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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Ninety-sixth Meeting
Montreal, 26-30 May 2025
Item 14 of the provisional agenda¹

**SUMMARY AND OUTCOMES OF THE DISCUSSION IN THE HALF-DAY SESSIONS
HELD TO DATE ON STRATEGIC APPROACHES TO IMPLEMENTATION OF THE
KIGALI AMENDMENT AND THE CONTRIBUTION TO SUSTAINABLE COOLING
OF ACTIVITIES SUPPORTED BY THE MULTILATERAL FUND (DECISION 95/96)****Introduction**

1. Two informal half-day sessions on the strategic approaches to Kigali Amendment implementation for sustainable HFC phase-down by Article 5 parties were organized back-to-back with the 94th and the 95th meetings of the Executive Committee during 2024 pursuant to decisions 93/103 and 94/62, respectively. The scope of the second half-day session was expanded to include the contribution of the Multilateral Fund supported activities to sustainable cooling.²

2. The first half-day session offered a brainstorming platform for the members of the Executive Committee on a variety of issues which were based on inputs received by them before the half-day session. The issues considered were supporting action beyond Kigali Amendment compliance, supporting national or/and sectoral approaches, targeting investments to Kigali Amendment implementation issues, strengthening the capacity of the Multilateral Fund institutions to support implementation.³ The second half-day session aimed at narrowing down the issues discussed at the first half-day session while taking into account the contribution of Multilateral Fund activities to sustainable cooling. Members and agencies had the opportunity to make brief presentations on two broad themes, the first on emerging sectors that could be considered by the Fund and the second one, on interventions beyond the standard business of the Fund⁴.

¹ UNEP/OzL.Pro/ExCom/96/1

² The wider scope was also based on the paper entitled “How HCFC phase-out and HFC phase-down activities supported by the Multilateral Fund might contribute to sustainable cooling (decision 92/1(b))”, UNEP/OzL.Pro/ExCom/94/63, which the Executive Committee considered at its 94th meeting.

³ Agenda and documents for the first half-day session <https://www.multilateralfund.org/meetings/other/94>

⁴ Agenda and documents for the second half-day session <https://www.multilateralfund.org/meetings/other/95>

3. Decision 95/96 requested the Secretariat to hold a third half-day session on 25 May 2025, immediately prior to the 96th meeting, on the strategic approaches to the Kigali Amendment implementation as a continuation of the previous discussions. The agenda of the third half-day informal session focuses on two issues, enabling comprehensive and forward-thinking Kigali HFC implementation plans (KIPs) while promoting sustainable cooling and institutional drivers to support KIPs implementation along with sustainable cooling and energy efficiency.⁵ As the third half-day session is convening a day before the 96th meeting, the Secretariat will issue an addendum to this document after its conclusion to integrate its outcomes and takeaway messages for the Executive Committee's consideration.

Summary and outcomes from the first half-day session

4. The first half-day session opened the discussion on what would motivate Article 5 countries toward early action to phase down HFCs. In this context members reflected on challenges regarding compliance, the voluntary nature and examples and incentivization of action beyond compliance. Several members emphasized the value of engaging with end users to determine the feasibility of early action. Further clarification was needed of the mechanisms by which the Multilateral Fund can fund energy efficiency. The discussion also explored ways to further develop economic sector-level approaches in fisheries, tourism, and how the Multilateral Fund funding could be deployed to leverage impact at the sector level (e.g., support for policy change, support for strategic demonstration programmes, etc.).

5. Action by the Executive Committee to define small and medium-sized enterprises (SMEs), reflection on lessons learned, good practice sharing, to clarify the approach to supporting SMEs in the context of the Kigali Amendment were identified. The members within these topics mentioned a wide range of issues such as the servicing sector needs, importance of specific economic sectors like fisheries, the sectoral approach for HFC phase-down, the needs of assembly and local installation, strengthening capacity of SMEs, building on the past experience of the Executive Committee and the experience of non-Article 5 countries, attrition in project participation, challenges of small non-manufacturing countries, financial support and sustainability aspects for SMEs, maintaining focus on the phase-down goal, absence of cost guidelines and energy efficiency guidance, ambitions restricted by funding limitations, and streamlining of administrative procedures.

6. A set of actions to strengthen the capacity of the key institutional actors in the Multilateral Fund to support Kigali Amendment implementation was also raised as an issue. The discussion addressed issues of streamlining of Executive Committee procedures, simplification of reporting to the Secretariat, enhanced expertise within the Secretariat and implementing agencies, improved coordination among Committee members, enhanced communication by the Secretariat, new name for the national ozone units (NOUs), networking with the relevant authorities, up-to-date pricing information, access to technologies and risk mitigation, awareness of what already worked well, centres of excellence, and the need to focus on new and emerging issues. Details of the discussions at the first half-day informal session can be found in document UNEP/OzL.Pro/ExCom/94/Inf.3.

