
**Montreal Protocol
on Substances that
Deplete the Ozone Layer**

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**Implementation Committee under
the Non-Compliance Procedure
for the Montreal Protocol
Seventy-fourth meeting**
Bangkok, 5 and 6 July 2025

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

I. Opening of the meeting

1. The seventy-fourth meeting of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol on Substances that Deplete the Ozone Layer was held at the United Nations Conference Centre, Bangkok, on 5 and 6 July 2025.
2. The President of the Committee, Martijn Hildebrand (Kingdom of the Netherlands), opened the meeting at 10.05 a.m. on Saturday, 5 July 2025.
3. Megumi Seki, Executive Secretary, Ozone Secretariat, welcomed the members of the Committee and representatives of the secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol and its implementing agencies. She briefly reviewed the items that the Committee would consider during the meeting, noting that the high number of items to be considered had led to the scheduling of a two-day meeting for the first time since 2015. Several items were expected to require considerable discussion, including requests for changes in baseline data, provisional data in the context of Article 7 reporting and systemic issues in relation to compliance. For the last of those, the Secretariat had, as requested in decision XXXVI/9, prepared a report for consideration both by the Committee at its current meeting and during the informal meeting of the parties to be held back-to-back with the Thirty-Seventh Meeting of the Parties. The agenda also included an item on outstanding non-compliance cases, including three where parties had plans of action to return to compliance. In one such case, the party had been invited to participate in the meeting, and its representative was expected to attend to make a statement and respond to the Committee's questions. In closing, she assured members that the Secretariat was, as always, available to assist the Committee in its work, with the Multilateral Fund secretariat and implementing agencies providing any additional information required.

II. Adoption of the agenda and organization of work

A. Attendance

4. Representatives of the following Committee members attended the meeting: Benin, Chile, Czechia, Dominican Republic, Iran (Islamic Republic of), Kenya, Montenegro, Netherlands (Kingdom of the), Saudi Arabia and United States of America.
5. The meeting was also attended by representatives of the Multilateral Fund secretariat and implementing agencies: United Nations Environment Programme (UNEP), United Nations

Development Programme, United Nations Industrial Development Organization (UNIDO) and World Bank.

6. The list of participants is set out in annex III to the present report.

B. Adoption of the agenda

7. The Committee adopted the following agenda on the basis of the provisional agenda (UNEP/OzL.Pro/ImpCom/74/R.1):

1. Opening of the meeting.
 2. Adoption of the agenda and organization of work.
 3. Presentation by the Ozone Secretariat on data and information submitted 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 the implementing agencies to facilitate compliance by parties.
 5. Follow-up on previous decisions of the parties and recommendations of the Implementation Committee on issues related to non-compliance:
 - (a) Data reporting obligations under Article 7 (decision XXXVI/13):
 - (i) Azerbaijan;
 - (ii) Côte d'Ivoire;
 - (iii) Democratic People's Republic of Korea;
 - (iv) Djibouti;
 - (v) Guinea;
 - (vi) Iceland;
 - (vii) Mali;
 - (viii) San Marino;
 - (b) Existing plans of action to return to compliance:
 - (i) Democratic People's Republic of Korea (decisions XXXII/6 and XXXVI/16);
 - (ii) Kazakhstan (decision XXIX/14);
 - (iii) Libya (decision XXVII/11 and recommendation 73/3).
 6. Requests for changes in baseline data for hydrofluorocarbons (decisions XIII/15 and XV/19):
 - (a) Previously considered requests: Armenia (recommendation 73/4); Cook Islands (recommendation 73/6); Kiribati (recommendation 73/7); Marshall Islands (recommendation 73/8); Nauru (recommendation 73/9); Nigeria (recommendation 73/5); Niue (recommendation 73/10); Tuvalu (recommendation 73/11); Vanuatu (recommendation 73/12);
 - (b) New requests.
 7. Establishment of licensing systems under Article 4B, paragraph 2 bis, of the Montreal Protocol (decision XXXVI/15).
 8. Submission of provisional data in the context of Article 7 reporting (UNEP/OzL.Conv.13/8–UNEP/OzL.Pro.36/9, paras. 164–179).
 9. Systemic issues in relation to compliance (decision XXXVI/9, para. 6).
 10. Other matters.
 11. Adoption of the recommendations and the report of the meeting.
 12. Closure of the meeting.
8. The Committee agreed to take up the agenda items in sequential order and to follow its usual procedures.

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

9. A representative of the Secretariat gave a presentation summarizing the report of the Secretariat on information provided by parties in accordance with Articles 7 and 9 of the Protocol (UNEP/OzL.Pro/ImpCom/74/R.2).

10. With regard to reporting pursuant to Article 9, under which each party was required to submit every two years a summary of activities on their cooperation in promoting activities on research, development and public awareness, the Secretariat had not received any new submissions since 2020, when Lithuania had submitted a report. However, the representative of the Secretariat observed that parties considered their input to the work of the assessment panels as fulfilling the objectives of the Protocol in that regard.

11. With regard to the reporting of data under paragraphs 2 and 3 of Article 7, all the parties had reported data for all the years up to and including 2023, including all the parties listed in decision XXXVI/13 as still needing to report. Côte d'Ivoire had reported data for 2023 for other substances but had not reported hydrofluorocarbon (HFC) data for 2023. On 21 May 2025, Côte d'Ivoire had submitted only provisional data for HFCs, and the matter would be considered by the Committee under agenda item 8. A total of 77 parties had so far reported data for 2024, of which 42 had used the online reporting system.

12. A number of parties had yet to submit their baseline data for HFCs. Papua New Guinea had ratified the Kigali Amendment on 12 November 2024, so should have submitted HFC data for 2020, 2021 and 2022 by 10 May 2025. It had not yet done so, although it had previously reported data for 2022, before ratification, even though that was not required under the Protocol. A total of five parties still had HFC data for one or more of their baseline years that had been reported before their ratification of the Kigali Amendment. In similar situations in the past, parties had sometimes reported different data after ratification, so the Secretariat had written to those five parties to ask them to confirm whether the data they had submitted voluntarily could be confirmed as their official baseline data. They had not set a deadline for the request for confirmation, and the Committee might wish to provide guidance on the matter.

13. On the matter of compliance with the control measures, two cases of possible non-compliance for 2023, and eight for 2024, were still awaiting clarification. All the other cases that had not been resolved in 2024 had fallen under the categories of permitted consumption for quarantine and pre-shipment uses or the exemption for laboratory uses. Canada, which was the only party that had been granted a critical-use exemption for methyl bromide for 2024, had submitted its accounting report.

14. No cases had been detected of trade with non-parties. With respect to reporting of exports, pursuant to decision XVII/16, destination countries had been reported for 99.99 per cent of the exports reported for 2023. In April 2025 the Secretariat had sent that information to the 160 parties that had been identified as destination countries. For the reporting of imports and source countries under decision XXIV/12, source countries had been reported for 66 per cent of imports reported for 2023. The Secretariat had sent letters to the 69 countries that had been listed as exporters by importing countries, inviting them to request the compiled information, and had provided the information to the 35 parties that had confirmed their interest in receiving it.

15. Five parties had reported excess production and consumption of controlled substances attributable to stockpiling in 2023, pursuant to decisions XVIII/17 and XXII/20. The European Union, France and Spain had reported that the cases related to unintentional production which was destined for destruction, while Germany and Israel had reported that the excess production was intended for export for feedstock uses in future years. No equivalent information had yet been reported for 2024.

16. Four parties, namely China, the European Union, Israel and the United States of America, still reported the use of ozone-depleting substances as process agents. All four had reported their data for 2023, and the European Union had also reported for 2024.

17. Of the 15 parties that had submitted data reports for 2023 containing blank cells in place of zeros, 8 parties had so far responded to the Secretariat's requests for clarification; the Secretariat would follow up with the remaining 7 parties. For earlier years, all the parties that had submitted incomplete forms had subsequently confirmed that the blank cells should have indicated zeros. Recently, one party had submitted revised data for 2020–2022 without fully completing all the blank cells. In general, the numbers of parties submitting forms with blank cells had fallen in recent years. A

total of 11 parties had submitted requests for changes in their baseline data; the matter would be considered under agenda item 6.

18. Volumes of reported production of phased-out controlled substances for uses allowed under the Protocol had grown slightly in recent years. The vast majority of production was for internal feedstock uses; most of that was hydrochlorofluorocarbons (HCFCs), with the remainder mostly chlorofluorocarbons (CFCs) and carbon tetrachloride. The consumption of methyl bromide for quarantine and pre-shipment uses had been relatively stable, varying between 8,000 and 11,000 metric tonnes per year from 2008, but it had fallen below 8,000 metric tonnes in 2022 and 2023. The number of parties reporting the destruction of controlled substances had steadily risen, while the total volume destroyed had fallen slightly. Full data on all those issues was available in the data report (UNEP/OzL.Pro/ImpCom/74/R.2).

19. The Committee took note of the report.

20. On the issue of parties reporting data voluntarily before they had ratified the Kigali Amendment, the representative of the Secretariat explained that such data was not provisional data, but data that the parties had reported before they had any legal obligation to do so. After such parties had ratified the Kigali Amendment, the Secretariat had decided to write to them to ask them to confirm that the data would fulfil their obligations to report baseline data, to avoid any possibility of a later challenge. The emails had been sent in early June. He suggested that if parties failed to respond, the data they had submitted should be considered to be baseline data. For similar cases in the future, the Secretariat intended to ask for confirmation of the data at the same time as they sent the letter congratulating the party on its ratification of the Kigali Amendment.

21. Members of the Committee expressed the view that it would be reasonable to allow the remaining five parties more time to respond to the Secretariat's emails, and suggested 1 September 2025 as the deadline. In the future, however, data submitted voluntarily should be considered to be official data. If a party subsequently decided it wanted to change the data, it should be considered as a request for a change in baseline data and treated according to the normal procedure.

22. The Committee agreed:

(a) To request the Ozone Secretariat to inform parties that had submitted hydrofluorocarbon baseline data before their ratification of the Kigali Amendment and that the Secretariat had contacted before the seventy-fourth meeting of the Implementation Committee that they should confirm whether such data constituted their submissions under paragraph 2 of Article 7 of the Montreal Protocol as soon as possible and no later than 1 September 2025, after which the data would be considered as such;

(b) To request the Ozone Secretariat to consider as constituting a submission under paragraph 2 of Article 7 of the Montreal Protocol any hydrofluorocarbon baseline data presented after the seventy-fourth meeting of the Implementation Committee, regardless of whether such data were submitted before or after ratification of the Kigali Amendment;

(c) To review, in accordance with decision XIII/15 and following the methodology for the submission of requests for revision of baseline data as set out in decision XV/19, any requests for changes in hydrofluorocarbon baseline data by parties that had ratified the Kigali Amendment, irrespective of the time at which the data to be revised were submitted.

Recommendation 74/15

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 the implementing agencies to facilitate compliance by parties

23. The Chief Officer of the Multilateral Fund secretariat summarized the information provided in the annex to the note by the Secretariat on country programme data and prospects for compliance (UNEP/OzL.Pro/ImpCom/74/INF/R.3) and provided an update on the outcome of the recently held ninety-sixth meeting of the Executive Committee of the Fund.

24. The latest data reported by parties operating under paragraph 1 of Article 5 of the Protocol (Article 5 parties) showed that HCFC consumption was 63.8 per cent below the baseline and parties were therefore on track to meet the Protocol's 2025 phase-out target of 62.5 per cent. The work of the Multilateral Fund and its implementing agencies focused mainly on phasing out HCFC-123 and the

remaining quantities of HCFC-22. Most of the foam manufacturing sector and a large proportion of refrigeration and air-conditioning manufacturing were in the process of converting, mainly to low-global-warming-potential technologies. All the Article 5 parties were addressing the refrigeration servicing sector, but some were experiencing challenges with regard to the availability of some alternative technologies in local markets.

25. The approved HCFC phase-out management plans would result in the phase-out of 84.3 per cent of starting point HCFC consumption and 82.9 per cent of baseline consumption, including the total phase-out of HCFC-21 and HCFC-141 consumption, and HCFC phase-out management plans might yet be submitted for additional HCFC consumption of approximately 5,000 ozone-depleting-potential (ODP) tonnes. More work was still needed on HCFC-22, HCFC-123 and HCFC-142b in the servicing sector. The approved HCFC phase-out management plans also included commitments to phase out 96.1 per cent of the starting point consumption of HCFCs in pre-blended polyols.

26. Regarding HFC consumption, the latest data reported through country programmes showed that HFC-134a, R-410A, HFC-32, R-507A, HFC-227ea and R-404A were the six substances most consumed, accounting for 89.7 per cent of total consumption in metric tons and 91.2 per cent in CO₂-equivalent tonnes. Refrigeration, air-conditioning and heat-pump manufacturing and servicing and fire-fighting applications were the three largest uses, accounting for more than 91.7 per cent of total HFC consumption in metric tons.

27. One of the main observations to be drawn from HFC reporting was that HFCs were reported as pure substances and as blends in country programme data. Some blends were reported under trade names, with only a few parties providing information on blend composition, and reporting errors had been identified in a few cases. In Article 7 data, HFCs were reported as pure substances, blends or a combination of the two. Reconciliation with the country programme data was therefore challenging. Pursuant to Executive Committee decisions 92/4 and 94/3, the Fund secretariat was following up on the provision of additional information or estimates on the uses or most likely applications of HFC-23 reported in the “other” column of the country programme reports.

28. At its ninety-sixth meeting, the Executive Committee had approved a total of \$38.1 million in project funding. Nine Kigali HFC implementation plans had been submitted for approval. Approvals had also covered new stages of HCFC phase-out management plans in four countries; energy efficiency pilot projects, including preparatory funding, for 7 countries; preparation of national action plans for inventories of banks of controlled substances for 12 countries; energy-efficiency projects, including project preparation, for 2 countries; and preparation funding for three country-level energy efficiency revolving fund pilot projects and one global-level project.

