STANDING COMMITTEE REPORT NO. 19-223

RE: C.R. NO. 19-341/SPECIAL COM. ON CLIMATE CHANGE

SUBJECT: RATIFYING THE KIGALI AMENDMENT

APRIL 01, 2017

The Honorable Wesley W. Simina Speaker, Nineteenth Congress Federated States of Micronesia Eighth Special Session, 2017

Dear Mr. Speaker:

Your Special Committee on Climate Change, to which was referred C.R. No. 19-341, entitled:

"A RESOLUTION RATIFYING THE KIGALI AMENDMENT TO THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEPLETE THE OZONE LAYER.",

begs leave to report as follows:

The intent and purpose of this resolution are expressed in its title.

The Kigali Amendment is an amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer. It was adopted by the 28th Meeting of Parties to the Montreal Protocol on October 15, 2006. The idea for the amendment was however initiated by the FSM in 2008.

The Amendment adds powerful gasses hydrofluorocarbons (HFCs) to the list of substances controlled under the protocol to be phased down. The amendment will enter into force when twenty countries have ratified. So far only two have. The FSM has an opportunity to be the third.

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Your Committee held a public hearing on March 31, 2017. Present were representatives of OEEM, DOJ, and the President's Office.

The Director of OEEM emphasized that this was an FSM initiated proposal that took years to receive backing from other countries including the U.S. (under the Obama administration). The FSM hoped to be the first country to ratify but the Marshall Islands acted first.

Responding to the question about the impact of the amendment on consumers and businesses, OEEM testified that it will not be substantial. Manufacturers are aware of this amendment and the market has already shifted accordingly to provide alternatives. There may be a price impact in the beginning but in the long run the price impact will not be substantial.

OEEM also stated that they have experience dealing with the enforcement of these kinds of matters, and has actually caught importers trying to import falsely labeled gases.

DOJ testified that there are enough existing regulations to deal with the new amendment and there will be no immediate need for legislation.

Your Committee is satisfied that the Kigali Amendment is a worthwhile measure that will benefit the world and put the FSM on the map without substantial costs. Since the FSM was the originator of this idea it is important that we be seen as responding quickly by ratifying the amendment.

Your Special Committee on Climate Change is in accord with the intent and purpose of C.R. No. 19-341 and recommends its adoption in the form attached hereto.

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Respectfully submitted,

/s/ Isaac V. Figir /s/ Esmond B. Moses
Isaac V. Figir, chairman Esmond B. Moses, member

/s/ Wesley W. Simina/s/ Alik L. AlikWesley W. Simina, memberAlik L. Alik, member

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