



Montreal Protocol's Key Lessons for Climate Negotiations
4 December 07

Introduction. The Montreal Protocol offers key lessons for climate negotiators. Many were presented at the 4 December side event on the *Lessons of the Montreal Protocol for Climate Negotiations*, co-sponsored by Argentina, Mauritius, Micronesia, Sweden, and the United States, as well as by the United Nations Environment Programme's OzonAction Unit, and organized by the Institute for Governance & Sustainable Development (IGSD). Additional lessons are described in two recent books: Stephen O. Andersen, K. Madhava Sarma, and Kristen N. Taddonio, *Technology Transfer for the Ozone Layer: Lessons for Climate Change* (Earthscan 2007), and Donald Kaniaru, ed., *The Montreal Protocol: Celebrating 20 Years of Environmental Progress – Ozone Layer and Climate Change* (Cameron May 2007).

Powerful Climate Benefits of Montreal Protocol. The Montreal Protocol is a 20-year old regulatory regime with universal membership of 191 Parties that is mitigating climate emissions by 135 billion tons of CO₂-equivalent between 1990 and 2010 (or 11 billion tons of CO₂-eq. per year), and delaying climate change up to 12 years. It is the world's most successful environmental treaty, and the world's most successful climate treaty (so far).

Overall, protecting the ozone layer is delaying climate change 35-41 years when earlier voluntary efforts and national measures are considered along with the Montreal Protocol. These combined efforts to phase-out ozone-depleting substances have solved a piece of the climate problem that otherwise would have grown to nearly equal today's CO₂ contribution, while also starting the ozone layer on the path to recovery later this century. See Guus J. M. Velders, *et al.*, *The Importance of the Montreal Protocol in Protecting Climate*, 104 PROCEEDINGS OF THE NATIONAL ACADEMY OF SCIENCES 4814 (2007) and Donald Kaniaru, Rajendra Shende, Scott Stone & Durwood Zaelke, *Frequently Asked Questions: Strengthening the Montreal Protocol by Accelerating the Phase-Out of HCFCs at the 20th Anniversary Meeting of the Parties*, in Donald Kaniaru, Ed., *The Montreal Protocol: Celebrating 20 Years of Environmental Progress – Ozone Layer and Climate Change* (Cameron May 2007).

Key Lessons for Climate Negotiations:

1. Disaggregate further the climate problem into other manageable pieces and tailor governance measures to fit the specific source, sink, or sector selected, including MP-type measures.
2. Design governance systems that are dynamic and evolutionary, that learn by doing, and that can be quickly strengthened, including through procedures like the MP's "adjustment" procedure for chemicals already regulated that allow the Parties to accelerate control measures by consensus, and take effect in 6 months without ratification in capitals, with option for Parties to affirmatively opt out.
3. Design governance systems that treat all Parties fairly and that fully implement the principle of common but differentiated responsibilities. In the MP, the common but differentiated principle is implemented through a 10-year grace period, a dedicated Multilateral Funding mechanism with a democratic decision-making procedure (7 + 7, with a double majority), a

- 3-year replenishment cycle to pay agreed incremental costs and independent assessment of the funds needed by Montreal Protocol's Technology and Economic Assessment Panel (TEAP). The principle is further supported by a spirit of cooperation and trust developed through 20 years of success.
4. Design governance systems that are informed by the best available, real-time information, including unpublished information, on science, technology, and economics of climate-friendly technologies and their accessibility from a body such as the TEAP, and their Technical Options Committees (TOCs) that report annually.
 - a. The IPCC should be supplemented with a TEAP-like process; and sectoral technical options committees (TOCs) should be set up under the GEF climate window for categories of sources, sinks, and sectors.
 - b. TEAP to consist of the 2 co-chairs, one each from developing and developed countries to be selected by COP, of each TOC. Co-chairs free to select experts as they need, giving equal representation, as much as possible, to all regions and groups. 2 Co-chairs of TEAP to be selected by COP. Reports of TEAP and TOCs to be placed before COP without any editing.
 - c. The GEF climate window, including adaptation funding, should be governed by a separate Executive Committee following the 7 developed + 7 developing (or more to allow representation to groups of countries with similar interests) , double majority procedure of the MP. COP to guide GEF on costs to be met.
 - d. Ensure coordination between regulatory measures and market-based measures, including cap-and-trade, to avoid perverse incentives (such as the perverse incentive under the CDM to expand the production of HCFCs to earn credits for destroying the HFC-23 by-product.)
 - e. Ensure that the full range of compliance approaches is considered from the outset for each governance approach, including compliance assistance approaches such as the Montreal Protocol, with the possibility of sanctions for willful non-compliance.
 5. Further strengthen the Montreal Protocol to maximize its climate benefits, including by measures to:
 - a. Further accelerate the phase-out of ozone-depleting substances;
 - b. Recover and destroy "banks" of ozone-depleting substances currently contained in existing products and equipment;
 - c. Tighten exemptions for essential and critical uses of ozone depleting substances as well as for chemical feedstocks and process agents;
 - d. Strengthen efforts to combat illegal trade; and
 - e. Regulate HFCs under the Montreal Protocol or under a Montreal Protocol-type regulatory regime so they can be phased-out, rather than traded as one of the six Kyoto basket gases.

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