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**Eighteenth Meeting of the Parties
to the Montreal Protocol on
Substances that Deplete the Ozone Layer**
New Delhi, 30 October–3 November 2006

**Report of the Eighteenth Meeting of the Parties to the Montreal
Protocol on Substances that Deplete the Ozone Layer****Introduction**

1. The Eighteenth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer was held at the Vigyan Bhawan conference centre, New Delhi, from 30 October to 3 November 2006. It consisted of a preparatory segment, held from 30 October to 1 November, and a high-level segment, held on 2 and 3 November.

Part one: Preparatory segment**I. Opening of the preparatory segment of the meeting**

2. The preparatory segment of the meeting was opened by its Co-Chairs, Mr. Tom Land (United States of America) and Mr. Nadzri Yahaya (Malaysia), at 10.10 a.m. on Monday, 30 October 2006. Opening statements were made by Mr. Marco González, Executive Secretary of the Ozone Secretariat, and Mr. Thiru A. Raja, Minister of Environment and Forests of India. Mr. Arumugam Duraisamy, Director of India's Ozone Cell, briefly took the floor to thank various actors for their contributions to the preparations for India's hosting of the meeting.

3. Mr. González welcomed the meeting participants on behalf of Mr. Achim Steiner, Executive Director of the United Nations Environment Programme (UNEP). He thanked the host Government and commended its leadership role in the implementation of the Montreal Protocol, praising it for establishing international benchmarks and striving ceaselessly to comply fully with its responsibilities under the Protocol. The current meeting presented a unique opportunity to address the issues on the agenda and to launch a process for tackling the future key challenges facing the Protocol. The most important of the remaining tasks before the Parties, he said, was to assist developing country Parties to enable them to achieve fully their agreed phase-out targets, several of which would come into effect in 2007; the Parties had assigned the Multilateral Fund a special role in that regard and he pledged the Secretariat's support for the Fund's efforts. Phase-out in developed country Parties, he hastened to add, also presented challenges as well opportunities for advancing ozone layer protection.

4. Before turning to the issues on the agenda, he pointed out that the Protocol's assessment panels had over the years played a crucial role by providing independent technical and scientific assessments and relevant information to guide the Parties in their decisions. Ensuring the optimum structure and functioning of the panels was one of the important issues to be considered in the run-up to the twentieth anniversary of the Protocol. He then outlined the items on the agenda, noting that they were significantly driven by the work of the assessment panels, in particular the Technology and Economic Assessment Panel and its technical options committees, and that many of them had already been considered and made the subject of recommendations by the Open-ended Working Group at its last meeting, which would aid the Parties in their consideration of them. In conclusion, he called on all Parties to approach the issues involved in a spirit of compromise, having in mind the protection of the ozone layer.

5. In his opening address, Mr. Raja welcomed the participants to New Delhi. He said that the Technology and Economic Assessment Panel had played a vital role in the success of the ozone treaties and commended its work in areas that might have an impact on the climate regime and in monitoring transboundary movements of ozone-depleting substances. The Protocol's evolution, he said, demonstrated that it had played a vital role in the success to date in the fight against ozone depletion, and he praised the efforts to reduce the use of chlorofluorocarbons (CFCs) in metered-dose inhalers. He pointed out, however, that that effort could result in hardships for Parties operating under paragraph 1 of Article 5 of the Protocol (Article 5 Parties) and called for a balance between environmental protection and health and stressed the need for financing for the incremental costs of using viable alternatives to CFCs in Article 5 Parties. He welcomed the efforts that were being made to find alternatives to methyl bromide for agricultural and quarantine and pre-shipment applications and noted the need to find ways of safely disposing of ozone-depleting substances with due regard to their global warming effects. He thanked industry for its participation and contributions to the ozone regime and wished the Parties success in their deliberations.

II. Organizational matters

A. Attendance

6. The Eighteenth Meeting of the Parties to the Montreal Protocol was attended by representatives of the following Parties to the Montreal Protocol: Afghanistan, Angola, Antigua and Barbuda, Argentina, Armenia, Australia, Austria, Azerbaijan, Bahrain, Bangladesh, Belgium, Bhutan, Bolivia, Bosnia and Herzegovina, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Burundi, Cambodia, Cameroon, Canada, Central African Republic, Chile, China, Colombia, Comoros, Congo, Costa Rica, Croatia, Cuba, Czech Republic, Democratic Republic of the Congo, Denmark, Dominica, Dominican Republic, Ecuador, Egypt, Estonia, European Community, Fiji, Finland, France, Gabon, Georgia, Germany, Ghana, Greece, Guatemala, Guinea, Haiti, Hungary, Iceland, India, Indonesia, Israel, Italy, Jamaica, Japan, Jordan, Kazakhstan, Kenya, Kiribati, Kuwait, Kyrgyzstan, Lao People's Democratic Republic, Lebanon, Libyan Arab Jamahiriya, Liechtenstein, Lithuania, Madagascar, Malaysia, Maldives, Mali, Mauritius, Mexico, Mongolia, Morocco, Mozambique, Namibia, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Pakistan, Palau, Papua New Guinea, Peru, Philippines, Poland, Qatar, Republic of Korea, Romania, Russian Federation, Rwanda, Saint Lucia, Saint Vincent and the Grenadines, Senegal, Serbia, Seychelles, Sierra Leone, Slovenia, Somalia, South Africa, Spain, Sri Lanka, Sudan, Swaziland, Sweden, Switzerland, Syrian Arab Republic, Tajikistan, Thailand, the former Yugoslav Republic of Macedonia, Togo, Tonga, Trinidad and Tobago, Tunisia, Turkey, Turkmenistan, Uganda, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Uruguay, Viet Nam, Yemen, Zambia, Zimbabwe.

7. Representatives of the following United Nations bodies and specialized agencies also attended: Global Environment Facility, United Nations Development Programme, United Nations Environment Programme Division of Technology, Industry and Economics, United Nations Environment Programme Information Unit for Conventions, United Nations Industrial Development Organization, Secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol, World Bank.

8. The following intergovernmental, non-governmental bodies and industry bodies were also represented: Agrankow/RTI Technologies, Alliance for Responsible Atmospheric Policy, American Lung Association, Arysta Lifescience North America Corporation, Asian-African Legal Consultative Organization, Bayer India, B-Cat BV, Beijing Organizing Committee for the Games of the XXIX Olympiad, Beximc Pharmaceuticals Ltd., Boehringer Ingelheim GmbH, California Cut Flowers, California School of Professional Psychology, California Strawberry Commission, Carrier Air Conditioning and Refrigeration, Ltd. (India), Chemplast Sanmar Limited, Chemtura Corporation, Clinical Centre Belgrade, Crop Protection Coalition, Desclean Belgium, Dow AgroSciences, Emerson Climate Technologies, Ltd. (India), Environmental Investigation Agency, Environmental Solutions Group, Florida Fruit and Vegetable Association/Crop Protection Coalition, Florida Tomatoes, Glaxo Smithkline, Great Lakes Chemical, Greenpeace International, Gujarat Fluorochemicals, Ltd., ICF International, Indian Chemical Council (Mumbai), Industrial Technology Research Institute, Innovation Management, International Commerce Development Corporation, Institute for Governance and Sustainable Development, International Institute of Refrigeration, International Pharmaceutical Aerosol Consortium, Japan Fluorocarbon Manufacturers Association, Japan Industrial Conference for Ozone Layer and Climate Protection, JC Pacific, Inc., Kuwait Petroleum Corporation, M/S Gujarat Alkalies and Chemicals, Ltd., Nam S&T Centre, Natural Resources Defence Council, Pandora, PharmEnviron, R&M Consultancy, Inc., Refrigerant Gas Manufacturers Association, Refrigeration and Air Conditioning Manufacturers Association, Skadden, Arps, Slate, Meager and Flom, Ltd., SRF, Ltd., Swiss Agency for Development and Cooperation, Tecumseh Products India Private, Ltd., Teijin Twaron, Touchdown Consulting Sprl, Vito, NV.

9. Mr. Chandranandan Chirmulay attended as an individual observer.

B. Officers

10. Mr. Land and Mr. Yahaya served as Co-Chairs of the preparatory segment of the Meeting.

C. Adoption of the agenda of the preparatory segment

11. The Co-Chair introduced the provisional agenda for the preparatory segment contained in document UNEP/OzL.Pro.18/1. Following suggestions by representatives, the agenda of the preparatory segment was adopted as orally amended, on the basis of the provisional agenda contained in document UNEP/OzL.Pro.18/1:

1. Opening of the preparatory segment:
 - (a) Statement by a representative of the Government of India;
 - (b) Statement by the Executive Director of the United Nations Environment Programme.
2. Organizational matters:
 - (a) Adoption of the agenda of the preparatory segment;
 - (b) Organization of work.
3. Consideration of membership of Protocol bodies for 2007:
 - (a) Members of the Implementation Committee;
 - (b) Members of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol;
 - (c) Co-Chairs of the Open-ended Working Group.
4. Financial reports and budgets of the trust funds for the Vienna Convention for the Protection of the Ozone Layer and the Montreal Protocol on Substances that Deplete the Ozone Layer.
5. Status of ratification of the Vienna Convention, the Montreal Protocol and amendments to the Montreal Protocol.
6. Consideration of issues arising out of the 2006 reports of the Technology and Economic Assessment Panel:

- (a) Review of the nominations for essential-use exemptions;
 - (b) Review of draft terms of reference for case studies called for under decision XVII/17 on environmentally sound destruction of ozone-depleting substances;
 - (c) Report on activities related to clarifying the source of discrepancies between emissions determined from bottom-up methods and atmospheric measurement;
 - (d) Sources of carbon tetrachloride emissions and opportunities for reductions;
 - (e) Other issues arising out of the 2006 reports of the Technology and Economic Assessment Panel:
 - (i) Process agent applications of Brazil and Turkey held open by the Seventeenth Meeting of the Parties;
 - (ii) Issues related to travel of members of the Technology and Economic Assessment Panel from non-Article 5 Parties.
7. Consideration of the report of the Secretariat's expert group meeting on the ozone-depletion-related results of the Technology and Economic Assessment Panel/Intergovernmental Panel on Climate Change special report and the Technology and Economic Assessment Panel's supplementary report.
 8. Consideration of methyl-bromide-related issues:
 - (a) Review of nominations for critical-use exemptions for methyl bromide and related matters;
 - (b) Report on the possible need for methyl bromide critical-use exemptions over the next few years based on a review of national management strategies;
 - (c) Quarantine and pre-shipment matters;
 - (d) Multi-year exemptions for methyl bromide use;
 - (e) Options that Parties may consider for preventing potential harmful trade in methyl bromide stocks to Article 5 Parties as consumption is reduced in non-Article 5 Parties;
 - (f) Laboratory and analytical uses of methyl bromide.
 9. Difficulties faced by some Article 5 Parties manufacturing metered-dose inhalers which use chlorofluorocarbons.
 10. Treatment of stockpiled ozone-depleting substances relative to compliance.
 11. Feasibility study on developing a system for monitoring the transboundary movement of ozone-depleting substances between the Parties.
 12. Guidelines for disclosure of interests for groups such as the Technology and Economic Assessment Panel and its technical options committees.
 13. Key challenges to be faced by the Parties in protecting the ozone layer over the next decade.
 14. Compliance and data reporting issues considered by the Implementation Committee.
 15. Proposal by Canada for adjustment of the Montreal Protocol.
 16. Other matters.

12. During the adoption of the preparatory segment agenda the preparatory segment agreed to take up under item 6 (e) of that agenda, "Other issues arising out of the 2006 reports of the Technology and Economic Assessment Panel", a draft decision to be presented by the European Community on n-propyl bromide, which had been identified in decision XIII/7 as a new ozone-depleting substance that required particular attention. The preparatory segment also agreed to consider under item 16 of the agenda, "Other matters", a proposal by the United States of America to discuss cooperation with the

International Civil Aviation Organization regarding halons and another by China to discuss measures that it was taking to protect the ozone layer prior to holding the Olympic Games in Beijing in 2008. The representative of Argentina also called for discussion under agenda item 7 of the impact on the production of HCFC-22 and HFC-23 of projects under the Clean Development Mechanism of the Kyoto Protocol to the United Nations Framework Convention on Climate Change.

D. Organization of work

13. The preparatory segment agreed to follow its customary procedure and to establish contact groups as necessary.

III. Consideration of membership of Protocol bodies for 2007

A. Members of the Implementation Committee

B. Members of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol

C. Co-Chairs of the Open-ended Working Group

14. Introducing the item, the Co-Chair recalled the need at the current meeting to nominate candidates for several positions in Montreal Protocol bodies for 2007, according to the procedures set out in paragraphs 3–5 of document UNEP/OzL.Pro.18/2. He called on the regional groups to submit nominations to the Secretariat.

15. The Parties subsequently agreed on the membership of the Implementation Committee and the Executive Committee and on the co-chairs of the Open-ended Working Group and forwarded draft decisions reflecting that agreement to the high-level segment for approval.

16. The preparatory segment also agreed on the text of a draft decision confirming the selection of a co-chair of the Chemical Technical Options Committee and agreed to forward it to the high-level segment for approval.

IV. Financial reports and budgets of the trust funds for the Vienna Convention for the Protection of the Ozone Layer and the Montreal Protocol on Substances that Deplete the Ozone Layer

17. Introducing the item, the Co-Chair noted that it had been the practice of the Parties at past meetings to establish a budget committee to review budget-related documents and prepare one or more draft decisions on budgetary matters for consideration by the Meeting. In accordance with that practice, the Parties agreed to establish such a committee, to be chaired by Mr. Josef Buys (Belgium).

18. Following deliberations, the budget committee agreed on a draft decision containing the proposed budget for the trust fund of the Montreal Protocol, which Mr. Buys presented to the Parties. He reported that the committee had agreed to give full flexibility to the Secretariat in 2007 for carrying out activities regarding the twentieth anniversary of the Montreal Protocol. That, he said, would allow the Secretariat to use unspent funds from the budget on anniversary-related publications, activities and hospitality. The committee had also agreed to draw down \$395,000 from the existing budget surplus, which would help to limit the increase in individual contributions by the Parties in 2007. It had also decided that the capital reserve would be maintained at 8.3 per cent and would rise to 11.3 per cent in 2008, an increase that was in line with the general trend within the United Nations. The result would be a very small increase in the budget for 2007 and a significantly larger increase for 2008. However, an additional activity that would require additional funding was a workshop on the future of the Montreal Protocol, which would be held immediately before the next meeting of the Open-ended Working Group and would operate in the six United Nations languages. The workshop would add \$110,432 to the 2006 budget. With that small increase in the budget, he estimated that the contributions by the Parties would be increased by approximately 4.5 per cent and that the budget increase from 2007 to 2008 would be slightly higher.

19. The preparatory segment agreed to forward the draft decision on the budget to the high-level segment for approval.

V. Status of ratification of the Vienna Convention, the Montreal Protocol and amendments to the Montreal Protocol

20. Introducing the item, the Co-Chair recalled that at previous meetings the Parties had adopted a decision regarding the status of implementation of the various instruments that addressed ozone-depleting substances, adding that the Secretariat had prepared a draft decision for that purpose (UNEP/OzL.Pro.18/3, ch. III). He congratulated those Parties that had ratified the Protocol and its amendments during the past year, commending Equatorial Guinea in particular for becoming the most recent Party to the Protocol. He also called on Parties to encourage the six countries that remained outside the regime to ratify the Protocol.

21. The preparatory segment agreed that the Secretariat would finalize the draft decision on the item for forwarding to the high-level segment.

VI. Consideration of issues arising out of the 2006 reports of the Technology and Economic Assessment Panel

A. Review of the nominations for essential-use exemptions

22. Introducing the agenda item, the Co-Chair explained that two Parties, the European Community and the United States of America, had submitted nominations for essential-use exemptions for CFCs for metered-dose inhalers for 2007 and 2008, respectively, the discussion of which could be found in pages 23–27 of the May 2006 progress report of the Technology and Economic Assessment Panel. A nomination had been submitted later by the Russian Federation for the use of CFC-113 in aerospace applications for the years 2007–2010, discussion of which was on pages 28–29 of the progress report. The Panel had not had time to give full consideration to the Russian Federation's proposal, which had been submitted on 15 April 2006. Given the importance of aerospace applications, however, the Panel had suggested that the Parties consider granting the Russian Federation a one-year exemption on the understanding that the nomination would be subjected to further review for subsequent years.

23. The three nominations had been taken up at the twenty-sixth session of the Open-ended Working Group, which had decided to forward three draft decisions (UNEP/OzL.Pro.18/3, ch. I, sections A, B and C) for the consideration of the current Meeting.

24. The nominating Parties prepared two draft decisions on essential uses during the current meeting, one on metered-dose inhalers and one on the use of CFC-113 in aerospace applications. The preparatory segment agreed to forward those draft decisions to the high-level segment for approval.

B. Review of draft terms of reference for case studies called for under decision XVII/17 on environmentally sound destruction of ozone-depleting substances

25. Introducing the item, the Co-Chair recalled that in decision XVII/17 the Parties had asked the Technology and Economic Assessment Panel to prepare draft terms of reference for the conduct of case studies on the technology and costs associated with the replacement of CFC-containing refrigeration and air conditioning equipment, including the environmentally sound recovery, transport and final disposal of such equipment and its associated CFCs, for consideration by the Eighteenth Meeting of the Parties. The draft terms of reference were contained in pages 227–228 of the Technology and Economic Assessment Panel's May 2006 progress report and were discussed in paragraphs 11–13 of document UNEP/OzL.Pro.18/2. The draft terms of reference had been considered at the twenty-sixth meeting of the Open-ended Working Group, where Parties had taken note of the fact that a similar study was being considered by the Executive Committee of the Multilateral Fund. The Committee had taken a decision on the matter at its forty-ninth meeting in which it suggested that the Parties might wish to request it to develop consolidated terms of reference for the study and to report on progress at the next meeting of the Parties.

26. A number of representatives expressed support for a decision requesting the Executive Committee to draft consolidated terms of reference for the two studies and to report on progress at the Nineteenth Meeting of the Parties. One representative offered to draft a simple draft decision and

consult with those delegations that spoke on the issue. The Parties agreed that if a contact group was needed, it would be chaired by Mr. Patrick McInerney (Australia).

27. A draft decision sponsored by a large number of Parties was subsequently presented for consideration by the preparatory segment, which agreed to forward it to the high-level segment for approval.

C. Report on activities related to clarifying the source of discrepancies between emissions determined from bottom-up methods and atmospheric measurement

28. The preparatory segment had before it a note by the Secretariat on issues for the attention of the Meeting of the Parties (UNEP/OzL.Pro/18/2, ch. I, section D.3).

29. Introducing the item, the Co-Chair recalled that the Parties in decision XVII/19 had requested that the Technology and Economic Assessment Panel coordinate with the Scientific Assessment Panel and the World Meteorological Organization to clarify the sources of discrepancies between emissions determined using bottom-up methods and atmospheric measurements with a view to identifying use patterns for the period 2002–2015 and making improved estimates of future emissions from banks, servicing practices, recovery and recycling activities and at end of life.

30. Mr. Lambert Kuijpers, co-Chair of the Technology and Economic Assessment Panel, introduced the report of the Panel's task force on emissions discrepancies, noting that the task force had originally intended to do work addressing CFCs, HCFCs, halons and carbon tetrachloride but had thus far only completed its work on CFCs and HCFCs.

31. He then went on to review the methodology used by the group, which included an evaluation of data sources for production and consumption determinations, a comparison of use pattern information and a reassessment of past emissions, current bank sizes and uncertainties in top-down emissions estimates. In that regard he noted that UNEP consumption data had been used, since they were more comprehensive than other data. In considering the discrepancies, potential sources of uncertainties were evaluated. Top-down emissions estimates carried three main sources of uncertainty: the accuracy and precision of observations, the ability to assess global change from a limited number of sites and the ability to assess the rates at which chemicals were removed from the atmosphere.

32. Continuing the presentation, Mr Paul Ashford noted that the uncertainties in measuring global atmospheric concentrations of chemicals from the atmosphere were relatively small, with the greatest uncertainty stemming from uncertainties in the atmospheric lifetimes of chemicals. He then went on to review the bottom-up uncertainties with regard to foams and refrigeration and to compare the bottom-up and top-down assessments for CFC-11, noting that discrepancies were most likely to result from three factors: underreporting of consumption to UNEP, underestimation of emissions from banks and uncertainties in the atmospheric lifetimes of the chemicals. He next reviewed the size of discrepancies between bottom-up and top-down analysis for other chemicals, noting that the match between top-down and bottom-up estimates was better than for CFC-11. The match for HCFC-141b was particularly poor for the early years of use because of the time lag associated with ratifying the Copenhagen Amendment. The bottom-up assessment for HCFC-22 was slightly higher than the top-down assessment and there was high data variability in the reported consumption data for HCFC-142b, which made the discrepancies between the bottom-up and top-down analyses difficult to assess.

33. In summary, he said that the overall consistency between top-down and bottom-up assessments was better than had been portrayed in the IPCC/TEAP special report on ozone depletion and climate change¹ and that the primary areas of uncertainty had been narrowed to three: reporting gaps in the UNEP consumption data, including a lack of use definitions; emissions factors used in bottom-up methods; and removal rates for each chemical. In that regard, he noted that no single source was likely to account fully for remaining discrepancies and that no immediate justification was seen for modifying current bank estimates, although ongoing refinements of estimating techniques would continue.

34. The preparatory segment expressed appreciation for the valuable work that had been done by the group on the matter.

¹ For more information on the special report, see chapter VII of part one of the present report.

D. Sources of carbon tetrachloride emissions and opportunities for reductions

35. Introducing the item, the Co-Chair recalled that decision XVI/14 had called on the Technology and Economic Assessment Panel to assess global emissions of carbon tetrachloride from certain specific categories and to assess potential means of reducing emissions. On the basis of the Panel's work, which was discussed in the Panel's May 2006 progress report (pages 78–90), the European Community had prepared a draft decision.

36. The representative of the European Community expressed concern at the large discrepancy in reported emissions observed by the Panel. The draft decision would therefore request the Panel to continue its assessment, paying particular attention to obtaining better data for industrial emissions, issues relating to production, estimating emissions from other sources, such as landfills, and to proposing additional requirements and strategies for controls.

37. Responding to a question from one representative, the co-chair of the Chemicals Technical Options Committee said that he thought that the deadline proposed in the draft decision for a report to be discussed at the twenty-seventh meeting of the Open-ended Working Group was feasible but suggested that the Committee would appreciate having more time to complete its work. Another representative had some minor textual changes to propose. The Co-Chair of the Meeting invited the two to work together with the European Community to prepare a revised version of the draft decision.

38. The revised version of the draft decision was subsequently presented to the preparatory segment, which agreed to forward it to the high-level segment for approval.

E. Other issues arising out of the 2006 reports of the Technology and Economic Assessment Panel

39. The Co-Chair introduced two issues under the item, which were briefly summarized in paragraph 18 of document UNEP/OzL.Pro.18/2. The first related to process agents and the second to the membership and budget of the Technology and Economic Assessment Panel. He noted that the Parties had not expressed their views on either issue at the twenty-sixth meeting of the Open-ended Working Group but had agreed to take up both issues again at the Eighteenth Meeting of the Parties.

1. Process agent applications of Brazil and Turkey held open by the Seventeenth Meeting of the Parties

40. The Co-Chair recalled the outstanding process agent requests by Brazil and Turkey, which were discussed on pages 8 and 65–68 of the Technology and Economic Assessment Panel's May 2006 progress report. The Panel had found that the use described by Brazil was a process agent use, but Brazil apparently had stopped using an ozone-depleting substance for that use in 2000. The use described by Turkey had also been found to be a process agent use, with emissions amounting to 13 ODP-tonnes.

41. In the ensuing discussion, the representative of Brazil said that his country was no longer producing carbon tetrachloride but acknowledged that his Government did not know whether carbon tetrachloride was still being consumed for such uses. He proposed that he provide information on that question at a future date. The preparatory segment welcomed his suggestion and agreed that the Panel would review the issue of process agents and report back to the Parties in accordance with its mandate under prior decisions of the Parties.

2. Issues related to travel of members of the Technology and Economic Assessment Panel from non-Article 5 Parties

42. The Co-Chair recalled that the Technology and Economic Assessment Panel had indicated in its May 2006 progress report that funds would be needed for 26 trips by 13 members of the Panel and its technical options committees from non-Article 5 Parties in connection with their work.

43. In the ensuing discussion, many representatives emphasized the importance of the Panel's work and the need to find a solution to the problem, suggesting that it be taken up by the budget contact group. Others suggested that the issue could be addressed by the contact group dealing with the future of the Montreal Protocol. A number of Parties opposed consideration of the issue in the budget discussions, saying that they opposed the use of funds from the budget for the travel of non-Article 5 members of the Panel and its committees. Some of them stressed the need to address the larger issue of the Panel's membership and to ensure the balanced participation of Article 5 and non-Article 5 Parties.

A number of representatives said that non-Article 5 Parties should themselves finance the travel costs of the members that they nominated.

44. The preparatory segment agreed that the contact group addressing the issue of the future of the Montreal Protocol could take up the issue. A discussion of the results of that contact group is contained in chapter XIII of Part one of the present report.

VII. Consideration of the report of the Secretariat's expert group meeting on the ozone-depletion-related results of the Technology and Economic Assessment Panel/Intergovernmental Panel on Climate Change special report and the Technology and Economic Assessment Panel's supplementary report

45. Introducing the item, the Co-Chair recalled that the Seventeenth Meeting of the Parties had adopted decision XVII/19, in which it had requested that the Secretariat organize an expert workshop that would consider issues arising from the special report of the Intergovernmental Panel on Climate Change (IPCC) and the Technology and Economic Assessment Panel entitled "Safeguarding the Ozone Layer and the Global Climate System: Issues Related to Hydrofluorocarbons and Perfluorocarbons" (the Special Report) and a supplementary report by the Technology and Economic Assessment Panel setting out the ozone-depletion implications of the issues raised in the Special Report. On the basis of those reports, the workshop participants were to propose practical measures to address ozone depletion, including considerations of cost-effectiveness and other environmental benefits. The workshop had taken place on 7 July 2006, immediately following the twenty-sixth meeting of the Open-ended Working Group. The report of the workshop was set out in the annex to document UNEP/OzL.Pro.18/5.

46. During the ensuing discussion, several Parties welcomed the report of the workshop and its recognition of the important links between the ozone and climate change regimes. There was some discussion, however, of the appropriate response from Parties to the report. One representative said that the Meeting of the Parties should prioritize the practical measures proposed, assess short-, medium- and long-term objectives and make cost-benefit calculations, suggesting that further research would assist in achieving those objectives. He also noted that his organization was drafting a decision on future work stemming from the special report. Other Parties, however, said that prioritizing activities would be difficult and that Parties could implement those activities that they deemed appropriate to their own domestic situations.

