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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Sixty-sixth Meeting
Montreal, 16-20 April 2012

Addendum

CONSOLIDATED 2012-2014 BUSINESS PLAN OF THE MULTILATERAL FUND

This document is issued to:

- **Add** the following paragraphs:

Activities for the United Arab Emirates

51(bis) UNEP has included funding for the United Arab Emirates in its business plan for institutional strengthening start-up costs amounting to US \$60,000 in 2012 and regular biennial institutional strengthening for US \$300,000 in 2013. It also included US \$125,000 for HPMP preparation to address the country's HCFC consumption whose baseline was 557.1 ODP tonnes. UNEP also included funding for the HPMP amounting to a total of US \$13.5 million for the period 2013-2019 with a 2013 tranche amounting to US \$2.5 million.

51(ter) There have been a number of decisions of the Parties regarding the status of the United Arab Emirates as a Party operating under Article 5 of the Montreal Protocol.

- At their 1st meeting (May 1989), the Parties to the Montreal Protocol classified the United Arab Emirates (together with other countries) as developing countries for the purposes of the Protocol (decision I/12E);
- At their 3rd meeting (June 1991), on the basis of the ODS production and consumption data reported by countries (UNEP/OzL.Pro/WG.2/1/3 and Add.1), the Parties determined that the United Arab Emirates (together with other countries) should be temporarily categorized as not operating under Article 5 of the Protocol (decision III/3);
- At their 5th meeting (November 1993), the Parties noted that Cyprus, Kuwait, the Republic of Korea, Saudi Arabia, Singapore and the United Arab Emirates were not classified as Parties operating under paragraph 1 of Article 5 based on their annual

per capita consumption of controlled substances. It was decided that the classification would be appropriately revised in accordance with paragraph 1 of Article 5 of the Protocol, on receipt of further data from them, if it warranted reclassification. At the same meeting, the Parties reclassified Malta and Bahrain as operating under paragraph 1 of Article 5 of the Protocol (decision V/4).

51(quarter) Parties that were classified as not operating under paragraph 1 of Article 5 of the Montreal Protocol (e.g., the United Arab Emirates) could be subsequently reclassified as Article 5 Parties based on consumption data that they submitted under Article 7 of the Montreal Protocol. Furthermore, at their 6th meeting (October 1994) the Parties decided, *inter alia*, that “any developing-country Party initially classified as non-Article 5 but reclassified subsequently as operating under Article 5 shall not be requested to contribute to the Multilateral Fund. Such Parties are urged not to request financial assistance for national programmes from the Multilateral Fund but may seek other assistance under Article 10 of the Montreal Protocol. This will not apply if the initial classification of the Party as non-Article 5, made in the absence of complete data, is subsequently proved to be wrong on the basis of complete data” (decision VI/5 (e)). This decision is the last decision taken by the Parties that applies to the United Arab Emirates in which it was urged not to request financial assistance from the Multilateral Fund.

51(quinquies) At its 13th meeting (March 1996), the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol, considered the request by the Government of the United Arab Emirates for reclassification as a Party operating under Article 5 of the Montreal Protocol and made a recommendation to the Parties, but no action was taken.

51(sexies) On 28 February 2012, the Government of the United Arab Emirates submitted a letter to the Executive Committee requesting access to funding from the Multilateral Fund to prepare and implement its HPMP (a copy of the letter is attached to this document).

- **Add** sub-paragraph (a)(bis) to paragraph 52 under Section VIII: Recommendations:

(a)(bis) Consider the request of the United Arab Emirates for assistance from the Multilateral Fund.

UNITED ARAB EMIRATES
MINISTRY OF ENVIRONMENT & WATER



الإمارات العربية المتحدة
وزارة البيئة والمياه

Ref: MOEW / 715 / 2012
Date: 28th Feb 2012

To:

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Chairman

Executive Committee of the Multilateral Fund of Montreal Protocol

&

Ms. Maria Nolan

Chief Officer

Multilateral Fund Secretariat of the Montreal Protocol

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Subject: Request of the United Arab Emirates to access funding from the Multilateral Fund of the Montreal Protocol to prepare and implement HCFC Phase-Out Plan.

The Government of the United Arab Emirates extends its compliments to the Executive Committee and the Secretariat of the Multilateral Fund of the Montreal Protocol and would like to bring the following to the kind attention of the Committee.

United Arab Emirates is signatory to the Vienna Convention and Montreal Protocol since 1989 and it ratified all amendments to the Montreal Protocol in 2005. Although UAE is classified as a party operating under Article 5 of the Montreal Protocol since 1995, the country didn't benefit of the Multilateral Fund to meet with its obligation under the Protocol during the past period.

UAE exerted over the last 2 decades all possible efforts to ensure complying with the Montreal Protocol and managed to continue in compliance situation over years through national funding assisted by the local regulatory and institutional framework to monitor and control ODS. The less consumption in the industrial sector compared to the servicing sectors and the early maturity of alternatives to CFC, suitable for local operational conditions, also assisted in smoothly meeting compliance with the 2010 total elimination of CFC.

Since the introduction of the Montreal Adjustment in 2007, to accelerate the phase-out of HCFC; UAE attempted to adapt the regulatory and institutional capacities towards the new goals with the good will to support the international consensus on protection of the Ozone Layer and early phase-out HCFC as feasible. However, the current local consumption pattern is incomparable with CFC where the industrial sectors, namely foam and A/C, are contributing notably to the HCFC consumption of UAE. In addition, similar industries in neighboring countries, particularly GCC countries, have started to benefit of the HCFCs phase-out projects funded under the Montreal Protocol which will create an unequal technological and competition ground in an open market situation. Such trend was not observed during the CFC phase-out period when all GCC industries didn't benefit of the Multilateral Fund of the Montreal Protocol.

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Furthermore, it seems that while approaching the first commitment of freezing HCFC consumption in 2013, there is uncertainty about the feasible alternatives to HCFC suitable for high-ambient countries particularly for the A/C sector which is a crucial sector for countries with such harsh climatic conditions like UAE. Such challenge is also beyond the capacity of UAE itself and requires further international efforts to assess and examine suitable long-term alternatives and subsequent adaptation.

With the above brief background, the Government of UAE decided to join hands with the Multilateral Fund for developing and implementing a HCFCs phase-out strategy for UAE. A letter with a request for assistance was sent to the United Nations Environment Programme (UNEP) in October 2011 and based on deliberations on the request at the 65th ExCom meeting, we would like to reaffirm our request to the Executive committee of the Multilateral Fund of Montreal Protocol for the provision of the necessary technical and financial assistance that enables different consuming sectors in UAE to smoothly phase out HCFCs as per the agreed targets.

The Government of UAE would like also to express its wish that the development and implementation of the phase-out plan to be carried out by the United Environment Programme (UNEP) as Lead Agency and the United Nations Industrial Development Organization (UNIDO) as cooperating Agency, with the understanding that UAE may, in the future, request the support of other bilateral or implementing agencies operating under the Multilateral Fund as deemed necessary.

The Government of United Arab Emirates assures its highest consideration to the Executive Committee of the Multilateral Fund of Montreal Protocol and to the Multilateral Fund Secretariat.

Sincerely,

Dr. Mariam Hassan AL Shenawi
Acting Undersecretary - Ministry of Environment & Water



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