29. With respect to requests for the revision of baseline HFC consumption data, the Chief Officer noted that the Executive Committee used the baseline data submitted to and recorded by the Ozone Secretariat as a basis for approving projects and assessing funding levels.

30. At its ninety-sixth meeting, the Executive Committee had also taken a large number of new policy decisions and decisions requesting information and analysis on specific issues. Among other things, a decision had been taken on the one outstanding point for the cost funding guidelines for the HFC phase-down, namely the starting point for sustained aggregate reductions for HFCs. Other decisions related to the operational modalities for the energy-efficiency revolving fund; assistance for countries using imports of HFCs contained in pre-blended polyols; the funding modality for atmospheric monitoring; the half-day sessions on strategic approaches to Kigali Amendment implementation; and a cut-off date for energy-efficiency projects.

31. Other issues discussed included the alignment of country programme and Article 7 data reporting for HFC-23 emissions, as well as two issues raised by Article 5 parties: the technical and financial challenges experienced in relation to the implementation of previously approved Kigali HFC implementation plans; and supply chain challenges related to alternative refrigerants, components and equipment, which was a recurring issue.

32. Finally, the Chief Officer informed the Committee that the Fund secretariat had launched an online country programme reporting system inspired by the Article 7 data reporting system. The new system had been tested by 122 countries to date, and 90 countries had used it to submit their data for 2024. Country programme data would be presented in a data centre that would be launched as soon as the Fund secretariat finalized accessibility arrangements to address confidentiality considerations.

33. The Committee took note of the information provided.

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

34. A representative of the Secretariat presented information on cases related to compliance with obligations under the Protocol (UNEP/OzL.Pro/ImpCom/74/R.3), along with the list of compliance issues to be considered by the Committee (UNEP/OzL.Pro/ImpCom/74/INF/R.1) and the information submitted by parties (UNEP/OzL.Pro/ImpCom/74/INF/R.2 and its annex).

A. Data reporting obligations under Article 7 (decision XXXVI/13)

35. The representative of the Secretariat recalled that, under decision XXXVI/13, Azerbaijan, the Democratic People's Republic of Korea, Djibouti, Iceland, Mali and San Marino had been declared to be in non-compliance for having failed to report their data for 2023, Djibouti for also failing to submit its HFC data for the baseline years, and Côte d'Ivoire and Guinea for failing to report their HFC data as parties to the Montreal Protocol for which the Kigali Amendment had entered into force. She informed the Committee that, since the Thirty-Sixth Meeting of the Parties, all those parties, except for Côte d'Ivoire, had submitted their outstanding data.

1. Azerbaijan, Democratic People's Republic of Korea, Djibouti, Guinea, Iceland, Mali and San Marino

36. The Committee agreed to address the overall situation of the Democratic People's Republic of Korea under agenda item 5 (b).

37. The Committee agreed:

(a) To note with appreciation that Azerbaijan, Djibouti, Guinea, Iceland, Mali and San Marino had submitted all outstanding data in accordance with their data reporting obligations under paragraph 3 of Article 7 of the Montreal Protocol, as urged in paragraph 7 of decision XXXVI/13. The data submitted confirmed that those parties were in compliance with the control measures under the Protocol for 2023;

(b) To also note with appreciation that Djibouti, a party operating under paragraph 1 of Article 5 of the Montreal Protocol for which the Kigali Amendment had entered into force, had submitted its baseline data for Annex F substances (hydrofluorocarbons) for the years 2020 to 2022, as required under paragraph 2 of Article 7 of the Montreal Protocol and as urged in paragraph 7 of decision XXXVI/13.

2. Côte d'Ivoire

38. Explaining the case of Côte d'Ivoire, the representative of the Secretariat said that the party had submitted data for 2023 that included the outstanding HFC data and that was designated as provisional and, when informed that its request would need to be reviewed by the Implementation Committee, had elected to withdraw the newly submitted data pending the results of its Kigali HFC implementation plan survey.

39. A number of members asked when Côte d'Ivoire could be expected to submit its outstanding data. Responding, the representative of the Secretariat said that the party was expected to submit the data for the ninety-seventh meeting of the Executive Committee, in late 2025. The Chief Officer of the Multilateral Fund secretariat concurred, but added that the party had not yet confirmed its submission date.

40. The Committee agreed:

(a) To note with concern that Côte d'Ivoire, as a party to the Montreal Protocol that had ratified the Kigali Amendment, had not yet submitted its data on Annex F substances (hydrofluorocarbons) for 2023 to the Secretariat, as required under Article 7 of the Protocol and as urged in paragraph 7 of decision XXXVI/13, and therefore remained in non-compliance with its data reporting obligations under paragraph 3 of Article 7 of the Protocol;

(b) To urge Côte d'Ivoire to report to the Secretariat its outstanding data in accordance with paragraph 3 of Article 7, as a matter of priority, and preferably no later than 15 September 2025, in order to enable the Committee to assess at its seventy-fifth meeting the status of compliance by the party with its data reporting obligations under the Protocol.

Recommendation 74/1

B. Existing plans of action to return to compliance

1. Democratic People's Republic of Korea (decisions XXXII/6 and XXXVI/16)

41. The representative of the Secretariat recalled that, in decision XXXII/6, the Thirty-Second Meeting of the Parties had taken note of the plan of action of the Democratic People's Republic of Korea to ensure its return to compliance, with annual reduction commitments for HCFC consumption and production up to 2023. The party had also been invited to establish other measures, such as national policies to facilitate HCFC phase-out, including bans on import, production or new installations, and certification of refrigeration technicians and companies. The data it had submitted for HCFCs for 2021 showed levels of production and consumption slightly above its commitments for 2021, and the party had not yet submitted any update regarding additional measures.

42. In decision XXXVI/16, the Thirty-Sixth Meeting of the Parties had noted with concern the party's non-adherence to its commitments for 2021 and had expressed serious concern about the lack of an explanation from the party despite several requests from the Committee and repeated reminders from the Secretariat. It had also urged the party to provide an explanation for the deviations and to submit its Article 7 data for 2023, as well as a revised plan of action for the Committee's consideration at the current meeting, along with a progress report on the establishment of additional measures. The party had subsequently submitted its data for 2023 and 2024 but the Secretariat had not yet received any explanation or updates in relation to its 2021 data. Furthermore, the data submitted indicated that the party had exceeded its commitments for 2023 and for 2024 and was therefore in possible non-compliance with those commitments and the control measures under the Montreal Protocol.

43. In addition, recalling that the party had been invited, in decision XXXVI/16, to send a representative to the current meeting to provide explanations, she informed the Committee that a representative from the party's embassy was available and prepared to make a statement.

44. At the invitation of the President, the representative of the Democratic People's Republic of Korea delivered a statement regarding his country's efforts to comply with its obligations under the Protocol. He said that since joining the Montreal Protocol in 1995, his country had cooperated with international organizations such as UNEP, the Secretariat and UNIDO to eliminate ozone-depleting substances, but had met with difficulty owing to the halting, in 2014, of the provision of production facilities for substitutes for ozone-depleting substances. The National Environmental Coordination Committee had notified the Secretariat in April 2019 that the HCFC reduction target had become impossible to achieve as of 2019, and had raised the issue of unfair double standards at the forty-first meeting of the Open-ended Working Group and the Thirty-First Meeting of the Parties in that same year. In a letter to the Secretariat dated 4 May 2020, the party had reiterated that it was unlikely to achieve the 35 per cent reduction target for 2020 owing to the suspension of technical and financial assistance. In response to a request from the Implementation Committee in its recommendation 64/1, the Democratic People's Republic of Korea had submitted an action plan up to 2023 but had stipulated that its return to compliance was premised on the receipt of technical and financial assistance from the Multilateral Fund. He said that his country had made an effort to implement the action plan by partially banning the import of HCFCs, exploring the possibility of phasing out HCFCs, establishing contact and institutional devices related to ozone layer protection, and conducting awareness-raising activities, but had faced an ongoing challenge owing to the complete absence of technology transfer and financial cooperation activities in accordance with Articles 10 and 10A of the Protocol, which it considered to be the basic prerequisite for implementing the action plan. The Democratic People's Republic of Korea therefore considered that its failure to achieve the targets in its action plan lay entirely with forces and organizations that politicized international cooperation related to ozone layer protection and applied double standards, thus preventing the country from receiving the cooperation provided for in Article 5 of the Protocol. His country would nevertheless make every effort to return to Montreal Protocol implementation in the near future, even without the cooperation of the Multilateral Fund.

45. After making his statement, he left the meeting, as members indicated that they did not have any questions or comments on his presentation.

46. Responding to a question regarding communications with the party, the representative of the Secretariat said that establishing communications had been difficult since the adoption of decisions cautioning the party and urging it to return to compliance. Communications had been sent directly to the focal point, the party's missions in New York and Geneva and its embassy in Bangkok, finally resulting in the contact that had led to representative's presence at the current meeting. Nevertheless,

the current situation was that the sanctions imposed by the Security Council remained in place and the latest data showed that the party remained in non-compliance.

47. Asked for their input, representatives of UNEP [m] and UNIDO also confirmed that communications were difficult, adding that it was essentially impossible for them to implement projects with the sanctions in place. A representative of the Multilateral Fund secretariat added that from the Fund secretariat's perspective, no specific changes had occurred since June 2022, when the Executive Committee, in decision 90/21, had taken note of the implementation of activities under stage 1 of the HCFC phase-out management plan for the Democratic People's Republic of Korea and requested the Fund secretariat to inform it if the party's situation changed.

48. Several members acknowledged the difficulties faced by the party and the fact that they were beyond the Committee's control, and a discussion ensued on how the Committee, through its recommendation, could help to move the matter forward. One member observed that, although the party remained in non-compliance, it had made progress in reducing production and consumption levels, and suggested that it would be helpful for the Committee to receive more information on the measures being taken.

49. The Committee agreed:

Recalling decisions XXXII/6, XXXV/18, XXXVI/13 and XXXVI/16 of the Meetings of the Parties to the Montreal Protocol and recommendations 68/4, 69/4, 70/2 and 72/3 of the Implementation Committee,

Acknowledging that a representative of the Democratic People's Republic of Korea had been invited to and had attended the seventy-fourth meeting of the Implementation Committee and had provided information relating to the issue of non-compliance by the party,

1. To note with serious concern that the Democratic People's Republic of Korea had not yet provided an explanation for the deviations between its reported Article 7 data for 2021 of annual production of 24.81 ozone-depleting-potential tonnes (ODP-tonnes) of hydrochlorofluorocarbons (HCFCs) and annual consumption of 58.03 ODP-tonnes of HCFCs and its commitment, as set out in decision XXXII/6, to reduce its production and consumption of HCFCs to no more than 24.80 ODP-tonnes and 58.00 ODP-tonnes, respectively, for that year;

2. To note that the Democratic People's Republic of Korea had submitted all outstanding Article 7 data for 2023 and its Article 7 data for 2024 in accordance with its data reporting obligations under Article 7 of the Montreal Protocol;

3. To note with concern, however, that the reported data for 2023 and 2024 indicated that the production and consumption of HCFCs reported by the Democratic People's Republic of Korea for 2023 had exceeded its commitments under its plan of action as set out in decision XXXII/6, as well as the control measures under the Montreal Protocol for 2024;

4. To also note with concern that the reported production and consumption data for hydrochlorofluorocarbons for 2023 and 2024 placed the Democratic People's Republic of Korea in non-compliance with its commitments under decision XXXII/6 for 2023 and the Montreal Protocol control measures for 2024;

5. To urge the Democratic People's Republic of Korea to submit its progress report on efforts to establish additional national policies, as set out in the current plan of action to return to compliance as set out in decision XXXII/6, facilitating HCFC phase-out that might include, but would not be limited to, bans on imports, on production or on new installations, and certification of refrigeration technicians and companies, and to do so no later than 15 September 2025, for consideration by the Implementation Committee at its seventy-fifth meeting;

6. To also urge the Democratic People's Republic of Korea to provide an explanation for the deviations for 2023 and 2024 as a matter of urgency and to submit a revised plan of action to ensure its return to compliance with the control measures of the Montreal Protocol for HCFCs for those and subsequent years, and to do so no later than 15 September 2025, for consideration by the Implementation Committee at its seventy-fifth meeting;

7. To remind the Democratic People's Republic of Korea of the caution in paragraph 7 of decision XXXVI/16 that, if the Democratic People's Republic of Korea failed to return to compliance, the parties would consider measures consistent with item C of the indicative list of measures, including the possibility of actions available under Article 4 of the Montreal Protocol, such as ensuring that the supply of hydrochlorofluorocarbons, the substances that were the subject of non-compliance, was ceased so that exporting parties did not contribute to a continuing situation of non-compliance;

8. To inform the Democratic People's Republic of Korea that, if it failed to provide relevant responses as requested in paragraphs 5 and 6 above, the Implementation Committee would recommend that the parties undertake such consideration as referred to in paragraph 7 above;

9. To continue to monitor closely the progress made by the Democratic People's Republic of Korea in relation to the provisions of the present recommendation.

Recommendation 74/2

2. Kazakhstan (decision XXIX/14)

50. The representative of the Secretariat recalled that, in decision XXIX/14, the Twenty-Ninth Meeting of the Parties had noted the submission by Kazakhstan of a revised plan of action to ensure the party's return to compliance, with commitments up to 2030 to comply with the Protocol's HCFC consumption control measures, and in recommendation 72/4, the Implementation Committee had agreed to continue closely monitoring the progress made by the party in implementing its plan of action. She further reported that the party had not yet reported its HCFC consumption data for 2024, making it difficult to ascertain whether it remained in compliance with its plan of action.