47. Stressing what he termed an alarming increase in the production and consumption of HCFCs and HFCs projected in the report and evidence that HCFCs had begun to be traded illegally in many parts of the world, the representative of an environmental non-governmental organization called for the fully funded accelerated phase-out of HCFCs. Another environmental non-governmental organization representative agreed and pointed to recent data indicating that the climate situation and the ozone layer were still deteriorating; he called on Parties to enact mandatory controls to restrict banked CFC and HCFC emissions, work with the Kyoto Protocol of the United Nations Framework Convention on Climate Change to establish mandatory controls to restrict emissions of banked HCFCs and accelerate the phase-out of HCFCs and methyl bromide.

48. One representative stressed the need for the Parties to consider the impact of projects under the Kyoto Protocol's Clean Development Mechanism on the production of HCFC-22 and HFC-23, noting that the issue had not been addressed in the Special Report or the supplementary report. In view of the need to consider the interaction of the ozone and climate change regimes more closely, her delegation was drafting a decision requesting the Technology and Economic Assessment Panel to prepare a report on the matter.

49. There followed discussion about the appropriate forum for further consideration of the impact of Clean Development Mechanism projects on ozone layer protection. One representative suggested that it would be appropriate to address such future work in the context of deliberations on the future of the Montreal Protocol (under agenda item 13, discussed in chapter XIII of part one of the present report, below). It was agreed that the proposal would be considered at a later point in the meeting.

50. The preparatory segment agreed to establish a contact group, to be chaired by Ms. Sophia Mylona (Norway), to consider the matter further.

51. Ms. Mylona subsequently reported that the contact group had been able to reach consensus on a draft decision, which the preparatory segment then agreed to forward to the high-level segment for its approval.

VIII. Consideration of methyl-bromide-related issues

52. Prior to taking up the individual sub-items under item 8, the preparatory segment heard a presentation from the Methyl Bromide Technical Options Committee on the Technology and Economic Assessment Panel's September 2006 final report on the evaluation of the 2006 critical-use nominations for methyl bromide and related issues. The Committee divided its presentation into five sections, which were introduced by four of its co-chairs, Mr. Mohammed Besri, Mr. Ian Porter, Ms. Michelle Marcotte and Ms. Marta Pizano, and by Mr. Jonathan Banks, the chair of the TEAP Quarantine and Pre-shipment Task Force and a member of the Committee.

53. In his presentation, Mr. Besri provided an overview of the Committee's membership, noting the need for members from Article 5 Parties and the risk that members from non-Article 5 Parties would no longer be able to participate if the issue of funding their participation was not resolved. He also reviewed the trends in overall methyl bromide consumption, noting that consumption for controlled uses in developed countries had been reduced from about 55,000 tonnes in 1991 to about 11,500 tonnes in 2005, while Article 5 Party consumption of controlled uses, which had peaked at about 18,000 tonnes in 1998, was 9,300 tonnes in 2005. He then introduced the final report of the Technology and Economic Assessment Panel and the Methyl Bromide Technical Options Committee on critical-use nominations and related matters, noting that the Panel had, during two meetings, reviewed a total of 90 nominations for 2007 and 2008.

54. Mr. Porter then provided an overview of the evaluation of nominations for critical uses received during 2006. He noted that the Committee's evaluation of those nominations had relied on a range of key criteria, including research trial data, a meta-analysis previously done by the Committee, the standard presumptions that had been approved by the Parties and schedules of adoption of alternatives in similar sectors and environments in other countries. On the basis of its review, the Committee had agreed to recommend approval of an additional 1,634 tonnes of methyl bromide requested for 2007 and 4,873 tonnes of methyl bromide for 2008. It had not recommended 858 tonnes of methyl bromide nominated for 2007 and 2,216 tonnes nominated for 2008. Finally, the Committee had been unable to assess nominations representing 9 tonnes of methyl bromide for 2008, while 6 tonnes nominated for that year had been withdrawn by one Party. He then reviewed the trends in nominated amounts for exemptions on a use-by-use and country-by-country basis, noting that critical use nominations were declining and that the use of methyl bromide was declining at a consistent rate across most sectors. In a number of sectors, however, there was difficulty finding alternatives for certain uses, in particular pre-plant nursery and post-harvest cheese and ham uses.

55. Explaining the Committee's review procedures, he noted that, in the absence of substantive arguments indicating that presumptions should not apply, nominated quantities for some pre-plant soil uses had been reduced to account for such issues as the use of low permeability traps, the use of maximum indicative application rates and adoption rates for technically proven alternatives. He further stated that nominated quantities for some post-harvest uses had been adjusted to conform to a standard dosage rate. The Committee also noted that it had generally agreed with adoption rates specified by the Parties, but in some cases it had concluded that such rates were too low. In that regard, the Committee could not reach a consensus on adoption rates for four nominations. With respect to those nominations, the majority had agreed to apply trial data from within the nominated area, and adoption rates for alternatives in similar sectors in other countries, which justified a faster adoption rate. In that regard, the Committee noted that several Parties had achieved the adoption of alternatives within four years for crops similar to those nominated, in part through the use of methyl bromide licensing mechanisms. The co-chair discussed information available to the Committee on stocks and inventories, noting that the Committee had not taken into account the use of stockpiles when making its recommendations and that it was up to the Parties to take stocks into consideration, as provided by decision IX/6. Finally, he noted that Parties receiving exemptions in 2005 had reported that they had used in total about 4,500 tonnes (one quarter) less than the amount authorized by the Parties for that year.

56. Ms. Marcotte then reviewed the post-harvest nominations for critical use exemptions, noting that they included 28 nominations in the structures sub-sector and 16 nominations in the commodities sub-sector. She noted the trends in post-harvest uses by Party and major use, both of which showed a general downward trend in the use of methyl bromide, and reviewed the factors that contributed to the continued use of methyl bromide. Concerning further transition to alternatives for post-harvest uses, she

said that the Committee had noted the acceptance of maximum residue levels for fluoride residues in foods resulting from sulfuryl fluoride treatment of mills and food processing facilities. She stressed that the continued adoption of heat treatment and integrated pest management would also contribute to decreased methyl bromide use in the sector. For durable commodities, either investments to allow the use of alternatives that required longer treatment times or approval of faster acting alternatives would be required to make significant progress in reducing methyl bromide for those applications.

57. She highlighted a number of issues which the Committee wished to bring to the attention of the Parties. One was the need to continue the registration of key alternatives, including 1,3-D, chloropicrin and sulfuryl fluoride. There was also a need for comparative data for alternatives for disease tolerance in production of nursery or propagation stock, including strawberry runners and orchard replant. Another issue related to the ability of some Parties to reduce the frequency of methyl bromide use and the need for Parties, through economic analysis, to justify economic infeasibility in their critical-use nominations.

58. Ms. Pizano discussed the 2007 work plan of the Committee, suggesting a 24 January deadline for nominations. The Committee would meet in March 2007, publish its initial report in April and meet again in July to consider additional information submitted by the Parties before publishing its final recommendations at the end of July. She also noted that the critical use handbook had been updated to include new timelines and other deadlines and would be posted on the Secretariat's website.

59. She noted that the Committee had reviewed the national management strategies of Australia, Canada, the European Community, Israel, Japan, New Zealand and the United States of America in accordance with decision Ex.1/4, which called for an analysis of such plans and an assessment of the possible need for methyl bromide critical uses over the next few years. With the exception of the plan of the European Community, which predicted a phase-out of controlled uses within two years, the plans did not predict quantitative reductions in future levels beyond those stated in the 2006 nomination requests. After reviewing the trend in the total amounts of methyl bromide requested and the total amounts approved by the Parties, as well as the trends on a sector-by-sector basis, the Committee reviewed the Parties' estimated future needs for methyl bromide. In making its analysis, in the absence of a quantitative estimate of adoption rates for alternatives or a year of phase-out from the Parties other than the European Community, the Committee had assumed a level amount for the years 2008–2010 based on the amounts recommended to the Parties for critical-use exemptions in the 2006 round of submissions.

60. Mr. Banks presented the quarantine and pre-shipment task force report, which had been incorporated into the Technology and Economic Assessment Panel's May 2006 progress report. Only two Parties had provided additional data since the twenty-sixth meeting of the Open-ended Working Group; the data and trends outlined in the report therefore remained essentially unchanged. Reported annual consumption of methyl bromide for quarantine and pre-shipment from 2002 to 2004 had been approximately 10,600 metric tonnes by 70 Parties. Annual usage was 65 per cent of that level according to the gross survey results and 50 per cent according to Parties reporting by specific uses. Soil uses were the most common, followed by grains (the most common pre-shipment use), wood and timber, fresh produce, wooden packaging materials and dried foodstuffs. He noted, however, that the timing of the study relative to the widespread application of ISPM 15² and the incomplete nature of the data available to the Task Force made the reports' findings less than fully reliable. He further noted the suggestion resulting from an independent review that consumption for whole logs and wood had likely been substantially under-reported. Finally, he indicated that a comprehensive discussion on alternatives for quarantine and pre-shipment applications would be included in the Methyl Bromide Technical Options Committee 2006 report.

61. Regarding decision XVII/9, in which the Parties had called on the Task Force to evaluate the long-term effectiveness of soil applications of methyl bromide in controlling quarantine pests on living plant material, he noted that two Parties had used methyl bromide as a quarantine pre-shipment fumigant for soil to produce plant propagation material to allow government certification standards for "pest free" levels to be met. He noted that soil disinfestations with methyl bromide were highly effective at reducing soil-borne pathogens but did not consistently eradicate them. He further noted that data on subsequent disease in commercial practice was still being sought.

² Publication no. 15 of the International Standards on Phytosanitary Measures series, published by the Food and Agriculture Organization of the United Nations under the auspices of the International Plant Protection Convention.

62. Finally, he summarized the data on the recapture, recycling and destruction technologies related to methyl bromide that the Parties had submitted to the Technology and Economic Assessment Panel pursuant to decision XVII/11. Two parties had submitted information on recapture of carbon. The information received indicated that the cost of such efforts had ranged from \$6 to \$32 per kg destroyed and that carbon systems combined with destruction with thiosulfate washing or incineration had a destruction and removal efficiency greater than 95 per cent, similar to that suggested for techniques associated with destruction of dilute ozone-depleting substances from foam.
63. Following the presentation, the Co-Chair opened the floor for questions. The parties thanked the Methyl Bromide Technical Options Committee and the Quarantine and Pre-shipment Task Force for their important work.
64. Many issues were raised concerning the 2006 critical-use nominations and the Committee's evaluation of those nominations. One representative wondered whether, in its standard presumptions, the Committee was using ambitious or conservative estimates and whether the fact that not all amounts approved had been utilized indicated that the Committee was recommending higher levels than necessary. He also expressed concern at the fact that the Committee had not considered existing stocks in the different nominating Parties. The Committee noted that information on stocks had not been available prior to its meeting and that it had therefore not been possible to consider it. He suggested that the Parties could consider the issue of stocks pursuant to decision IX/6.
65. One nominating Party said that it could accept the recommendations on critical-use exemptions made by the Committee, emphasizing its efforts to scale down the use of methyl bromide, as reflected in the lack of nominations for 2007 by some of its member States. Several Article 5 Parties also expressed their full support for the Committee's critical use-exemption recommendations, with some expressing concern at the continued resort to critical-use exemptions by non-Article 5 Parties, stressing that such exemptions should be showing a clear downward trend. Many nominating Parties emphasized their efforts to reduce their critical-use exemptions.
66. Some Parties expressed concern that the projected future needs of methyl bromide contained in the Parties' national management plans did not show a decrease in expected nominations for exemptions. One nominating Party argued that the lack of certainty as to their future exemption needs by some countries coupled with the fact that Parties had not used all of the methyl bromide allocated to them should give confidence to the Parties that those countries were not abusing the exemptions. Another Party observed that the European Community's prediction that it would cease to make requests for exempt uses within two years was very optimistic. Consequently, he asked for a corrigendum of the Committee's report noting that the prediction was based on maximum estimates that might not be applicable to crops that were particularly problematic.
67. One Party said that at the twenty-sixth meeting of the Open-ended Working Group it had requested information referring to the basis of a meta-analysis carried out by the Methyl Bromide Technical Options Committee in its assessment of critical-use nominations and that it had received only a partial response from the Committee. The Committee's co-chair said that the requested information had been included in the Committee's final report, but the Party indicated that the report did not contain the information it sought.
68. One Party asked the Committee's opinion as to whether mixtures containing 1,3-D, chloropicrin, which was being considered for re-registration in some countries, should continue to be considered a viable alternative to methyl bromide, at least in the short term. Mr. Porter responded that it was important to consider the mixture in the context of methyl bromide phase-out, but noted that if a product were going to be re-registered in the future, the Committee could not consider it on a contingent basis, but would consider it only when the re-registration had occurred. Representatives of two Article 5 Parties urged serious consideration of alternatives to methyl bromide use on high-moisture dates. The Committee responded that it was still looking into developments on those alternatives, expressing hope that a research project could be carried out to address the issue, subject to the availability of financial resources.
69. One Party asked for clarification by the Technology and Economic Assessment Panel regarding its preservation of the anonymity of the individuals writing in minority reports. He stated that while anonymity had been theoretically granted, in practice it had been taken away by the Panel when it noted that minority statements had been made by four members from a single easily identifiable Party. The Panel explained that the statement had sought to protect the individual members of the Party in question, while attending to the need for transparency within and outside the Committee's proceedings. The Panel asked for guidance regarding whether and under what conditions statements could be

presented with anonymity, in particular given the increasing amount of minority statements. Representatives that took the floor spoke in favour of full transparency.

70. During the discussion of methyl bromide related issues, the Executive Secretary reported that Australia had submitted a notification of an emergency methyl bromide use. Following discussions with the Party, the Secretariat, in consultation with the Technology and Economic Assessment Panel, had found that the use was justified.

A. Review of nominations for critical-use exemptions for methyl bromide and related matters

71. Introducing the sub-item, the Co-Chair recalled that pursuant to previous decisions of the Parties, 14 Parties had submitted new 2007 and 2008 nominations for critical-use exemptions for methyl bromide. Those nominations had been reviewed by the Methyl Bromide Technical Options Committee at two meetings in 2006 and the Committee's recommendations for the quantities of methyl bromide to be approved for the two years were summarized in table 2 of document UNEP/OzL.Pro.18/2/Add.1.

72. During the ensuing discussion, one representative said that his Government had been unable to release information on stockpiled methyl bromide for several years because of a legal dispute over the confidentiality of such information. Following the end of that legal challenge during the summer of 2006, the data had been released, demonstrating the existence of a stockpile that was substantial but was declining quite rapidly and likely at current rates of depletion to be exhausted in 2009. That represented a concern to the Party, for a combination of reasons. First, there were still areas where adequate alternatives to methyl bromide had not yet been identified. Moreover, there was a case for maintaining stockpiles in order to ensure a smoothly functioning supply chain to meet critical use demands from non-Article 5 Parties and to meet needs in the event of a catastrophic event or production plant failure. On that basis, he said that it would be appropriate to agree an adequate methyl bromide stockpile allowance for Parties, as had been done for other ozone-depleting substances. Agreeing such a figure would be necessary in order to assess the Party's critical-use exemptions for coming years, since it would determine how much would be taken from stockpiles and how much from fresh production.

73. He said that his country had made significant progress in reducing the amount of methyl bromide used in recent years but stressed that complete phase-out of the product was unreasonable while adequate alternatives were lacking. With that in mind, the Technical Options Committee's decision to recommend a critical-use allowance one-third below the amount his country had nominated was inappropriate. Furthermore, the Committee's decision-making process had lacked transparency and the Committee had failed to follow normal procedures and consider the individual circumstances of the Party in question. The Technical Options Committee's findings therefore deviated from the will of the Parties as expressed in their decision XVI/4 on the working procedures and terms of reference of the Committee. He said that the Party supported the reasoning of the minority in the Committee, who had stated that the Committee should defer to Parties' proposals regarding transition times. He also urged the Parties to cease the practice of allowing anonymity to those on the Committee providing minority opinions, in order to enhance transparency.

74. Responding to that statement, one representative said that she welcomed the release of the stockpile figures but expressed concern at the scale of the Party's stocks relative to its critical-use allowance and said that, in line with decision IX/6, the stocks should be taken fully into account when determining critical-use exemptions. She also noted that the Technical Options Committee had recommended critical-use allowances for her Party that were significantly below its nominations but that following an exchange of views it had found them to be acceptable. It was important, she said, for developed country Parties to set an example to Article 5 Parties, which had done a great deal to reduce their dependency on methyl bromide.

75. Other representatives voiced disagreement with some aspects of the recommendations of the Technical Options Committee for critical-use allowances for 2007 and 2008 and one said that the process and reasoning behind the decision-making was unclear. One representative, however, said that he fully supported the Committee's recommendations and that they should be adhered to; future recommendations should, moreover, exhibit a continuing downward trend in exempt amounts. Another noted that the Parties' previous efforts to improve the Committee's decision-making processes appeared to have failed to make its recommendations authoritative, despite the fact that they were generally reasonable and acceptable. He welcomed the opportunity to establish stockpile limits but said that the situation differed from the stockpiling of CFCs for metered-dose inhaler manufacture and that methyl bromide stocks could be much smaller. Finally, he noted that the adoption of methyl bromide alternative

technologies had been strong in some developed countries and weak in others and called for a more even approach.

76. Two representatives of non-governmental organizations delivered statements. One noted the Parties' failure to meet their deadlines for methyl bromide phase-out over the past decade and stressed the importance of that for curbing ozone depletion, noting that the hole in the ozone layer currently stood at its maximum size. Both representatives strongly questioned the justification for awarding one Party critical-use exemptions while it retained what they termed a huge methyl bromide stockpile, since it allowed that Party to provide stockpiled methyl bromide for non-critical uses at the same time that it requested authority to produce new methyl bromide through critical use exemptions. Allowing that to continue would, it was claimed, result in thousands of additional cases of skin cancer worldwide over the coming years. One non-governmental organization representative rejected the claim that there was a need to maintain a substantial stockpile, affirming that a two- to three-month supply was commonly all that was necessary to ensure smoothly functioning supply chains and that needs in the event of a natural disaster could be met through imports.

77. The preparatory segment agreed to form a contact group to consider the matter further.

78. The chair of the contact group subsequently reported on the lengthy deliberations of the group, which had led ultimately to a consensus around a draft decision. He thanked all the members of the group and the Co-Chairs of the Methyl Bromide Technical Options Committee for their efforts and cooperation. He drew attention to the fact that the amounts recommended for critical-use exemptions differed from those presented in the report of the Committee. Bilateral discussions with the Committee's Co-Chairs had uncovered a number of errors in the original figures, which had been corrected, and, in some cases, misunderstandings which the group believed would have led to a revision of the figures if the Committee had been able to reconvene. The figures for critical-use exemptions for the United States of America had been agreed after extensive discussions on stockpiles, which had proven to be a very complicated issue; the draft included a paragraph requesting the Technology and Economic Assessment Panel to publish data on stocks. He reminded the Parties that the figures included in the draft for critical-use exemptions for 2007 were additional to those agreed at the Seventeenth Meeting of the Parties and that a portion of one of the exemptions for Australia was dependent on a further assessment by the Panel.

79. The preparatory segment agreed to forward the draft decision to the high-level segment for approval.

B. Report on the possible need for methyl bromide critical-use exemptions over the next few years based on a review of national management strategies

80. Introducing the sub-item, the Co-Chair recalled that with decision Ex.I/4 of their first extraordinary meeting, the Parties had requested the Technology and Economic Assessment Panel to submit a report to the Open-ended Working Group at its twenty-sixth session on the possible need for methyl bromide critical uses over the coming years, based on a review of the management strategies submitted by Parties pursuant to that decision. The Panel's report was available in pages 159–164 of its May 2006 progress report and pages 20–22 of its September 2006 final report.

81. During the ensuing discussion, one representative noted that the national management strategies for the period 2008–2010 that had been submitted by countries had generally forecast no reduction in methyl bromide consumption. In that respect they were inaccurate because they failed to make allowance for reduced consumption brought about by the adoption of alternatives; Parties should therefore be asked to submit realistic projections.

82. In response, one representative said that it was very hard to predict when alternatives would become available and that his Government's estimates of future usage had therefore been cautious and assumed little reduction in consumption. He agreed, however, that it was very likely that the reductions would exceed those predicted. Another said that it had based its projections on existing trends, including rates of adoption of alternatives to methyl bromide and enactment of new regulatory systems, in an attempt to generate accurate forecasts.

83. The preparatory segment agreed that the matter could be addressed further in the contact group established under agenda item 8 (a) to consider critical-use exemptions for methyl bromide.

C. Quarantine and pre-shipment matters

84. Introducing the item, the Co-Chair reminded the meeting that decision XVI/10 had called on the Technology and Economic Assessment Panel to establish a task force to evaluate data submitted by the Parties on the use of methyl bromide for quarantine and pre-shipment purposes, in an effort to establish global use patterns and delineate the quantity of commodity-specific methyl bromide use that could be replaced by technically and economically feasible alternatives and procedures. In addition, decision XVII/19 had called on the task force to evaluate and report on the long-term effectiveness of soil applications of methyl bromide to control quarantine pests on living plant material.

85. The Panel had reported at the twenty-sixth meeting of the Open-ended Working Group on the quantities of methyl bromide used in various applications the areas where it was used and the difficulties involved with the commercialization and widespread use of alternatives, particularly for quarantine applications. The Co-Chair then invited the European Community to introduce the draft decision it had prepared further to the Panel's report.

86. The representative of the European Community observed that the continuing and increasing use of methyl bromide for quarantine and pre-shipment applications should be regarded as one of the key challenges for the future of the Protocol. The Community's draft decision was designed to request experts from the Panel and from the International Plant Protection Convention (IPPC) to work together to identify common concepts and differences, opportunities and constraints with respect to policies and measures to support the development and implementation of alternatives and guidance to Parties on how to minimize emissions where alternatives were not available. The draft decision requested the Panel to report on the results of its work at the twenty-seventh meeting of the Open-ended Working Group, in 2007.

87. Representatives agreed with the European Community that the issue was important and challenging and some expressed their full support for the draft decision. One representative said that the issue should be resolved together with other exemptions for methyl bromide use, such as those for laboratory and analytical uses. Some representatives said they were concerned about the broad nature of the cooperation with IPPC envisaged in the draft decision and felt that it might be more practical to focus cooperative efforts more closely, for example with the existing IPPC working group on alternatives to methyl bromide. Other representatives wondered whether the timetable set out in the decision would be feasible, given the need to engage in dialogue with IPPC before beginning the technical work.

88. The representative of an environmental non-governmental organization said that his organization fully supported the draft decision, noting that the rapidly increasing use of methyl bromide for quarantine and pre-shipment applications and the lack of precise data on such uses was a matter of great concern.

89. The preparatory segment agreed to establish a contact group to consider the issue further. The chair of the contact group subsequently reported that the group had been able to reach consensus on a draft decision, which the preparatory segment then agreed to forward to the high-level segment for approval.

D. Multi-year exemptions for methyl bromide use

90. The Co-Chair recalled that the issue of agreeing criteria for the approval of multi-year critical-use exemptions for methyl bromide had been discussed in previous years. It had been tabled for discussion by the Seventeenth Meeting of the Parties but due to the crowded agenda for that meeting discussion had been postponed until the current meeting.

91. The representative of the United States introduced his country's proposal on the issue, outlining the advantages of multi-year exemptions, which he said included the provision of greater certainty to producers of methyl bromide and alternatives and a reduction in the work load of the various bodies of the Protocol.

92. One representative observed that the proposal had merit, particularly for some specific uses of methyl bromide, and might save Parties' time by not forcing them to reconsider the same exemption year after year when no alternatives were available.

93. Other representatives believed that the time was not yet right to consider the proposal. Granting multi-year exemptions would send the wrong signal at a time when the Parties should be doing their

best to progress towards complete phase-out of methyl bromide and would reduce the flexibility needed to respond to new developments.

94. The preparatory segment agreed to suspend discussion of the issue at the current meeting and to place it on the agenda of the twenty-seventh meeting of the Open-ended Working Group.

E. Options that Parties may consider for preventing potential harmful trade in methyl bromide stocks to Article 5 Parties as consumption is reduced in non-Article 5 Parties

95. The preparatory segment had before it the May 2006 progress report of the Technology and Economic Assessment Panel (pages 124–125) and a note by the Secretariat on issues for the attention of the Meeting of the Parties (UNEP/OzL.Pro/18/2, ch. I, section F.5).

96. The Co-Chair recalled decision Ex.1/4, taken at the first Extraordinary Meeting of the Parties, in which the Technology and Economic Assessment Panel was asked to consider measures that might be useful for preventing potential harmful trade of methyl bromide stocks to Article 5 Parties as consumption was reduced in non-Article 5 Parties. At the Open-ended Working Group the Parties had taken note of the Panel's work but had not proposed any action.

97. The preparatory segment acknowledged the importance of the issue but decided that more time was needed to develop a draft decision. It was therefore agreed that the matter would be discussed again at the next meeting of the Open-ended Working Group.

F. Laboratory and analytical uses of methyl bromide

98. The preparatory segment had before it the May 2006 progress report of the Technology and Economic Assessment Panel (pages 69–73) and a draft decision proposed by Norway on laboratory and analytical critical uses of methyl bromide (UNEP/OzL.Pro.18/3/Add.2).

99. Introducing the item, the co-Chair recalled that the Parties in decision XVII/10 had authorized a laboratory and analytical critical-use exemption for methyl bromide until 31 December 2006 for the same categories of use and using the same criteria as applied to laboratory and analytical uses of other ozone-depleting substances. In its review of the issue, as called for in the decision, the Technology and Economic Assessment Panel had found that the existing criteria, particularly those that limited the size and quality of the chemical, imposed increased cost and thereby limited use and that the small quantities of methyl bromide used for known laboratory and analytical purposes could be accommodated within the existing laboratory and analytical use criteria. It concluded that the Parties might therefore wish to consider whether the existing criteria and categories should be retained for a methyl bromide critical laboratory and analytical use exemption.

100. Introducing the draft decision on the issue, the representative of Norway drew attention to the results of the work undertaken by the Chemical Technical Options Committee and the Methyl Bromide Technical Options Committee, included in the Panel's May 2006 progress report (69–71). Taking into account conditions specified in decisions taken by previous Meetings of the Parties, the committees were not in favour of classifying field trials as laboratory and analytical critical uses. The committees had concluded that non-ozone-depleting alternatives to methyl bromide were available for a number of laboratory uses and that some laboratory and analytical critical uses might be exempted as quarantine and pre-shipment applications or feedstock uses. In summary, she said that the findings of the committees indicated that the laboratory and analytical critical uses prescribed in her proposed decision could be extended beyond 31 December 2006.

101. Several representatives expressed support for the draft decision but sought clarification of certain issues, including whether it adequately covered the categories listed in the Panel's progress report. It was agreed that informal discussions would take place among interested Parties to arrive at a revised draft decision.

102. Following those discussions, the representative of Norway reported to the preparatory segment that additional categories for permissible laboratory and analytical uses of methyl bromide had been included in the draft decision to address the concerns of certain Parties. The preparatory segment then agreed to forward the draft decision to the high-level segment for approval.