Summary and outcomes from the second half-day session

7. The discussions at the second half-day focused around unwrapping emerging sectors under the Multilateral Fund, where members presented briefly example of success stories on fisheries and tourism sectors, trans-critical CO₂ in supermarkets, holistic approaches for cold chain and the role of regional centres of excellence, strengthening infrastructure and technical capacity in Article 5 countries to handle low-GWP refrigerants and blends in SMEs, and public consortia as a tool for effective Montreal Protocol implementation.

⁵ Agenda and documents of the third half-day session: <https://www.multilateralfund.org/meetings/other/96>

8. The discussion addressed issues raised by members that they deemed important to consider further, such as the sectoral approach for ensuring a holistic response to HFC phase-down, while taking into account the specificities of different regions; supply chain issues; the sustainability of the phase-down to ensure the continuity of business operations; technical assistance and capacity-building for enterprises, especially SMEs; regional centres of excellence to strengthen NOUs and infrastructure; challenges in terms of the use of low-GWP alternatives; life-cycle refrigerant management, effective service centres and recovery and recycling centres; inter- and intra-institutional coordination; and exploiting the interlinkages between Montreal Protocol issues and other international agreements and initiatives.

9. As for the second part of the session which was about interventions beyond standard business under the Multilateral Fund, five presentations were made about opportunities and challenges on energy efficiency, addressing growth in residential air-conditioning in high-ambient temperature countries, sustainable cooling solutions with energy efficiency and lifecycle, refrigerant management innovative strategies for early HFC phase-down and enhanced energy efficiency for sustainable cooling, and interventions in the demand side that match the supply side for sustainable HFC phase-down.

10. The ensuing discussion focused on possible areas that would enable the Multilateral Fund to make a greater contribution to sustainable cooling. Echoing ideas put forward by the presenters and adding some of their own, members mentioned planned preventive maintenance; capacity-building; awareness-raising and incentives for behaviour change; a less stringent insistence on minimum energy performance standards (MEPS); and possible opportunities to support innovation that could further compliance. The full report of the second half-day session is contained in document UNEP/OzL.Pro/ExCom/96/Inf.2.

Overarching takeaways

11. The key takeaways from the first half-day session, as summarized by the session's facilitator,⁶ included the following overarching messages:

- (a) Continue the dialogue on what would motivate Article 5 countries toward early action to phase down HFCs;
- (b) Further clarification on the mechanisms by which the Multilateral Fund can fund energy efficiency;
- (c) Further development of sector-level approaches for the sectors named, clarifying how Multilateral Fund funding could be deployed to leverage impact at the sector level (e.g., support for policy change, support for strategic demonstration programmes, etc.);
- (d) Action by the Executive Committee to define SMEs, and further analysis, reflection on Multilateral Fund lessons learned, good practice sharing, etc. to clarify the approach to supporting SMEs in the context of the Kigali Amendment; and
- (e) A set of actions to strengthen the capacity of the key institutional actors in the Multilateral Fund to support Kigali Amendment implementation.

12. The key overarching takeaways from the second half-day session as extracted from the report of the session⁷ can be summarized as follows:

- (a) Supporting regional centres of excellence to strengthen NOUs and local infrastructures;

⁶ David Fairman, Senior Mediator at the Consensus Building Institute and Associate Director of the MIT-Harvard Public Disputes Programme

⁷ UNEP/OzL.Pro/ExCom/96/Inf.2

- (b) Supporting demonstration projects using innovative technologies and creating enabling environments for the transition to low-GWP energy-efficient technologies;
- (c) Engaging in strategic partnerships with others on issues such as data gathering, life-cycle refrigerant management, servicing, end-of-life equipment management, renewable energy, building codes and standards, MEPS, and preventive maintenance;
- (d) Considering different incentive programmes and feasible models to support the replacement of high-GWP equipment, deploying sustainable technologies, and end-users' behavior change;
- (e) Considering standardized data collection and market analysis approaches to align interventions with market dynamics and trends;
- (f) Examining the concepts of “integrated programmes for market transformation” and “system change beyond compliance” along with other different funding modalities and sources; and
- (g) While being innovative and occasionally doing things differently, the Committee should not become distracted by approaches or objectives that did not assist countries in meeting their objectives under the Protocol;

Recommendation

13. The Executive Committee may wish to note the report on summary and outcomes of the discussion in the half-day sessions held on strategic approaches to implementation of the Kigali Amendment and the contribution to sustainable cooling of activities supported by the Multilateral Fund as contained in document UNEP/OzL.Pro/ExCom/96/63 and document UNEP/OzL.Pro/ExCom/96/63/Add.1.⁸

⁸ Summary and outcomes from the third half-day session will be presented as an addendum to the document UNEP/OzL.Pro/ExCom/96/63 after the conclusion of the session.