51. Several members noted that the deadline for reporting 2024 data had not yet passed and asked whether there was a precedent for requesting data ahead of the reporting deadline. The representative of the Secretariat responded that parties were to submit their Article 7 data as soon as it was available and were generally encouraged to submit by the end of June, with September 30 as a final deadline.

52. The Committee agreed to request Kazakhstan to report to the Secretariat its data for 2024, in accordance with paragraph 3 of Article 7 of the Montreal Protocol, preferably no later than 15 September 2025, in order to enable the Committee to assess at its seventy-fifth meeting the status of compliance by Kazakhstan with its commitments for 2024 as set out in decision XXIX/14.

Recommendation 74/3

3. Libya (decision XXVII/11 and recommendation 73/3)

53. The representative of the Secretariat recalled that, in decision XXVII/11, the Twenty-Seventh Meeting of the Parties had found Libya to be non-compliant with its obligations under the Protocol. The party had since returned to compliance with the control measures of the Protocol; however, the Committee was still monitoring additional actions that the party had committed to in its plan of action to return to compliance, namely the imposition of a ban on the procurement of air-conditioning equipment containing HCFCs and consideration of a ban on the import of such equipment. In recommendation 73/3, the Committee had noted the progress reported by the party regarding those bans and requested a further update on progress for its consideration at the current meeting.

54. Libya had submitted the update as requested. The update stated that, with respect to the procurement ban, the Minister of Environment had issued administrative instructions in 2023 to stop ministries and public institutions from buying new HCFC-based refrigeration and air-conditioning systems. The Secretariat had followed up with a request for clarification regarding the difference between an official ban and an administrative ban, and Libya had explained that procurement restrictions were managed administratively, without a formal decree. In addition, a ministerial decree had been issued officially banning the import of HCFC-based refrigeration and air conditioning into Libya, and that ban was now being enforced. Finally, the party had also submitted an official letter requesting the Committee to consider reinstating it as compliant with the Montreal Protocol measures.

55. Several members indicated that they considered Libya to have complied with its commitments under its plan of action. Several others, however, questioned whether the administrative instruction to stop purchasing new HCFC-based refrigeration and air-conditioning systems, which only constituted a ban on public procurement, was sufficient to consider the party to be in compliance with its commitment to impose a procurement ban. Responding to a request for clarification, the Senior Legal Officer said that the progress report submitted by Libya in May 2025 mentioned that the country's national legislation did not permit a ban on the purchase of items already on the market, which was why the ministry had issued the administrative instruction to effect the procurement ban. The representative of UNIDO added that the Government of Libya had informed her organization that the country's national legislation only permitted a procurement ban to be imposed on ministries and public institutions, not on the private sector or the market.

56. One member asked whether the Secretariat had any information on HCFC-based equipment currently in storage in Libya, and, if not, whether such information could be requested. He observed that such information was of concern to the Committee as existing stockpiles could have an impact on

the party's future compliance. Several others were also in favour of requesting additional information in that regard, even though they acknowledged that the most recent data showed that Libya had returned to compliance. Asked for any additional information she might have in that regard, the representative of UNIDO informed the Committee that Libya was currently starting a nation-wide survey on stockpiles of refrigeration and air-conditioning equipment.

57. The Committee agreed:

(a) To note with appreciation the submission by Libya of a further update on the progress made, as requested in recommendation 73/3, towards additional commitments contained in its plan of action to return to compliance as set out in paragraph 2 (c) of decision XXVII/11;

(b) To also note with appreciation the issuance of administrative instructions to stop ministries and public institutions from buying new refrigeration and air-conditioning equipment containing hydrochlorofluorocarbons (HCFCs) and the introduction of a ban on the import of such equipment in March 2025;

(c) To congratulate Libya on its return to compliance with the HCFC control measures of the Montreal Protocol as well as its implementation of its commitment contained in paragraph 2 (c), specifically the import ban, in its plan of action to return to compliance set out in decision XXVII/11, as indicated in the party's progress update submitted in 2025;

(d) To invite Libya to submit information on refrigeration and air-conditioning equipment containing HCFCs already in stock before the ban on import and procurement entered into force in Libya, and to request a further update of the number of ministries and public institutions and the status thereof in terms of implementation of the ban on procurement, preferably no later than 15 September 2025, for consideration by the Implementation Committee at its seventy-fifth meeting.

Recommendation 74/4

VI. Requests for changes in baseline data for hydrofluorocarbons (decisions XIII/15 and XV/19)

58. Introducing the item, the representative of the Secretariat drew attention to the report of the Secretariat on requests by parties for changes in their baseline data (UNEP/OzL.Pro/ImpCom/74/R.3/Add.1), and the information submitted by parties for the consideration of the Implementation Committee at its seventy-fourth meeting (UNEP/OzL.Pro/ImpCom/74/INF/R.2/Add.1 and annexes). The Committee had before it a total of 11 requests from parties for the revision of their HFC baseline data, of which 9 had been discussed at the Committee's seventy-third meeting. She reminded the Committee of the methodology to be followed by parties in submitting their requests, including the supporting documentation required.

A. Previously considered requests: Armenia (recommendation 73/4); Cook Islands (recommendation 73/6); Kiribati (recommendation 73/7); Marshall Islands (recommendation 73/8); Nauru (recommendation 73/9); Nigeria (recommendation 73/5); Niue (recommendation 73/10); Tuvalu (recommendation 73/11); Vanuatu (recommendation 73/12)

1. Cook Islands (recommendation 73/6)

59. The Cook Islands had submitted a request to revise its baseline data for HFC consumption for 2020 and 2022, as it had misreported HFC-134a as HFC-143a. The proposed revision of Article 7 data would represent a decrease of 675 CO₂-equivalent tonnes (12 per cent) from the initial baseline level. The Committee had reviewed the request at its seventy-third meeting and considered that the information submitted by the party to support its request was insufficient according to the methodology set out in decision XV/19. It had therefore adopted recommendation 73/6, in which it had requested the Cook Islands to submit to the Secretariat the outstanding information that was needed to meet the requirements of decision XV/19.

60. On 15 May 2025, the party had notified the Secretariat of its decision to withdraw its request for the revision of its HFC baseline data. The Committee took note of that decision.

2. Kiribati (recommendation 73/7)

61. Kiribati had submitted a request to revise its baseline data for HFC consumption for 2022 due to an additional import of HFC-134a identified during the survey but not captured in the Article 7 data. The revised baseline would represent an increase of 333.67 CO₂-equivalent tonnes (4 per cent) from the initial baseline level.

62. The Committee had reviewed the request at its seventy-third meeting and considered that the information submitted by the party to support its request was insufficient according to the methodology set out in decision XV/19. It had therefore adopted recommendation 73/6, in which it had requested Kiribati to submit to the Secretariat the outstanding information that was needed to meet the requirements of decision XV/19. In response, the party had submitted a revised request including license, import statement and export confirmation for all the proposed revisions.

63. The Committee agreed:

Noting with appreciation the information submitted by Kiribati in support of its request to revise its existing consumption data for the baseline year 2022 for Annex F, group I, controlled substances (hydrofluorocarbons),

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

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

To forward, for consideration by the Thirty-Seventh Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer, the draft decision set out in annex I to the present report, by which the Meeting of the Parties would approve the request by Kiribati for the revision of its consumption data for hydrofluorocarbons for the baseline year 2022 to 4,570 CO₂-equivalent tonnes.

Recommendation 74/5

3. Marshall Islands (recommendation 73/8)

64. The Marshall Islands had submitted a request to revise its baseline data for HFC consumption for the years 2020, 2021 and 2022. In its survey conducted for the preparation of the regional Kigali HFC implementation plan, the Marshall Islands had identified that some HFC data had not been reported or had been misreported as other HFCs or substances. It had informed the Secretariat that it was not able to provide any customs-related documentation to confirm the additional imports identified during the survey and data revision.

65. The Committee had reviewed the request at its seventy-third meeting and considered that the information submitted by the party to support its request was insufficient according to the methodology set out in decision XV/19. It had adopted recommendation 73/8, in which it had requested the Marshall Islands to submit to the Secretariat the outstanding information that was needed to meet the requirements of decision XV/19. In response, the party had submitted a revised request, including import statements to support the proposed revisions.

66. The Committee agreed:

Noting with appreciation the information submitted by the Marshall Islands in support of its request to revise its existing consumption data for the baseline years 2020, 2021 and 2022 for Annex F, group I, controlled substances (hydrofluorocarbons),

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

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

To forward, for consideration by the Thirty-Seventh Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer, the draft decision set out in annex I to the present report, by which the Meeting of the Parties would approve the request by the Marshall Islands for the revision of its consumption data for hydrofluorocarbons for the baseline years 2020, 2021 and 2022 to 10,922 CO₂-equivalent tonnes, 13,677 CO₂-equivalent tonnes and 9,095 CO₂-equivalent tonnes, respectively.

Recommendation 74/6

4. Nauru (recommendation 73/9)

67. Nauru had submitted a request to revise its baseline data for HFC consumption for the years 2020, 2021 and 2022. The need had emerged as a result of the survey conducted for the preparation of the Kigali HFC implementation plan, in which it had been identified that some HFC data had not been reported to the national ozone unit or had been misreported as other HFCs or substances. Nauru had informed the Secretariat that it was not able to provide any customs-related documentation to confirm the additional imports identified during the survey and data revision.

68. The Committee had reviewed the request at its seventy-third meeting and considered that the information submitted by the party to support its request was insufficient according to the methodology set out in decision XV/19. It had adopted recommendation 73/9, in which it had requested Nauru to submit to the Secretariat the outstanding information that was needed to meet the requirements of decision XV/19. In response the party had submitted a revised request, including invoices and import statements to support the proposed revisions.

69. The Committee agreed:

Noting with appreciation the information submitted by Nauru in support of its request to revise its existing consumption data for the baseline years 2020, 2021 and 2022 for Annex F, group I, controlled substances (hydrofluorocarbons),

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

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

To forward, for consideration by the Thirty-Seventh Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer, the draft decision set out in annex I to the present report, by which the Meeting of the Parties would approve the request by Nauru for the revision of its consumption data for hydrofluorocarbons for the baseline years 2020, 2021 and 2022 to 1,997 CO₂-equivalent tonnes, 2,175 CO₂-equivalent tonnes and 2,326 CO₂-equivalent tonnes, respectively.

Recommendation 74/7

5. Niue (recommendation 73/10)

70. Niue had submitted a request to revise its baseline data for HFC consumption for 2021. The need had emerged as a result of the survey conducted for the preparation of the regional Kigali HFC implementation plan for the countries of the Pacific region, which had identified additional imports of R-410A which had not been reported to the national ozone unit and had been controlled by customs as other HFCs or substances owing to the lack of Harmonized Commodity Description and Coding System customs codes for some HFCs, including blends.

71. The Committee had reviewed the request at its seventy-third meeting and considered that the information submitted by the party to support its request was insufficient according to the methodology set out in decision XV/19. It had adopted recommendation 73/10, in which it had requested Niue to submit to the Secretariat the outstanding information that was needed to meet the requirements of decision XV/19. In response the party had submitted a revised request, including an invoice and import statement to support the proposed revision.

72. The Committee agreed:

Noting with appreciation the information submitted by Niue in support of its request to revise its existing consumption data for the baseline year 2021 for Annex F, group I, controlled substances (hydrofluorocarbons),

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

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

To forward, for consideration by the Thirty-Seventh Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer, the draft decision set out in annex I to the present report, by which the Meeting of the Parties would approve the request by Niue for the revision of its consumption data for hydrofluorocarbons for the baseline year 2021 to 179 CO₂-equivalent tonnes.

6. Tuvalu (recommendation 73/11)

73. Tuvalu had submitted a request to revise its baseline data for HFC consumption for the years 2020, 2021 and 2022. In its survey for the preparation of the regional Kigali HFC implementation plan, Tuvalu had identified that some HFC data had not been reported to the national ozone unit or had been misreported as other HFCs or substances.

74. The Committee had reviewed the request at its seventy-third meeting and considered that the information submitted by the party to support its request was insufficient according to the methodology set out in decision XV/19. It had adopted recommendation 73/11, in which it had requested Tuvalu to submit to the Secretariat the outstanding information that was needed to meet the requirements of decision XV/19.

75. In response to the recommendation, the party had submitted a set of slightly revised data for the baseline years. The survey had helped to identify four new importers, which had imported the controlled substances without the requisite licence. The licensing system and mandatory reporting by importers in Tuvalu had been enforced in 2021, but existing and new importers had remained unfamiliar with the new requirements, and none of the importers could provide any invoices or commercial justification for their imports; one of them had gone out of business and could not provide any information at all.

76. In response to a request for further information, the representative of UNEP explained that all the Pacific Island parties faced similar challenges. They had very small volumes of consumption, and their importing companies were often very small, sometimes possessing only one member of staff. They frequently had poor record-keeping practices, so the parties usually had to rely on import data rather than invoices. However, during the years 2020 to 2022, Tuvalu had still been using the old Harmonized System customs codes, which had not allowed for the separate identification of HFCs. The UNEP Compliance Assistance Programme was supporting the Pacific Islands Country Network to work with the parties to strengthen their capacity to implement and monitor their import and export licensing and quota systems and to report accurate and timely data. One technical workshop had been held to that end and more were planned. He said that he was confident that the parties' capacity to monitor and report on imports would be substantially improved.

77. Members of the Committee acknowledged that, while one invoice was still missing, they appreciated the difficulties faced by Tuvalu in collecting the necessary information, given that the company concerned had gone out of business.

78. At a later stage in the meeting, the Committee was able to view a letter provided, at the Committee's specific request, by the party's national ozone unit that day. It confirmed the party's confidence in the data submitted, as it was based on companies' responses to a detailed HFC questionnaire in 2023; the data collection methodology had not required respondents to provide supporting documents such as invoices.