IX. Difficulties faced by some Article 5 Parties manufacturing metered-dose inhalers which use chlorofluorocarbons

103. Introducing the item, the Co-Chair recalled that with its decision XVII/14, the Meeting of the Parties had called on Parties to consider a possible decision that would address the situation of Article 5 Parties that were facing challenges in their efforts to phase out the use of CFCs in metered-dose inhalers. The Executive Committee of the Multilateral Fund had subsequently considered options for dealing with cases of non-compliance arising from the use of CFC-based metered-dose inhalers, including regional workshops to create awareness and educate stakeholders on the use of alternatives. On the basis of the Executive Committee's preliminary work, the Open-ended Working Group had produced a draft decision on the issue at its twenty-sixth meeting for submission to the Parties at their current meeting (UNEP/OzL.Pro.18/3, ch. I, section F). The Executive Committee had subsequently asked two Parties which currently produced CFC-based inhalers to take specific steps to avoid falling into non-compliance with their obligations under the Protocol.

104. During the ensuing discussion, several Parties said that many patients in developing countries depended on CFC-based products, which were often much cheaper than non-CFC alternatives. Moreover, converting production facilities to manufacture non-CFC alternatives was very costly for producers and took some years to achieve. One representative said that it was not surprising that developing countries were struggling to shift to non-CFC alternatives, since even developed countries had lacked the technology until the late 1990s. Some Parties said that they faced non-compliance as a result of such considerations and stressed the need for financial support from the Multilateral Fund and elsewhere for companies in developing countries that were seeking to convert to non-CFC products. While agreeing that there were significant obstacles to the adoption of CFC-free production in developing countries, one representative noted that the technology was available and that there was a need for closer cooperation to ensure its transfer. He also cautioned against deferring consideration of the non-compliance of Parties that were heavily reliant on CFC-based metered-dose inhalers, affirming that the key issue was ensuring that such Parties were helped to meet their obligations.

105. The preparatory segment agreed to set up a contact group, to be chaired by Mr. Agustín Sanchez (Mexico), to consider the matter further.

106. Following the contact group's deliberations, Mr. Sanchez announced that it had agreed on a draft decision on the item. The preparatory segment agreed to forward the draft decision to the high-level segment for approval.

X. Treatment of stockpiled ozone-depleting substances relative to compliance

107. Introducing the item, the Co-Chair recalled that in 2005 the Implementation Committee had discussed situations in which Parties had stockpiled ozone-depleting substances, taking as its starting point an analysis prepared by the Secretariat (UNEP/OzL.Pro.18/7, annex). The Open-ended Working Group had discussed the matter at its meeting in July 2006 and established a subgroup to consider it further. At the invitation of the Co-Chair, the chair of the subgroup provided a brief summary of the group's work, noting that it had identified potential solutions to the three issues that created potential non-compliance problems, which he suggested could form the basis for contact group discussions at the current meeting.

108. During the ensuing discussion, several representatives observed that the issue was important; one of them expressed his country's intention to draft a decision on the matter that would provide for the establishment of a simple approach to monitoring stockpiling based on national earmarking of stockpiled substances under the supervision of the Implementation Committee. The preparatory segment agreed to form a contact group, to be chaired by Mr. Maas Goote (Netherlands), to consider the matter further.

109. Following discussions in the contact group, Mr. Goote presented a draft decision. It was designed to focus on the scenarios identified by the Implementation Committee and requested the Secretariat to collect information on cases of stockpiling which fitted the scenarios so that the scale of the issue could be assessed and the matter discussed once again, in the light of that information, at the twenty-first meeting of the Parties, in 2009. Some Parties had expressed concern in the contact group that there might be other cases of stockpiling not covered by the scenarios listed in the draft decision, so

a paragraph had been added to provide that any such new scenarios would be addressed by the Implementation Committee under its existing mandate.

110. Following Mr. Goote's presentation, the preparatory segment agreed to forward the draft decision to the high-level segment for approval.

XI. Feasibility study on developing a system for monitoring the transboundary movement of ozone-depleting substances between the Parties

111. The Co-Chair introduced the item, explaining that decision XVII/16 had included the terms of reference for a study on developing a system for monitoring the transboundary movement of controlled ozone-depleting substances between the Parties. The Secretariat had commissioned consultants from Chatham House (Royal Institute of International Affairs) and the Environmental Investigation Agency to prepare the study.

112. The consultants gave a brief summary of the report on the study, which was available in full on the Secretariat's website and in summary in document UNEP/OzL.Pro.18/6. They explained that the study had been developed largely through a series of in-depth interviews with government officials and industry personnel. They highlighted the significance of illegal trade, currently estimated at between 7,000 and 14,000 metric tonnes of CFCs a year. They outlined the problems that could arise in the systems developed under the Protocol for tracking international trade, including problems with accurate data reporting and difficulties in identifying substances through labels or customs codes. National import and export licensing systems, the key instruments used by Parties for tracking transboundary trade, sometimes suffered from weaknesses in design and implementation and did not always adequately regulate transit trade. They drew a series of lessons for the Protocol from other international agreements and systems and concluded by presenting three packages of options, which could be implemented in the very short, medium and long term and with correspondingly rising levels of costs.

113. All representatives who took the floor congratulated the consultants and the Secretariat for producing an excellent and useful report. Several took the opportunity to summarize actions that they had taken in their own countries to tackle illegal trade, including strengthening import controls, registering importing and exporting companies, improving customs capacity, training and detection equipment, cooperation with other countries, particularly neighbouring countries, and increasing penalties for illegal trade. Other representatives highlighted specific problems, including insufficient information from exporting countries, sometimes misleading information from exporting companies and a lack of institutional capacity to track transboundary movements.

114. Several representatives expressed the view that all the options described in the report were feasible and should be implemented. Others agreed with the report's observation that many of its options were activities which Parties should already be implementing in accordance with their existing obligations under Article 4B of the Protocol, on licensing systems, and in accordance with several decisions of meetings of the Parties. Some representatives stated their preference for tackling illegal trade through full implementation of the existing provisions of the Protocol rather than the adoption of new ones, as the report suggested for long-term options.

115. One representative said that the report had given inadequate consideration to the question of capacity-building, particularly for customs authorities in the smaller developing countries, suggesting that there was a clear need to share information between all stakeholders from all relevant government departments. Another representative drew attention to the need to analyse market prices for ozone-depleting substances and their substitutes.

116. The representative of the European Community observed that, while the report contained many important recommendations, it had been received only recently. The Parties therefore needed more time to consider its options, particularly the medium- and long-term proposals and their associated costs. He announced that he had submitted a draft decision designed to encourage Parties to implement their existing obligations as soon as possible and to allow Parties until 31 March 2007 to submit written comments on the other options set out in the report and any others they might wish to propose, which could then be discussed at the twenty-seventh meeting of the Open-ended Working Group and the Nineteenth Meeting of the Parties in 2007.

117. The preparatory segment decided to defer further consideration of the item until the European Community's draft decision had been circulated.

118. Following circulation of the draft decision and consultations among the Parties, the representative of the European Community introduced a revised draft. It included additional text encouraging Parties to make use of existing tracking systems under other multilateral environmental agreements, requesting the Secretariat to assess the suitability for tracking of specified databases and encouraging the Compliance Assistance Programme of UNEP to continue its efforts in customs and ozone officer training.

119. One representative suggested that further text should be added encouraging non-Article 5 Parties to share their experience in tracking chemicals under other multilateral environmental agreements with Article 5 Parties. The Co-Chair suggested that further consultations should be undertaken on the draft decision.

120. Following those consultations, the representative of the European Community reported that consensus had been reached on a modified draft decision. Language had been incorporated encouraging non-Article 5 Parties to share their experience in tracking chemicals with Article 5 Parties and also to request Parties with experience in using trade databases to inform the Secretariat of their suitability and cost. The preparatory segment agreed to forward the draft decision to the high-level segment for approval.

XII. Guidelines for disclosure of interests for groups such as the Technology and Economic Assessment Panel and its technical options committees

121. The Meeting had before it a note by the Secretariat on issues for the attention of the Meeting of the Parties, which included a section on guidelines for disclosure of interests for members of such groups as the Technology and Economic Assessment Panel and its technical options committees (UNEP/OzL.Pro.18/2, ch. I, section J); a revised proposal submitted by Canada on the guidelines (UNEP/OzL.Pro.18/3/Add/3); and the May 2006 progress report of the Technology and Economic Assessment Panel (pages 229–230).

122. Introducing the item, the co-Chair recalled that, at the Seventeenth Meeting of the Parties, Canada had put forward a specific proposal for guidelines for disclosure of interests and that, owing to lack of time at that meeting, the Parties had agreed to refer the matter to the current Meeting. Following discussion of the proposal at the meeting of the Open-Ended Working Group in July 2006 and further comments from Parties, Canada was submitting a revised proposal for consideration at the current meeting.

123. The preparatory segment agreed to set up a contact group, to be chaired by Mr. Paul Krajnik (Austria), to discuss the proposal further.

124. Following the group's deliberations, Mr. Krajnik reported to the preparatory segment that despite a comprehensive exchange of views, the group had been unable to reach consensus on the issue. He suggested, however, that participants in the group could continue bilateral discussions during the current meeting. The preparatory segment therefore agreed that such discussions should take place.

125. At a later stage in the meeting, Mr Krajnik reported that he was pleased to announce that further discussions had been fruitful and had resulted in a draft decision. The preparatory segment agreed to forward the draft decision to the high-level segment for approval.

XIII. Key challenges to be faced by the Parties in protecting the ozone layer over the next decade

126. The Meeting had before it document UNEP/OzL.Pro.18/3, section H of which dealt with key challenges to be faced by the Parties in protecting the ozone layer over the next decade, and submissions from several Parties regarding those challenges (UNEP/OzL.Pro.18/INF/5).

127. Introducing the item, the Co-Chair reminded the Parties that the Open-ended Working Group at its twenty-sixth meeting had discussed a proposal by Canada to initiate discussions on questions and issues relevant to ensuring the future success of the Montreal Protocol and its institutions. Parties had been requested to submit to the Secretariat any additional questions and issues. Both the initial proposal and the submissions were before the current meeting.

128. The representative of Canada said that the proposal had been structured as an open list of overarching and specific questions that Parties might consider as they faced the short-, medium-, and long-term challenges related to protecting the ozone layer. He suggested that the way forward might be for Parties to undertake further discussion to identify, categorize and prioritize such questions and issues as a basis for the development of a strategy document for consideration at the next meeting of the Parties.

129. The initiative received broad support, and several representatives agreed that the Parties at the current meeting should discuss the key issues and take a decision on the process by which they would be addressed. Many representatives drew attention to the achievements of the Montreal Protocol during the two decades of its existence. One representative said a major factor in that success had been the availability of technology and its transfer, facilitated by the Multilateral Fund and other instruments of the Protocol. That very success, however, raised further questions related to the future work of the Protocol and the replenishment of the Multilateral Fund to support such work. Another representative observed that a major challenge lay in achieving a balance between educating the public in the successes of the Protocol while maintaining public interest in and support for the work that still remained to be done.

130. Several Parties recognized that the dynamic nature of current events required institutional change, for example in the roles of the advisory bodies and the frequency of their meetings and in the reallocation of resources to reflect the continuing needs of Article 5 Parties. Further flexibility was needed to adapt to the widening environmental agenda represented by a range of multilateral environmental agreements, funds and implementing agencies. At the same time, the Protocol needed to avoid the mistakes made by other multilateral environment agreements by maintaining its focus on action and simplicity.

131. Other issues identified by the Meeting as requiring further discussion included the phase-out of HCFCs and other ozone-depleting substances still being produced and consumed; illegal trade; compliance; monitoring and regulation; replacement technologies; continuing support and capacity-building for developing countries; and maintaining awareness of the possibility that new ozone-depleting substances might be identified in future.

132. Regarding the way forward various suggestions were made, including a workshop and an intersessional working group. One representative suggested a two-day seminar held back-to-back with the next meeting of the Open-ended Working Group and outlined how such a seminar might be structured.

133. The preparatory segment agreed to establish an informal contact group, to be chaired by Mr. Phillipe Chemouny (Canada) and Ms. Marcia Levaggi (Argentina), to consider further the issues raised.

134. At a later stage in the meeting, Ms Levaggi reported on the conclusions of the contact group, which had agreed on a draft decision. The group had decided to recommend the organization of a two-day open-ended dialogue, to be held immediately preceding the twenty-seventh meeting of the Open-ended Working Group; a draft agenda for the dialogue was annexed to the draft decision. All Parties were encouraged to submit suggestions for topics to be taken up during the dialogue and the Secretariat was requested to prepare a background document, including information on the achievements of the Protocol to date, background for the discussions on the agenda and a compilation of Parties' submissions. A summary of the discussions and the key issues arising from the dialogue would be reported at the twenty-seventh meeting of the Open-ended Working Group. The preparatory segment agreed to forward the draft decision to the high-level segment for approval.

XIV. Compliance and data reporting issues considered by the Implementation Committee

135. The Co-Chair invited Mr Mikheil Tushishvili (Georgia), President of the Implementation Committee, to present a summary of the report of the thirty-seventh meeting of the Committee and the major issues that the Committee had considered. The full text of the report was before the Meeting in document UNEP/OzL.Pro/ImpCom/37/7, together with its accompanying draft decisions.

136. The President of the Committee explained the stages of the non-compliance procedure overseen by the Committee. For the first stage, data reporting, Parties' performance was impressive: all Parties had reported base-year data, only one still had to report baseline data and only nine (5 per cent) still had to report annual data for 2005. The Committee was recommending acceptance of Mexico's

request to change its baseline data for carbon tetrachloride, having judged that the request met all the criteria set out in decision XV/19.

137. The next stage of the Committee's work was to identify deviations from the control schedules. Bangladesh had been the first Party for ten years to use self-nomination to trigger the non-compliance procedure and had notified the Secretariat that it might fall into non-compliance in the years 2007 to 2009 due to difficulties in phasing out CFCs used in the manufacture of metered-dose inhalers. The Committee intended to return to the issue in the following year in the light of further information from Bangladesh and the discussion at the current meeting on the difficulties faced by some Article 5 Parties in phasing out the manufacture of CFC-based metered-dose inhalers.

138. When deviations in a Party's data revealed non-compliance with the control schedules of the Protocol, the Committee requested a plan of action for returning the Party to compliance as soon as possible. The bulk of the draft decisions presented by the Committee to the Meeting of the Parties included requests for such plans of action and approval of those that had been submitted. Much of the work of the Committee consisted in monitoring the implementation of such plans of action and in that regard the President noted that it was rare for Parties not to adhere to them.

139. He drew the attention of the Meeting to the draft decision on licensing systems, which was different from the standard decision the Committee had forwarded to previous meetings of the Parties. As well as recording the number of Parties which had ratified the Montreal Amendment and established licensing systems, the draft decision noted that a failure to establish licensing systems by Parties that had ratified the Amendment put them in a state of non-compliance with their obligations and could make them subject to the non-compliance procedure. Implementation of effective licensing systems was a vital tool both for tackling illegal trade and for monitoring compliance, and the Committee wished to encourage all Parties to introduce and operate such systems effectively.

140. The Committee had also discussed improvements in its own procedures, including the publication of a comprehensive primer on the non-compliance procedure and a set of standardized recommendations, both of which would soon be available on the Secretariat's website. The Committee had held a brief discussion on challenges to the procedure, including the problem of late submission of data and information to the Committee, and planned to return to the topic next year.

141. The President drew the Meeting's attention to one item which had been discussed at the thirty-sixth meeting of the Committee, in July, that of the reporting, presentation and review of data in respect of de minimis quantities of ozone-depleting substances relative to compliance. The problem had arisen because the Secretariat and Parties had adopted different approaches at different times to rounding figures when reporting, reviewing and presenting data. Rounded data could disguise a small level of non-compliance or, conversely, could put a Party into apparent non-compliance when more precise figures might reveal that it was in fact within the control limits.

142. The Committee had discussed the options prepared by the Secretariat in document UNEP/OzL.Pro.18/INF/7 and decided to recommend the "combination approach", which included retaining the current practice of allowing each Party individually to determine the level of precision with which it would report data. It also invited the Meeting of the Parties to decide whether it wished to set a de minimis level. If a Party's deviation from the Protocol's consumption or production control limits was below the de minimis level, the Implementation Committee would defer consideration of its compliance status for one or more years. Finally, it invited the Meeting of the Parties to decide on a standardized number of decimal places for the presentation and review of data relative to compliance.

143. In conclusion, the President expressed his thanks to his colleagues on the Committee, the Ozone Secretariat, the Executive Committee and secretariat of the Multilateral Fund, the implementing agencies and all the Parties which had attended the Committee's meeting. He observed that in the non-compliance procedure of the Montreal Protocol the Parties had a flexible and sophisticated system with fifteen years of experience behind it and a good record of success. The year 2007 would bring new challenges, including monitoring of compliance with new control limits for Article 5 Parties and the timing of the Nineteenth Meeting of the Parties, which fell before the 30 September deadline for data reporting. He encouraged all the Parties to support the Committee's efforts to maintain the integrity of the Montreal Protocol by continuing their excellent record of reporting data early.

144. Representatives of all Parties which took the floor, including some which had interacted directly with the Committee, expressed their appreciation for the hard work and dedication of the President and members of the Implementation Committee. Noting that the draft decision on the United Republic of Tanzania was being withdrawn because the Party had submitted corrected data showing it

to be in compliance, the Meeting agreed to forward all the other draft decisions to the high-level segment for approval.

145. On the issue of de minimis quantities, the representative of Finland, on behalf of the European Union, stated that he believed that Parties needed more time to consider and respond to the Secretariat's detailed background paper. His delegation had accordingly tabled a draft decision designed to defer discussion to the twenty-seventh meeting of the Open-ended Working Group, and invite Parties to submit responses to the document.

146. Another Party observed, however, that the problem had only arisen because in 2005 the Secretariat had changed its normal practice of reporting data to one decimal place and had started reporting it to three decimal places. He believed that that should not have been done in the absence of an explicit instruction from the Parties, particularly as its impact had been to change the potential compliance status of at least one Party. A change to three decimal places might require extensive revisions of national regulations and programmes. He believed that no decision was needed, and that the Meeting should simply agree to instruct the Secretariat to return to its previous practice of reporting data to one decimal place.

147. Other Parties agreed, observing that the Protocol itself was silent on the issue. Reporting data to one decimal place was a reasonable standard given the uncertainty inherent in some of the data, for example for imports. In the light of the discussion, the representative of Finland, on behalf of the European Union, withdrew his draft decision and accepted the view that the Secretariat should revert to reporting and reviewing data to one decimal place only. The representative of the Secretariat stated that the Ozone Secretariat appreciated the input and guidance from the Meeting.

XV. Proposal by Canada for adjustment of the Montreal Protocol

148. The preparatory segment had before it a proposed adjustment of the Montreal Protocol to advance the phase-out of the production of CFCs by non-Article 5 Parties to meet the basic domestic needs of Article 5 Parties (UNEP/OzL.Pro.18/3, chapter II) and a note by the Secretariat on issues for the attention of the Meeting of the Parties (UNEP/OzL.Pro.18/2).

149. Introducing the item, the co-Chair said that a contact group had been set up at the twenty-sixth meeting of the Open-Ended Working Group to discuss the proposal. Canada had agreed to obtain further information on the issue as it related to the basic domestic needs of Article 5 Parties for CFCs for metered-dose inhalers and to make changes to the proposal to reflect those comments and address certain administrative issues.

150. The preparatory segment agreed that the contact group established by the Open-ended Working Group would continue its discussion of the issue at the current meeting in the light of the new information provided by Canada and would be chaired by Ms. Laura Beron (Argentina).

151. Ms. Beron subsequently reported on the deliberations of the contact group, which had met on several occasions. The group had recognized that while it would be possible to reduce production for basic domestic needs further, it was important to ensure an adequate supply of pharmaceutical-grade CFCs for metered-dose inhalers.

152. Following its deliberations, the group was not able to recommend that the adjustment proposed by Canada be forwarded to the high-level segment, and agreed instead to note that paragraph 3 of decision XVII/12 urged non-Article 5 Parties to ensure an accelerated phase-out of their production for basic domestic needs. It also agreed to note that through voluntary initiatives, total annual production of CFCs to meet the basic domestic needs of Article 5 Parties were estimated to be approximately 2,000 ODP-tonnes in 2007 and 1,500 ODP-tonnes in 2008 and in 2009. The preparatory segment took note of the group's report.

XVI. Other matters

A. n-propyl bromide

153. Introducing a draft decision proposed by her Party, the representative of the European Community recalled that n-propyl bromide had been identified as an ozone-depleting chemical but was not controlled by the Montreal Protocol. Following the latest report of the Scientific Assessment Panel, the Parties needed more information on the chemical's ozone-depleting potential and its production, uses and emissions. The draft decision accordingly requested the Technology and Economic

Assessment Panel to continue its assessment of n-propyl bromide, paying particular regard to the issues she had just listed, and to report on the issue at the twenty-seventh meeting of the Open-ended Working Group.

154. Following suggestions for minor textual changes to the draft decision, it was agreed that interested Parties would produce a revised draft for further consideration at the current meeting. The revised draft decision was subsequently presented to the preparatory segment, which agreed to forward it to the high-level segment for approval.

B. Collaboration with the International Civil Aviation Organization

155. The representative of the United States recalled the excellent work which the Halons Technical Options Committee had carried out with the International Civil Aviation Organization (ICAO). She requested the Ozone Secretariat to facilitate further such collaboration by working together with the ICAO secretariat. The provisions of decision XV/11, which had authorized representatives of the Ozone Secretariat and the Technology and Economic Assessment Panel to engage in discussions with the relevant ICAO bodies, were still relevant.

156. The preparatory segment took note of the intervention and agreed to consider the issue at a future date.

C. Beijing Olympics

157. The representative of China introduced the observer from the Beijing Organizing Committee for the Games of the XXIX Olympiad, who explained the steps the Committee was taking to ensure that the Games, to be held between 8 and 24 August 2008, would be a green Olympics. The Committee had worked in close collaboration with the Chinese State Environmental Protection Administration and the UNEP Division of Technology, Industry and Economics to ensure that ozone protection was built into all its activities. Those included setting guidelines to exclude the use of CFCs or halons in all construction, accommodation and catering associated with the Games and extending the same principles to procurement contracts covering, for example, air-conditioning and refrigeration equipment. Potential sponsors' performance with regard to ozone protection was being taken into account when sponsorship was selected. The effect of these initiatives included the widespread use of ozone-depleting substance-free refrigerants in cooling systems associated with the Games.

158. The Committee was also engaging in public education and awareness-raising activities and was promoting the objective of ozone protection through the website www.beijing2008.com/environment and through leaflets, which were available at the current meeting. In recognition of its efforts, the Committee had recently been awarded a special prize by the State Environmental Protection Administration. She invited all representatives to come to Beijing in 2008 and participate in an ozone-friendly Olympics.

D. Greenpeace report on SolarChill project

159. The representative of Greenpeace reported to the Meeting on the SolarChill project. A partnership between seven organizations – UNEP, the World Health Organization, the United Nations Children's Fund, GTZ Proklima, the Danish Technological Institute, Programmes for Appropriate Technologies in Health and Greenpeace – had developed a solar-chilled vaccine cooler, which aimed to provide environmentally sustainable solar-powered vaccine and food refrigeration to regions of the world with inadequate or no electricity supply, thus saving valuable vaccine from spoiling due to lack of a proper cold chain. The cooler used hydrocarbon technology to store solar energy in ice, doing away with the need for batteries, and was cost effective. The project had recently won the Cooling Industry Award in the environmental pioneer refrigeration category. He announced that the President of India, Mr A.P.J. Abdul Kalam, had that day bought two vaccine coolers for his house in Delhi, thus becoming the first person in the world to purchase the technology.

Part two: High-level segment

I. Opening of the high-level segment

160. The high-level segment of the Eighteenth Meeting of the Parties was held on 2 and 3 November 2006 and was opened at 10.20 a.m. on Thursday, 2 November, by Mr. Manmohan Singh, Prime Minister of India.

161. Opening statements were made by Mr. Singh; Mr. Thiru A. Raja, Minister for the Environment and Forests of India; Mr. Shafqat Kakakhel, Deputy Executive Director of the United Nations Environment Programme (UNEP), who spoke on behalf of Mr. Achim Steiner, the Executive Director of UNEP; and Mr. Elias Mulungula, President of the Bureau of the Eighteenth Meeting of the Parties to the Montreal Protocol.

A. Welcome by representatives of the Government of India

162. Welcoming all to his country, Mr. Singh recalled Indira Gandhi's famous remark that poverty was the worst form of pollution, which he said had launched a global debate on the relationship between poverty alleviation, economic growth and environmental conservation that had led to the global recognition of the need to liberate people from poverty while protecting the world's common natural heritage. With that in mind, India had ratified many environmental instruments since 1972 and participated in numerous regional cooperation and bilateral aid programmes. Domestically, India's sustainable development regime had succeeded in reversing the deterioration in the key environmental measures at a far lower level of per capita earnings than was normally the case.

163. Recounting the history of the global ozone layer protection regime, he noted that India had met all its obligations under the Protocol and other multilateral environmental agreements, sometimes ahead of schedule. The Protocol's success, he said, rested on a strong scientific consensus; clarity about responsibility for the problem; the availability of reasonably priced mitigation technologies; the introduction through the London Amendment of identical per capita entitlements for both developing and developed countries; and financial arrangements to cover the incremental costs of developing countries in line with the principle of common but differentiated responsibilities. Still there was room for improvement. Further capacity-building for developing countries was needed, as was more intensive technology transfer, in particular to enable such countries to produce capital equipment. There were also pitfalls to avoid, such as the use of trade restrictions to compel compliance, which was undesirable since it could adversely affect economic growth and poverty alleviation; a better approach was to provide the necessary resources, delivered through well-tested mechanisms, above and beyond those earmarked for poverty alleviation.

164. Concluding, he said that if India could eliminate poverty within an open, democratic society that protected human rights, the rule of law and the environment, it would represent a new path to sustainable development. It would be necessary, however, for economics, globalization, society and politics to become more inclusive. In view of the Protocol's great global importance, he urged the Parties to seek a consensual means of addressing the world's shared concerns.

165. Mr. Raja warmly welcomed the meeting participants to New Delhi. He noted that the Montreal Protocol was at an advanced stage of compliance, with most ozone-depleting substances set to be phased out by 2010, and reviewed some of the activities taken by India to implement its provisions. He praised the Protocol as the first agreement by which developed and developing countries had taken proactive steps to undertake binding commitments on the basis of common but differentiated capabilities and responsibilities and said that its implementation offered important lessons on how to address other challenging global environmental issues. The decisions to be considered by the Parties were significant and potentially contentious, given that they had both environmental and economic implications, but he expressed confidence that the spirit of cooperation that had always prevailed in the Meeting of the Parties would ensure a successful outcome.

166. Mr. Namo Narain Meena, Minister of State for the Environment and Forests of India, took the floor to give a vote of thanks to all those who had contributed to making the Eighteenth Meeting of the Parties possible.

