant factors;
 - (c) Small and medium-size enterprises;

12. To agree to address the possibilities or need for essential use exemptions, no later than 2015 where this relates to Article 2 Parties, and no later than 2020 where this relates to Article 5 Parties;

13. To agree to review in 2015 the need for the 0.5 per cent for servicing provided for in paragraph 3, and to review in 2025 the need for the annual average of 2.5 per cent for servicing provided for in paragraph 4 (d);

14. In order to satisfy basic domestic needs, to agree to allow for up to 10% of baseline levels until 2020, and, for the period after that, to consider no later than 2015 further reductions of production for basic domestic needs;

15. In accelerating the HCFC phase-out, to agree that Parties are to take every practicable step consistent with Multilateral Fund programmes, to ensure that the best available and environmentally-safe substitutes and related technologies are transferred from Article 2 Parties to Article 5 Parties under fair and most favourable conditions;

Annex to the decision on Adjustments to the Montreal Protocol with regard to Annex C, Group I, substances (hydrochlorofluorocarbons)

Adjustments agreed by the Nineteenth Meeting of the Parties relating to the controlled substances in group I of Annex C of the Montreal Protocol

The Nineteenth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer decides to adopt, in accordance with the procedure laid down in paragraph 9 of Article 2 of the Montreal Protocol, and on the basis of assessments made pursuant to Article 6 of the Protocol, the adjustments and reductions of production and consumption of the controlled substances in Group I of Annex C to the Protocol, as follows:

Article 2F: Hydrochlorofluorocarbons

1. The current paragraph 8 of Article 2F of the Protocol shall become paragraph 2, and the current paragraph 2 shall become paragraph 3.

2. The current paragraphs 3 to 6 shall be replaced by the following paragraphs, which shall be numbered paragraphs 4 to 6:

“4. Each Party shall ensure that for the twelve-month period commencing on 1 January 2010, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed, annually, twenty-five per cent of the sum referred to in paragraph 1 of this Article. Each Party producing one or more of these substances shall, for the same periods, ensure that its calculated level of production of the controlled substances in Group I of Annex C does not exceed, annually, twenty-five per cent of the calculated level referred to in paragraph 2 of this Article. However, in order to satisfy the basic domestic needs of the Parties operating under paragraph 1 of Article 5, its calculated level of production may exceed that limit by up to ten per cent of its calculated level of production of the controlled substances in Group I of Annex C as referred to in paragraph 2.

5. Each Party shall ensure that for the twelve-month period commencing on 1 January 2015, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed, annually, ten per cent of the sum referred to in paragraph 1 of this Article. Each Party producing one or more of these substances shall, for the same periods, ensure that its calculated level of production of the controlled substances in Group I of Annex C does not exceed, annually, ten per cent of the calculated level referred to in paragraph 2 of this Article. However, in order to satisfy the basic domestic needs of the Parties operating under paragraph 1 of Article 5, its calculated level of production may exceed that limit by up to ten per cent of its calculated level of production of the controlled substances in Group I of Annex C as referred to in paragraph 2.

6. Each Party shall ensure that for the twelve-month period commencing on 1 January 2020, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed zero. Each Party producing one or more of these substances shall, for the same periods, ensure that its calculated level of production of the controlled substances in Group I of Annex C does not exceed zero. However:

i. each Party may exceed that limit on consumption by up to zero point five per cent of the sum referred to in paragraph 1 of this Article in any such twelve-month period ending before 1 January 2030, provided that such consumption shall be restricted to the servicing of refrigeration and air conditioning equipment existing on 1 January 2020;

ii. each Party may exceed that limit on production by up to zero point five per cent of the average referred to in paragraph 2 of this Article in any such twelve-month period ending before 1 January 2030, provided that such production shall be restricted to the servicing of refrigeration and air conditioning equipment existing on 1 January 2020.”

Article 5: Special situation of developing countries

3. The current sub-paragraphs (a) and (b) of paragraph 8 *ter* of Article 5 shall be replaced by the following sub-paragraphs, which shall become sub-paragraphs (a) to (e):

“(a) Each Party operating under paragraph 1 of this Article shall ensure that for the twelve-month period commencing on 1 January 2013, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed, annually, the average of its calculated levels of consumption in 2009 and 2010. Each Party operating under paragraph 1 of this Article shall ensure that for the twelve-month period commencing on 1 January 2013 and in each twelve-month period thereafter, its calculated level of production of the controlled substances in Group I of Annex C does not exceed, annually, the average of its calculated levels of production in 2009 and 2010;

(b) Each Party operating under paragraph 1 of this Article shall ensure that for the twelve-month period commencing on 1 January 2015, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed, annually, ninety per cent of the average of its calculated levels of consumption in 2009 and 2010. Each such Party producing one or more of these substances shall, for the same periods, ensure that its calculated level of production of the controlled substances in Group I of Annex C does not exceed, annually, ninety per cent of the average of its calculated levels of production in 2009 and 2010.

(c) Each Party operating under paragraph 1 of this Article shall ensure that for the twelve-month period commencing on 1 January 2020, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed, annually, sixty-five per cent of the average of its calculated levels of consumption in 2009 and 2010. Each such Party producing one or more of these substances shall, for the same periods, ensure that its calculated level of production of the controlled substances in Group I of Annex C does not exceed, annually, sixty-five per cent of the average of its calculated levels of production in 2009 and 2010.

(d) Each Party operating under paragraph 1 of this Article shall ensure that for the twelve-month period commencing on 1 January 2025, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed, annually, thirty-two point five per cent of the average of its calculated levels of consumption in 2009 and 2010. Each such Party producing one or more of these substances shall, for the same periods, ensure that its calculated level of production of the controlled substances in Group I of Annex C does not exceed, annually, thirty-two point five per cent of the average of its calculated levels of production in 2009 and 2010.

(e) Each Party operating under paragraph 1 of this Article shall ensure that for the twelve-month period commencing on 1 January 2030, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed zero. Each such Party producing one or more of these substances shall, for the same periods, ensure that its calculated level of production of the controlled substances in Group I of Annex C does not exceed zero. However:

i. each such Party may exceed that limit on consumption in any such twelve-month period so long as the sum of its calculated levels of consumption over the ten-year period from 1 January 2030 to 1 January 2040, divided by ten, does not exceed two point five per cent of the average of its calculated levels of consumption in 2009 and 2010, and provided that such consumption shall be restricted to the servicing of refrigeration and air conditioning equipment existing on 1 January 2030;

ii. each such Party may exceed that limit on production in any such twelve-month period so long as the sum of its calculated levels of production over the ten-year period from 1 January 2030 to 1 January 2040, divided by ten, does not exceed two point five per cent of the average of its calculated levels of production

in 2009 and 2010, and provided that such production shall be restricted to the servicing of refrigeration and air conditioning equipment existing on 1 January 2030.”

4. The current sub-paragraphs (c) and (d) of paragraph 8 *ter* of Article 5 shall become subparagraphs (f) and (g).