79. The Committee agreed:

Noting with appreciation the information submitted by Tuvalu in support of its request to revise its existing consumption data for the baseline years 2020, 2021 and 2022 for Annex F, group I, controlled substances (hydrofluorocarbons),

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

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

To forward, for consideration by the Thirty-Seventh Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer, the draft decision set out in annex I to the present report, by which the Meeting of the Parties would approve the request by Tuvalu for the revision of its consumption data for hydrofluorocarbons for the baseline years 2020, 2021 and 2022 to 647 CO₂-equivalent tonnes, 695 CO₂-equivalent tonnes and 800 CO₂-equivalent tonnes, respectively.

Recommendation 74/9**7. Vanuatu (recommendation 73/12)**

80. Vanuatu had submitted a request to revise its baseline data for HFC consumption for 2020. The need for the revision had emerged as a result of the survey conducted for the preparation of the

Kigali HFC implementation plan, in which it had identified that some HFC data had not been reported to the national ozone unit or had been misreported as other HFCs or substances.

81. The Committee had reviewed the request at its seventy-third meeting and considered that the information submitted by the party to support its request was insufficient according to the methodology set out in decision XV/19. It had adopted recommendation 73/12, in which it requested Vanuatu to submit to the Secretariat the outstanding information that was needed to meet the requirements of decision XV/19.

82. In response to the recommendation, the party had submitted a revised request, including licences, invoices and import statements from some of the importers. The licensing system for HFCs had only been in force since 2021; in 2020, importers did not have to apply for an import licence and the customs system did not have separate Harmonized System customs codes for HFCs and blends.

83. At a later stage in the meeting, the Committee was able to view a letter provided, at the Committee's specific request, by the party's national ozone unit that day. It explained that the data submitted had been based on companies' responses to a survey during the preparation of the party's Kigali implementation plan; the data collection methodology had not required respondents to provide supporting documents such as invoices. Subsequent efforts by the national ozone unit to obtain the missing invoices and bills of lading had been hampered by the devastating earthquake that had occurred in 2024, that led to the loss of some companies' records, changes in staff in some of the companies and a legal dispute with another company. Nevertheless, Vanuatu had confidence in the data submitted.

84. The Committee agreed:

Noting with appreciation the information submitted by Vanuatu in support of its request to revise its existing consumption data for the baseline year 2020 for Annex F, group I, controlled substances (hydrofluorocarbons),

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

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

To forward, for consideration by the Thirty-Seventh Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer, the draft decision set out in annex I to the present report, by which the Meeting of the Parties would approve the request by Vanuatu for the revision of its consumption data for hydrofluorocarbons for the baseline year 2020 to 21,055 CO₂-equivalent tonnes.

Recommendation 74/10

8. Armenia (recommendation 73/4)

85. The request by Armenia for the revision of its HFC consumption data for 2020, 2021 and 2022 had been considered by the Implementation Committee at its seventy-second and seventy-third meetings, and a representative of Armenia had attended the seventy-third meeting at the invitation of the Committee to provide additional information. The Committee had reviewed the request at its seventy-third meeting and considered that the information submitted by the party to support its request was still insufficient according to the methodology set out in decision XV/19. It had adopted recommendation 73/4, in which it had requested Armenia to submit to the Secretariat the outstanding information that was needed to meet the requirements of decision XV/19.

86. Armenia had subsequently submitted an update and an invoice from one of the importers, requesting that the latter be treated as confidential. The party had confirmed its earlier statements that the lack of data for HFC imports had arisen from the lack of customs information for products imported legally from the Eurasian Economic Union (a single customs territory) and the lack of formal supporting documentation from online purchases of HFCs through various platforms. Armenia had since adopted regulatory measures to ban the online trade in controlled substances with other Eurasian Economic Union members, to prohibit those products in international postal shipments and to ban postal and electronic trade in substances controlled under the Montreal Protocol.

87. The representative of the Secretariat recalled that, under paragraph 15 of the non-compliance procedure, members of the Committee and any party involved in deliberations had to protect the confidentiality of information they received in confidence, and, in recommendation 73/4, the Committee had agreed that data submitted would be treated with professional secrecy. Therefore the

Secretariat had not circulated in advance the invoice that had been submitted. Members of the Committee could request a copy of it, though it was in Russian and it would take some time to provide a translation into English. However, the invoice covered only 33 tonnes of HFCs out of the total of 249 tonnes of the proposed revision for one baseline year. While members of the Committee expressed the view that the name of the importer could be withheld in order to satisfy the request by Armenia for secrecy, that would not satisfactorily deal with the main problem, which was the lack of any other evidence to support the revised baseline figures that Armenia was requesting.

88. The Committee agreed:

Taking note of the request by Armenia for the revision of its existing consumption data for the baseline years 2020, 2021 and 2022 for Annex F, group I, controlled substances (hydrofluorocarbons),

Recalling decision XV/19, which set out the methodology for the submission of requests for the revision of baseline data,

Noting with appreciation the information provided by Armenia to support its request for the revision of its baseline data,

Noting, however, that the information submitted was considered by the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol to be insufficient to enable it to approve the changes requested by the party,

1. To request Armenia to submit to the Secretariat the outstanding information that was needed to meet the requirements of decision XV/19, in order to significantly substantiate its request for the revision of its hydrofluorocarbon data, as soon as possible, and preferably no later than 15 September 2025, for consideration by the Implementation Committee at its seventy-fifth meeting. Such outstanding information should include any formal documentation such as licences, shipping or customs documentation from its customs or trading partners, or any purchasing or commercial documentation, such as, but not limited to, invoices, that confirmed import, in support of its request for the revision of its hydrofluorocarbon baseline data;

2. To also request Armenia, in the event that the information required to support its request for the revision of its baseline data was confidential, to provide such information to the Secretariat in accordance with paragraph 2 of decision I/11. In providing such information, Armenia may inform the Secretariat that the data may be reported to the Implementation Committee with an instruction to handle such data with professional secrecy and as confidential.

Recommendation 74/11

9. Nigeria (recommendation 73/5)

89. Nigeria had submitted a request to revise its baseline data for HFC consumption for 2020, 2021 and 2022, following the data revision conducted in connection with the preparation of its Kigali HFC implementation plan. Owing to the lack of Harmonized Commodity customs codes for HFCs and their blends, the customs authorities had not been able to enforce the licensing system, which had only been established in Nigeria in January 2021. The National Agency for Food and Drugs Administration and Control, which was responsible for issuing the permits, had responded to an information request from the national ozone unit by providing a list of imports during the baseline years but had been unable to provide customs data owing to confidentiality policies. The party had therefore used data from end users for estimated figures during the baseline years.

90. The Committee had reviewed the request at its seventy-third meeting and considered that the information submitted by the party to support its request was insufficient according to the methodology set out in decision XV/19. It had adopted recommendation 73/5, in which it had requested Nigeria to submit to the Secretariat the outstanding information that was needed to meet the requirements of decision XV/19. Nigeria had subsequently submitted invoices from importers covering all its proposed revisions.

91. The Committee agreed:

Noting with appreciation the information submitted by Nigeria in support of its request to revise its existing consumption data for the baseline years 2020, 2021 and 2022 for Annex F, group I, controlled substances (hydrofluorocarbons),

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

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

To forward, for consideration by the Thirty-Seventh Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer, the draft decision set out in annex I to the present report, by which the Meeting of the Parties would approve the request by Nigeria for the revision of its consumption data for hydrofluorocarbons for the baseline years 2020, 2021 and 2022 to 13,305,145 CO₂-equivalent tonnes, 19,884,612 CO₂-equivalent tonnes and 24,582,158 CO₂-equivalent tonnes, respectively.

Recommendation 74/12

B. New requests

1. Guinea

92. In a communication dated 25 March 2025, Guinea had requested the revision of its HFC consumption data for the baseline years 2020, 2021 and 2022. In line with the methodology outlined in decision XV/19, it had explained that due to financial constraints, data for the initial submission had been collected without surveys but had been based on the routine practice of recording data, every six months, on the servicing of refrigeration and air-conditioning equipment. The survey carried out for the preparation of Guinea's Kigali implementation plan, which had included data collection under the supervision of UNEP and UNIDO, and data compiled by the national ozone office and local experts, had been more thorough, helping to generate an understanding of HFC consumption trends, the sectoral distribution of consumption and national HFC markets. Guinea had responded to the request to explain its reasons for the revision by providing invoices for most imports; its proposal for stage I of its Kigali implementation plan, covering the period 2025–2029; minutes of the meeting that had allocated the national HFC quota of 819.4 tonnes to 21 importers for 2025; and its ozone-depleting substance and HFC regulations.

93. Responding to questions from members of the Committee, the representative of the Secretariat explained that the invoices that had been provided covered about 90 per cent of the proposed consumption figure for 2020 and about 50 per cent of those for 2021 and 2022. A representative of UNEP added that the Executive Committee at its ninety-sixth meeting had approved stage I of Guinea's proposed Kigali implementation plan. Responding to another question, the representative of the Multilateral Fund secretariat confirmed that Guinea had also been expected to propose a downward revision of its baseline data for HCFC consumption, in line with its country programme data; he did not know why it had not been submitted.

94. The Committee agreed:

Taking note of the request by Guinea for the revision of its existing consumption data for the baseline years 2020, 2021 and 2022 for Annex F, group I, controlled substances (hydrofluorocarbons),

Recalling decision XV/19, which set out the methodology for the submission of requests for the revision of baseline data,

Noting with appreciation the information provided by Guinea to support its request for the revision of its baseline data,

Noting, however, that the information submitted was considered by the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol to be insufficient to enable it to approve the changes requested by the party,

1. To request Guinea to submit to the Secretariat the outstanding information that was needed to meet the requirements of decision XV/19, in order to significantly substantiate its request for the revision of its hydrofluorocarbon data, as soon as possible, and preferably no later than 15 September 2025, for consideration by the Implementation Committee at its seventy-fifth meeting. Such outstanding information should include any formal documentation such as licences, shipping or customs documentation from its customs or trading partners, or any purchasing or commercial documentation, such as, but not limited to, invoices, that confirmed import, in support of its request for the revision of its hydrofluorocarbon baseline data;

2. To also request Guinea, in the event that the information required to support its request for the revision of its baseline data was confidential, to provide such information to the Secretariat in accordance with paragraph 2 of decision I/11. In providing such information, Guinea may inform the Secretariat that the data may be reported to the Implementation Committee with an instruction to handle such data with professional secrecy and as confidential;

3. To further request Guinea to submit a request to the Secretariat to revise its hydrochlorofluorocarbon baseline data as previously agreed and documented in the proposal for stage I of its Kigali implementation plan for the period 2025–2029 as soon as possible, and preferably no later than 15 September 2025, for consideration by the Implementation Committee at its seventy-fifth meeting.

Recommendation 74/13

2. Morocco

95. In a communication dated 30 March 2025, Morocco had requested the revision of its HFC consumption data for the baseline years 2020, 2021 and 2022. It had explained that the Harmonized System customs codes for pure HFCs and blends had only become available from 1 January 2022, and the customs system of Morocco had only been adapted for blends in February 2023. The data reported for 2020 and 2021 had been based on estimates drawn from a survey, a report prepared under the enabling activities project for the ratification of the Kigali Amendment, and on import data shared with the Secretariat by countries exporting to Morocco. The party had provided invoices for imports and exports confirming the revised data; stage I of its proposed Kigali implementation plan, covering the period 2025–2030; the 2022 edition of customs tariffs for imports; and samples of questionnaires used in the survey to determine the party's consumption of HFCs and their blends between 2019 and 2023.

96. Members of the Committee noted that new data for the proposed revision had been provided by the party only very shortly before the meeting and that the new data was different to the data mentioned in the pre-session document. The members had therefore not had time to analyse and verify it against the invoices provided. The Committee agreed to defer consideration of Morocco's request to its seventy-fifth meeting.

VII. Establishment of licensing systems under Article 4B, paragraph 2 bis, of the Montreal Protocol (decision XXXVI/15)

97. The Senior Legal Officer provided information on the status of the establishment of licensing systems for HFCs as at 6 July 2025. Of the 163 parties to the Montreal Protocol that had ratified the Kigali Amendment, 158 had notified the Secretariat of the establishment and operation of their licensing systems, consisting of 42 non-Article 5 parties and 116 Article 5 parties. Another 5 parties that had not ratified the Kigali Amendment had also reported on the establishment of their licensing systems.

98. Of the five parties that had ratified the Kigali Amendment but not yet reported on the establishment of their licensing systems, four, namely Angola, Djibouti, San Marino and the United Arab Emirates, had exceeded the reporting deadline and one, Oman, was still within the deadline. The Secretariat had been informed that Angola was working to establish its licensing system and would send information by September 2025, Djibouti had prepared a draft decree on ozone-depleting substances and HFCs, and the United Arab Emirates had implemented regulatory measures for HFCs and expected its HFC licensing system to be fully operational by early 2026. San Marino had not yet responded to the Secretariat's queries.

99. The Committee agreed:

(a) To take note with appreciation of the report on the status of licensing systems for hydrofluorocarbons under paragraph 2 *bis* of Article 4B of the Montreal Protocol;

(b) To note with appreciation that 157 parties to the Montreal Protocol that had ratified the Kigali Amendment had reported on the establishment and operation of such licensing systems as required under paragraph 3 of Article 4B of the Montreal Protocol, and that another five parties that had not yet ratified the Kigali Amendment had reported the establishment of such licensing systems;

(c) To urge the four parties listed in the annex to the present recommendation to provide information to the Secretariat on the establishment and operation of their licensing systems, as a matter of urgency and preferably before 22 August 2025;

(d) To continue reviewing periodically the status of the establishment of such licensing systems by all parties to the Montreal Protocol that had ratified the Kigali Amendment in accordance with Article 4B of the Protocol, and to consider any appropriate recommendations to the parties.