B. Statement by the Executive Director of the United Nations Environment Programme

167. Mr. Kakakhel, on behalf of Mr. Achim Steiner, Executive Director of UNEP, thanked the Prime Minister of India and his Government for their warm hospitality. He said that the Montreal Protocol was a shining example of global solidarity and the application of the principle of common but differentiated responsibility and an admirable instance of science and technology facilitating and guiding actions for addressing a vital issue for human survival. The Protocol's success had been facilitated by the work of its assessment panels and the funding provided by the Multilateral Fund and other funding mechanisms, as well as industry's ability to devise affordable alternatives to ozone-depleting substances. The fulfillment of the Protocol's goals, however, required persistent and resolute efforts by the Parties and other actors to overcome the challenges ahead. Those challenges included the use of methyl bromide in quarantine and pre-shipment applications and the need for timely and full contributions to the ozone treaties' trust funds and for further regulatory and enforcement efforts to phase-out ozone-depleting substances. The latter would require capacity-building activities for developing countries and countries with economies in transition. Calling on the Parties to maintain their resolve to implement the Protocol fully, he wished them success in their deliberations.

C. Statement by the President of the Eighteenth Meeting of the Parties to the Montreal Protocol

168. Mr. Mulungula thanked the Indian Government for hosting the meeting and commended India's efforts to protect the environment and to implement the Montreal Protocol. He reported that Montenegro had very recently become the 191st Party to the Protocol, calling it an encouraging sign that universal membership might soon be achieved and an indication of the international community's commitment to protect the ozone layer. Congratulating all the Parties for their efforts to comply with their obligations under the Protocol, he called on them to maintain their determination until the task was completed.

II. Organizational matters

A. Election of officers for the Eighteenth Meeting of the Parties to the Montreal Protocol

169. At the opening session of the high-level segment, in accordance with paragraph 1 of rule 21 of the rules of procedure, the following officers were elected, by acclamation, to the Bureau of the Eighteenth Meeting of the Parties to the Montreal Protocol:

President:	Mr. Elias Mulungula (Democratic Republic of the Congo) (African group)
Vice-Presidents:	Mr. Faisal Saleh Hayat (Pakistan) (Asian and Pacific group)
	Mr. Evgeny Gorshkov (Russian Federation) (Eastern European group)
	Mr. Juan Filpo (Dominican Republic) (Latin American and Caribbean group)
Rapporteur:	Mr. Paul Krajnik (Austria) (Western European and others group)

B. Adoption of the agenda of the Eighteenth Meeting of the Parties to the Montreal Protocol

170. The following agenda for the high-level segment was adopted on the basis of the provisional agenda contained in document UNEP/OzL.Pro.18/1:

1. Opening of the high-level segment:
 - (a) Welcome by representatives of the Government of India;
 - (b) Statement by the Executive Director of the United Nations Environment Programme;
 - (c) Statement by the President of the Eighteenth Meeting of the Parties to the Montreal Protocol.
2. Organizational matters:
 - (a) Election of officers for the Eighteenth Meeting of the Parties to the Montreal Protocol;
 - (b) Adoption of the agenda of the Eighteenth Meeting of the Parties to the Montreal Protocol;
 - (c) Organization of work;
 - (d) Credentials of representatives.
3. Presentations by the assessment panels on their work on the 2002-2006 assessment reports.
4. Presentations on the work of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol, the Multilateral Fund secretariat and the Fund's implementing agencies.
5. Statements by heads of delegations.
6. Report of the Co-Chairs of the preparatory segment and consideration of the decisions recommended for adoption by the Eighteenth Meeting of the Parties to the Montreal Protocol.
7. Dates and venue for the Nineteenth Meeting of the Parties to the Montreal Protocol.
8. Other matters.
9. Adoption of decisions by the Eighteenth Meeting of the Parties to the Montreal Protocol.
10. Adoption of the report of the Eighteenth Meeting of the Parties to the Montreal Protocol.
11. Closure of the meeting.

171. The President clarified that unless delegations raised at the time of adoption of the agenda issues to be included under item 8, "Other matters", no such issues would be considered during the current meeting. No such issues were raised.

C. Organization of work

172. The Meeting of the Parties agreed to follow its customary procedures.

D. Credentials of representatives

173. The bureau of the Eighteenth Meeting of the Parties approved the credentials of the representatives of 88 of the 132 Parties represented at the Meeting. The bureau provisionally approved the representation of 2 of the 132 Parties on the understanding that they would forward their credentials to the Secretariat as soon as possible. The bureau urged all Parties attending future meetings of the Parties to make their best efforts to submit credentials to the Secretariat as required under rule 18 of the rules of procedure.

III. Presentations by the assessment panels on their work on the 2002–2006 assessment reports

A. Scientific Assessment Panel

174. Mr A. R. Ravishankara, Mr. A.L. Ajavon and Mr David Fahey, members of the Scientific Assessment Panel, outlined progress with and the main findings of the 2006 scientific assessment of ozone depletion. The work, which had begun in December 2004 after terms of reference had been agreed by the Meeting of the Parties, had involved a total of 308 scientists from 34 countries. An executive summary had been released in August 2006 and was available on the websites of UNEP and the World Meteorological Organization. The full publication would be available on those websites in January 2007 and in print in March 2007. As in previous years, an important part of the 2006 assessment would be a section entitled “Twenty Questions and Answers About the Ozone Layer”; aimed at the general public, educators, students and policy-makers, it would also be available separately.

175. The assessment confirmed that levels of ozone-depleting substances in the atmosphere had peaked in the early 1990s and were declining as expected in line with decreasing ozone-depleting substance production, proving that the Montreal Protocol was working. Future levels, however, were subject to some uncertainty over emissions from CFC banks, currently increasing production of HCFCs and atmospheric transport.

176. Global ozone depletion was currently at its peak level. Recovery to pre-1980 levels at mid-latitudes was expected by approximately 2049, five years later than had been estimated in the 2002 assessment, owing to better estimates of emissions from banks and a higher than anticipated production of HCFC-22. Uncertainties due to interactions with climate change meant that ozone levels might not return to pre-1980 levels even when concentrations of ozone-depleting substances did, or might mean that the ozone level would recover more quickly. The Antarctic ozone hole was expected to disappear by 2065. That was fifteen years later than had been estimated in the 2002 assessment and was due to a better understanding of atmospheric transport rather than to any failings of the Montreal Protocol.

177. Changes in levels of surface ultraviolet radiation followed changes in stratospheric ozone levels, but once again climate change was expected to have a significant impact, particularly through changes in cloudiness: ultraviolet levels might never return to pre-1980 levels or they might return more quickly than the ozone-depleting substances.

178. Responding to questions, the members of the Panel confirmed that changes in tropospheric ozone had been included in the assessment, as had the impact of gases emitted from geological activity. Ozone depletion in the Arctic, although significant, was less severe than in the Antarctic (there was no ozone “hole” in the Arctic) and also more variable and harder to predict accurately. Projections of future emissions from HCFCs covered a range of scenarios.

179. The net effect of climate change on ozone recovery was hard to predict because the interactions between ozone depletion and climate change were complex and had multiple effects. Increased concentrations of greenhouse gases cooled the stratosphere and thus changed ozone levels, some greenhouse gases also had direct impacts on ozone depletion, and most ozone-depleting substances were themselves greenhouse gases. Combined with the uncertainty over future atmospheric makeup, circulation and temperature, the ability to model future changes was not high.

B. Environmental Effects Assessment Panel

180. Ms Janet F. Bornman, co-chair of the Environmental Effects Assessment Panel, summarized the main findings of the 2006 environmental effects assessment, which included the impacts of higher levels of ultraviolet irradiation on human health, terrestrial and aquatic ecosystems, biogeochemical cycles, air quality and materials.

181. The assessment made it clear that higher levels of ultraviolet led to a rise in the incidence of cataracts and inflammatory growths of the cornea, skin cancer and immunosuppression. Eye damage could be exacerbated by climate change, which tended to lead to greater cloudiness and thus more scattered and reflected radiation; combined with the relaxation of the eyes under clouds, this could increase cataracts and sunburn of the eyes. Skin cancer rates were projected to double for fair-skinned populations between 2000 and 2015 and the incidence of melanoma was still rising in children.

Susceptibility appeared to be linked to gene variations. Immunosuppression was a key factor in skin cancer development and could also lead to viral reactivation and reduced vaccine effectiveness, which was important because some viruses were co-factors for certain skin cancers. On the other hand, ultraviolet radiation encouraged the production of vitamin D in the skin, which was thought to play a protective role against the development of several internal cancers and other diseases.

182. Increased levels of ultraviolet also had impacts on terrestrial ecosystems, including reduced plant growth, changes in the competitive balance between species, as some species were more sensitive to ultraviolet than others, and a reduced consumption of plant tissues by insects. Those impacts were also exacerbated by the higher temperatures, moisture levels and carbon dioxide concentrations consequent to climate change, as well as by the increased use of nitrogen in agriculture.

183. Aquatic ecosystems were similarly affected, with potential negative impacts on biomass productivity throughout the food web. The impacts on community structure could be more ecologically important than those on overall biomass. The amount of dissolved organic matter in water, which in turn influenced ultraviolet penetration, was also affected, with consequences for aquatic biogeochemical processes. Again there might be important interactions with climate change, including a reduced sink capacity for atmospheric carbon dioxide and an increase in natural emissions of methyl bromide from plants at higher temperatures.

184. Ultraviolet radiation also increased the production of ozone in the troposphere, though that was partly offset by reduced transport of ozone from the stratosphere to the troposphere. The rapid rise in emissions of HFC-134a and of perfluoropolyethers, the latter of which had been proposed as HCFC substitutes, could have major impacts on climate change. Finally, materials such as plastics and wood could be degraded by ultraviolet radiation; that could be offset by stabilizers and surface coatings, but those were often expensive.

C. Technology and Economic Assessment Panel

185. Mr. Kuijpers summarized the Panel's work during the past year. The 2006 assessment would be finalized by the end of 2006 and the three Panels would collaborate to produce a synthesis report in spring 2007.

186. Key findings of the assessment included the fact that CFC and halon consumption in 2005 was below 5 per cent of the baselines established in 1986. The phase-out of HCFCs in non-Article 5 Parties had been achieved in several sectors and regions but the growth of HCFC use in Article 5 Parties was still strong. Banks of both CFCs and halons were still substantial and banks of HCFCs were continuing to grow. For methyl bromide, the critical-use process was assisting in phase-out of methyl bromide but quarantine and pre-shipment uses were increasing; the Panel had accordingly established a task force to monitor and evaluate options for reducing consumption.

187. The Panel's task force on emissions discrepancies, established in response to decision XVII/19, had proceeded, with excellent cooperation from the Scientific Assessment Panel, in clarifying the source of the discrepancy between emissions determined from bottom-up methods and those derived from atmospheric measurements. There appeared to be three main contributors to the discrepancy: reporting gaps and a lack of use-pattern definitions in the data reported to the Secretariat; uncertainties in the variation of emission factors over time; and atmospheric removal rates. No single source was likely to account for the whole discrepancy.

188. Further to decision XV/11, the Halons Technical Options Committee had been working with the International Civil Aviation Organization on a plan of action to modify regulatory requirements mandating the use of halons in new airframes, but serious delays had occurred owing to the retirement of the ICAO contact person, which had disrupted the relationship between the committee and the organization. If that relationship could not be re-established, it might not be possible to influence the design of new airframe fire protection systems until the ICAO Assembly session in 2010. The Ozone Secretariat would accordingly attempt to renew its links to the organization.

189. Reorganization of the technical options committees was continuing in order to meet the requests of the Parties and the meeting was requested to confirm Mr Biao Jiang (China) as the Article 5 Co-Chair of the Chemicals Technical Options Committee. Nominations for experts were sought from under-represented regions, with the full details being available on the Secretariat's website. Mr Kuijpers concluded by observing that 2006 had been a particularly busy year for the Panel and its technical options committees, whose members together had devoted more than 4,000 person-days to their work on behalf of the Protocol.

IV. Presentations on the work of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol, the Multilateral Fund secretariat and the Fund's implementing agencies

A. Presentation by the Chair of the Executive Committee

190. Mr. Khaled Klaly, Chair of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol, delivered a presentation on the activities of the Executive Committee since the Seventeenth Meeting of the Parties in November 2005, summarizing the report contained in document UNEP/OzL.Pro.18/8. The Committee had held its forty-eighth and forty-ninth meetings in Montreal in April and July 2006. It had approved a total of 142 projects with a funding commitment of \$95.5 million, which, when implemented, would phase out 23,037 ODP-tonnes of ozone-depleting substance consumption and production.

191. He recalled that the Seventeenth Meeting of the Parties had agreed on a replenishment of the Multilateral Fund of \$470 million for the triennium 2006–2008. In programming resources for the period the Committee had prioritized assistance to Article 5 Parties to help them meet the 2007 compliance targets. The Committee pursued a vigorous programme of monitoring and evaluation to ensure that projects were effectively implemented and met their agreed targets, thereby fostering a climate of achievement among beneficiary countries and implementing agencies. An improved data collection system allowed for better monitoring of the current actual use of ozone-depleting substances and increased understanding of the problems being experienced by Article 5 Parties in complying with Protocol targets.

192. The Committee had requested the Fund secretariat to present a revised policy paper on CFC-based metered-dose inhalers to the Committee at its fifty-first meeting, taking into account any new information and the implications of any decisions made by the Parties at the current meeting. Most Article 5 Parties had written agreements for the complete phase-out of production of all ozone-depleting substances and the phase-out in consumption was steadily increasing as further reduction targets approached.

193. Despite those successes, he continued, a number of challenges remained. The issue of destruction of unwanted ozone-depleting substances continued to concern Article 5 Parties and the Committee had convened a meeting of experts to address the issue in March 2006. The Committee had also begun to look at the complex issue of how to address HCFCs but was dependent upon the willingness of Parties to move ahead and on the outcome of discussions on the future of the Protocol and its Multilateral Fund.

194. In conclusion, he said that much work remained to be done: over 38,000 ODP-tonnes of consumption and 40,000 ODP-tonnes of production remained to be phased out from projects and activities already approved and undergoing implementation. Nevertheless, the 15th year of the Multilateral Fund and the forthcoming fiftieth meeting of the Executive Committee were milestones to be celebrated and were a mark of the success of the Protocol's financial mechanism.

B. Presentation by the United Nations Development Programme

195. Ms. Suely Carvalho, Chief of the Montreal Protocol Unit/Chemicals, delivering an address on behalf of the United Nations Development Programme (UNDP), said that the Montreal Protocol was an excellent example of the achievements that could result from adoption of a partnership approach to sustainable environmental management. UNDP was committed to advancing the goals of the major environmental agreements, including the Protocol, and supported countries in reconciling global challenges with national priorities and translating multilateral agreements into action and, ultimately, meaningful change in the lives of people. With the backing of the Protocol's Multilateral Fund, UNDP had over the last 15 years operationalized programmes in 94 countries that had helped to phase out about 57,000 tons of ozone-depleting substances.

196. The Montreal Protocol, she continued, was central to the international development agenda and was particularly relevant to poor and marginalized groups, often the most vulnerable to environmental deterioration. The key challenges being faced by Parties as the Protocol approached its twentieth anniversary offered an opportunity to strengthen environmental protection and enhance partnership

through accelerated commitment to non-ozone-depleting, energy-efficient alternatives and enhanced synergy within the context of the global chemicals and climate agendas. Such an evolution of the Montreal Protocol would be aligned with the efforts under way to bring about a more cohesive United Nations development system. UNDP looked forward to responding to the changing needs of the Protocol and continuing to serve the interests of the Parties.

C. Presentation by the United Nations Environment Programme

197. Mr. Rajendra Shende, Head of the OzonAction Programme, UNEP Division of Technology, Industry and Economics, delivering an address on behalf of UNEP, outlined the assistance given by UNEP to help developing countries achieve their phase-out targets for ozone-depleting substances through its OzonAction and Compliance Assistance programmes. He drew attention to the high levels of compliance that had been achieved by the low-volume consuming countries. UNEP had had significant success in leveraging additional finance through working with bilateral agencies.

198. As well as working with the other implementing agencies UNEP had collaborated with a number of other international organizations to enhance the impact of activities under the Multilateral Fund, for example with the Food and Agriculture Organization of the United Nations on methyl bromide phase-out. UNEP had also used its leverage to form partnerships that had benefited the ozone layer, including the SolarChill project and the Green Customs initiative.

199. In conclusion, he said that UNEP OzonAction would assist countries in sustaining momentum and achieving compliance through mainstreaming policies on ozone-depleting substances in national environmental policies and institutionalizing them at the national and regional levels.

D. Presentation by the United Nations Industrial Development Organization

200. Mr. Sidi Menad Si Ahmed, Director of the Multilateral Environmental Agreements Branch, delivering an address on behalf of UNIDO, said that since its inception as an implementing agency in 1992, UNIDO had assisted 67 Article 5 Parties, with 885 projects completed and over 33,000 ODP-tonnes of ozone-depleting substances phased out. New projects were planned in the metered-dose inhaler, chiller and HCFC sectors in the near future.

201. Priority was being given, he continued, to countries in need of immediate assistance to achieve their consumption and production reduction obligations, particularly in 2005 and 2007. In the triennium 2006–2008 particular attention would be given to the implementation of already approved multi-year agreements; UNIDO was strengthening its field representation to assist with that process. In cooperation with UNEP, new terminal phase-out management plans were being prepared and Governments were being assisted to put in place legislation and other measures for the control of ozone-depleting substances.

E. Presentation by the World Bank

202. Mr Steve Gorman, Executive Coordinator, World Bank-GEF, in his address on behalf of the World Bank, said that the 50 per cent CFC-reduction target under the Montreal Protocol was a critical benchmark for Article 5 Parties and that it would serve as an indicator of the likelihood that Parties would comply with the rapidly approaching targets in 2007 and 2010. With the assistance of the Multilateral Fund, all countries undertaking phase-out projects with the World Bank had met their 2005 Protocol targets for the controlled substances covered.

203. By the end of 2005, multilateral fund projects being implemented under the Bank's auspices had resulted in reductions of over 200,000 ODP-tonnes, 84 per cent of the total ozone-depleting substances to be phased out by the Bank for Fund projects. Through the Global Environment Facility, the Bank also assisted countries with economies in transition to phase out CFC baseline consumption and production. Those achievements were accomplished through both stand-alone projects and national and sector phase-out plans under the Fund's strategic approach, and the current focus was on implementation of those plans. Factors helping countries to achieve their targets included flexibility of approach to activities and innovate subsidy distribution enabling small and medium-sized enterprises to be reached.

204. A crucial stage would be reached in the coming year with significant CFC consumption reductions expected and it was important to maintain momentum with accelerated HCFC phase-out. Measures to protect the ozone layer would benefit greatly from a multi-sectoral approach at the national

level and improved synergies between the Montreal Protocol and other multilateral environment agreements.

V. Statements by heads of delegations

205. At the high-level segment, statements were made by ministers and other heads of delegations of the following Parties, listed in the order in which they spoke: Canada, India, Democratic Republic of the Congo, Sri Lanka, United Republic of Tanzania, Guinea, Dominican Republic, Finland (in its capacity as Presidency of the European Union), European Community, Bosnia and Herzegovina, Mauritius, Uruguay, United States of America, Japan, Haiti, Togo, Malaysia, Burundi, China, Fiji, Rwanda, Uganda, Libyan Arab Jamahiriya, Ghana, Pakistan, Syrian Arab Republic, Cameroon, Trinidad and Tobago, Afghanistan, Bangladesh, Thailand, Bhutan, Georgia, Indonesia, the Philippines, Brazil, Mexico, Sudan, Guatemala, Costa Rica and Turkey.

206. Statements were also made by representatives of the following intergovernmental and non-governmental organizations: International Institute of Refrigeration, Greenpeace International and Environmental Investigation Agency.

207. All speakers expressed their gratitude to the Government and people of India for their warm hospitality and the arrangements for the current meeting. They also congratulated the newly elected members of the Bureau and thanked the Ozone Secretariat, the Multilateral Fund Secretariat and its implementing agencies, the donor countries and other partners for their contribution to the successful implementation of the Montreal Protocol.

208. Many Parties outlined the status of their countries' ratification of the ozone instruments and their efforts to implement them. Among the wide range of activities brought up by the speakers were the adoption and enforcement of regulations and of plans of action to implement their obligations under the ozone treaties; the establishment of licensing systems to control trade in ozone-depleting substances; the training of customs and other officials to tackle illegal trade in such substances; the use of fiscal incentives and other measures to promote the development of non-ozone-depleting-substance technologies; and the phasing out of the domestic production and consumption of ozone-depleting substances, in some cases ahead of schedule. Several Article 5 Parties paid tribute to the Multilateral Fund and its implementing agencies, noting that its assistance had been instrumental in helping them fulfil their obligations under the Protocol. Many of them stated, however, that they would require the continued assistance of the Fund to achieve all of the Protocol's targets, including the complete phase-out of CFCs by 2010 and the early phase-out of other ozone-depleting substances. A few non-Article 5 Parties reiterated their commitment to continue providing financial and technical assistance to Article 5 Parties in support of their efforts to comply with their obligations under the Protocol.

209. Many speakers affirmed that the Montreal Protocol was a model of international cooperation and remained among the most successful multilateral environmental agreements. Notwithstanding the progress achieved, however, many pointed to the multiple challenges ahead and the need to avoid falling into complacency. A number of speakers expressed concern at the latest scientific information on the state of the ozone layer, which indicated that there would be a fifteen-year delay in its recovery. One speaker, however, said that the change in the projected date of recovery was mostly due to a better understanding of the way in which the atmosphere worked. Another said that the record levels reported could be attributed to the long life of CFCs.

210. Some Article 5 Parties identified the phase-out of CFCs in metered-dose inhalers as a serious problem facing developing countries and called for greater efforts to develop and transfer appropriate technologies on concessional terms to enable Article 5 Parties to manufacture low cost CFC-free metered-dose inhalers. A few delegates also stressed the need to strike a balance between environmental protection and public health in the transition to CFC-free metered-dose inhalers.

211. Many speakers drew attention to the problem of illegal trade, with some of them calling for financial and technical assistance to combat it. One Article 5 Party said that the efforts of any single country to combat illegal trade were insufficient and that international cooperation and concerted efforts by all Parties and relevant international organizations were required, among other things, to promote the exchange of information, establish international monitoring networks and punish the perpetrators in the countries involved. Another speaker expressed support for the development of a system for tracking international trade in ozone-depleting substances and for the study that had been conducted on the feasibility of developing such a system.

212. Several Article 5 Parties stressed the need to ensure the sound destruction or disposal of ozone-depleting substance stockpiles and banks in developing countries, with some noting that the task would demand additional financial resources and technology. Two Article 5 Parties said that the sound destruction of stockpiles was especially urgent in low-volume consuming countries such as small islands in the Pacific. One Article 5 Party called for the adoption of a decision to promote the establishment of regional facilities for the sound destruction of refrigerants and other equipment containing ozone-depleting substances in developing countries and for appropriate mechanisms to ensure their safe transportation.

213. A number of speakers highlighted the use of methyl bromide in quarantine and pre-shipment applications as a significant challenge. One non-governmental organization said that such applications threatened to undermine the Protocol's controls on methyl bromide and stressed the need to investigate their scale fully. One delegate urged the allocation of increased funds for methyl bromide phase-out projects and another stressed the need for increased cooperation with the International Plant Protection Convention. Others emphasized the need to ensure the continuous reduction of critical and essential use exemptions in order to achieve the final goal of total elimination.

214. Many speakers drew attention to the linkages between the ozone regime and other environmental treaties, stressing the need to build synergies and coordination between related multilateral environmental agreements. Some highlighted in particular the need to achieve greater coordination between the ozone and climate change regimes, to reach a better understanding of the interactions between ozone and climate and to adopt policy measures under both regimes that would benefit the ozone layer and the Earth's climate. In that context, one speaker expressed concern at the conclusion of a recent study by the Environmental Investigation Agency that the greenhouse effect of HCFCs and HFC emissions could be equivalent to the total emissions of greenhouse gases of the European Union by 2015. Supported by others, she called for the accelerated phase-out of HCFCs in Article 5 countries, arguing that it should be fully funded by the Protocol. Others drew attention to the sharp increase of HCFC use in refrigerants in Article 5 Parties and said that assistance should be provided to those Parties to ensure a smooth transition to ozone friendly and climate friendly alternatives. One Article 5 Party proposed that a study should be conducted by one of the Protocol's assessment panels to advise Article 5 Parties how to deal with their increased consumption of HCFCs.

215. The representative of a non-governmental organization claimed that the inordinate influence of multinational chemical corporations on the Protocol had led to the promotion of HCFC and HFC use by the multilateral fund and its implementing agencies. Thus, while commending the calls for an early phase-out of HCFCs, he expressed concern that it might lead to an excessive use of HFCs and called on the Parties to address squarely the "chemical dependency" of the planet rather than merely facilitate the shift from one chemical to another.

216. Many speakers said that the coming twentieth anniversary of the Montreal Protocol would provide the Parties with a unique opportunity to start debating the Protocol's future and commended Canada's proposal to commence those discussions. In that context, the representative of Canada conveyed his Government's offer to host the celebration of the Protocol's twentieth anniversary and the Nineteenth Meeting of the Parties.

217. The representative of a regional economic integration organization drew attention to the wider issue of environmental policy, which he noted was being reviewed by the United Nations General Assembly. He expressed support for transforming the United Nations Environment Programme into a United Nations specialized agency, noting that a stronger and well-funded agency would be best able to respond to current global environmental challenges. One representative noted that his country faced a difficult political situation, in the light of which he proposed a revision of its reduction targets for phasing out ozone-depleting substances that would see a reduction of controlled substances by 50 percent in 2007 and 85% in 2009 and their total elimination in 2011.

VI. Report of the Co-Chairs of the preparatory segment and consideration of the decisions recommended for adoption by the Eighteenth Meeting of the Parties to the Montreal Protocol

218. The Co-Chairs of the preparatory segment reported to the Parties during the high-level segment on the main issues covered in the deliberations of the preparatory segment, reviewed the draft decisions that were still outstanding and drew attention to the draft decisions which had been approved for transmission to the high-level segment.

VII. Dates and venue for the Nineteenth Meeting of the Parties to the Montreal Protocol

219. As noted above, during the statements by ministers and other heads of delegations, the representative of Canada conveyed his Government's offer to host the Nineteenth Meeting of the Parties and the celebrations of the twentieth anniversary of the Montreal Protocol. The Parties warmly welcomed Canada's offer.