Annex to the recommendation

Parties that have not yet reported on the establishment and operation of licensing systems in accordance with paragraph 2 *bis* of Article 4B

- | | |
|-------------|-------------------------|
| 1. Angola | 3. San Marino |
| 2. Djibouti | 4. United Arab Emirates |

Recommendation 74/14

VIII. Submission of provisional data in the context of Article 7 reporting (UNEP/OzL.Conv.13/8–UNEP/OzL.Pro.36/9, paras. 164–179)

100. Introducing the item, the Senior Legal Officer recalled that, at the Committee's seventy-second meeting, the Secretariat had sought guidance concerning the rising number of parties submitting Article 7 data as provisional. At its seventh-third meeting, the Committee had considered a note by the Secretariat providing an overview of the practice (UNEP/OzL.Pro/ImpCom/73/R.5) and had agreed that the President would raise the issue in his report to the Thirty-Sixth Meeting of the Parties.

101. In his briefing to the Thirty-Sixth Meeting of the Parties, the President had mentioned, among other things, that the submission of provisional data was problematic for the Committee because without final data it was impossible to ascertain compliance with the control measures under the Protocol; that a party that submitted provisional data could circumvent the process for revising baseline data set out in decision XIII/15; that a checkbox in the only reporting system that had facilitated the designation of data as provisional had recently been removed; and that the Secretariat sought an explanation from any party that submitted Article 7 data designated as provisional. After his briefing, an informal group had been formed to discuss the issue, and the group's facilitator had subsequently reported that the Secretariat had indicated that any data qualified as provisional would in the future be submitted to the Implementation Committee for its consideration.

102. The Senior Legal Officer drew attention to table 3 of document UNEP/OzL.Pro/ImpCom/74/R.2, which listed the parties that still had data designated as provisional for the years shown. Since that document had been issued, 7 of the 18 parties listed had confirmed that all or part of their data were no longer provisional. The Secretariat had sought explanations from all the parties including in the table, but several had not replied. Comoros and Grenada had said that they would submit a final response shortly, and Côte d'Ivoire had explained that it was awaiting the results of the HFC survey for its Kigali HFC implementation plan.

103. The Senior Legal Officer informed the Committee that since the Thirty-Sixth Meeting of the Parties, despite the removal of the checkbox in the report form, the Secretariat had received additional requests from two parties to designate their data as provisional. One was from Côte d'Ivoire, informing the Secretariat that the party had identified a data entry error leading to an overestimation of the reported volumes for all HFC substances and had submitted new data for the years 2019 to 2024, and further designated the new data as provisional pending confirmation by an official verification survey. After the Secretariat had sought clarification and informed Côte d'Ivoire of the discussion that had taken place in 2024 regarding provisional data, the party had withdrawn its data submission, saying that it would wait for the final results of its HFC survey and then decide whether to request any changes to its previously reported data.

104. The second request was from Guinea, which, in December 2024, had informed the Secretariat that it was conducting surveys and analysis of HFC consumption data and that previously submitted data should be considered provisional until the party had finalized its Kigali HFC implementation plan preparation report. The Secretariat had also sought clarification from Guinea and informed it of the discussion that had taken place in 2024, following which the party had submitted its request for the revision of its existing HFC consumption data for the baseline years 2020, 2021 and 2022, which the Committee had just reviewed under agenda item 6. The party still asked that its 2018 and 2019 data be considered provisional, however, saying that no surveys had been done for those years as they were not reference years.

105. Given the above and in the absence of any new guidance, the Secretariat would have to continue to seek clarification from the parties that still had data designated as provisional or that submitted new provisional data. The Secretariat would also submit any requests for changes to

baseline data to the Committee, as required by applicable decisions. That, however, raised the question of whether it was in fact necessary for the Secretariat to record data as provisional when a party qualified it as provisional given that there were processes in place for changing data: under decision VI/5, any party could correct non-baseline data by providing an explanatory note to facilitate the Committee's work in the event that the information was requested by the Committee, while revisions to baseline data could be requested through the Committee in accordance with decision XIII/15, paragraph 5, following the methodology set out in decision XV/19. The Secretariat therefore proposed to inform parties that because data could be changed there was no need for the Secretariat to record them as provisional, and that any data previously designated as provisional would therefore no longer be treated as such.

106. Subsequently, responding to requests for clarification, the Senior Legal Officer explained that the fact that Côte d'Ivoire had withdrawn its new data for 2019 to 2024 meant that it was in non-compliance with its 2023 data reporting requirement, as discussed earlier in the meeting, because the Secretariat had data on file for the years 2019 to 2022 but no HFC data for 2023, and the party had not passed the deadline for reporting 2024 data.

107. One member confirmed that Bosnia and Herzegovina, one of the parties that had submitted provisional data in the past, would submit its final data in the near future, along with a request for the revision of its baseline data for the Committee's consideration at its seventy-fifth meeting.

108. The Committee agreed that the Secretariat would inform parties that had previously submitted provisional data that it would no longer treat the data as such and that requests for changes to the data should be submitted in accordance with applicable decisions. In addition, if in the future a party requested the Secretariat to consider certain data as provisional, the Secretariat would inform the party that the data would not be treated as provisional and would be subject to all the applicable provisions of the Montreal Protocol and decisions of the Meeting of the Parties, and that any future requests for changes in the data should be submitted in accordance with applicable decisions.

IX. Systemic issues in relation to compliance (decision XXXVI/9, para. 6)

109. Introducing the item, a representative of the Secretariat recalled that, under decision XXXVI/9, paragraph 6, the Secretariat had been requested to prepare an analysis of systemic issues in relation to compliance based on cases considered by the Committee over the past ten years. The analysis was to be considered first by the Committee and then by the informal meeting on facilitating the implementation of the Montreal Protocol that was planned to precede the Thirty-Seventh Meeting of the Parties. The analysis prepared by the Secretariat, which was based on the cases considered and the discussions held by the Committee between its fifty-fourth (July 2015) and seventy-third (October 2024) meetings, was available in document UNEP/OzL.Pro/ImpCom/74/R.5.

110. On data reporting, over the last 10 years, between 81 and 133 parties each year had reported their data by 30 June and between 43 and 82 between 1 July and the 30 September deadline. Between 7 and 35 parties each year had not met the September deadline, and an average of 20 parties per year had submitted late reports, in the weeks leading up to the annual Meeting of the Parties, one of the busiest times of the year for the Secretariat. Observing the deadline for submitting annual data under Article 7 and, where possible, reporting as soon as the data were available (as parties were urged to do in decision XV/15), would enable timely consideration of compliance and reduce the number of reminders the Secretariat had to send to parties, helping to make the overall system more time-efficient.

111. On the voluntary reporting of sources of imports and destinations of exports, even after the adoption of decision XXX/12, a number of parties (between 79 and 87 annually), representing between 17.9 per cent and 37.5 per cent of imports by weight, still did not report the source of their imports, and some (between 0 and 7 annually) did not report the destinations of their exports.

112. As had been discussed under item 3 of the agenda, where parties left blank cells in their data reporting forms the full analysis of the data was delayed, as the Secretariat had to clarify whether they had meant to include zeros instead. The number of parties leaving blank cells had fallen from more than 70 in 2012 to between 10 and 16 in the years 2019–2023, following the introduction of the online reporting system.

113. Each year about 25 Article 5 parties reported their Article 7 data to the Secretariat using country programme report forms instead of Article 7 data reporting forms. The country programme report forms were designed for the use of the Multilateral Fund, and did not include all the data requested in the approved forms, which could lead to incomplete or erroneous reporting, and, in turn,

to an inaccurate assessment of compliance with the control measures. The Secretariat extracted the necessary information and requested the parties concerned to resubmit their data using the approved forms, but not all responded.

114. On parties' activities in promoting activities on research, development and public awareness, under Article 9, in the 10-year period under analysis the Secretariat had only received five submissions, from a total of three parties, with the last submission having been received in 2020.

115. Since the entry into force of the Kigali Amendment on 1 January 2019, the number of parties failing to report on the establishment and operation of their HFC licensing systems by the deadline for doing so had fluctuated between 0 and 40. The year 2021 had seen both the highest number of parties required to report (82) and the highest number failing to do so by the deadline (40). Issues highlighted when the matter had been discussed at Committee meetings included the absence of independent means of verifying whether a party's licensing system met its requirements under the Protocol, and differences in the text of Article 4B regarding the obligation to "establish and implement" licensing systems and to report on their "establishment and operation".

116. On compliance with the control measures, only five parties had been declared to be in non-compliance in the 10-year period under analysis. Recurring issues included the fact that assessment was dependent on parties submitting their data on time, and that processing reported data took time, particularly when it was submitted late, meaning that assessment of compliance often had to be postponed.

117. On adherence to existing plans of action to return to compliance, the failure of a party to submit an update on its progress or to reply to requests for information or to an invitation to send a representative to the meeting, prevented the Committee discussing the case further. The situations of non-compliance could therefore persist, frustrating one of the aims of the non-compliance procedure, which was to bring about full compliance with the Protocol.

118. On requests for changes in baseline data, during the 10-year period under analysis, the Committee had discussed four requests to revise HCFC baseline data, all of which had been approved; and 12 requests for changes to HFC baseline data, two of which had been approved. In the ten cases that had not been approved, the main difficulty had been the parties' inability to provide formal confirmation of the entry into the market of the substances, in most cases through imports. In the most recent cases, the requests to change baseline data had been associated with surveys that had revealed that the original baseline data had not accurately reflected actual levels of consumption. That issue pointed to the need to enhance national-level data collection and cross-verification processes for the implementation and operation of licensing systems, as the main source of information for reporting Article 7 data.

119. Finally, on paragraph 4 of the non-compliance procedure, which dealt with a party that concluded that it was unable to comply, when presented with such requests the Committee had opted only to discuss the matter further in the event of any future non-compliance by the party. A possible different approach could enable earlier identification of the challenges and risks, allowing the provision of targeted technical and financial support, which would be consistent with the non-compliance procedure. That, in turn, would encourage parties to be more open and transparent about their difficulties in implementing the Protocol, and shift the Committee's focus from considering cases of non-compliance to facilitating overall compliance.

120. Committee members expressed their appreciation for the work of the Secretariat in preparing the analysis, and considered it to be a useful document to present to the informal meeting of the parties and as a stimulus for conversations between all the parties.

121. On data reporting, one Committee member asked whether there was any way to require parties to complete all cells in the form, to avoid the problem of blank cells. Problems often arose when national ozone officers changed, suggesting a need for more capacity-building. On requests for changes in baseline data, she anticipated that the Committee would see more in the years to come. Another member observed that some of the problems with data reporting were due to the fact that the deadline fell only shortly before the annual Meeting of the Parties, but noted since that was specified in the Protocol, there was probably little that could be done about it. He asked whether it was possible to require parties to use the online reporting form, as that would help with the problem of blank cells. In response to the last question, the Senior Legal Officer mentioned that it would be for the Meeting of the Parties to make such a decision.

122. The Committee agreed to resume discussion on the item at its seventy-fifth meeting, and also to make document UNEP/OzL.Pro/ImpCom/74/R.5 available to all parties, as soon as possible, in order to encourage consideration and discussion well in advance of the informal meeting. The document is reproduced in annex II to the present report at the request of the Secretariat.

X. Other matters

123. No other matters were raised.

XI. Adoption of the recommendations and the report of the meeting

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

XII. Closure of the meeting

125. Following the customary exchange of courtesies, the President declared the meeting closed at 6.15 p.m. on Sunday, 6 July 2025.

Annex I

Draft decision XXXVII/[--]: Requests for the revision of baseline data by Kiribati, the Marshall Islands, Nauru, Nigeria, Niue, Tuvalu and Vanuatu

The Thirty-Seventh Meeting of the Parties,

Noting that, in decision XIII/15, the Thirteenth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer decided to advise parties that request changes in reported baseline data for 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 of the Montreal Protocol 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,

Decides:

1. That Nigeria has presented sufficient information, in accordance with decision XV/19, to justify its request for the revision of its consumption data for hydrofluorocarbons for 2020, 2021 and 2022, which are part of the baseline for Article 5, group 1, parties under the Kigali Amendment to the Montreal Protocol;

2. To approve the request by Nigeria and to revise its consumption data for hydrofluorocarbons for the baseline years 2020, 2021 and 2022 as indicated in the following table:

Party/year	Previous HFC data (CO ₂ -eq tonnes)			New HFC data (CO ₂ -eq tonnes)		
	2020	2021	2022	2020	2021	2022
Nigeria	2 620 048	8 381 305	17 374 682	13 305 145	19 884 612	24 582 158

Abbreviations: CO₂-eq – CO₂-equivalent; HFC – hydrofluorocarbon.

3. That Kiribati, the Marshall Islands, Nauru, Niue, Tuvalu and Vanuatu have presented sufficient information, in accordance with decision XV/19, to justify their requests for the revision of their consumption data for hydrofluorocarbons for all or some of the years 2020, 2021 and 2022, which are part of the baseline for Article 5, group 1, parties under the Kigali Amendment;

4. To approve the requests by Kiribati, the Marshall Islands, Nauru, Niue, Tuvalu and Vanuatu and to revise their consumption data for hydrofluorocarbons for the baseline years as indicated in the following table:

Party/year	Previous HFC data (CO ₂ -eq tonnes)			New HFC data (CO ₂ -eq tonnes)		
	2020	2021	2022	2020	2021	2022
Kiribati	7 063	10 471	3 569	7 063	10 471	4 570
Marshall Islands	7 067	4 380	6 943	10 922	13 677	9 095
Nauru	335	1 186	1 456	1 997	2 175	2 326
Niue	–	74	–	–	179	–
Tuvalu	296	343	178	647	695	800
Vanuatu	11 915	13 781	17 511	21 055	13 781	17 511

Abbreviations: CO₂-eq – CO₂-equivalent; HFC – hydrofluorocarbon.

Annex II

Analysis of systemic issues in relation to compliance based on cases considered by the Committee over the past 10 years¹

Note by the Secretariat

I. Introduction

1. The present document has been prepared in response to paragraph 6 of decision XXXVI/9 on further strengthening Montreal Protocol institutions – next steps, in which the Thirty-Sixth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer requested the Secretariat to prepare an analysis of systemic issues in relation to compliance based on cases considered by the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol over the past 10 years, without including information identifying specific cases, and reflecting on information provided to the Implementation Committee at its sixty-third meeting. According to the same paragraph, the analysis is to be considered by the Implementation Committee at its seventy-fourth meeting and, subsequently, during the informal meeting of the parties to be convened prior to and back to back with the Thirty-Seventh Meeting of the Parties in accordance with paragraph 4 of decision XXXVI/9 in order to reflect, on the basis of existing documents, on facilitating the implementation of the Montreal Protocol.

2. The non-compliance procedure of the Montreal Protocol does not refer to the concept of “systemic issues”, and neither the Meeting of the Parties nor the Implementation Committee has defined the term. Nevertheless, the information provided to the Implementation Committee at its sixty-third meeting² that is referred to in decision XXXVI/9 provides helpful descriptions, referring to “systemic issues applicable to a large number of parties” (UNEP/OzL.Pro/ImpCom/63/6, annex II, para. 15) and “implementation and compliance issues that affect the collectivity of parties”, while noting that many specialized bodies such as compliance and/or implementation committees charged with facilitating implementation, promoting compliance and addressing cases of non-compliance have a general mandate to regularly examine systemic issues of implementation and compliance (UNEP/OzL.Pro/ImpCom/63/6, annex II, para. 23) and identifying such bodies (UNEP/OzL.Pro/ImpCom/63/6, annex III, appendix).

3. For the purposes of the present note, the Secretariat understands the phrase “systemic issues in relation to compliance based on cases considered by the Implementation Committee” to refer to issues that pertain to a number of parties or that affect the collectivity of parties in relation to the observance of obligations under the Montreal Protocol, based on situations, occurrences, instances or examples presented and/or discussed by the Implementation Committee. This includes both cases where a party was declared in non-compliance and those in which possible non-compliance was discussed, as well as, more generally, instances affecting parties’ compliance that were discussed at Committee meetings during the 10-year period referred to in paragraph 6 of decision XXXVI/9.³

II. Scope and structure of the document

4. The analysis of systemic issues in relation to compliance is set out in section III of the present note. In accordance with the request in paragraph 6 of decision XXXVI/9, the analysis focuses on

¹ The present annex was originally issued as document UNEP/OzL.Pro/ImpCom/74/INF/R.5.

² Note by the Secretariat on possible ways of dealing with illegal production of and illegal trade in controlled substances under the Montreal Protocol, identifying potential gaps in the non-compliance procedure, challenges, tools, ideas and suggestions for improvement. The note was originally issued as document UNEP/OzL.Pro/ImpCom/63/R.4 but was then attached to the report of the sixty-third meeting of the Implementation Committee (UNEP/OzL.Pro/ImpCom/63/6), as annex II. It was subsequently issued as document UNEP/OzL.Pro.WG.1/44/3 for consideration under item 5 of the agenda of the forty-fourth meeting of the Open-ended Working Group of the Parties to the Montreal Protocol, and then as document UNEP/OzL.Pro.34/8 for consideration under item 7 of the agenda of the Thirty-Fourth Meeting of the Parties. Both agenda items related to institutional processes to strengthen the effective implementation and enforcement of the Montreal Protocol.

³ Although the non-compliance procedure refers to “individual cases of non-compliance referred to the Committee” (para. 7 (d)), paragraph 6 of decision XXXVI/9 does not limit the scope of the analysis to cases of non-compliance, referring more broadly to issues in relation to compliance in general.

cases considered by the Committee over the past 10 years and covers cases considered and discussions held by the Implementation Committee at 20 of its meetings (that is, between its fifty-fourth meeting, held in Paris on 27 and 28 July 2015, and its seventy-third meeting, held in Bangkok on 25 October 2024). Systemic issues that may have arisen outside of that time frame have not been included in this document. The main sources of information were the reports of those meetings and, when applicable, other related meeting documents. Where necessary, reference is also made to documents of the meetings of the parties to the Montreal Protocol and applicable decisions, as well as relevant workshop documents.⁴ Consistent with the mandate set out in paragraph 6 of decision XXXVI/9, the note does not include information on the party or parties involved in the cases or other particulars that might identify specific cases.

5. In the analysis, systemic issues in relation to compliance are grouped under the following categories:

- (a) Data reporting under Article 7 of the Montreal Protocol;
- (b) Data reporting under Article 9 of the Montreal Protocol;
- (c) Import and export licensing systems;
- (d) Compliance with control measures;
- (e) Adherence to existing plans of action to return to compliance;
- (f) Changes in baseline data;
- (g) Other matters.

6. Section IV contains the conclusions drawn from the analysis in section III.

III. Analysis of systemic issues in relation to compliance

A. Data reporting under Article 7 of the Montreal Protocol

7. Under paragraph 2 of Article 7, each party is to report to the Secretariat statistical data on its production, imports and exports of controlled substances for baseline years, or the best possible estimates of such data where actual data are not available, not later than three months after the date on which the provisions set out in the Protocol with regard to the specific controlled substance enter into force for that party. Under paragraph 3 of Article 7, each party must also report statistical data on its annual production of controlled substances, as well as amounts used for feedstocks, amounts destroyed by technologies approved by the parties⁵ and imports from and exports to parties and non-parties respectively, not later than nine months after the end of the year to which the data relate (that is, 30 September of the following year).

8. In paragraph 1 of decision XV/15, parties were encouraged to forward data on consumption and production to the Secretariat as soon as the figures were available, and preferably by 30 June each year, rather than 30 September as required by paragraph 3 of Article 7 of the Protocol. In the decision, the Fifteenth Meeting of the Parties noted that, in order to review the compliance of a party to the Protocol and make useful and timely recommendations to the Meeting of the Parties, the Implementation Committee had to have access to accurate and up-to-date information. It also noted the importance of timely data reporting pursuant to Article 7 in that regard. Finally, it recognized that reporting of data for a particular year by 30 June of the next year would enable the Implementation Committee to make recommendations in good time before the Meeting of the Parties.⁶

⁴ For instance, background documents relating to the workshop on strengthening the effective implementation and enforcement of the Montreal Protocol, held in Bangkok on 2 July 2023, are referred to as appropriate.

⁵ The list of approved destruction technologies can be found on the Secretariat's website, at <https://ozone.unep.org/node/1941>. It was last updated on 29 November 2023.

⁶ The submission of provisional data, which is not provided for in the Montreal Protocol or in decisions of the meetings of the parties, was discussed by the Committee during its seventy-second and seventy-third meetings (UNEP/OzL.Pro/ImpCom/72/5; UNEP/OzL.Pro/ImpCom/73/6). At the combined thirteenth meeting of the Conference of the Parties to the Vienna Convention for the Protection of the Ozone Layer and Thirty-Sixth Meeting of the Parties to the Montreal Protocol, the Secretariat had indicated that data qualified as provisional would thenceforth be submitted to the Committee for its consideration (UNEP/OzL.Conv.13/8–UNEP/OzL.Pro.36/9, para. 178).

1. Non-compliance with the deadline for submitting data

9. Tardiness in annual data reporting impedes the opportune assessment of compliance with control measures by the Meeting of the Parties envisaged in decision XV/15 (see section III.D below on compliance with control measures). Over the last 10 years, between 81 and 133 parties each year have reported their data by 30 June and between 43 and 82 have done so between 1 July and the 30 September deadline for reporting annual data; however, 7 to 35 parties each year have not met the September deadline (table 1). The Secretariat requires time to process the data reported by parties. Without up-to-date information, it is not possible for the Committee to make useful and timely recommendations to the Meeting of the Parties. Failure to report by the 30 September deadline also means that the situation of a party in potential non-compliance with the relevant control measures or its action plan to return to compliance, if applicable, cannot be considered by the Implementation Committee at its second annual meeting and immediately afterward by the Meeting of the Parties, as the Secretariat does not have time to process the data. Tardiness has also been observed in reporting of baseline data, but to a much lesser extent than for annual data, with eight cases in 2021, including six Article 5 parties that had to report baseline data for 2020. After 2021, only one party each year was declared in non-compliance with that obligation.

10. The Secretariat follows up with parties that have not reported their data and, if they fail to respond to multiple reminders, asks them to explain their non-reporting of data. If a party repeatedly fails to respond to the Secretariat or to report, the matter is brought to the attention of the Implementation Committee. To assist the Committee in considering the matter, the Secretariat provides it with as much information as possible regarding such things as attempts made to contact the party and any informal discussions that have taken place. In addition, the Committee may invite representatives of the secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol and the implementing agencies of the Fund, who attend Committee meetings as observers, to share any relevant information they have. Such consideration does not, however, substitute for having the actual data reported by the party.⁷

11. Observing the deadline for submitting annual data under Article 7 and, when possible, reporting as soon as the data are available, as parties are urged to do in decision XV/15, would allow timely consideration of compliance and reduce the number of reminders and requests for clarifications the Secretariat sends to parties, helping to make the overall system more time-efficient.

Table 1
Number of parties that reported their annual Article 7 data before the deadline, 2015–2023^a

	<i>Number of parties that were required to report</i>	<i>Number of parties that reported by 30 September</i>	<i>Percentage of parties that did not report before the deadline</i>
2023	198	163	17.7
2022	198	175	11.6
2021	198	176	11.1
2020	198	180	9.1
2019	198	176	11.1
2018	197	170	13.7
2017	197	190	3.6
2016	197	180	8.6
2015	197	169	14.2

^a The deadline for submitting 2024 data is 30 September 2025.

2. Submission of annual data after the deadline but before adoption of a Meeting of the Parties decision on data reporting

12. Every year during the 10-year period covered by the present note, a relatively high number of parties that had not reported their annual data by the deadline submitted them before a Meeting of the Parties adopted its decision on data reporting. That approach creates a backlog of submissions to be processed by the Secretariat – work that includes recording data in the database, reviewing all data submissions, and assessing compliance with the control measures.

⁷ During the 10-year period under analysis, the Committee has regularly issued recommendations urging specific parties to submit their outstanding data, but there have been no cases when parties were requested to send representatives to the next Committee meeting to provide an explanation for the delay in reporting data.

13. Each Meeting of the Parties adopts a decision listing the parties that have not reported their annual data by the time the decision is adopted (usually October or early November) and declaring those parties to be in non-compliance with their annual data reporting obligations. Parties that report their annual data before the adoption of the decision are not included on the list, even if they report after the September deadline. During the 10-year period under analysis, an average of 20 parties per year submitted late reports in the weeks leading up to the annual Meeting of the Parties (table 2), one of the busiest times of the year for the Secretariat, creating a backlog of data reports that could not be effectively processed in the weeks before the annual Meeting of the Parties. In such cases, the review of late reporters' non-compliance with the control measures for a particular year is delayed by at least half a year (that is, the cases are considered by the Implementation Committee at its first meeting of the following year), and even longer if further clarifications are needed from the party under paragraph 3 of the non-compliance procedure.

14. If numerous submissions need to be processed after a Meeting of the Parties, the Secretariat may have difficulty analysing and processing the data in time for the next meeting of the Implementation Committee, using available staffing, in order to determine whether control measures have been met.

Table 2

Number of parties that reported their annual data after the deadline but before the relevant decision was adopted by a Meeting of the Parties, 2015–2023^a

	<i>Number of parties that did not report before the deadline</i>	<i>Number of parties that reported between the deadline and the time the decision was adopted</i>	<i>Percentage of parties that reported between the deadline and the time the decision was adopted</i>
2023	35	29	14.6
2022	23	20	10.1
2021	22	18	9.1
2020	18	17	8.6
2019	22	20	10.1
2018	27	27	13.7
2017	7	5	2.5
2016	17	17	8.6
2015	28	26	13.2

^a The deadline for submitting 2024 data is 30 September 2025.

3. Voluntary reporting of sources of imports and destination of exports

15. Under Article 7 of the Montreal Protocol, each party must report imports and exports of controlled substances on an annual basis. Reporting of source countries for imports under decision XXIV/12 and destination countries for exports under decisions VII/9 and XVII/16 is voluntary.

16. Voluntary reporting of source countries for imports and destination countries for exports helps to identify differences between data reported by one party as imports and by another as exports, and vice versa. Such differences, for which there can be various explanations, such as shipments over the end of a calendar year or submission of incomplete data, can allow parties to identify possible shortcomings in data collection and data reporting systems, as well as facilitate the identification of possible cases of illegal trade or trade with non-parties.⁸ A relatively high number of parties still do not report the source of their imports, however, and it is not always possible for parties to cross-reference the reported information and act when discrepancies are detected.

17. While illegal trade, which involves the unauthorized import or export of controlled substances as defined under domestic law, is not a compliance issue, domestic law often recognizes that such activities undermine the Protocol's objectives and can result in continued use of those substances beyond their phase-out dates.⁹

⁸ Not all the 198 parties to the Montreal Protocol have ratified its amendments. Under para. 9 of Article 4 of the Montreal Protocol, the term "State not party to this Protocol" includes, with respect to a particular controlled substance, a State or regional economic integration organization that has not agreed to be bound by the control measures in effect for that substance.

⁹ UNEP/OzL.Pro/Workshop.11/2/Add.1–UNEP/OzL.Pro.WG.1/45/5/Add.1, para. 7. See also the third preambular paragraph of decision XXXIV/8.