VIII. Other matters

220. No other matters were raised.

IX. Adoption of decisions by the Eighteenth Meeting of the Parties to the Montreal Protocol

221. The Meeting of the Parties decides:

Decision XVIII/1: Membership of the Implementation Committee

1. To note with appreciation the work done by the Implementation Committee under the Non-compliance Procedure of the Montreal Protocol in the year 2006;

2. To confirm the positions of Argentina, Lebanon, New Zealand, Nigeria and Poland as members of the Committee for one further year and to select Bolivia, Georgia, India, Tunisia and the Netherlands as members of the Committee for a two-year period from 1 January 2007;

3. To note the selection of New Zealand to serve as President and of Tunisia to serve as Vice-President and Rapporteur, respectively, of the Implementation Committee for one year with effect from 1 January 2007;

Decision XVIII/2: Membership of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol

1. To note with appreciation the work done by the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol with the assistance of the Fund secretariat in the year 2006;

2. To endorse the selection of Canada, Sweden, Czech Republic, Japan, United States of America, Belgium and Italy as members of the Executive Committee representing Parties not operating under paragraph 1 of Article 5 of the Protocol and the selection of Sudan, Guinea, Mexico, Saint Lucia, Uruguay, Jordan and China as members representing Parties operating under that paragraph, for one year with effect from 1 January 2007;

3. To note the selection of Mr. Phillipe Chemouny (Canada) to serve as Chair and Mr. Nimaga Mamadou (Guinea) to serve as Vice-Chair of the Executive Committee for one year with effect from 1 January 2007;

Decision XVIII/3: Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol

To endorse the selection of Ms. Marcia Levaggi (Argentina) and Mr. Mikkel Aaman Sorensen (Denmark) as Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol for 2007;

Decision XVIII/4: Co-chair of the Chemicals Technical Options Committee

To confirm Mr. Biao Jiang (China) as co-chair of the Chemicals Technical Options Committee;

Decision XVIII/5: Financial matters: financial reports and budgets

Recalling decision XVII/42 on financial matters,

Noting the financial report on the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer for the biennium 2004–2005 ended 31 December 2005³;

Recognizing that voluntary contributions are an essential complement for the effective implementation of the Protocol;

Welcoming the continued efficient management demonstrated by the Secretariat of the finances of the Trust Fund;

1. To approve the 2007 budget for the Trust Fund in the amount of \$4,671,933 and to take note of the proposed 2008 budget of \$4,542,563, as set out in annex I to the report of the Eighteenth Meeting of the Parties⁴;

2. To authorize the Secretariat to draw down \$395,000 in 2007;

3. To approve, as a consequence of the draw-down referred to in paragraph 2 above, total contributions to be paid by the Parties at \$4,276,933 for 2007 and note the contribution of \$4,542,563 for 2008, as set out in annex I to the report of the Eighteenth Meeting of the Parties to the Montreal Protocol;

4. Also to approve that the contributions of individual Parties shall be listed in annex II to the report of the Eighteenth Meeting of the Parties;

5. To authorize the Secretariat to maintain a constant operating cash reserve of the estimated annual planned expenditures that will be used to meet the final expenditures under the trust fund. In 2006, the Parties agree to maintain the approved budget for the operating cash reserve for 2007 at 8.3 per cent and contribute 3 per cent of the budget for the cash operating reserve in 2008, after which time the Parties will strive to achieve and maintain an operating cash reserve of 15 per cent;

6. To express its concern over delays in payment of the agreed contributions by Parties, contrary to the provisions of the terms of reference for the administration of the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer, as contained in paragraphs 3 and 4 of those terms of reference;

7. To urge all Parties to pay their contributions promptly and in full and further to urge Parties that have not done so to pay their contributions for prior years as soon as possible;

8. To encourage Parties, non-Parties, and other stakeholders to contribute financially and with other means to assist members in the three assessment panels and their subsidiary bodies for their continued participation in the assessment activities under the Protocol;

9. To invite Parties to notify the Secretariat of the Montreal Protocol of all contributions made to the Montreal Protocol Trust Fund at the time such payments are made;

10. In accordance with rule 14 of the rules of procedure, to request the Executive Secretary to provide Parties with an indication of the financial implications of draft decisions which cannot be met from existing resources within the budget of the Montreal Protocol Trust Fund;

11. To request that the Secretariat of the Montreal Protocol ensure its implementation of secretariat-related decisions adopted by the Meeting of the Parties as approved, within the budgets and the availability of financial resources in the Trust Fund;

12. In recognition of the likely increased expenses during 2007 related to activities surrounding the celebration of the twentieth anniversary of the Montreal Protocol, to allow the Secretariat to have full flexibility, in 2007 only, to make transfers between budget lines that it believes are necessary to fund celebration-related activities, including lines 5200 (reporting), 5304 (International Ozone Day, twentieth anniversary activities) 5401 (hospitality) and 3300 (support for participation). After 2007, the normal allowance to transfer funds of up to 20 per cent from one main appropriation line of the approved budget to other main appropriation lines will apply. In addition, the Secretariat is authorized to fund the above-noted lines with any unspent participation funds which have accrued or may accrue as a result of travel cancellations by participants;

³ UNEP/OzL.Pro.18/4 and Add.1.

⁴ UNEP/OzL.Pro.18/10.

13. To request the Secretariat to inform the Open-ended Working Group on all sources of income received, including the reserve and fund balance and interest, as well as actual and projected expenditures and commitments and to request the Executive Secretary to provide an indicative report on all expenditures against budget lines;

14. Also to request the Open-ended Working Group to keep under review the financial information provided by the Secretariat, including the timeliness and transparency of that information.

Decision XVIII/6: Ratification of the Vienna Convention, the Montreal Protocol and the London, Copenhagen, Montreal and Beijing amendments to the Protocol

1. To note with satisfaction the large number of countries that have ratified the Vienna Convention for the Protection of the Ozone Layer and the Montreal Protocol on Substances that Deplete the Ozone Layer;

2. To note that, as of 30 October 2006, 184 Parties had ratified the London Amendment to the Montreal Protocol, 175 Parties had ratified the Copenhagen Amendment to the Montreal Protocol, and 149 Parties had ratified the Montreal Amendment to the Montreal Protocol, while only 118 Parties had ratified the Beijing Amendment to the Montreal Protocol;

3. To urge all States that have not yet done so to ratify, approve or accede to the Vienna Convention and the Montreal Protocol and its amendments, taking into account that universal participation is necessary to ensure the protection of the ozone layer;

Decision XVIII/7: Essential-use exemptions for Parties not operating under paragraph 1 of Article 5 for controlled substances for 2007 and 2008

Noting with appreciation the work done by the Technology and Economic Assessment Panel and its Medical Technical Options Committee,

Taking into account the Technology and Economic Assessment Panel's expectation that production of metered-dose inhalers containing chlorofluorocarbons should cease by the end of 2009 and, based on its analysis and monitoring of the transition to chlorofluorocarbon-free treatments of asthma and chronic obstructive pulmonary disease over the last decade, the Panel's assessment that global phase-out of chlorofluorocarbon-based metered-dose inhalers will be achievable by 2010,

Considering the Technology and Economic Assessment Panel's conclusion that technically satisfactory alternatives to chlorofluorocarbon-based metered-dose inhalers are available for short-acting beta-agonists and other therapeutic categories for asthma and chronic obstructive pulmonary disease,

Mindful that, according to decision IV/25, chlorofluorocarbon use for metered-dose inhalers shall not qualify as essential if technically and economically feasible alternatives or substitutes are available that are acceptable from the standpoint of environment and health,

Welcoming the fact that the United States has demonstrated its commitment in its domestic process to allocate only the minimal amount necessary to protect public health, having issued a proposed regulation that would allocate 125.3 tons for 2007,

Mindful that paragraph 8 of decision XII/2 allows the transfer of chlorofluorocarbons between metered-dose inhaler companies,

1. To authorize the levels of production and consumption for 2007 and 2008 necessary to satisfy essential uses of chlorofluorocarbons for the production of metered-dose inhalers for asthma and chronic obstructive pulmonary disease specified in annex III to the present report;

2. That Parties not operating under paragraph 1 of Article 5 of the Montreal Protocol, when licensing, authorizing, or allocating essential-use exemptions for chlorofluorocarbons for a manufacturer of metered-dose inhalers for asthma and chronic obstructive pulmonary diseases, shall take into account pre- and post-1996 stocks of controlled substances as described in paragraph 1 (b) of decision IV/25, such that no more than a one-year operational supply is maintained by the manufacturer;

3. That Parties not operating under Article 5 will request companies applying for metered-dose inhaler essential use exemptions to demonstrate that they are making efforts, with all due diligence, on research and development with respect to chlorofluorocarbon-free alternatives to their

products and are diligently seeking approval of their chlorofluorocarbon-free alternatives in their domestic and export markets aimed at transitioning those markets away from the chlorofluorocarbon products;

Decision XVIII/8: Essential-use exemption for chlorofluorocarbon-113 for aerospace applications in the Russian Federation for 2007

Recalling that the Russian Federation has submitted a nomination for an essential-use exemption for chlorofluorocarbon-113 for aerospace applications in the Russian Federation,

Noting that the nomination by the Russian Federation was submitted on 15 April 2006, several weeks after the deadline required for the essential use exemption process set out in decision IV/25,

Regretting that the Technology and Economic Assessment Panel and its Chemicals Technical Options Committee were not provided sufficient time to review that nomination in detail and report to the Parties three months ahead of the Eighteenth Meeting of the Parties in accordance with the time schedule prescribed,

Recalling that consultations took place between the Technology and Economic Assessment Panel and the Russian Federation during the twenty-sixth meeting of the Open-ended Working Group and thereafter and that, following such consultations, the Technology and Economic Assessment Panel stated in its May 2006 progress report that Parties might wish to consider granting the Russian Federation a one-year essential use exemption,

Taking into account the information already made available by the Russian Federation in relation to its nomination for an essential use exemption for aerospace applications, which contains data on the anticipated gradual reduction of the Party's expected needs until 2010,

Recalling that the Russian Federation has indicated that the amount of ozone-depleting substances being used for aerospace applications has been constantly decreasing owing to research into and transition to alternative ozone-safe substances and technologies and that the amount of chlorofluorocarbon-113 being used has been reduced from 241 metric tonnes in 2001 to 160 metric tonnes in 2006,

1. To permit the Russian Federation a level of production and consumption of 150 metric tonnes of chlorofluorocarbon-113 for its essential use in the aerospace industry of the Russian Federation in 2007;

2. To request the Technology and Economic Assessment Panel and its Chemicals Technical Options Committee to complete a comprehensive assessment of the information made available in the nomination submitted by the Russian Federation and, on the basis of any additional information that may be required from the Russian Federation, to conclude its analysis taking into account that the information underlying such analysis should address comprehensively the reason why existing alternatives to CFC-113 would not be applied for the use concerned;

3. To call upon the Russian Federation to continue to cooperate closely with the Technology and Economic Assessment Panel and its Chemicals Technical Options Committee further to the present decision and to submit, in accordance with the requirements of the Technology and Economic Assessment Panel and its Chemicals Technical Options Committee, the additional detailed technical information mentioned in paragraph 2 on the use of chlorofluorocarbon-113 that may be required until the completion of the assessment;

4. To request the Technology and Economic Assessment Panel and its Chemicals Technical Options Committee to review all the information provided, as specified in paragraphs 2 and 3, and present the results of that review to the Open-Ended Working Group at its twenty-seventh meeting, in 2007;

5. To call upon the Russian Federation:

(a) To consider further the use of foreign sources of chlorofluorocarbon-113 stockpiles identified by the Technology and Economic Assessment Panel and its Chemicals Technical Options Committee as a contribution for addressing the needs mentioned under paragraph 1 or any possible future needs;

(b) To consider further the possibility of, and a timetable for, introducing the use of any new alternatives to chlorofluorocarbon-113 that become available and to continue its research and development activities with a view to finding new alternatives;

6. To further call upon the Russian Federation to provide in due time to the Technology and Economic Assessment Panel and its Chemicals Technical Options Committee, for the purpose of any future nomination of that Party for essential-use exemptions for chlorofluorocarbon-113 in relation to aerospace applications, comprehensive information in accordance with the conditions set out in decision IV/25;

7. To take into consideration the outcome of the continued consultations mentioned in paragraphs 2 to 4 between the Russian Federation and the Technology and Economic Assessment Panel and its Chemicals Technical Options Committee on the amount authorized for essential uses in 2007, in reviewing any possible additional nomination by the Russian Federation for aerospace applications for 2008;

Decision XVIII/9: Review of draft terms of reference for case studies called for under decision XVII/17 on environmentally sound destruction of ozone-depleting substances

Noting decision XVII/17, in which the Parties requested the Technology and Economic Assessment Panel to prepare terms of reference for the conduct of case studies in Parties operating under paragraph 1 of Article 5 of the Montreal Protocol, with regional representation, on the technology and costs associated with a process for the replacement of chlorofluorocarbon-containing refrigeration and air-conditioning equipment, including the environmentally sound recovery, transport and final disposal of such equipment and of the associated chlorofluorocarbons,

Noting that the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol, pursuant to its decision 46/36, is considering terms of reference, a budget and modalities for a study on collection, recovery, recycling, reclamation, transportation and destruction of unwanted ozone-depleting substances,

Noting also decision 49/36 of the Executive Committee, in which the Executive Committee expresses its willingness to develop consolidated terms of reference and initiate a study accordingly,

1. To request the Executive Committee to develop consolidated terms of reference taking into account the elements referred to in both the draft terms of reference submitted to the Eighteenth Meeting of the Parties pursuant to decision XVII/17 and the terms of reference developed by the Multilateral Fund secretariat on the collection, recovery, recycling, reclamation, transportation, and destruction of unwanted ozone-depleting substances;

2. To request the Executive Committee to conduct, as soon as possible, a study based on the resulting terms of reference and to provide a progress report to the Nineteenth Meeting of Parties, with a final report for consideration at the twenty-eighth meeting of the Open-ended Working Group;

Decision XVIII/10: Sources of carbon tetrachloride emissions and opportunities for reductions

Noting with appreciation the information presented by the Technology and Economic Assessment Panel and its Chemicals Technical Options Committee in its May 2006 progress report,

Mindful of the obligations to ensure control measures under Article 2D of the Montreal Protocol regarding production and consumption of carbon tetrachloride,

Desiring to reduce emissions to background concentration levels, encourage earlier adaptation of ozone-safe alternatives and set limits on emissions that occur during interim use,

Expressing concern regarding the large discrepancy in reported emissions and observed atmospheric concentrations, which clearly indicates that emissions from industrial activity are being significantly underestimated (as of 2002 they were still in the order of 70,000 tonnes (plus or minus 6,000 tonnes)),

1. To request the Technology and Economic Assessment Panel to continue its assessment of global emissions of carbon tetrachloride, as set out in decision XVI/14 and other related decisions such as decision XVII/19, paragraph 6, paying particular attention:

(a) To obtaining better data for industrial emissions to enable resolution of the significant discrepancy with atmospheric measurements;

(b) To further investigating issues related to production of carbon tetrachloride (including its production as a by-product and its subsequent use, storage, recycling or destruction);

(c) To estimating emissions from other sources such as landfills;

2. To request that the Technology and Economic Assessment Panel prepare a final report on the assessment referred to in paragraph 1 in time for the twenty-seventh meeting of the Open-ended Working Group for the consideration of the Nineteenth Meeting of the Parties in 2007;

Decision XVIII/11: Sources of n-propyl bromide emissions, alternatives available and opportunities for reductions

Noting with appreciation the information presented by the Technology and Economic Assessment Panel and its Chemicals Technical Options Committee in its May 2006 progress report,

Mindful of the options to include new substances as controlled substances in the Montreal Protocol, and in particular of decision XIII/7, requesting Parties to urge industry and users to consider limiting the use of n-propyl bromide to applications for which more economically feasible and environmentally friendly alternatives are not available,

Desiring to obtain more specific information on use categories and emissions of n-propyl bromide to allow Parties to consider further steps regarding n-propyl bromide, in the light of available alternatives,

1. To request the Scientific Assessment Panel to update existing information on the ozone depletion potential of n-propyl bromide, including ozone depleting potential depending on the location of the emissions and the season in the hemisphere at that location;

2. To request the Technology and Economic Assessment Panel to continue its assessment of global emissions of n-propyl bromide, as set out in decision XIII/7, paying particular attention to:

(a) Obtaining more complete data on production and uses of n-propyl bromide as well as emissions of n-propyl bromide from those sources;

(b) Providing further information on the technological and economical availability of alternatives for the different use categories of n-propyl bromide and information on the toxicity of and regulations on the substitutes for n-propyl bromide;

(c) Presenting information on the ozone depletion potential of the substances for which n-propyl bromide is used as a replacement;

3. To request that the Technology and Economic Assessment Panel prepare a report on the assessment referred to in paragraph 1 in time for the twenty-seventh meeting of the Open-ended Working Group for the consideration of the Nineteenth Meeting of the Parties.

Decision XVIII/12: Future work following the Ozone Secretariat workshop on the Intergovernmental Panel on Climate Change/Technology and Economic Assessment Panel special report

Recalling decision XVII/19 which requested the Ozone Secretariat to organize an experts workshop on the Intergovernmental Panel on Climate Change/Technology and Economic Assessment Panel special report in the margins of the twenty-sixth meeting of the Open-ended Working Group in 2006,

Noting with appreciation Parties' submissions for the list of practical measures as well as the preparations of the Technology and Economic Assessment Panel for the workshop,

Noting with appreciation the report of the workshop provided by the Ozone Secretariat,

Noting with appreciation the summary of Scientific Assessment of Ozone Depletion 2006, and its options on additional measures to accelerate the recovery, but further noting with concern better scientific understanding now suggests a 10 to 15 year later return of chlorine levels to pre-1980 values in the atmosphere,

Noting with appreciation the report of the Technology and Economic Assessment Panel Task Force on Emission Discrepancies,

Mindful that Parties not operating under paragraph 1 of Article 5 of the Montreal Protocol should phase out consumption of hydrochlorofluorocarbons by 2030 and freeze production by 2004 and that the Parties operating under paragraph 1 of Article 5 should phase out consumption of hydrochlorofluorocarbons by 2040 and freeze production by 2016,

Aware of the potential implications of Clean Development Mechanism projects in hydrochlorofluorocarbon-22 production facilities,

Acknowledging, therefore, that further work needs to be done to reach the targets of the Vienna Convention and the Montreal Protocol for recovery of the ozone layer,

1. To request the Technology and Economic Assessment Panel to further assess the measures listed in the report of Ozone Secretariat workshop on the Intergovernmental Panel on Climate Change/Technology and Economic Assessment Panel special report, in the light of current and expected trends of ozone-depleting substance production and consumption and with a focus on hydrochlorofluorocarbons, taking into account timing, feasibility and environmental benefits in Parties operating under Article 5 and Parties not operating under Article 5 of the Protocol;

2. To request the Technology and Economic Assessment Panel to provide information on current and future demand for, and supply of, hydrochlorofluorocarbons, giving full consideration to the influence of the Clean Development Mechanism on hydrochlorofluorocarbon-22 production, as well as on the availability of alternatives to hydrochlorofluorocarbons;

3. To request the Ozone Secretariat to facilitate consultations, as appropriate, by the Technology and Economic Assessment Panel with relevant organizations, namely, the United Nations Framework Convention on Climate Change Secretariat, the Intergovernmental Panel on Climate Change, the Executive Board of Clean Development Mechanism of the Kyoto Protocol, and the secretariat of the Multilateral Fund, to enable the Technology and Economic Assessment Panel to draw on the work already carried out under these organizations, including any work relating to hydrochlorofluorocarbon-22, and consider, in cooperation with the Scientific Assessment Panel, the implications of these findings for the recovery of the ozone layer;

4. To request the Technology and Economic Assessment Panel to report its findings on the issues mentioned in paragraphs 1 and 2 above to the Open-ended Working Group at its twenty-seventh meeting for consideration, with a view to providing a final report to the Nineteenth Meeting of the Parties.

Decision XVIII/13: Critical-use exemptions for methyl bromide for 2007 and 2008

Noting with appreciation the work done by the Technology and Economic Assessment Panel and its Methyl Bromide Technical Options Committee,

Noting with appreciation that some Parties have made substantial reductions in the quantities of methyl bromide authorized, permitted or licensed for 2006 and have significantly reduced the quantities requested,

Noting that Parties submitting requests for methyl bromide for 2007 have supported their requests with a management strategy as required under decision Ex.I/4,

1. For the agreed critical-use categories for 2007, set forth in table A of the annex to the present decision for each Party, to permit, subject to the conditions set forth in the present decision and decision Ex.I/4 to the extent that those conditions are applicable, the levels of production and consumption for 2007 set forth in table B of the annex to the present decision which are necessary to satisfy critical uses, in addition to the amounts permitted in decision XVII/9;

2. For the agreed critical-use categories for 2008 set forth in table C of the annex to the present decision for each Party to permit, subject to the conditions set forth in the present decision and

in decision Ex.I/4, to the extent that those conditions are applicable, the levels of production and consumption for 2008 set forth in table D of the annex to the present decision which are necessary to satisfy critical uses, with the understanding that additional levels of production and consumption and categories of uses may be approved by the Meeting of the Parties to the Montreal Protocol in accordance with decision IX/6;

3. That when assessing supplemental requests for critical use exemptions for 2008 for a specific nomination, the Technology and Economic Assessment Panel should take into account the most current information, including any information on domestic implementation of related 2007 and 2008 critical uses, in accordance with paragraph 2 of decision IX/6;

4. That a Party with a critical use exemption level in excess of permitted levels of production and consumption for critical uses is to make up any such differences between those levels by using quantities of methyl bromide from stocks that the Party has recognized to be available;

5. That Parties shall endeavour to license, permit, authorize or allocate quantities of critical-use methyl bromide as listed in tables A and C of the annex to the present decision;

6. That each Party which has an agreed critical use renews its commitment to ensure that the criteria in paragraph 1 of decision IX/6 are applied when licensing, permitting or authorizing critical use of methyl bromide and, in particular, the criterion laid down in paragraph 1(b) (ii) of decision IX/6. Each Party is requested to report on the implementation of the present paragraph to the Ozone Secretariat by 1 February for the years to which this decision applies;

7. To request the Technology and Economic Assessment Panel to publish annually in its progress report beginning in 2007 and prior to each Open-ended Working Group meeting the stocks of methyl bromide held by each nominating Party as reported in its accounting framework report;

8. That Parties licensing, permitting or authorizing methyl bromide that is used for 2008 critical uses shall request the use of emission minimization techniques such as virtually impermeable films, barrier film technologies, deep shank injection and/or other techniques that promote environmental protection, whenever technically and economically feasible;

9. That each Party should continue to ensure that its national management strategy for the phase-out of critical uses of methyl bromide addresses the aims specified in paragraph 3 of decision Ex.I/4.

Annex to decision XVIII/13

Critical-use exemptions for 2007 and 2008

Table A. 2007 agreed critical-use categories (metric tonnes)

Australia	Cut flowers – bulbs – protected (3.598), Rice (4.075)
Canada	Pasta (6.757), Strawberry runners (Ontario) (6.129)
France	Chestnuts (1.800), Mills (8.000), Seeds (0.096), Carrots (1.400), Cucumbers (12.500), Cut flowers and bulbs (9.600), Forest nurseries (1.500), Orchard & raspberry nurseries (2.000), Orchard replant (7.000), Pepper (6.000), Strawberry runners (28.000)
Greece	Dried fruit (0.450), Mills & processors (1.340)
Israel	Dates (2.200), flour mills (1.040), broomrape (250.000), cucumber (25.000), cut-flowers – bulbs – protected (220.185), cut-flowers – open field (74.540), fruit tree nurseries (7.500), melon – protected & field (105.000), potato (137.500), strawberry runners (28.000), strawberry fruit (93.000), tomato (22.750)
Italy	Artefacts (5.000), Mills and processors (25.000), Cut flowers – protected (30.000), Melon – protected (10.000), Pepper – protected (67.000), Strawberry runners (35.000), Tomatoes protected (80.000)
Netherlands	Strawberry runners (0.120)
New Zealand	Strawberry runners (6.234), Strawberry fruit (12.000)

Poland	Coffee & cocoa beans (1.420), Medicinal herbs and mushrooms (1.800), Strawberry runners (24.500)
Spain	Cut flowers (Andalucia & Catalonia) (43.490), Peppers (45.000), Strawberry fruit (0.0796 for research), Strawberry runners (230.000)
United Kingdom	Aircraft (0.165), Cereal processing plants (3.480), Cheese stores (1.248), 13 Mills (4.509), Mills – Food processing (Biscuits) (0.479), Structures (Herbs & spices) (0.908), Structures (Whitworth) (0.257)

Table B: 2007 permitted levels of production and consumption (metric tonnes)

Australia	7.673
Canada	12.886
France *	77.896
Greece *	1.790
Israel	966.715
Italy *	252.000
Netherlands *	0.120
New Zealand	18.234
Poland *	27.720
Spain *	318.5696
United Kingdom *	11.046

* The production and consumption of the European Community shall not exceed 689.1416 metric tonnes for the purposes of the agreed critical uses.

Table C: 2008 agreed critical-use categories (metric tonnes)

Australia	Cut flowers – bulbs – protected (3.500), Rice (7.400 + 1.8*), Strawberry runners (35.750)
Canada	Mills (28.650); Strawberry runners (Prince Edward Island) (7.462)
Japan	Chestnuts (6.300), Cucumbers (51.450), Ginger – field (84.075), Ginger – protected (11.100), Melon (136.650), Pepper green & hot (121.725), Watermelon (32.475)
United States of America	Commodities (58.921), Cocoa beans (NPMA subset) (53.188), NPMA food processing structures (cocoa beans removed) (69.208), Mills and processors (348.237), Smokehouse ham (19.669), Cucurbits – field (486.757), Eggplant – field (66.018), Forest nursery (131.208), Nursery stock – fruit, nut, flower (51.102), Orchard replant (393.720), Ornamentals (138.538), Peppers – field (756.339), Strawberry – field (1,349.575), Strawberry runners (8.838), Tomatoes – field (1,406.484), Sweet potato slips (18.144)

* All or part of the supplementary amount of 1.8 metric tonnes, if required, is conditional on the Technical and Economic Assessment Panel's recommendation in its 2007 progress report.

Table D: 2008 permitted levels of production and consumption (metric tonnes)

Australia	46.650 + 1.8*
Canada	36.112
Japan	443.775
United States of America	4,595.040

* All or part of the supplementary amount of 1.8 metric tonnes, if required, is conditional on the Technical and Economic Assessment Panel's recommendation in its 2007 progress report.