18. The reporting of sources of imports and destinations of exports was regularly discussed at Implementation Committee meetings during the 10-year period under analysis. The Committee recognized that a majority of exporting parties regularly provide information on the countries of destination for their exports and a number of importing parties regularly provide information on the source countries for their imports, but also noted that some parties do not provide such information. The Committee's discussions and a subsequent recommendation led to the adoption in 2018 of decision XXX/12, in which the Thirtieth Meeting of the Parties, recognizing that information on the destinations of exports and the sources of imports facilitated the exchange of information and the identification of differences between data reported on imports and data reported on exports, which in turn could facilitate the identification of possible cases of illegal trade, urged parties exporting controlled substances to report to the Secretariat information on the destinations of their exports, as called for in decision XVII/16, and encouraged parties importing controlled substances to report to the Secretariat information on the sources of their imports, as set out in decision XXIV/12.

19. The Secretariat always writes to parties that submit Article 7 data on imports or exports without source or destination information, inviting them to report such information on a voluntary basis. Even after the adoption of decision XXX/12, however, a number of parties (between 79 and 87 annually), representing between 17.9 per cent and 37.5 per cent of imports by weight, still did not report the source of their imports, and some parties (between none and 7) did not report the destination of their exports (table 3).

Table 3
Reporting of information on exports and imports, including destination and source

Year	Reporting of exports			Reporting of imports		
	Number of parties reporting exports	Number of parties not specifying destination	Percentage of exports for which destination is not specified (by weight)	Number of parties reporting imports	Number of parties not specifying source	Percentage of imports for which source is not specified (by weight)
2023	44	4	0.02	165	79	17.9
2022	41	4	0.1	168	79	34.3
2021	41	4	7.2	171	81	34.1
2020	35	3	4.2	168	87	37.5
2019	37	7	12.4	165	84	28.2
2018	32	4	14.8	161	102	44.8
2017	28	0	1	161	106	38.8
2016	32	1	0.7	162	105	35.9
2015	28	0	0.6	160	109	46.6

20. The Secretariat also sends letters to importing parties informing them of the amounts exported to them as reported by exporting parties, pursuant to paragraph 4 of decision XVII/16. Similarly, the Secretariat provides compiled information on amounts imported from exporting parties, but only to exporting parties that request it, in accordance with paragraph 2 of decision XXIV/12. Such information enables parties to follow up on data anomalies that might indicate illegal trade or incorrect information on sources and destinations, should they wish to do so. However, not all parties report their sources of imports and destination of exports, and, therefore, the information shared with importing countries and exporting countries is usually incomplete. Nevertheless, it has in some cases assisted parties in identifying the parties to consult on potential cases of illegal trade.

4. Leaving blank cells in the data reporting forms

21. An issue often discussed during Implementation Committee meetings is the practice of some parties leaving blank cells when submitting their Article 7 data using the approved data form.¹⁰ Such blank cells could be intended by a party to indicate zero quantities or, alternatively, could represent non-reporting by that party in respect of those substances. In decision XXIV/14, parties were requested to enter a number in each cell in the data reporting forms that they submit, including zero, where appropriate, rather than leaving the cell blank.

¹⁰ Available at <https://ozone.unep.org/countries/data-reporting-tools>

22. The number of parties leaving blank cells fell from more than 70 in 2012 to between 10 and 16 in the years 2019 to 2023 (table 4), following the introduction of the online reporting system, which explicitly asks reporting parties to confirm, before submitting their data, that blank fields and non-listed substances mean zero quantities. The introduction of the online reporting system has not solved the problem, however, since use of the system is not mandatory and about 45 per cent of parties do not use it.¹¹

Table 4
Number of parties that left blank cells in submitted forms

	<i>Number of parties that were required to report</i>	<i>Number of parties that left blank cells</i>	<i>Percentage of parties that left blank cells</i>
2023	198	15	7.6
2022	198	9	4.5
2021	198	16	8.1
2020	198	15	7.6
2019	198	10	5.1
2018	197	17	8.6
2017	197	20	10.2
2016	197	23	11.7
2015	197	32	16.2

23. The process of clarifying the meaning of blank cells in parties' Article 7 submissions delays full analysis of the data reports and hence the compilation of the information and assessment of parties' compliance with control measures. Some parties take months to respond to Secretariat requests to clarify whether blank cells mean zero quantities, which amounts to a delay in providing full information and hence in meeting their Article 7 data reporting obligation. Parties that leave blank cells are not declared to be in non-compliance with their annual data reporting obligations or listed in the decision on data reporting by a Meeting of the Parties, but the Secretariat reports to the Implementation Committee on the number of parties that do so and the number that have responded to requests for clarification.

5. Use of incorrect forms and discrepancies between forms

24. Each year about 25 parties operating under paragraph 1 of Article 5 of the Montreal Protocol (Article 5 parties) have reported their Article 7 data to the Ozone Secretariat using the country programme report forms meant for reporting country programme data to the secretariat of the Multilateral Fund. Given that the country programme report forms are not designed to include all the data requested in the approved Article 7 data reporting forms, using them leads to incomplete or erroneous reporting to the Ozone Secretariat, which can in turn lead to an inaccurate assessment of compliance with the control measures.

25. When the Ozone Secretariat receives country programme data report forms, it extracts and records the information on production, imports and exports and requests the parties concerned to resubmit their data using the approved Article 7 data reporting forms. Unfortunately, not all parties respond to such requests, in which case the Secretariat uses the extracted data to assess compliance. Nevertheless, that is no substitute for parties using the correct forms, which minimizes the chances of inaccurate reporting.

26. A related issue that the secretariat of the Multilateral Fund has pointed out, both in documentation for meetings of the Executive Committee of the Multilateral Fund and during meetings of the Implementation Committee, is the existence of discrepancies between data in the country programme reports and data in the Article 7 data reporting forms, which it has occasionally identified when reviewing consumption and production data in project proposals. The number of such discrepancies has varied over time, but three such discrepancies were reported in one meeting and seven in another. As is demonstrated further below, errors or incomplete submissions of Article 7 data hamper a complete and accurate assessment of compliance with control measures. The Multilateral Fund secretariat investigated the discrepancies and communicated them to the implementing agencies for further action. In some cases the country programme data needed to be corrected, while in other

¹¹ Since the introduction of the online reporting system in 2019, the number of parties that use it has only risen slightly, from 53 per cent in 2019 to 57 per cent in 2022 and 56 per cent in 2023.

cases there were errors in Article 7 data, regarding which the Multilateral Fund secretariat followed up until they were resolved.

27. Possible reasons cited for the discrepancies were that country programme data related to the distribution of consumption of controlled substances in different sectors in a particular year, which did not always correspond to the import of controlled substances in that year. Discrepancies between Article 7 and country programme data could also arise when consumption of stockpiled substances was reported in the country programme report for a particular year, or when destruction of ozone-depleting substances was reported in the country programme report but not on the Article 7 data reporting forms, showing incomplete reporting under Article 7. The fact that hydrofluorocarbons (HFCs) were reported both as pure substances and as blends was a further challenge; some blends were reported under their trade names, with only a few countries providing information on their composition in both the Article 7 data reporting form and the country programme report. It must be emphasized that this situation made it difficult to reconcile the data reported in the Article 7 data reports with the data in the country programme reports, as HFCs contained in blends were to be reported as blends in the latter. The Executive Committee has since approved a revised reporting format to include the manufacturing of blends to the extent possible, which has helped in reconciling reporting under the two forms.

28. Discrepancies between country programme and Article 7 data highlight the fact that certain Article 7 reporting errors or incomplete submissions would not have been detected without comparing Article 7 data against country programme data. Decision VII/20 provides that the Ozone Secretariat should be entitled to seek clarification when there is discrepancy in data reported under both forms but that, if clarification does not result in agreement as to which is the best available and most accurate data, Article 7 data reported to the Ozone Secretariat should be used. The Ozone Secretariat and the secretariat of the Multilateral Fund are looking for a way of creating a single-entry window for data reporting which should help facilitate reporting to both secretariats and reduce errors.

B. Data reporting under Article 9 of the Montreal Protocol

29. Under paragraph 1 of Article 9 of the Montreal Protocol, parties are required to cooperate, consistent with their national laws, regulations and practices and taking into account in particular the needs of developing countries, in promoting, directly or through competent international bodies, research, development and exchange of information on best technologies for improving containment, recovery, recycling or destruction of controlled substances or otherwise reducing their emissions; possible alternatives to controlled substances, to products containing such substances and to products manufactured with them; and costs and benefits of relevant control strategies. Under paragraph 2 of the same article, parties are required to cooperate in promoting public awareness of the environmental effects of the emissions of controlled substances and other substances that deplete the ozone layer. Under paragraph 3, every two years each party is required to submit to the Secretariat a summary of the activities it has conducted pursuant to the article.

30. In 2005, the Implementation Committee considered the issue of declining reporting under Article 9 and concluded not only that Article 9 contained a legal obligation but also that the reports submitted under the article had real value. It therefore proposed a draft decision containing a series of suggestions for making it easier for parties to generate and submit the required information.¹²

31. At the recommendation of the Implementation Committee, the Seventeenth Meeting of the Parties adopted decision XVII/24, in which it noted that cooperation activities under Article 9 continued to play an important role in global efforts to protect the ozone layer and that dissemination of information on such activities, through the same article, also contributed to those efforts. It therefore urged all parties to submit information in accordance with paragraph 3 of Article 9, recognizing that information relevant to the reporting obligation mentioned in that paragraph might be generated through cooperative efforts undertaken in the context of regional ozone networks, ozone research managers' activities under Article 3 of the Vienna Convention for the Protection of the Ozone Layer, participation by parties in the assessment work of both the Technology and Economic Assessment Panel and the Scientific Assessment Panel under Article 6 of the Montreal Protocol, and national public awareness-raising initiatives. It also noted that the reporting under paragraph 3 of Article 9 could be undertaken through electronic means and that the information contained in the reports could be shared through the Ozone Secretariat's website.

32. The Implementation Committee discussed the issue of data reporting under Article 9 again in 2008, at which time it noted that, in 2005, it had concluded that Article 9 contained a legal obligation

¹² UNEP/OzL.Conv.7/7-UNEP/OzL.Pro.17/11, para. 181.

and that reporting under the article had real value. Based on a recommendation from the Committee, the Twentieth Meeting of the Parties adopted decision XX/13, reiterating that every two years each party should submit to the Secretariat a summary of activities that it had conducted pursuant to the article, that information relevant to the reporting obligation under paragraph 3 of Article 9 might be generated through the cooperative efforts mentioned in decision XVII/24, and that the reporting under paragraph 3 of Article 9 of the Protocol could be undertaken through electronic means.

33. Although decision XVII/24 urged all parties to continue submitting data under Article 9 while recognizing how that data could be generated, and decision XX/13 reiterated how the information could be generated, the Secretariat has not received any new data submissions since 2020, a point mentioned in the reports prepared for the Implementation Committee pursuant to paragraph (c) of Article 12.¹³ In the 10-year period under analysis, the Secretariat only received five Article 9 data submissions, from a total of three parties.¹⁴

C. Import and export licensing systems

34. Licensing systems provide for the monitoring of imports and exports of controlled substances, prevent illegal trade and enable data collection (decision XXXI/10, fifth preambular paragraph). They play a central role in preventing illegal trade and facilitate parties' compliance with their obligations under the Montreal Protocol and with relevant reporting requirements under Article 7 of the Protocol and submission of the country programme data to the secretariat of the Multilateral Fund. As indicated in decision IX/8, the licensing system to be established by each party should:

(a) Assist collection of sufficient information to facilitate parties' compliance with relevant reporting requirements under Article 7 of the Protocol and decisions of the parties;

(b) Assist parties in the prevention of illegal traffic of controlled substances, including, as appropriate, through notification and/or regular reporting by exporting countries to importing countries and/or by allowing cross-checking of information between exporting and importing countries.

35. Licensing systems for the import and export of hydrochlorofluorocarbons (HCFCs) were a regular topic of discussion during the first part of the 10-year period under analysis, until 2016, by which time all parties had succeeded in establishing them. With the addition of HFCs to the substances controlled under the Montreal Protocol following the entry into force of the Kigali Amendment in 2019, the topic has returned to the agenda in the last few years.

36. Under paragraph 2 *bis* of Article 4B of the Montreal Protocol, each party, within three months of the date of entry into force of the Kigali Amendment for it, must establish and implement a system for licensing the import and export of new, used, recycled and reclaimed HFCs. In addition, under paragraph 3 of Article 4B, each party is required, within three months of the date of introducing its licensing system, to report to the Secretariat on the establishment and operation of that system. Article 4B further provides that any Article 5 party that decided it was not in a position to establish and implement such a system by 1 January 2019 could have delayed taking those actions until 1 January 2021.

37. The Thirty-First Meeting of the Parties adopted decision XXXI/10, in which parties were called on to periodically review the status of the establishment and implementation of import and export licensing systems for controlled substances under Annex F to the Protocol by all parties to the Protocol that had ratified, approved or accepted the Kigali Amendment, as called for in paragraph 2 *bis* of Article 4B.

38. Consequently, the Committee regularly issues recommendations and prepares draft decisions for consideration by the Meeting of the Parties urging parties that have not established their licensing systems to do so and to report on the establishment of their systems to the Secretariat.

39. Since the entry into force of the Kigali Amendment on 1 January 2019, the number of parties failing to report on the establishment and operation of their HFC licensing systems by the deadline for doing so has fluctuated between 0 and 40 (table 5). The year in which the highest number of parties (82) were required to report on the establishment and operation of their HFC licensing systems was

¹³ See, for example, paragraphs 4–7 of document UNEP/OzL.Pro.36/6–UNEP/OzL.Pro/ImpCom/73/2, on information provided by parties in accordance with Articles 7 and 9 of the Montreal Protocol on Substances that Deplete the Ozone Layer.