Decision XVIII/14: Montreal Protocol/International Plant Protection Convention cooperation on the use of alternatives to methyl bromide for quarantine and pre-shipment

Noting with appreciation the work done by the Technology and Economic Assessment Panel and its Quarantine and Pre-shipment Task Force,

Mindful that in accordance with decisions VII/5 and XI/12 of the Meeting of the Parties quarantine and pre-shipment treatments are authorized or performed by national plant, animal, health or stored product authorities,

Noting that by its amendment to Article 7, paragraph 3, of the Montreal Protocol, the Eleventh Meeting of the Parties required each Party to submit information to the Secretariat on the amount of methyl bromide used annually for quarantine and pre-shipment applications,

Acknowledging that the Commission on Phytosanitary Measures adopts international standards for phytosanitary measures under the International Plant Protection Convention, which is an international treaty that aims to secure action to prevent the spread and introduction of pests affecting plants and plant products and to promote appropriate measures for their control,

Taking into account that quarantine and pre-shipment applications of methyl bromide were originally conceived to protect natural ecosystems and agriculture from the accidental introduction and spread of such pests, including invasive alien species, while at the same time allowing trade,

Mindful that in decision XVII/15 the Parties request the Ozone Secretariat to liaise further with the Secretariat of the International Plant Protection Convention, in consideration of the risk of depletion of the ozone layer,

Recognizing the need to develop common solutions that minimize the use of methyl bromide for quarantine and pre-shipment applications in a manner that is satisfactory for the ozone layer and also in terms of phytosanitary protection,

1. To welcome proposals by the Technical Panel on Forest Quarantine of the International Plant Protection Convention for closer cooperation between the International Plant Protection Convention and the Montreal Protocol technical bodies and to encourage the Commission on Phytosanitary Measures to consider approval of the recommendations from the Technical Panel on Forest Quarantine on cooperation with the Protocol;
2. To request the Technology and Economic Assessment Panel to cooperate with the technical bodies of the International Plant Protection Convention with a view to:
 - (a) Ensuring that potentially duplicative activities are coordinated where practical and that technical information is shared and jointly developed as appropriate;
 - (b) Identifying jointly technical and economic opportunities and constraints faced by countries in the development and adoption of alternatives to methyl bromide for quarantine and pre-shipment applications;
 - (c) Allowing the Quarantine and Pre-shipment Task Force to gather quantitative and to the extent possible comprehensive information about the use of methyl bromide in quarantine and pre-shipment activities by combining relevant data sets available to each respective technical body;
 - (d) Identifying jointly existing national plant, animal, environmental health and stored product regulations that require or authorize the use of methyl bromide for quarantine and pre-shipment applications;
 - (e) Providing practical technical guidance on technologies, systems and arrangements aimed at minimizing emissions from methyl bromide fumigations to national plant protection organizations, as is urged in decision XI/13;
3. To request the Technology and Economic Assessment Panel to report on the results of its contacts and work described in paragraph 2 above in time for the twenty-seventh meeting of the Open-ended Working Group of the Parties to the Montreal Protocol;
4. To request the Ozone Secretariat to continue liaising with the International Plant Protection Convention secretariat as appropriate in line with decision XVII/15, to build on interactions already developed, and to report comprehensively to the Parties on secretariat-level cooperation and joint activities;

5. To request the Secretariat to provide factual information on the definitions of quarantine and pre-shipment under the Protocol and the International Plant Protection Convention;

6. To encourage national level officials working on Montreal Protocol and International Plant Protection Convention issues to cooperate more closely to ensure that the objectives of both agreements are being met when domestic actions are undertaken in relation to methyl bromide use for quarantine and pre-shipment purposes and in the lead-up to future decision-making by Parties in both multilateral agreements.

Decision XVIII/15: Laboratory and analytical critical uses of methyl bromide

Noting with appreciation the work undertaken by the Chemicals Technical Options Committee and the Methyl Bromide Technical Options Committee in considering, in accordance with decision XVII/10, the relevance to laboratory and analytical critical uses of methyl bromide of the categories of uses listed in annex IV to the report of the Seventh Meeting of the Parties,⁵

Acknowledging that in decision VII/11, adopted in 1995, Parties were encouraged to identify and review the use of ozone-depleting substances in order to adopt where possible ozone-depleting substance-free technologies,

Noting that the aforementioned committees have reported that alternatives to methyl bromide are available for many laboratory and analytical critical uses, including methylating agent uses,

Noting that the aforementioned committees were not in favour of classifying field trials using methyl bromide as laboratory and analytical critical uses because of the impracticality and cost of using a large number of small containers of 99 per cent pure methyl bromide and that Parties wishing to carry out such field trials could submit critical-use nominations for that purpose,

Recognizing that some laboratory and analytical critical uses listed in the committees' report are applicable to both quarantine and pre-shipment and to feedstock uses, which are not controlled under the Montreal Protocol,

1. To authorize, for Parties not operating under paragraph 1 of Article 5, the production and consumption of the controlled substance in Annex E of the Protocol necessary to satisfy laboratory and analytical critical uses and subject to the conditions established in paragraph 2 of the present decision;

2. Subject to the conditions applied to the exemption for laboratory and analytical uses contained in annex II to the report of the Sixth Meeting of the Parties⁶, to adopt a category of laboratory and analytical critical use to allow methyl bromide to be used:

- (a) As a reference or standard:
 - (i) To calibrate equipment which uses methyl bromide;
 - (ii) To monitor methyl bromide emission levels;
 - (iii) To determine methyl bromide residue levels in goods, plants and commodities;
- (b) In laboratory toxicological studies;
- (c) To compare the efficacy of methyl bromide and its alternatives inside a laboratory;
- (d) As a laboratory agent which is destroyed in a chemical reaction in the manner of feedstock;

3. That any decision taken pursuant to the present decision does not preclude a Party from nominating a specific use under the critical use procedure described in decision IX/6.

⁵ UNEP/OzL.Pro.7/12.

⁶ UNEP/OzL.Pro.6/7, Annex II.

Decision XVIII/16: Difficulties faced by some Article 5 Parties manufacturing metered-dose inhalers which use chlorofluorocarbons

Recognizing that Parties operating under paragraph 1 of Article 5 must reduce consumption of Annex A, group I, controlled substances (chlorofluorocarbons) by 85 per cent of their baseline by 2007 and complete the phase-out of those substances by 1 January 2010, including chlorofluorocarbons used in metered-dose inhalers for the treatment of asthma and chronic obstructive pulmonary disease,

Bearing in mind that, according to paragraph 7 of decision IV/25, essential-use controls will not be applicable to Parties operating under paragraph 1 of Article 5 until the phase-out dates applicable to those Parties,

Recognizing the potential uncertainty of supplies of pharmaceutical grade chlorofluorocarbons in the near future and the impact on people's health and local businesses if national manufacturing plants which depend on imports of those substances cannot predict their availability,

Aware that the phase-out of chlorofluorocarbon-based metered-dose inhalers in Parties not operating under paragraph 1 of Article 5 is likely to be complete by the phase-out deadline for Parties operating under Article 5 and that most of the metered-dose inhalers used by patients in many Parties operating under paragraph 1 of Article 5 are imported from Parties not operating under paragraph 1 of Article 5,

Acknowledging that some Parties operating under paragraph 1 of Article 5 have adopted metered-dose inhaler transition strategies, as encouraged by decision XII/2, but noting that most Parties operating under paragraph 1 of Article 5 have yet to put in place national or regional transition strategies and that Parties that produce metered-dose inhalers will be unable to finalize such strategies unless technology conversion is included in their national plans,

Understanding, therefore, that there is a need for further measures to facilitate the transition to non-chlorofluorocarbon treatments for asthma and obstructive pulmonary disease in Parties operating under paragraph 1 of Article 5,

Mindful that in some cases a regional approach to transition may be the most efficient,

Noting that Parties not operating under paragraph 1 of article 5 have made substantial progress in replacing chlorofluorocarbon-based metered-dose inhalers with alternative products but that at the present time still require a limited amount of pharmaceutical grade chlorofluorocarbons to produce metered-dose inhalers, as demonstrated by current essential-use exemption requests granted by the Parties,

Taking into account that decision XVII/14 calls for the Eighteenth Meeting of the Parties to consider taking a decision addressing the difficulties faced by Parties operating under paragraph 1 of Article 5 on metered-dose inhaler transition,

1. To request the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol to consider as a matter of urgency the funding of projects in relation to those Parties operating under paragraph 1 of Article 5 that experience difficulties due to high consumption of chlorofluorocarbons for manufacturing metered-dose inhalers, in order to facilitate the transition from chlorofluorocarbon-based metered-dose inhalers;

2. To request the Executive Committee to consider within the context of the existing Multilateral Fund guidelines to review its decision 17/7 with regard to the existing cut-off date for consideration of metered-dose inhaler conversion projects consistent with the reality of the pace of technological advances in the metered-dose inhaler sector;

3. To request the Implementation Committee under the Non-compliance Procedure of the Montreal Protocol to consider all possible options on how to address the potential non-compliance difficulties of some Parties operating under paragraph 1 of Article 5 resulting from their high proportion of chlorofluorocarbon consumption in the metered-dose inhaler sector;

4. To further request the Implementation Committee to give special consideration to the situation of such Parties, particularly in the context of paragraph 4 of the non-compliance procedure of the Protocol, in the light of information received from the Parties concerned and having due regard to health considerations;

5. To consider again the matter referred to in paragraphs 3 and 4 at the twentieth Meeting of the Parties in 2008;

6. To request the Executive Committee to consider including on the agenda of the United Nations Environment Programme thematic regional workshops, information to clarify the steps required to advance the transition from chlorofluorocarbon metered-dose inhalers;

7. To request each Party not operating under paragraph 1 of Article 5 receiving essential-use exemptions for the production or import of chlorofluorocarbons to manufacture metered-dose inhalers for export to Parties operating under paragraph 1 of Article 5 to submit to each importing Party a detailed export manufacturing transition plan for each manufacturer where the exports of an active ingredient to that Party exceed 10 metric tonnes, specifying the actions that each manufacturer is taking and will take to transition its exports to chlorofluorocarbon-free metered-dose inhalers as expeditiously as possible in a manner that does not put patients at risk;

8. That each manufacturer's export manufacturing transition plans should include specific details for each of the manufacturer's export markets and for each metered-dose inhaler by active ingredient concerning:

(a) Timing of submission to the health authority of marketing applications for chlorofluorocarbon-free alternatives, expected approval and launch of such alternatives and withdrawal of associated chlorofluorocarbon product or products;

(b) Indicative information on facilitative pricing, licensing and/or technology transfer arrangements under consideration;

(c) Contribution to, and participation in, programmes for educating health care professionals, government health authorities and patients about the transition to chlorofluorocarbon-free treatments for asthma and chronic obstructive pulmonary disease;

9. Consistent with decision IV/25 and paragraph 4 of decision XII/2, to request each Party referred to in paragraph 7 of the present decision, when deciding whether to nominate essential-use volumes for and/or grant essential-use licenses to a manufacturer, to take into account the manufacturer's efforts to implement its export manufacturing transition plan and its contribution to transition towards chlorofluorocarbon-free metered-dose inhalers;

10. To request each Party referred to in paragraph 7 to submit each year to the Technology and Economic Assessment Panel, as part of the Party's essential-use nomination, a report summarizing the export manufacturing transition plans submitted, taking care to protect any confidential information;

11. To request the Technology and Economic Assessment Panel to consider such reports in its assessment of each Party's essential-use nominations;

12. To request the Technology and Economic Assessment Panel to assess and report on progress at the twenty-seventh meeting Open-ended Working Group and to report to the Nineteenth Meeting of the Parties on the need for, feasibility of, optimal timing of, and recommended quantities for a limited campaign production of chlorofluorocarbons exclusively for metered-dose inhalers in both Parties operating under paragraph 1 of Article 5 and Parties not operating under paragraph 1 of Article 5.

Decision XVIII/17: Treatment of stockpiled ozone-depleting substances relative to compliance

1. To note that the Secretariat has reported that Parties which had exceeded the allowed level of production or consumption of a particular ozone-depleting substances in a given year have in some cases explained that their excess production or consumption represented one of the four following scenarios:

(a) Ozone-depleting substance production in that year which had been stockpiled for domestic destruction or export for destruction in a future year;

(b) Ozone-depleting substance production in that year which had been stockpiled for domestic feedstock use or export for that use in a future year;

(c) Ozone-depleting substance production in that year which had been stockpiled for export to meet basic domestic needs of developing countries in a future year;

(d) Ozone-depleting substances imported in that year which had been stockpiled for domestic feedstock use in a future year;

2. To recall that the Implementation Committee under the Non-compliance Procedure of the Montreal Protocol had concluded that scenario (d) was, in any event, in conformity with the provisions of the Montreal Protocol and decisions of the Meetings of the Parties;
3. To request the Secretariat to maintain a consolidated record of the cases in which the Parties have explained that their situations are the consequence of scenarios (a), (b) or (c), and incorporate that record in the documentation of the Implementation Committee, for information purposes only, as well as in the Secretariat's report on data submitted by the Parties in accordance with Article 7 of the Protocol;
4. To recognize that new scenarios not covered by paragraph 1 will be addressed by the Implementation Committee in accordance with the non-compliance procedure of the Protocol and the established practice thereunder;
5. To agree to revisit this issue at the Twenty-first Meeting of the Parties, in the light of the information gathered in accordance with paragraph 3 of the present decision, with a view to considering the need for further action.

Decision XVIII/18: Preventing illegal trade in ozone-depleting substances through systems for monitoring their transboundary movement between Parties

Acknowledging the urgent need for action to prevent and minimize illegal trade in controlled ozone-depleting substances so as not to undermine efforts to phase out ozone depleting substances, in particular those of the Parties operating under paragraph 1 of Article 5 of the Montreal Protocol,

Mindful of decision XVII/16, in which the Parties requested the Ozone Secretariat to undertake a feasibility study on developing a system for monitoring the transboundary movement of controlled ozone-depleting substances between the Parties and to present the results of that study to the Eighteenth Meeting of the Parties in 2006,

Noting with appreciation the work of the Ozone Secretariat and all organizations and individuals that assisted in the preparation of the study,

Noting that the study contains recommendations on better implementation and enforcement of existing mechanisms, notably licensing systems for the control of imports, exports and re-exports as called for in Article 4B of the Protocol, which have a key role to play in monitoring transboundary movements in controlled ozone-depleting substances,

Acknowledging also the need for Parties to make a detailed assessment of all the options put forward in the study and, in particular, the medium-term and longer-term options,

1. To urge all Parties to implement fully Article 4B of the Protocol as well as to take into account recommendations contained in existing decisions of the Parties, notably decisions IX/8, XIV/7, XVII/12 and XVII/16;
2. To encourage all Parties to consider taking effective action to improve monitoring of transboundary movement of controlled ozone-depleting substances including, as appropriate, a better utilization of existing systems under other multilateral agreements for tracking trade in chemicals and to exchange relevant information specifically in the context of trade in ozone-depleting substances between Parties operating under paragraph 1 of Article 5 of the Protocol and Parties not so operating;
3. To encourage all Parties which have experience in using the United Nations commodity trade statistics database, commonly known as "UNComtrade", and the publicly available software Global Risk Identification and Detection, commonly known as "eGRID", which are used to monitor trade in ozone-depleting substances, to provide information on the suitability and costs of those tools to the Ozone Secretariat, which will report such information at the twenty-seventh meeting of the Open-ended Working Group and subsequently at the Nineteenth Meeting of the Parties in 2007;
4. To encourage the United Nations Environment Programme's Compliance Assistance Programme to continue its efforts to train ozone officers and customs officers on best practices and to raise awareness and to disseminate examples of best practices for national licensing systems and regional cooperation to combat illegal trade;
5. To invite all Parties to submit written comments by 31 March 2007 to the Ozone Secretariat on the report, focusing in particular on their priorities with respect to the medium- and longer-term options listed in the study and/or all other possible options with a view to identifying those

cost-effective actions which could be given priority by the Parties both collectively through further action to be considered under the Protocol and at the regional and national levels;

6. To request the Ozone Secretariat to provide a compilation of those comments for consideration at the twenty-seventh meeting of the Open-ended Working Group and subsequently at the Nineteenth Meeting of the Parties in 2007.

Decision XVIII/19: Guidelines for disclosure of interest for groups such as the Technology and Economic Assessment Panel and its technical options committees

Recalling decision VIII/19,

Acknowledging the valuable contribution of the Technology and Economic Assessment Panel, the technical options committees and temporary subsidiary bodies in their role of providing analysis and presenting technical information to the Montreal Protocol,

Noting the code of conduct for the members of the Technology and Economic Assessment Panel, technical options committees and temporary subsidiary bodies adopted in annex V to the report of the Eighth Meeting of the Parties,

Recognizing the need to update paragraphs 5 and 6 of the code of conduct,

1. To replace paragraphs 5 and 6 of the code of conduct with the following paragraphs:

“5. The Technology and Economic Assessment Panel, the technical options committee and the temporary subsidiary body members shall disclose activities, including business, government or financial interests in the production of ozone-depleting substances, their alternatives, and products containing ozone depleting substances or their alternatives, which might call into question their ability to discharge their duties and responsibilities objectively. The Technology and Economic Assessment Panel, technical options committee and temporary subsidiary body members must annually disclose such activities. They must also disclose any financing from a company engaged in commercial activities for their participation in the Technology and Economic Assessment Panel, the technical options committees or any temporary subsidiary body. An illustrative list of interests is provided in the annex to the present code of conduct.

A conflict of interest would only arise when an interest of a Technology and Economic Assessment Panel, a technical options committee, or a temporary subsidiary body member, his or her personal partner or dependant would influence the expert’s work as a member with respect to the subject matter being considered.

Should there be a likelihood of a conflict of interest, a member shall take appropriate action. Such action could include seeking the advice of the co-chair or not fully participating in the determination of an issue or not participating at all in the determination of an issue.

The co-chair(s) shall seek to avoid conflicts of interest. This could include requesting a member to take appropriate action, such as requesting a member to take no role or a restricted role in the determination of an item. In the case of a serious conflict of interest, where a member has been nominated by a Party, that Party shall be advised by the co-chair(s) of the conflict at the earliest opportunity. Cases of conflicts or likely conflicts of interest relating to the co-chairs should be raised with the President of the Meeting of the Parties.

6. The Technology and Economic Assessment Panel is responsible for the interpretation of the code of conduct and the members of the Technology and Economic Assessment Panel, technical options committees and temporary subsidiary bodies for its application. The Technology and Economic Assessment Panel shall publish in annual reports descriptions of the financial and other relevant interests. As well, such reports shall include a brief description of conflicts or likely conflicts that arose in the year, the matter they were related to, whether any Parties were involved and how they were resolved.

Annex

The following is an illustrative list of the types of interests that should be disclosed:

- (a) A current proprietary interest of a member or his/her personal partner or dependant in a substance, technology or process (e.g., ownership of a patent) to be considered by the Technology and Economic Assessment Panel or any of its technical options committees or temporary subsidiary bodies;
- (b) A current financial interest of a member or his/her personal partner or dependant, e.g., shares or bonds in an entity with an interest in the subject matter of the meeting or work (but not shareholdings through general mutual funds or similar arrangements where the expert has no control over the selection of shares);
- (c) A current employment, consultancy, directorship, or other position held by a member or his/her personal partner or dependant, whether or not paid, in any entity which has an interest in the subject matter of the Technology and Economic Assessment Panel. This element of disclosure also includes paid consultancy efforts performed on behalf of an implementing agency to assist developing countries to adopt alternatives;
- (d) The provision of advice on significant issues to a government with respect to its implementation of the Montreal Protocol or engaging in the development of significant policy positions of a government for a Montreal Protocol meeting;
- (e) Performance of any paid research activities or receipt of any fellowships or grants for work related to a proposed use of an ozone-depleting substance or an alternative to a proposed use of an ozone-depleting substance.”

Decision XVIII/20: Non-compliance with the Montreal Protocol by Armenia

1. To note that Armenia ratified the Montreal Protocol on 1 October 1999 and the London and Copenhagen Amendments to the Protocol on 26 November 2003 and is classified as a Party operating under paragraph 1 of Article 5 of the Protocol;
2. To note also that the Council of the Global Environment Facility has approved \$2,090,000 to enable Armenia's compliance with the Protocol;
3. To note further that Armenia has reported annual consumption for the Annex E controlled substance (methyl bromide) for 2004 of 1.020 ODP-tonnes, which exceeds the Party's maximum allowable consumption level of zero ODP-tonnes for that controlled substance for that year, and that Armenia is therefore in non-compliance with the control measures for methyl bromide under the Protocol;
4. To note with appreciation Armenia's submission of a plan of action to ensure its prompt return to compliance with the Protocol's methyl bromide control measures and to note that, under the plan, without prejudice to the operation of the financial mechanism of the Protocol, Armenia specifically commits itself:
 - (a) To maintain methyl bromide consumption at no more than zero ODP-tonnes from 2007, save for critical uses that may be authorized by the Parties after 1 January 2015;
 - (b) To introduce by 1 July 2007 a system for licensing the import and export of ozone-depleting substances that includes import quotas;
5. To note that Armenia has reported methyl bromide consumption for 2005 that demonstrates its return to compliance in that year and to congratulate the Party on that achievement, but also to note the Party's concern that, until the measures contained in subparagraph 4 (b) of the present decision come into force, the Party cannot be confident of its ability to sustain its return to compliance, and therefore to urge Armenia to work with the relevant implementing agencies to implement the remainder of the plan of action to sustain its phase-out of consumption of methyl bromide;
6. To monitor closely the progress of Armenia with regard to the implementation of its plan of action and the phase-out of methyl bromide. To the degree that the Party is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a

Party in good standing. In that regard, Armenia should continue to receive international assistance to enable it to meet those commitments in accordance with item A of the indicative list of measures that may be taken by a Meeting of the Parties in respect of non-compliance. Through the present decision, however, the Parties caution Armenia, in accordance with item B of the indicative list of measures, that in the event that it fails to remain in compliance, the Parties will consider measures consistent with item C of the indicative list of measures. Those measures may include the possibility of actions available under Article 4, such as ensuring that the supply of methyl bromide that is the subject of non-compliance is ceased so that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision XVIII/21: Non-compliance in 2005 with the control measures of the Montreal Protocol governing consumption of the controlled substances in Annex B, group II, (carbon tetrachloride) and Annex B, group III, (methyl chloroform) by the Democratic Republic of the Congo

1. To note that the Democratic Republic of the Congo ratified the Montreal Protocol and the London and Copenhagen Amendments on 30 November 1994 and the Montreal and Beijing Amendments on 23 March 2005, is classified as a Party operating under paragraph 1 of Article 5 of the Protocol and had its country programme approved by the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol in March 1999. The Executive Committee has approved \$2,974,819.30 from the Multilateral Fund to enable the Party's compliance in accordance with Article 10 of the Protocol;

2. To note also that the Democratic Republic of the Congo has reported annual consumption for the controlled substance in Annex B, group II, (carbon tetrachloride) for 2005 of 16.500 ODP-tonnes, which exceeds the Party's maximum allowable consumption level of 2.288 ODP-tonnes for that controlled substance for that year, and that the Party is therefore in non-compliance with the carbon tetrachloride control measures under the Protocol;

3. To note further that the Democratic Republic of the Congo has reported annual consumption for the controlled substance in Annex B, group III, (methyl chloroform) for 2005 of 4.000 ODP-tonnes, which exceeds the Party's maximum allowable consumption level of 3.330 ODP-tonnes for that controlled substance for that year, and that the Democratic Republic of the Congo is therefore in non-compliance with the methyl chloroform control measures under the Protocol;

4. To note with appreciation the Democratic Republic of the Congo's submission of a plan of action to ensure its prompt return to compliance with the Protocol's carbon tetrachloride and methyl chloroform control measures and to note that, under the plan, without prejudice to the operation of the financial mechanism of the Protocol, the Party specifically commits itself:

(a) To maintain carbon tetrachloride consumption in 2006 at no more than 16.500 ODP-tonnes and then to reduce it as follows:

- (i) To 2.2 ODP-tonnes in 2007;
- (ii) To zero in 2008;

(b) To maintain methyl chloroform consumption in 2006 at no more than 4.000 ODP-tonnes and then to reduce it as follows:

- (i) To 3.3 ODP-tonnes in 2007;
- (ii) To zero in 2008;

(c) To monitor its system for licensing the import and export of ozone-depleting substances, which includes import quotas;

5. To note that the measures listed in paragraph 4 above should enable the Democratic Republic of the Congo to return to compliance with the Protocol in 2007 and to urge the Party to work with the relevant implementing agencies to implement the plan of action to phase out consumption of carbon tetrachloride and methyl chloroform;

6. To monitor closely the progress of the Democratic Republic of the Congo with regard to the phase-out of carbon tetrachloride and methyl chloroform. To the degree that the Party is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a Party in good standing. In that regard, the Party should continue to receive international

assistance to enable it to meet its commitments in accordance with item A of the indicative list of measures that may be taken by a Meeting of the Parties in respect of non-compliance. Through the present decision, however, the Meeting of the Parties cautions the Democratic Republic of the Congo, in accordance with item B of the indicative list of measures, that, in the event that it fails to return to compliance in a timely manner, the Meeting of the Parties will consider measures consistent with item C of the indicative list of measures. Those measures may include the possibility of actions available under Article 4, such as ensuring that the supply of carbon tetrachloride and methyl chloroform that are the subject of non-compliance is ceased so that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision XVIII/22: Non-compliance in 2005 with the control measures of the Montreal Protocol governing consumption of the controlled substances in Annex A, group I, (CFCs) by Dominica

1. To note that Dominica ratified the Montreal Protocol and the London Amendment on 31 March 1993 and the Copenhagen, Montreal and Beijing Amendments on 7 March 2006, is classified as a Party operating under paragraph 1 of Article 5 of the Protocol and had its country programme approved by the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol in November 1998. The Executive Committee has approved \$232,320 from the Multilateral Fund to enable Dominica's compliance in accordance with Article 10 of the Protocol;

2. To note further that Dominica has reported annual consumption for the Annex A, group I, controlled substances (CFCs) for 2005 of 1.388 ODP-tonnes, which exceeds the Party's maximum allowable consumption level of 0.740 ODP-tonnes for those controlled substances for that year, and that Dominica is therefore in non-compliance with the control measures for CFCs under the Protocol;

3. To note with appreciation Dominica's submission of a plan of action to ensure a prompt return to compliance with the Protocol's CFC control measures and to note that, under the plan, without prejudice to the operation of the financial mechanism of the Protocol, Dominica specifically commits itself:

(a) To reduce CFC consumption from 1.388 ODP-tonnes in 2005 as follows:

(i) To 0.45 ODP-tonnes in 2006;

(ii) To zero ODP-tonnes from 2007, save for essential uses that may be authorized by the Parties after 1 January 2010;

(b) To introduce by 31 December 2006 a system for licensing the import and export of ozone-depleting substances that includes import quotas for all ozone-depleting substances listed under the Protocol. With regard to CFCs, Dominica would set annual quotas consistent with the levels stated in paragraph 3 (a) of the present decision, except to meet the needs of any national disasters and resulting emergencies, in which case Dominica will ensure that the annual quotas do not exceed its maximum allowable levels of consumption as prescribed by Article 2A of the Protocol or such levels as may be otherwise authorized by the Parties;

(c) To monitor its ban on the import of equipment requiring the supply of ozone-depleting substances, noting that the ban excludes equipment for medical purposes;

4. To note that the measures listed in paragraph 3 above should enable Dominica to return to compliance in 2006 and to urge Dominica to work with the relevant implementing agencies to implement the plan of action to phase out consumption of CFCs;

5. To monitor closely the progress of Dominica with regard to the implementation of its plan of action and the phase-out of CFCs. To the degree that the Party is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a Party in good standing. In that regard, Dominica should continue to receive international assistance to enable it to meet those commitments in accordance with item A of the indicative list of measures that may be taken by a Meeting of the Parties in respect of non-compliance. Through the present decision, however, the Parties caution Dominica, in accordance with item B of the indicative list of measures, that, in the event that it fails to remain in compliance, the Parties will consider measures consistent with item C of the indicative list of measures. Those measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs that are the subject of non-compliance is ceased so that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision XVIII/23: Non-compliance in 2005 with the control measures of the Montreal Protocol governing consumption of the controlled substance in Annex E (methyl bromide) by Ecuador and request for a plan of action

1. To note that Ecuador ratified the Montreal Protocol on 10 April 1990, the London Amendment on 30 April 1990 and the Copenhagen Amendment on 24 November 1993, is classified as a Party operating under paragraph 1 of Article 5 of the Protocol and had its country programme approved by the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol in February 1992. The Executive Committee has approved \$5,737,500 from the Multilateral Fund to enable Ecuador's compliance in accordance with Article 10 of the Protocol;

2. To note further that Ecuador has reported annual consumption of the controlled substance in Annex E (methyl bromide) for 2005 of 153.000 ODP-tonnes, which exceeds the Party's maximum allowable consumption level of 52.892 ODP-tonnes for that controlled substance for that year, and that Ecuador is therefore in non-compliance with the methyl bromide control measures under the Protocol;

3. To request Ecuador, as a matter of urgency and no later than 31 March 2007, to submit to the Secretariat, for consideration by the Implementation Committee under the Non-compliance Procedure of the Montreal Protocol at its next meeting, a plan of action with time-specific benchmarks to ensure a prompt return to compliance. Ecuador may wish to consider including in its plan of action the establishment of policy and regulatory instruments that will ensure progress in achieving the phase-out;

4. To monitor closely the progress of Ecuador with regard to the phase-out of methyl bromide. To the degree that the Party is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a Party in good standing. In that regard, Ecuador should continue to receive international assistance to enable it to meet its commitments in accordance with item A of the indicative list of measures that may be taken by a Meeting of the Parties in respect of non-compliance. Through the present decision, however, the Meeting of the Parties cautions Ecuador, in accordance with item B of the indicative list of measures, that, in the event that it fails to return to compliance in a timely manner, the Meeting of the Parties will consider measures consistent with item C of the indicative list of measures. Those measures may include the possibility of actions available under Article 4, such as ensuring that the supply of methyl bromide that is the subject of non-compliance is ceased so that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision XVIII/24: Potential non-compliance in 2005 with the control measures of the Montreal Protocol governing consumption of the controlled substances in Annex A, group I, (CFCs) by Eritrea and request for a plan of action

1. To note that Eritrea ratified the Montreal Protocol on 10 March 2005 and the London, Copenhagen, Montreal and Beijing Amendments on 5 July 2005 and is classified as a Party operating under paragraph 1 of Article 5 of the Protocol. The Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol has approved \$106,700 from the Multilateral Fund to enable the Party's compliance in accordance with Article 10 of the Protocol;

2. To note that Eritrea has reported annual consumption for the controlled substances in Annex A, group I, (CFCs) for 2005 of 30.220 ODP-tonnes, which exceeds the Party's maximum allowable consumption level of 20.574 ODP-tonnes for those controlled substances for that year, and that in the absence of further clarification Eritrea is therefore presumed to be in non-compliance with the control measures under the Protocol;

3. To request Eritrea to submit to the Secretariat, as a matter of urgency and no later than 31 March 2007, for consideration by the Implementation Committee under the Non-compliance Procedure of the Montreal Protocol at its next meeting, an explanation for its excess consumption, together with a plan of action with time-specific benchmarks to ensure a prompt return to compliance. Eritrea may wish to consider including in its plan of action the establishment of import quotas to support the phase-out schedule, a ban on imports of ozone-depleting-substance-using equipment and policy and regulatory instruments that will ensure progress in achieving the phase-out;

4. To monitor closely the progress of Eritrea with regard to the phase-out of CFCs. To the degree that the Party is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a Party in good standing. In that regard, Eritrea should continue to receive international assistance to enable it to meet its commitments in accordance with item A of the indicative list of measures that may be taken by a Meeting of the Parties in respect of non-compliance. Through the present decision, however, the Meeting of the Parties cautions Eritrea, in accordance with item B of the indicative list of measures, that, in the event that it fails to return to compliance in a timely manner, the Meeting of the Parties will consider measures consistent with item C of the indicative list of measures. Those measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs that are the subject of non-compliance is ceased so that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision XVIII/25: Non-compliance with regard to the transfer of CFC production rights by Greece

1. To note that Greece ratified the Montreal Protocol on 29 December 1988, the London Amendment on 11 May 1993, the Copenhagen Amendment on 30 January 1995, the Montreal Amendment on 27 January 2006 and the Beijing Amendment on 27 January 2006 and is classified as a Party not operating under paragraph 1 of Article 5 of the Protocol;

2. To note further that Greece has reported annual production for the Annex A, group I, controlled substances (CFCs) of 2,793.000 ODP-tonnes to meet the basic domestic needs of Parties operating under Article 5 of the Protocol, which exceeds the Party's maximum allowable production level for those controlled substances of 1,168 ODP-tonnes;

3. To note with appreciation the explanation submitted by the Party that it received a transfer of CFC production rights from the United Kingdom of Great Britain and Northern Ireland of 1,786 ODP-tonnes in 2004 such that its maximum allowable level of CFC production in that year increased to 2,954 ODP-tonnes, an amount greater than the total CFC production reported by Greece for 2004;

4. To note with concern, however, that Greece did not notify the Secretariat prior to the date of the transfer and that it is therefore in non-compliance with the provisions of Article 2 of the Protocol that prescribe the procedure for the transfer of production rights, while acknowledging the Party's regret at its failure to comply with the notification requirement of Article 2 and its undertaking to ensure that any future transfers are conducted in accordance with that Article;

Decision XVIII/26: Revised plan of action to return Guatemala to compliance with the control measures in Article 2H of the Montreal Protocol

1. To note that Guatemala ratified the Montreal Protocol on 7 November 1989 and the London, Copenhagen, Montreal and Beijing Amendments on 21 January 2002. Guatemala is classified as a Party operating under paragraph 1 of Article 5 of the Protocol and had its country programme approved by the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol in 1993. Since approval of the country programme, the Executive Committee has approved \$6,366,065 from the Multilateral Fund to enable compliance in accordance with Article 10 of the Protocol;

2. To recall decision XV/34, which noted that Guatemala was in non-compliance in 2002 with its obligations under Article 2H of the Protocol to freeze its consumption of the controlled substance in Annex E (methyl bromide) at its baseline level of 400.7 ODP-tonnes but also noted with appreciation the plan of action submitted by Guatemala to ensure its prompt return to compliance in 2007 with the Protocol's methyl bromide consumption control measures;

3. To note with concern, however, that Guatemala has reported consumption of methyl bromide for 2005 of 522.792 ODP-tonnes, which is inconsistent with the Party's commitment contained in decision XV/34 to reduce its methyl bromide consumption to 360 ODP-tonnes in 2005;

4. To note further the advice of Guatemala that all relevant stakeholders have committed to phase out methyl bromide in accordance with the revised time-specific consumption reduction benchmarks contained in paragraph 5 of the present decision, which provide the Party with one

additional year to overcome the technical, economic and political challenges that were the cause of the Party's deviation from its commitments contained in decision XV/34;

5. To note also with appreciation that Guatemala has submitted a revised plan of action for methyl bromide phase-out in controlled uses and to note, without prejudice to the operation of the financial mechanism of the Protocol, that under the revised plan Guatemala specifically commits itself:

- (a) To reduce methyl bromide consumption from 709.4 ODP-tonnes in 2002 as follows:
 - (i) To 400.70 ODP-tonnes in 2006;
 - (ii) To 361 ODP-tonnes in 2007;
 - (iii) To 320.56 ODP-tonnes in 2008;
 - (iv) To phase out methyl bromide consumption by 1 January 2015, as required under the Protocol, save for critical uses that may be authorized by the Parties;

(b) To monitor its system for licensing imports and exports of ozone-depleting substances, including quotas;

6. To note that the measures listed in paragraph 5 above should enable Guatemala to return to compliance with the Protocol's methyl bromide control measures in 2008 and to urge Guatemala to work with the relevant implementing agencies to implement the plan of action and phase out consumption of methyl bromide;

7. To monitor closely the progress of Guatemala with regard to the implementation of its plan of action and the phase-out of methyl bromide. To the degree that Guatemala is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a Party in good standing. In that regard, Guatemala should continue to receive international assistance to enable it to meet those commitments in accordance with item A of the indicative list of measures that may be taken by a Meeting of the Parties in respect of non-compliance. Through the present decision, however, the Parties caution Guatemala, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner the Parties will consider measures consistent with item C of the indicative list of measures. Those measures may include the possibility of actions available under Article 4, such as ensuring that the supply of methyl bromide that is the subject of non-compliance is ceased and that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision XVIII/27: Potential non-compliance in 2005 with the control measures of the Montreal Protocol governing consumption of the controlled substance in Annex B group II, (carbon tetrachloride) by the Islamic Republic of Iran and request for a plan of action

1. To note that the Islamic Republic of Iran ratified the Montreal Protocol on 3 October 1990, the London and Copenhagen Amendments on 4 August 1997 and the Montreal Amendment on 17 October 2001, is classified as a Party operating under paragraph 1 of Article 5 of the Protocol and had its country programme approved by the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol in June 1993. The Executive Committee has approved \$59,507,714 from the Multilateral Fund to enable the Party's compliance in accordance with Article 10 of the Protocol;

2. To note that the Islamic Republic of Iran has reported annual consumption for the controlled substance in Annex B, group II, (carbon tetrachloride) for 2005 of 13.640 ODP-tonnes, which exceeds the Party's maximum allowable consumption level of 11.550 ODP-tonnes for that controlled substance for that year, and that in the absence of further clarification the Islamic Republic of Iran is therefore presumed to be in non-compliance with the control measures under the Protocol;

3. To request the Islamic Republic of Iran to submit to the Secretariat, as a matter of urgency and no later than 31 March 2007, for consideration by the Implementation Committee under the Non-compliance Procedure of the Montreal Protocol at its next meeting, an explanation for its excess consumption, together with a plan of action with time-specific benchmarks to ensure a prompt return to compliance. The Islamic Republic of Iran may wish to consider including in its plan of action the establishment of import quotas to support the phase-out schedule, a ban on imports of

ozone-depleting-substance-using equipment and policy and regulatory instruments that will ensure progress in achieving the phase-out;

4. To monitor closely the progress of the Islamic Republic of Iran with regard to the phase-out of carbon tetrachloride. To the degree that the Party is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a Party in good standing. In that regard, the Islamic Republic of Iran should continue to receive international assistance to enable it to meet its commitments in accordance with item A of the indicative list of measures that may be taken by a Meeting of the Parties in respect of non-compliance. Through the present decision, however, the Meeting of the Parties cautions the Islamic Republic of Iran, in accordance with item B of the indicative list of measures, that, in the event that it fails to return to compliance in a timely manner, the Meeting of the Parties will consider measures consistent with item C of the indicative list of measures. Those measures may include the possibility of actions available under Article 4, such as ensuring that the supply of carbon tetrachloride that is the subject of non-compliance is ceased so that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision XVIII/28: Non-compliance with the Montreal Protocol by Kenya

1. To note that Kenya ratified the Montreal Protocol on 9 November 1988, the London and Copenhagen Amendments on 27 September 1994 and the Montreal Amendment on 12 July 2000, is classified as a Party operating under paragraph 1 of Article 5 of the Protocol and had its country programme approved by the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol in July 1994. The Executive Committee has approved \$4,579,057 from the Multilateral Fund to enable Kenya's compliance in accordance with Article 10 of the Protocol;

2. To note also that Kenya has reported annual consumption for the controlled substances in Annex A, group I, (CFCs) for 2005 of 162.210 ODP-tonnes, which exceeds the Party's maximum allowable consumption level of 119.728 ODP-tonnes for those controlled substances for that year, and that Kenya is therefore in non-compliance with the control measures for CFCs under the Protocol;

3. To note with appreciation Kenya's submission of a plan of action to ensure a prompt return to compliance with the Protocol's CFC control measures and to note that, under the plan, without prejudice to the operation of the financial mechanism of the Protocol, Kenya specifically commits itself:

(a) To reduce CFC consumption from 162.210 ODP-tonnes in 2005 to 60.00 ODP-tonnes in 2006;

(b) To further reduce CFC consumption from 60.00 ODP-tonnes in 2006 to 30.00 ODP-tonnes in 2007;

(c) To further reduce CFC consumption from 30.00 ODP-tonnes in 2007 to 10.00 ODP-tonnes in 2008;

(d) To further reduce CFC consumption from 10.00 ODP-tonnes in 2008 to zero (0.00) ODP-tonnes in 2009, save for essential uses that may be authorized by the Parties after 1 January 2010;

(e) To monitor its system for licensing the import and export of ozone-depleting substances, which includes import quotas;

4. To urge Kenya to gazette the ozone-depleting substances regulations required to establish and implement its system for licensing the import and export of ozone-depleting substances, which includes import quotas, as soon as possible and preferably no later than 31 December 2006;

5. To note that the measures listed in paragraph 3 above should enable Kenya to return to compliance with the Protocol in 2006 and to urge Kenya to work with the relevant implementing agencies to implement the plan of action to phase out consumption of CFCs;

6. To monitor closely the progress of Kenya with regard to the implementation of its plan of action and the phase-out of CFCs. To the degree that the Party is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a Party in good standing. In that regard, Kenya should continue to receive international assistance to enable it to meet those commitments in accordance with item A of the indicative list of measures that may be taken by a Meeting of the Parties in respect of non-compliance. Through the present decision, however, the Parties caution Kenya, in accordance with item B of the indicative list of measures, that, in the event that it fails to remain in compliance, the Parties will consider measures consistent with item C of the

indicative list of measures. Those measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs that are the subject of non-compliance is ceased so that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision XVIII/29: Request for change in baseline data by Mexico

1. To note that the Mexico has presented sufficient information, in accordance with decision XV/19 of the Fifteenth Meeting of the Parties, to justify its request to change its baseline data for the year 1998 for the consumption of the controlled substance in Annex B, group II, (carbon tetrachloride) from zero ODP-tonnes to 187.517 ODP-tonnes;

2. To therefore accept the Party's request to change its baseline data;

3. To note that the revised baseline data will be used to calculate the Party's consumption baseline for carbon tetrachloride for the year 2005 and beyond.

Decision XVIII/30: Non-compliance in 2005 with the control measures of the Montreal Protocol governing consumption of the controlled substance in Annex B, group II, (carbon tetrachloride) by Mexico

1. To note that Mexico ratified the Montreal Protocol on 31 March 1988, the London Amendment on 11 October 1991 and the Copenhagen Amendment on 16 September 1994, is classified as a Party operating under paragraph 1 of Article 5 of the Protocol and had its country programme approved by the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol in February 1992. The Executive Committee has approved \$83,209,107 from the Multilateral Fund to enable Mexico's compliance in accordance with Article 10 of the Protocol;

2. To note further that Mexico has reported annual consumption for the Annex B, group II, controlled substance (carbon tetrachloride) for 2005 of 89.540 ODP-tonnes, which exceeds the Party's maximum allowable consumption level of 9.376 ODP-tonnes for that controlled substance for that year, and that Mexico is therefore in non-compliance with the carbon tetrachloride control measures under the Protocol;

3. To note with appreciation Mexico's submission of a plan of action to ensure a prompt return to compliance with the Protocol's carbon tetrachloride control measures and to note that, under the plan, without prejudice to the operation of the financial mechanism of the Protocol, Mexico specifically commits itself:

(a) To reduce carbon tetrachloride consumption from 89.540 ODP-tonnes in 2005 as follows:

(i) To 9.376 ODP-tonnes in 2008;

(ii) To zero ODP-tonnes in 2009;

(b) To monitor its system for licensing the import and export of ozone-depleting substances, which includes import quotas;

4. To note that the measures listed in paragraph 3 above should enable Mexico to return to compliance with the Protocol in 2008 and to urge Mexico to work with the relevant implementing agencies to implement the plan of action to phase out consumption of carbon tetrachloride;

5. To monitor closely the progress of Mexico with regard to the phase-out of carbon tetrachloride. To the degree that the Party is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a Party in good standing. In that regard, Mexico should continue to receive international assistance to enable it to meet its commitments in accordance with item A of the indicative list of measures that may be taken by a Meeting of the Parties in respect of non-compliance. Through the present decision, however, the Meeting of the Parties cautions Mexico, in accordance with item B of the indicative list of measures, that, in the event that it fails to return to compliance in a timely manner, the Meeting of the Parties will consider measures consistent with item C of the indicative list of measures. Those measures may include the possibility of actions available under Article 4, such as ensuring that the supply of carbon tetrachloride that is the subject of non-compliance is ceased so that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision XVIII/31: Non-compliance with the Montreal Protocol by Pakistan

1. To note that Pakistan ratified the Montreal Protocol and the London Amendment on 18 December 1992, the Copenhagen Amendment on 17 February 1995 and the Montreal and Beijing Amendments on 2 September 2005, is classified as a Party operating under paragraph 1 of Article 5 of the Protocol and had its country programme approved by the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol in 1996. The Executive Committee has approved \$20,827,626 from the Multilateral Fund to enable Pakistan's compliance in accordance with Article 10 of the Protocol;

2. To note further that Pakistan has reported annual consumption for the Annex B, group II, controlled substance (carbon tetrachloride) for 2005 of 148.500 ODP-tonnes, which exceeds the Party's maximum allowable consumption level of 61.930 ODP-tonnes for that controlled substance for that year, and that Pakistan is therefore in non-compliance with the control measures for carbon tetrachloride under the Protocol;

3. To note with appreciation Pakistan's submission of a plan of action to ensure a prompt return to compliance with the Protocol's carbon tetrachloride control measures and to note that, under the plan, without prejudice to the operation of the financial mechanism of the Protocol, Pakistan specifically commits itself:

(a) To reduce carbon tetrachloride consumption from 148.500 ODP-tonnes in 2005 to 41.800 ODP-tonnes in 2006;

(b) To monitor its system for licensing the import and export of ozone-depleting substances, which includes import quotas;

4. To note that the measures listed in paragraph 3 above should enable Pakistan to return to compliance with the Protocol in 2006 and to urge Pakistan to work with the relevant implementing agencies to implement its plan of action to phase out consumption of carbon tetrachloride;

5. To monitor closely the progress of Pakistan with regard to the implementation of its plan of action and the phase-out of carbon tetrachloride. To the degree that the Party is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a Party in good standing. In that regard, Pakistan should continue to receive international assistance to enable it to meet those commitments in accordance with item A of the indicative list of measures that may be taken by a Meeting of the Parties in respect of non-compliance. Through the present decision, however, the Parties caution Pakistan, in accordance with item B of the indicative list of measures, that, in the event that it fails to remain in compliance, the Parties will consider measures consistent with item C of the indicative list of measures. Those measures may include the possibility of actions available under Article 4, such as ensuring that the supply of carbon tetrachloride that is the subject of non-compliance is ceased so that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision XVIII/32: Non-compliance in 2005 with the control measures of the Montreal Protocol governing consumption of the controlled substances in Annex A, group I, (CFCs) and Annex B, group II, (carbon tetrachloride) by Paraguay and request for a plan of action

1. To note that Paraguay ratified the Montreal Protocol and its London Amendment on 3 December 1992, the Copenhagen and Montreal Amendments on 27 April 2001 and the Beijing Amendment on 18 July 2006, is classified as a Party operating under paragraph 1 of Article 5 of the Protocol and had its country programme approved by the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol in February 1997. The Executive Committee has approved \$1,768,840 from the Multilateral Fund to enable Paraguay's compliance in accordance with Article 10 of the Protocol;

2. To note further that Paraguay has reported annual consumption for the controlled substance in Annex A, group I, (CFCs) for 2005 of 250.748 ODP-tonnes, which exceeds the Party's maximum allowable consumption level of 105.280 ODP-tonnes for that controlled substance for that year, and that Paraguay is therefore in non-compliance with the CFC control measures under the Protocol;

3. To note also that Paraguay has reported annual consumption for the controlled substance in Annex B, group II, (carbon tetrachloride) for 2005 of 6.842 ODP-tonnes, which exceeds the Party's maximum allowable consumption level of 0.090 ODP-tonnes for that controlled substance for that year, and that Paraguay is therefore in non-compliance with the carbon tetrachloride control measures under the Protocol;

4. To request Paraguay to submit to the Secretariat, as a matter of urgency and no later than 31 March 2007, for consideration by the Implementation Committee under the Non-compliance Procedure of the Montreal Protocol at its next meeting, a plan of action with time-specific benchmarks to ensure a prompt return to compliance. Paraguay may wish to consider including in its plan of action the establishment of import quotas to support the phase-out schedule included in its plan of action and policy and regulatory instruments that will ensure progress in achieving phase-out;

5. To monitor closely the progress of Paraguay with regard to the phase-out of carbon tetrachloride and CFCs. To the degree that the Party is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a Party in good standing. In that regard, Paraguay should continue to receive international assistance to enable it to meet its commitments in accordance with item A of the indicative list of measures that may be taken by a Meeting of the Parties in respect of non-compliance. Through the present decision, however, the Meeting of the Parties cautions Paraguay, in accordance with item B of the indicative list of measures, that, in the event that it fails to return to compliance in a timely manner, the Meeting of the Parties will consider measures consistent with item C of the indicative list of measures. Those measures may include the possibility of actions available under Article 4, such as ensuring that the supply of carbon tetrachloride and CFCs that are the subject of non-compliance is ceased so that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision XVIII/33: Non-compliance with data-reporting requirements for the purpose of establishing baselines under paragraphs 3 and 8 ter (d) of Article 5 by Serbia

1. To note that Serbia has not reported the data required for the establishment of baselines for the controlled substances in Annex B (other CFCs, carbon tetrachloride and methyl chloroform) for the years 1998 and 1999, as provided for by paragraphs 3 and 8 ter (d) of Article 5 of the Montreal Protocol;

2. To note that the failure to report such data places Serbia in non-compliance with its data-reporting obligations under the Protocol until such time as the Secretariat receives the outstanding data;

3. To stress that compliance by Serbia with the Protocol cannot be evaluated without the outstanding data;

4. To acknowledge that Serbia has only recently ratified the amendments to the Protocol that require it to report data on the controlled substances indicated in paragraph 1 of the present decision and also that Serbia has recently experienced a considerable change in its national circumstances in connection with which it has undertaken to continue the legal personality of the former Serbia and Montenegro in respect of the Protocol for the territory under its control effective 3 June 2006, but also to note that the Party has received assistance with data collection from the Multilateral Fund for the Implementation of the Montreal Protocol through the Fund's implementing agencies;

5. To urge Serbia to work together with the United Nations Environment Programme under that agency's Compliance Assistance Programme and with other implementing agencies of the Multilateral Fund to report the data, as a matter of urgency, to the Secretariat;

6. To request the Implementation Committee under the Non-compliance Procedure of the Montreal Protocol to review the situation of Serbia with respect to data reporting at its next meeting;

Decision XVIII/34: Data and information provided by the Parties in accordance with Article 7 of the Montreal Protocol

1. To note with appreciation that 181 Parties out of the 189 that should have reported data for 2005 in accordance with Article 7 of the Montreal Protocol have done so and that 104 of those Parties reported their data by 30 June 2006 in accordance with decision XV/15;
2. To note, however, that the following Parties have still not reported their 2005 data: Cote d'Ivoire, Malta, Saudi Arabia, Solomon Islands, Somalia, Uzbekistan, Venezuela (Bolivarian Republic of);
3. To note that their failure to report their 2005 data in accordance with Article 7 places the Parties listed in paragraph 2 in non-compliance with their data-reporting obligations under the Protocol until such time as the Secretariat receives their outstanding data;
4. To note also that lack of timely data reporting by Parties impedes effective monitoring and assessment of Parties' compliance with their obligations under the Protocol;
5. To note further that reporting by 30 June each year greatly facilitates the work of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol in assisting Parties operating under paragraph 1 of Article 5 of the Protocol to comply with the Protocol's control measures;
6. To urge the Parties listed in the present decision, as appropriate, to work closely with the implementing agencies of the Multilateral Fund to report the required data to the Secretariat as a matter of urgency;
7. To request the Implementation Committee under the Non-compliance Procedure of the Montreal Protocol to review the situation of the Parties listed in paragraph 2 at its next meeting;
8. To encourage Parties to continue to report consumption and production data as soon as figures are available, and preferably by 30 June each year, as agreed in decision XV/15;

Decision XVIII/35: Report on the establishment of licensing systems under Article 4B of the Montreal Protocol

1. To note that paragraph 3 of Article 4B of the Montreal Protocol requires each Party, within three months of the date of introducing its system for licensing the import and export of new, used, recycled and reclaimed substances in Annexes A, B, C and E of the Protocol, to report to the Secretariat on the establishment and operation of that system;
2. To note with appreciation that 124 Parties to the Montreal Amendment to the Protocol have established import and export licensing systems as required under the terms of the Amendment;
3. To note also with appreciation that 30 Parties to the Protocol that have not yet ratified the Montreal Amendment have also established import and export licensing systems;
4. To recognize that licensing systems bring the following benefits: monitoring of imports and exports of ozone-depleting substances; prevention of illegal trade; and enabling of data collection;
5. To note that Parties to the Montreal Amendment to the Protocol that have not yet established licensing systems are in non-compliance with Article 4B of the Protocol and can be subject to the non-compliance procedure under the Protocol;
6. To urge all remaining 23 Parties to the Montreal Amendment to provide information to the Secretariat on the establishment of import and export licensing systems and to urge those that have not yet established such systems to do so as a matter of urgency;
7. To encourage all remaining Parties to the Protocol that have not yet ratified the Montreal Amendment to ratify it and to establish import and export licensing systems if they have not yet done so;
8. To urge all Parties that already operate licensing systems to ensure that they are implemented and enforced effectively;
9. To review periodically the status of the establishment of licensing systems by all Parties to the Protocol, as called for in Article 4B of the Protocol.

Decision XVIII/36: Dialogue on key future challenges to be faced by the Montreal Protocol

1. To convene a two-day open-ended dialogue, including participation by the Assessment Panels, the Ozone Secretariat, the Multilateral Fund secretariat and the implementing agencies, and inviting other relevant multilateral environmental agreement secretariats and non-governmental organizations as observers, to discuss issues related to the future key challenges of the Montreal Protocol, in accordance with the agenda contained in the annex to the present decision;

2. That the above-mentioned dialogue will be held during the two days immediately preceding the twenty-seventh meeting of the Open-ended Working Group and that interpretation in the six United Nations languages will be provided;

3. To request the Secretariat, liaising with the appropriate Montreal Protocol bodies, to prepare and to post on its website by 30 April 2007 a background document to serve as context for the above-mentioned dialogue, containing:

(a) A summary of the key achievements of the Montreal Protocol, lessons learned and its present status;

(b) Volumes of ozone-depleting substances phased out and phased in by substance and by category of Parties (i.e., Parties operating under paragraph 1 of Article 5 and Parties not so operating), forecasts of future trends in production and consumption and emissions from ozone-depleting substance banks;

(c) A compilation of submissions by Parties received in accordance with paragraph 4 of the present decision;

(d) Concise factual information on the topics contained in the agenda of the dialogue;

(e) Data on the ozone-depleting substances phased out and phased in under projects approved and implemented under the Multilateral Fund;

(f) An overview of the current and predicted future state of the ozone layer;

4. To invite Parties to submit to the Secretariat by 16 April 2007 any suggestions they may have on the topics to be discussed under the agenda contained in the annex;

5. To further request the Secretariat to prepare, in cooperation with the co-chairs of the dialogue, a summary report of the discussions that take place during the dialogue;

6. That a summary of key issues arising from the dialogue will be prepared by the co-chairs of the dialogue and presented at the twenty-seventh meeting of the Open-ended Working Group;

7. To select Mr. Khaled Klaly (Syrian Arab Republic) and Mr. Tom Land (United States of America) as co-chairs of the dialogue.