¹⁴ Information submitted under Article 9 is available at <https://ozone.unep.org/countries/additional-reported-information/article-9>.

2021, which was also the year in which the highest number of parties (40) failed to do so by the deadline. In other years, the number of parties failing to report by their deadline was between 0 and 9.

Table 5

Reporting on the establishment and operation of HFC licensing systems by the time of the adoption of annual decisions on the matter by meetings of the parties

	<i>Number of parties that were required to report</i>	<i>Number of parties that reported by the applicable deadline</i>	<i>Number of parties that did not report by the applicable deadline</i>
2024	9	6	3
2023	17	8	9
2022	15	9	6
2021	82	42	40
2020	5	5	0
2019	30	25	4

40. To facilitate the efficient notification, reporting and cross-checking of information on licensing systems, the Ninth Meeting of the Parties, in paragraph 2 of decision IX/8, required each party to inform the Secretariat of the name and contact details of the focal point to whom information and requests should be directed. A total of 52 parties have not provided such information, making it challenging to contact them regarding their licensing systems.¹⁵

41. Several issues were highlighted when the matter was discussed at meetings of the Implementation Committee during the 10-year period under analysis.

1. Absence of independent means of verifying whether a party's licensing system meets the requirements under the Montreal Protocol

42. While each party that has ratified the Kigali Amendment is required to report to the Secretariat on the establishment and operation of an HFC licensing system, there is no obligation to report on the details of such systems.

43. Information reported by parties under paragraph 3 of Article 4B of the Montreal Protocol allows a determination of whether parties have licensing systems in place; however, it gives less insight into whether they have met the requirements set out in paragraph 2 *bis* of Article 4B, which states that the licensing system should cover the import and export of new, used, recycled and reclaimed controlled substances in Annex F.

44. Article 4B does not stipulate that a party must share the details of its licensing system with the Secretariat to enable the Implementation Committee and meetings of the parties to ascertain whether the party has complied with that article. In decision XXXVI/9, however, in the context of a request to the Secretariat to update its response to decision XXXIV/8 on identifying common features of licensing systems¹⁶ by preparing a compilation of such features for consideration at the forty-seventh meeting of the Open-ended Working Group, parties that had not yet provided information on their licensing systems to the Ozone Secretariat were invited to do so.

45. At one Implementation Committee meeting, it was pointed out that, in discussions during the negotiation of the Kigali Amendment and previously, a number of parties had cautioned against the Montreal Protocol prescribing how parties would formulate and report on the details of licensing systems, as that could be viewed as interfering with national legislative and regulatory processes. Accordingly, parties are not required, under the Protocol or decisions of meetings of the parties, to present the actual regulation or rule adopted to implement a licensing system. When it writes to parties on matters relating to licensing systems, however, the Secretariat does request them to share, on a

¹⁵ The list of focal points for licensing systems is available at <https://ozone.unep.org/countries/additional-reported-information/focal-points-licensing-systems>.

¹⁶ Summary of common features of licensing systems (UNEP/OzL.Pro/Workshop.11/2/Add.2–UNEP/OzL.Pro.WG.1/45/5/Add.2). In response to paragraph 1 of decision XXXVI/9, the Secretariat is preparing a note containing a compilation of common features of licensing systems (UNEP/OzL.Pro.WG.1/47/4), which could provide useful information for any additional analysis on licensing systems that the Committee may request.

voluntary basis, information on the elements of their licensing systems, for posting on the Secretariat's website.¹⁷

46. In view of the caution expressed by parties and the absence of information on the details of a party's licensing system, it is not possible for the Secretariat or the implementing agencies to take steps to assist parties in the design and implementation of appropriate national licensing systems, as called for in paragraph 3 of decision IX/8, unless specifically requested by individual parties.

47. To assist parties in complying with their obligations under Article 4B, the Secretariat sends all parties, once they ratify the Kigali Amendment, a notification of the dates by which they should have established a licensing system and informed the Secretariat of that establishment. It has also sent reminders shortly before those deadlines, where required. To encourage compliance, it regularly follows up and is in contact with parties that have not reported on the establishment of their licensing system. It does not, however, ask parties to provide a reason for not establishing or not informing the Secretariat that they have established a licensing system.

2. Differences in the text of Article 4B regarding the obligation to establish and implement and the obligation to report on the establishment and operation

48. As was mentioned above, in decision XXXI/10, parties were called on to periodically review the status of the establishment and implementation of import and export licensing systems for controlled substances under Annex F to the Protocol by all parties to the Protocol that had ratified, approved or accepted the Kigali Amendment. Consequently, the Committee regularly issues recommendations and prepares draft decisions on licensing systems for consideration by the Meeting of the Parties. In the context of Implementation Committee discussions relating to HFC licensing systems, it was pointed out that the wording of Article 4B presented an interpretation challenge, in that paragraph 1 states that each party should "establish and implement" a licensing system, while paragraph 3 states that parties should report to the Secretariat on the "establishment and operation" of its system.

49. The question is whether "establishment and implementation" of a system is different from its "establishment and operation", as well as when the obligations can be considered fulfilled.

50. As a practical solution, the Committee has employed the former wording (establishment and implementation) for the portion of draft decisions that refers to the establishment of licensing systems, and the latter wording (establishment and operation) for the portion that relates to reporting.

D. Compliance with control measures

51. Parties to the Montreal Protocol must comply with control measures to phase out ozone-depleting substances and phase down HFCs, which focus on limiting the production and consumption of such substances. The number of parties declared by the Meeting of the Parties to be in non-compliance with control measures under the Montreal Protocol remained low in the 10-year period under analysis, with only five parties declared to be in non-compliance.

52. The Implementation Committee regularly discusses cases of non-compliance and possible non-compliance with the Protocol's control measures during its meetings, and certain issues were recurring, as is outlined below.

1. Assessment is dependent on parties submitting their data on time

53. Because the deadline for reporting Article 7 data is 30 September, parties have often not submitted their data by the mid-year meeting of the Committee, usually in July. As a result, the assessment of compliance with control measures usually has to be postponed until more data are available, meaning until the second meeting of the Committee for the year. (For more on the deadlines on Article 7 data reporting and the impact of late reporting on the assessment of non-compliance with control measures, see paras. 7–9 above.)

2. Processing reported data, particularly data submitted late, takes time, and assessment of compliance often has to be postponed

54. Many last-minute submissions are received towards the end of the year, and the Secretariat is unable to complete its review and the process of contacting parties for clarifications as per the

¹⁷ The status of HFC licensing systems is available at <https://ozone.unep.org/additional-reported-information/licensing-systems>. Specific regulations establishing licensing systems for the thirty-one parties that have submitted them voluntarily, are found in parties' country profiles, at <https://ozone.unep.org/countries>.

non-compliance procedure before the Committee's second meeting of the year. Consequently, the Committee's review of possible non-compliance with the Protocol's control measures or evaluation of whether a party previously declared to be in non-compliance has returned to compliance can take place up to two years after the incidence of potential non-compliance. This means either that the non-compliance can persist for that period or that the Committee's confirmation that a party previously declared in non-compliance has returned to compliance is delayed. As the Implementation Committee is mandated to consider a matter relating to possible non-compliance "as soon as practicable" in accordance with paragraph 3 of the non-compliance procedure, such delays, if considerable, could compromise its ability to carry out its mandate.

E. Adherence to existing plans of action to return to compliance

55. The Implementation Committee regularly discusses cases of adherence to existing plans of action to return to compliance by parties declared in non-compliance with relevant control measures. Such plans of action are prepared by parties, discussed by the Committee and approved by decisions of meetings of the parties, and they include specific commitments by parties, including regarding regular reporting on the implementation of the plan. If a party does not adhere to its plan of action, then it will not be on track to return to compliance. If a party does not report progress in its implementation, it will not be possible to determine whether the party is on track.

56. One issue that has arisen when the Implementation Committee has discussed compliance by a party with an existing plan of action is the inability to discuss the case further because the party has failed to submit an update on its progress or reply to requests for information or an invitation to send a representative to the Committee meeting. This means that situations of non-compliance can persist, thereby frustrating one of the aims of the non-compliance procedure, which is to bring about full compliance with the Protocol and to further the Protocol's objective (see para. 9 of the non-compliance procedure).

F. Changes to baseline data

57. Under decision XIV/27, requests for revision of baseline data must be submitted to the Implementation Committee for its consideration, after which the Committee adopts a recommendation, which could include a draft decision to approve the revision. Although such requests *per se* do not relate to a situation of non-compliance, discussions of such requests by the Committee, including the underlying causes for the need to seek a revision, can point to more general issues of compliance. During the 10-year period under analysis, the Implementation Committee discussed several requests for changes to baseline data, first for HCFCs and more recently for HFCs. The Committee considered four requests to revise HCFC baseline data, all of which were recommended for approval and subsequently approved by meetings of the parties. It considered 12 requests for changes to HFC baseline data, two of which it regarded as including sufficient information, in accordance with decision XV/19, to justify the request. Accordingly, it recommended approval of the two requests, which were subsequently approved by the Meeting of the Parties.

58. In the other 10 cases, the Committee concluded that the information submitted was insufficient to justify the request and asked the parties to submit to the Secretariat the remaining information needed to meet the requirements of decision XV/19. In all 10 cases, the main difficulty was the parties' inability to provide formal confirmation of the entry into the market (in most cases through imports) of the substances and for the years in relation to which the change in baseline was sought. The common source of information for the reporting of Article 7 data in Article 5 parties is customs data provided by the customs authorities through the operation of export and import licensing systems. In their change requests, parties have cited ineffective operation and incomplete implementation of their licensing systems among the main reasons for the requests. This is linked to the need for parties to deal with many more substances and blends for HFCs than was the case for HCFCs.

59. In the most recent cases, the requests to change baseline data were associated with surveys that revealed that the original baseline data did not accurately reflect the actual levels of consumption for the relevant years. This points to the need to enhance national-level data collection and cross-verification processes for the implementation and operation of the licensing system, as the main source of information for reporting Article 7 data.

G. Other matters

60. Under paragraph 4 of the non-compliance procedure, if a party concludes that despite having made its best, bona fide efforts it is unable to comply fully with its obligations under the Protocol, it may address to the Secretariat a submission in writing, explaining, in particular, the specific

circumstances that it considers to be the cause of its non-compliance. The Secretariat is then required to transmit the submission to the Implementation Committee, which is in turn required to consider it as soon as practicable.

61. There have been cases where parties that, while not yet in non-compliance, submitted requests in writing to the Secretariat because they foresaw that they risked being in non-compliance in the future. When presented with such requests, the Implementation Committee opted to discuss the matter further in the event of any future non-compliance by the party. Such examples reflect a reactive approach in the application of the non-compliance procedure. A more preventive approach would enable earlier identification of challenges and risks and the provision of targeted technical and financial support to parties, which would be consistent with paragraph 4 of the non-compliance procedure. It could also encourage parties to be more open and transparent with their difficulties in implementing the Protocol and shift the Committee's focus from considering cases of non-compliance to facilitating overall compliance with the Protocol.

IV. Conclusions

62. The Secretariat notes that 10-year period covered by this analysis coincides with the complete phase-out of HCFCs in parties not operating under Article 5 (non-Article 5 parties) and the start of the phase-out of the same substance in Article 5 parties, as well as the start of the HFC phase-down for non-Article 5 parties. It notes that determination of compliance with the freeze of HFC consumption and production and the subsequent HFC phase-down for Article 5 parties does not fall within the period under analysis but may also present systemic issues that the Committee may wish to keep track of. Further analysis of systemic issues may therefore benefit from a time period that coincides with the deadlines for substantive obligations under the Protocol. In line with the mandate set out in paragraph 6 of decision XXXVI/9, the analysis did not include situations where there was a persistent pattern of non-compliance by a specific party – for example, with regard to meeting the data reporting obligations or failing to provide updates on existing plans of action to return to compliance. The Committee may, however, wish to reflect on whether recommending the inclusion of such cases in any further analysis could contribute to greater efficacy in the work of the Committee and ultimately of the meeting of the parties.

63. The Ninth Meeting of the Parties, in decision IX/35, on the review of the non-compliance procedure of the Montreal Protocol, recognized the fundamental importance of ensuring compliance with the provisions of the Montreal Protocol and of assisting parties to that end. Thus, the Protocol's non-compliance procedure emphasizes consideration by the Implementation Committee of matters relating to possible non-compliance as soon as practicable (see paras. 2–4). The Committee considers the submissions, information and observations it receives with a view to securing an amicable solution of the matter on the basis of respect for the provisions of the Protocol (para. 8). For its part, each Meeting of the Parties seeks to decide on and call for steps to bring about full compliance with the Protocol, including measures to assist parties' compliance with the Protocol, and to further the Protocol's objectives (para. 9).

64. Non-compliance with the control measures or with reporting on the establishment and operation of licensing systems under the Protocol does not appear to be part of the systemic issues seen during the 10-year period covered by the analysis. Other challenges, however, in relation to data reporting under Article 7, reporting under Article 9 and the absence of independent means of verifying whether a party's HFC licensing system meets the requirements under the Montreal Protocol, as well as the complexity of reviewing compliance with control measures when data reporting deadlines are not met, fall within the category of systemic issues that make determination of non-compliance difficult and delay efforts to bring about a party's full compliance. Such systemic issues prevent the Implementation Committee and ultimately the meetings of the parties from fully carrying out their roles under the non-compliance procedure.

65. In addition to considering and discussing the present document at its seventy-fourth meeting, the Committee may wish to make available its analysis and reflections on the matter of systemic issues related to compliance, with a view to contributing to the one-day informal meeting of the parties being convened in accordance with paragraph 4 of decision XXXVI/9, back to back with the Thirty-Seventh Meeting of the Parties.

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