Annex to decision XVIII/36

Agenda for a dialogue on key future challenges faced by the Montreal Protocol Nairobi, Kenya, .

Day 1

Welcome / Introduction

Speech by an eminent person

Summary of key achievements of the Montreal Protocol (Ozone Secretariat)

Questions / Discussion of summary presented by the Ozone Secretariat

Lunch

Future challenges related to scientific assessment, analysis and monitoring of the state of the ozone layer

Challenges in phasing-out HCFCs. Open discussion.

Key future policy challenges related to the further management, control and/or phase-out of ozone-depleting substances other than HCFCs

Day 2

Issues related to sustaining compliance, maintaining enforcement and combating illegal trade beyond 2010

Lunch

Improving cooperation and coordination of the Montreal Protocol with other multilateral environmental agreements and processes

The future of the Multilateral Fund beyond 2010

Administration and institutional issues related to the Montreal Protocol including issues related to the Meeting of the Parties, the assessment panels, the Implementation Committee and the Ozone Secretariat

Summary and conclusions

Decision XVIII/37: Nineteenth Meeting of the Parties to the Montreal Protocol

To convene the Nineteenth Meeting of the Parties to the Montreal Protocol in Montreal, Canada, from 17 to 21 September 2007.

Comments made at the time of adoption of decisions

222. A representative of the Russian Federation, speaking on the decisions on essential use exemptions, expressed concern that the adoption of the decision on metered-dose inhalers would invalidate the essential use authorization granted to the Russian Federation for 2007 under decision XVII/5. The Executive Secretary clarified that decision XVII/5 was still valid and that the decision on metered-dose inhalers adopted at the current meeting would not operate retrospectively to affect decision XVII/5.

223. The representative of the European Community, speaking on behalf of the Community and its member states, made a statement on the decision on critical-use exemptions for methyl bromide. She thanked the Methyl Bromide Technical Options Committee for its valuable work and expressed the belief that its recommendations provided a sound basis for critical-use exemptions for 2007 and 2008. The Committee's recommendations were agreeable to the Community and its member States, some of which had already accepted final amounts well below the Committee's recommendations. She had hoped that they would also have proved acceptable to other nominating Parties, but the Community was prepared to compromise with the aim of bringing the meeting to a successful conclusion. She sincerely hoped that the decision would assist in all Parties' endeavours to phase out critical uses of methyl bromide in the near future and that it would also help to reduce the amounts of methyl bromide licensed for domestic use.

224. The representative of the United States of America stated that his delegation acknowledged that it was indeed the purpose of the Montreal Protocol to reduce and eliminate all non-critical and non-essential uses of ozone-depleting substances. He also noted, however, that it was not the intention of the Protocol, and thus could not be the intention of the Parties, to eliminate all uses of a substance for which no alternatives that were technically and economically feasible were yet available. In the context of decision IX/6, the United States had been seeking to reduce and eliminate stocks of methyl bromide produced before the 2005 phase-out. To the extent consistent with national and international law, his Government intended to increase its efforts to accelerate the phase-out of those pre-existing stocks.

225. The representative of Switzerland reiterated his confidence in the work of the Methyl Bromide Technical Options Committee and the Technology and Economic Assessment Panel. He stated his belief in the need for further improvements in the data and information provided by Parties putting forward critical-use nominations, which would further assist that work. He believed that the Panel's

recommendations were to a certain extent disappointing to everyone: those Parties that had already eliminated the use of methyl bromide felt that they were not ambitious enough, while those which had put forward critical-use nominations felt that they were not generous enough. That suggested that the Panel's recommendations had achieved an appropriate level of neutrality.

X. Adoption of the report of the Eighteenth Meeting of the Parties to the Montreal Protocol

226. The present report was adopted on Friday, 3 November 2006, on the basis of the draft reports submitted to the Meeting.

XI. Closure of the meeting

227. The Parties expressed their sincere appreciation to the Government and people of India for their excellent assistance and hospitality during the meeting.

228. Following the customary exchange of courtesies, the President declared the meeting closed at 10.15 p.m. on Friday, 3 November 2006.

Annex I

Trust Fund for the Montreal Protocol On Substances That Deplete The Ozone Layer

Approved 2006, 2007 and 2008 budgets

		w/m	2006 (US\$)	w/m	2007 (US\$)	w/m	2008 (US\$)
10	PROJECT PERSONNEL COMPONENT						
1100	Project personnel						
1101	Executive Secretary (D-2) (shared with the Vienna Convention, VC)	6	117,500	6	120,500	6	122,308
1102	Deputy Executive Secretary (D-1)	12	215,000	12	220,000	12	223,300
1103	Senior Legal Officer (P-5)	12	155,000	12	160,000	12	162,400
1104	Senior Scientific Affairs Officer (P-5) (shared with VC)	6	85,000	6	87,500	6	88,813
1105	Administrative Officer (P-4) (paid by UNEP)		0		0		0
1106	Database Manager (Information System & Technology - P3)	12	120,000	12	125,000	12	126,875
1107	Programme Officer (Communication & Information - P3) (paid from VC)	12	0	12	0	12	0
1108	Programme Officer (Monitoring and Compliance) - P3	12	120,000	12	125,000	12	126,875
1199	Sub-total		812,500		838,000		850,570
1200	Consultants						
1201	Assistance in data-reporting, analysis and promotion of the implementation of the Protocol		50,000		30,000		40,000
1299	Sub-total		50,000		30,000		40,000
1300	Administrative support						
1301	Administrative Assistant (G-7) (shared with VC)	6	13,800	6	14,750	6	15,488
1302	Personal Assistant (G-6)	12	25,250	12	25,500	12	26,775

		w/m	2006 (US\$)	w/m	2007 (US\$)	w/m	2008 (US\$)
1303	Programme Assistant (G-6) (paid by VC)	12	0	12	0	12	0
1304	Information Assistant (G-6) (shared with VC)	6	11,500	6	11,500	6	12,075
1305	Programme Assistant (G-6) (shared with VC)	6	10,500	6	11,000	6	11,550
1306	Documents Clerk (G-4)	12	17,000	12	17,500	12	18,375
1307	Data Assistant (G-6)	12	24,960	12	26,000	12	27,300
1308	Programme Assistant - Fund (G-6) (paid by UNEP)	12	0	12	0	12	0
1309	Logistics Assistant (G-3) (paid by UNEP)	12	0	12	0	12	0
1310	Bilingual Senior Secretary (G-6) (to be paid from VC)	12	0	12	0	12	0
1320	Temporary assistance	12	17,500		18,000		18,900
1321	Open-ended Working Group meetings		450,000		556,432		490,000
1322	Preparatory and Parties meetings (shared with VC every three years, applies to the Twentieth Meeting of the Parties to the Montreal Protocol and eighth meeting of the Conference of the Parties to the Vienna Convention)		500,000		500,000		350,000
1323	Assessment panel meetings*		134,150		100,000		100,000
1324	Bureau meetings		20,000		20,000		20,000
1325	Implementation Committee meetings		84,000		90,000		90,000
1326	MP informal consultation meetings		5,000		5,000		5,000
1399	Sub-total		1,313,660		1,395,682		1,185,463
1600	Travel on official business						
1601	Staff travel on official business		210,000		210,000		210,000
1602	Conference Services staff travel on official business		15,000		15,000		15,000
1699	Sub-total		225,000		225,000		225,000
1999	COMPONENT TOTAL		2,401,160		2,488,682		2,301,033

		w/m	2006 (US\$)	w/m	2007 (US\$)	w/m	2008 (US\$)
30	MEETING/PARTICIPATION COMPONENT						
	3300						
			Support for participation				
	3301		Assessment panel meetings*		550,000		500,000
	3302		Preparatory and Parties meetings		350,000		350,000
	3303		Open-ended Working Group meetings**		300,000		344,000
	3304		Bureau meetings		20,000		20,000
	3305		Implementation Committee meetings		125,000		125,000
	3306		Consultations in an informal meeting		10,000		20,000
	3399		Sub-total		1,355,000		1,359,000
3999	COMPONENT TOTAL				1,355,000		1,359,000
40	EQUIPMENT AND PREMISES COMPONENT						
	4100		Expendable equipment (items under \$1,500)				
	4101		Miscellaneous expendables (shared with VC)		17,000		17,000
	4199		Sub-total		17,000		17,000
	4200		Non-expendable equipment				
	4201		Personal computers and accessories		2,000		5,000
	4202		Portable computers		4,000		2,273
	4203		Other office equipment (server, fax, scanner, furniture etc.)		5,000		8,000
	4204		Photocopiers		6,000		10,000
	4299		Sub-total		17,000		25,273
	4300		Premises				
	4301		Rental of office premises (shared with VC)		27,500		28,000
	4399		Sub-total		27,500		28,000
4999	COMPONENT TOTAL				61,500		70,273

		w/m	2006 (US\$)	w/m	2007 (US\$)	w/m	2008 (US\$)
50	MISCELLANEOUS COMPONENT						
5100	Operation and maintenance of equipment						
	5101 Maintenance of equipment and others (shared with VC)		19,500		20,000		20,000
5199	Sub-total		19,500		20,000		20,000
5200	Reporting costs***						
	5201 Reporting		50,000		50,000		50,000
	5202 Reporting (assessment panels)		60,000		15,000		15,000
	5203 Reporting (Protocol awareness)		5,000		5,000		5,000
5299	Sub-total		115,000		70,000		70,000
5300	Sundry						
	5301 Communications		35,000		35,000		35,000
	5302 Freight charges (documents)		70,000		60,000		60,000
	5303 Training		6,500		6,500		6,500
	5304 Others (International Ozone Day & twentieth anniversary of Montreal Protocol)***		10,000		10,000		0
5399	Sub-total		121,500		111,500		101,500
5400	Hospitality						
	5401 Hospitality***		15,000		15,000		15,000
5499	Sub-total		15,000		15,000		15,000
5999	COMPONENT TOTAL		271,000		216,500		206,500
99	TOTAL DIRECT PROJECT COST		4,088,660		4,134,455		3,927,533
	<i>Programme support costs (13%)</i>		<i>531,525</i>		<i>537,478</i>		<i>510,578</i>
	GRAND TOTAL (inclusive of programme support costs)		4,620,185		4,671,933		4,438,111
	Operating cash reserve exclusive of PSC****		58,347		0		104,452
	TOTAL BUDGET		4,678,532		4,671,933		4,542,563
	Draw down from the Trust Fund balance		266,720		0		0
	Draw down from Secretariat's unspent 2001 balance		33,630		0		0
	Draw down from the Trust Fund's interest income		166,650		0		0
	Additional draw down from the Trust Fund's balance and interest income¹		119,668		0		0
	Sub-total of draw down¹		586,668		395,000		0
	Contribution from the Parties		4,091,864		4,276,933		4,542,563

* Financial assistance was provided by the Parties for 2006, on an exceptional basis, to cover the costs of expert assistance to MBTOC for the maximum sum of \$34,150. There is no supplemental funding proposed for 2007 and 2008.

** The cost of the 2-day workshop on future challenges of the Montreal Protocol to be held back to back with the twenty-seventh Open-ended Working Group meeting has been added to this line.

*** It is understood that in order to facilitate the celebration of the twentieth anniversary of the Montreal Protocol for 2007 only, lines 5200, 5304, 5401 and 3300 can be augmented with any unspent funds from any other budget line and can also be augmented with participation funds that have accrued or may accrue due to travel cancellations by participants.

****The Parties agreed that the operating cash reserve for 2005 would be 7.5% of the approved budget (decision XVI/44, par. 6).

In 2006, the operating cash reserve increased to 8.3 per cent in accordance with decision XVII/42 on financial matters and is being maintained at this level in 2007 (decision XVIII/4). In 2008, the Parties agree to contribute 3 per cent of the budget for the operating cash reserve, after which time the Parties will strive to achieve and maintain an operating cash reserve of 15 per cent.

¹ The draw-down in 2006 is in accordance with paragraph 2 of decision XVII/42 and the draw down in 2007 is in accordance with decision XVIII/5.

Annex II

Trust Fund for the Montreal Protocol on the Substances that Deplete the Ozone Layer

Scale of contributions by the Parties for the years 2007 and 2008 based on the United Nations scale of assessments

(General Assembly Resolution A/RES/58/1 B of 3 March 2004 with no Party paying more than 22 per cent)

(in United States dollars)

Name of Party	UN scale of assessment for year 2004-2006	Adjusted UN scale to exclude non-contributors	Adjusted UN scale with 22% maximum assessment rate considered	Year 2006 contributions by Parties	Year 2007 contributions by Parties	Year 2008 contributions by Parties
Afghanistan	0.002	0.000	0.000	0	0	0
Albania	0.005	0.000	0.000	0	0	0
Algeria	0.076	0.000	0.000	0	0	0
Angola	0.001	0.000	0.000	0	0	0
Antigua and Barbuda	0.003	0.000	0.000	0	0	0
Argentina	0.956	0.956	0.951	38,903	40,662	43,188
Armenia	0.002	0.000	0.000	0	0	0
Australia	1.592	1.592	1.583	64,784	67,714	71,919
Austria	0.859	0.859	0.854	34,955	36,536	38,806
Azerbaijan	0.005	0.000	0.000	0	0	0
Bahamas	0.013	0.000	0.000	0	0	0
Bahrain	0.030	0.000	0.000	0	0	0
Bangladesh	0.010	0.000	0.000	0	0	0
Barbados	0.010	0.000	0.000	0	0	0
Belarus	0.018	0.000	0.000	0	0	0
Belgium	1.069	1.069	1.063	43,501	45,469	48,292
Belize	0.001	0.000	0.000	0	0	0
Benin	0.002	0.000	0.000	0	0	0

Name of Party	UN scale of assessment for year 2004-2006	Adjusted UN scale to exclude non-contributors	Adjusted UN scale with 22% maximum assessment rate considered	Year 2006 contributions by Parties	Year 2007 contributions by Parties	Year 2008 contributions by Parties
Bhutan	0.001	0.000	0.000	0	0	0
Bolivia	0.009	0.000	0.000	0	0	0
Bosnia and Herzegovina	0.003	0.000	0.000	0	0	0
Botswana	0.012	0.000	0.000	0	0	0
Brazil	1.523	1.523	1.515	61,976	64,779	68,802
Brunei Darussalam	0.034	0.000	0.000	0	0	0
Bulgaria	0.017	0.000	0.000	0	0	0
Burkina Faso	0.002	0.000	0.000	0	0	0
Burundi	0.001	0.000	0.000	0	0	0
Cambodia	0.002	0.000	0.000	0	0	0
Cameroon	0.008	0.000	0.000	0	0	0
Canada	2.813	2.813	2.798	114,470	119,647	127,078
Cape Verde	0.001	0.000	0.000	0	0	0
Central African Republic	0.001	0.000	0.000	0	0	0
Chad	0.001	0.000	0.000	0	0	0
Chile	0.223	0.223	0.222	9,075	9,485	10,074
China	2.053	2.053	2.042	83,543	87,322	92,745
Colombia	0.155	0.155	0.154	6,307	6,593	7,002
Comoros	0.001	0.000	0.000	0	0	0
Congo	0.001	0.000	0.000	0	0	0
Cook Islands	-	0.000	0.000	0	0	0
Costa Rica	0.030	0.000	0.000	0	0	0
Cote d' Ivoire	0.010	0.000	0.000	0	0	0
Croatia	0.037	0.000	0.000	0	0	0
Cuba	0.043	0.000	0.000	0	0	0
Cyprus	0.039	0.000	0.000	0	0	0

Name of Party	UN scale of assessment for year 2004-2006	Adjusted UN scale to exclude non-contributors	Adjusted UN scale with 22% maximum assessment rate considered	Year 2006 contributions by Parties	Year 2007 contributions by Parties	Year 2008 contributions by Parties
Czech Republic	0.183	0.183	0.182	7,447	7,784	8,267
Democratic People's Republic of Korea	0.010	0.000	0.000	0	0	0
Democratic Republic of the Congo	0.003	0.000	0.000	0	0	0
Denmark	0.718	0.718	0.714	29,218	30,539	32,436
Djibouti	0.001	0.000	0.000	0	0	0
Dominica	0.001	0.000	0.000	0	0	0
Dominican Republic	0.035	0.000	0.000	0	0	0
Ecuador	0.019	0.000	0.000	0	0	0
Egypt	0.120	0.120	0.119	4,883	5,104	5,421
El Salvador	0.022	0.000	0.000	0	0	0
Eritrea	0.001	0.000	0.000	0	0	0
Estonia	0.012	0.000	0.000	0	0	0
Ethiopia	0.004	0.000	0.000	0	0	0
European Community	2.500	2.500	2.486	101,733	106,334	112,938
Fiji	0.004	0.000	0.000	0	0	0
Finland	0.533	0.533	0.530	21,689	22,670	24,078
France	6.030	6.030	5.997	245,380	256,478	272,407
Gabon	0.009	0.000	0.000	0	0	0
Gambia	0.001	0.000	0.000	0	0	0
Georgia	0.003	0.000	0.000	0	0	0
Germany	8.662	8.662	8.614	352,484	368,427	391,309
Ghana	0.004	0.000	0.000	0	0	0
Greece	0.530	0.530	0.527	21,567	22,543	23,943
Grenada	0.001	0.000	0.000	0	0	0
Guatemala	0.030	0.000	0.000	0	0	0

Name of Party	UN scale of assessment for year 2004-2006	Adjusted UN scale to exclude non-contributors	Adjusted UN scale with 22% maximum assessment rate considered	Year 2006 contributions by Parties	Year 2007 contributions by Parties	Year 2008 contributions by Parties
Guinea	0.003	0.000	0.000	0	0	0
Guinea-Bissau	0.001	0.000	0.000	0	0	0
Guyana	0.001	0.000	0.000	0	0	0
Haiti	0.003	0.000	0.000	0	0	0
Honduras	0.005	0.000	0.000	0	0	0
Hungary	0.126	0.126	0.125	5,127	5,359	5,692
Iceland	0.034	0.000	0.000	0	0	0
India	0.421	0.421	0.419	17,132	17,907	19,019
Indonesia	0.142	0.142	0.141	5,778	6,040	6,415
Iran (Islamic Republic of)	0.157	0.157	0.156	6,389	6,678	7,093
Ireland	0.350	0.350	0.348	14,243	14,887	15,811
Israel	0.467	0.467	0.464	19,004	19,863	21,097
Italy	4.885	4.885	4.858	198,786	207,777	220,682
Jamaica	0.008	0.000	0.000	0	0	0
Japan	19.468	19.468	19.361	792,215	828,046	879,474
Jordan	0.011	0.000	0.000	0	0	0
Kazakhstan	0.025	0.000	0.000	0	0	0
Kenya	0.009	0.000	0.000	0	0	0
Kiribati	0.001	0.000	0.000	0	0	0
Kuwait	0.162	0.162	0.161	6,592	6,890	7,318
Kyrgyzstan	0.001	0.000	0.000	0	0	0
Lao People's Democratic Republic	0.001	0.000	0.000	0	0	0
Latvia	0.015	0.000	0.000	0	0	0
Lebanon	0.024	0.000	0.000	0	0	0
Lesotho	0.001	0.000	0.000	0	0	0
Liberia	0.001	0.000	0.000	0	0	0

Name of Party	UN scale of assessment for year 2004-2006	Adjusted UN scale to exclude non-contributors	Adjusted UN scale with 22% maximum assessment rate considered	Year 2006 contributions by Parties	Year 2007 contributions by Parties	Year 2008 contributions by Parties
Libyan Arab Jamahiriya	0.132	0.132	0.131	5,372	5,614	5,963
Liechtenstein	0.005	0.000	0.000	0	0	0
Lithuania	0.024	0.000	0.000	0	0	0
Luxembourg	0.077	0.000	0.000	0	0	0
Madagascar	0.003	0.000	0.000	0	0	0
Malawi	0.001	0.000	0.000	0	0	0
Malaysia	0.203	0.203	0.202	8,261	8,634	9,171
Maldives	0.001	0.000	0.000	0	0	0
Mali	0.002	0.000	0.000	0	0	0
Malta	0.014	0.000	0.000	0	0	0
Marshall Islands	0.001	0.000	0.000	0	0	0
Mauritania	0.001	0.000	0.000	0	0	0
Mauritius	0.011	0.000	0.000	0	0	0
Mexico	1.883	1.883	1.873	76,625	80,091	85,065
Micronesia (Federated State of)	0.001	0.000	0.000	0	0	0
Monaco	0.003	0.000	0.000	0	0	0
Mongolia	0.001	0.000	0.000	0	0	0
Morocco	0.047	0.000	0.000	0	0	0
Mozambique	0.001	0.000	0.000	0	0	0
Myanmar	0.010	0.000	0.000	0	0	0
Namibia	0.006	0.000	0.000	0	0	0
Nauru	0.001	0.000	0.000	0	0	0
Nepal	0.004	0.000	0.000	0	0	0
Netherlands	1.690	1.690	1.681	68,772	71,882	76,346
New Zealand	0.221	0.221	0.220	8,993	9,400	9,984
Nicaragua	0.001	0.000	0.000	0	0	0

Name of Party	UN scale of assessment for year 2004-2006	Adjusted UN scale to exclude non-contributors	Adjusted UN scale with 22% maximum assessment rate considered	Year 2006 contributions by Parties	Year 2007 contributions by Parties	Year 2008 contributions by Parties
Niger	0.001	0.000	0.000	0	0	0
Nigeria	0.042	0.000	0.000	0	0	0
Niue	-	0.000	0.000	0	0	0
Norway	0.679	0.679	0.675	27,631	28,880	30,674
Oman	0.070	0.000	0.000	0	0	0
Pakistan	0.055	0.000	0.000	0	0	0
Palau	0.001	0.000	0.000	0	0	0
Panama	0.019	0.000	0.000	0	0	0
Papua New Guinea	0.003	0.000	0.000	0	0	0
Paraguay	0.012	0.000	0.000	0	0	0
Peru	0.092	0.000	0.000	0	0	0
Philippines	0.095	0.000	0.000	0	0	0
Poland	0.461	0.461	0.458	18,760	19,608	20,826
Portugal	0.470	0.470	0.467	19,126	19,991	21,232
Qatar	0.064	0.000	0.000	0	0	0
Republic of Korea	1.796	1.796	1.786	73,085	76,391	81,135
Republic of Moldova	0.001	0.000	0.000	0	0	0
Romania	0.060	0.000	0.000	0	0	0
Russian Federation	1.100	1.100	1.094	44,763	46,787	49,693
Rwanda	0.001	0.000	0.000	0	0	0
Saint Kitts and Nevis	0.001	0.000	0.000	0	0	0
Saint Lucia	0.002	0.000	0.000	0	0	0
Saint Vincent and the Grenadines	0.001	0.000	0.000	0	0	0
Samoa	0.001	0.000	0.000	0	0	0
Sao Tome and Principe	0.001	0.000	0.000	0	0	0
Saudi Arabia	0.713	0.713	0.709	29,014	30,327	32,210

Name of Party	UN scale of assessment for year 2004-2006	Adjusted UN scale to exclude non-contributors	Adjusted UN scale with 22% maximum assessment rate considered	Year 2006 contributions by Parties	Year 2007 contributions by Parties	Year 2008 contributions by Parties
Senegal	0.005	0.000	0.000	0	0	0
Serbia	0.019	0.000	0.000	0	0	0
Seychelles	0.002	0.000	0.000	0	0	0
Sierra Leone	0.001	0.000	0.000	0	0	0
Singapore	0.388	0.388	0.386	15,789	16,503	17,528
Slovakia	0.051	0.000	0.000	0	0	0
Slovenia	0.082	0.000	0.000	0	0	0
Solomon Islands	0.001	0.000	0.000	0	0	0
Somalia	0.001	0.000	0.000	0	0	0
South Africa	0.292	0.292	0.290	11,882	12,420	13,191
Spain	2.520	2.520	2.506	102,547	107,185	113,842
Sri Lanka	0.017	0.000	0.000	0	0	0
Sudan	0.008	0.000	0.000	0	0	0
Suriname	0.001	0.000	0.000	0	0	0
Swaziland	0.002	0.000	0.000	0	0	0
Sweden	0.998	0.998	0.993	40,612	42,449	45,085
Switzerland	1.197	1.197	1.190	48,710	50,913	54,075
Syrian Arab Republic	0.038	0.000	0.000	0	0	0
Tajikistan	0.001	0.000	0.000	0	0	0
Thailand	0.209	0.209	0.208	8,505	8,890	9,442
The Former Yugoslav Republic of Macedonia	0.006	0.000	0.000	0	0	0
Togo	0.001	0.000	0.000	0	0	0
Tonga	0.001	0.000	0.000	0	0	0
Trinidad and Tobago	0.022	0.000	0.000	0	0	0
Tunisia	0.032	0.000	0.000	0	0	0

Name of Party	UN scale of assessment for year 2004-2006	Adjusted UN scale to exclude non-contributors	Adjusted UN scale with 22% maximum assessment rate considered	Year 2006 contributions by Parties	Year 2007 contributions by Parties	Year 2008 contributions by Parties
Turkey	0.372	0.372	0.370	15,138	15,823	16,805
Turkmenistan	0.005	0.000	0.000	0	0	0
Tuvalu	0.001	0.000	0.000	0	0	0
Uganda	0.006	0.000	0.000	0	0	0
Ukraine	0.039	0.000	0.000	0	0	0
United Arab Emirates	0.235	0.235	0.234	9,563	9,995	10,616
United Kingdom	6.127	6.127	6.093	249,327	260,604	276,789
United Republic of Tanzania	0.006	0.000	0.000	0	0	0
United States of America	22.000	22.000	21.879	895,250	935,741	993,858
Uruguay	0.048	0.000	0.000	0	0	0
Uzbekistan	0.014	0.000	0.000	0	0	0
Vanuatu	0.001	0.000	0.000	0	0	0
Venezuela	0.171	0.171	0.170	6,959	7,273	7,725
Viet Nam	0.021	0.000	0.000	0	0	0
Yemen	0.006	0.000	0.000	0	0	0
Zambia	0.002	0.000	0.000	0	0	0
Zimbabwe	0.007	0.000	0.000	0	0	0
Total	102.473	100.554	100.000	4,091,864	4,276,933	4,542,563

Annex III**Essential-use authorizations for 2007 and 2008 of chlorofluorocarbons for metered-dose inhalers approved by the Eighteenth Meeting of the Parties (in metric tonnes)**

Party	2007		2008	
	Amount nominated	Amount approved	Amount nominated	Amount approved
European Community	535	535	–	–
United States of America			385	385