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OPEN-ENDED WORKING GROUP OF THE
PARTIES TO THE MONTREAL PROTOCOL
Twelfth meeting
Geneva, 28 August - 1 September 1995

ISSUES FOR CONSIDERATION BY THE OPEN-ENDED WORKING
GROUP OF THE PARTIES TO THE MONTREAL PROTOCOL

Note by the Secretariat

1. At its twelfth meeting, the Open-ended Working Group of the Parties to the Montreal Protocol is to consider issues as outlined in the provisional agenda for the meeting (UNEP/OzL.Pro/WG.1/12/1) and make recommendations to the Seventh Meeting of the Parties.

A. Consideration of the proposed further adjustments
and amendments to the Montreal Protocol
(item 3 of the provisional agenda)

2. At its eleventh meeting, the Open-ended Working Group received proposals by Parties for further adjustments and amendments to the Montreal Protocol. The Legal Drafting Group that was constituted by the Working Group, consolidated the various proposals which have been communicated to all Governments as document UNEP/OzL.Pro.7/2. These proposals will be further discussed at the twelfth meeting of the Working Group. At its eleventh meeting, the Open-ended Working Group requested the Technology and Economic Assessment Panel and a small support group to report on issues related to the proposals for further adjustments and amendments as listed under item 3 of the provisional agenda (consideration of proposed further adjustments and amendments to the Montreal Protocol). The Working Group may wish to request the Panel and the small support group to report on the issues referred to them, consider the proposed adjustments and amendments and make recommendations to the Seventh Meeting of the Parties.

B. Review of the Finance Mechanism including the report of the subgroup on examination of the study of the Financial Mechanism established by Article 10 of the Protocol (item 4 of the provisional agenda)

3. At its eleventh meeting, the Open-ended Working Group of the Parties requested a small subgroup to examine the study on the Financial Mechanism established under Article 10 of the Montreal Protocol to report to the Working Group at its twelfth meeting on the observations/comments on the study submitted by Parties to the Ozone Secretariat and the Executive Committee's response to the report on the study of the Financial Mechanism. The Working Group may wish to consider the report of the subgroup and make recommendations to the Seventh Meeting of the Parties.

Consideration of Draft Decisions (item 5 of the provisional agenda)

4. At its eleventh meeting, the Working Group requested the Secretariat to present to the twelfth meeting the draft decisions on various issues discussed. The proposed draft decisions are annexed to the present note. The Working Group may wish to consider them and forward recommendations to the Seventh Meeting of the Parties.

Annex

DRAFT DECISIONS

The Seventh Meeting of the Parties decides:

1. Further adjustments [and reductions]

- To adopt, in accordance with the procedure laid down in paragraph 9 of Article 2 of the Montreal Protocol, the adjustments [and reductions] of production and consumption of the controlled substances listed in Annexes A, B [and C] to the Protocol, as set out in Annex [] to the report of the Seventh Meeting of the Parties;

2. Further Amendment of the Protocol

- To adopt, in accordance with the procedure laid down in paragraph 4 of Article 9 of the Vienna Convention for the Protection of the Ozone Layer, the Amendment to the Montreal Protocol as set out in Annex [] to the report of the Seventh Meeting of the Parties;

3. Definition of "quarantine" and "pre-shipment applications"

- That:

(a) "Quarantine applications", with respect to methyl bromide, are applications to prevent the introduction, establishment and/or spread of quarantine pests (including diseases), or to ensure their official control, where:

(i) Official control is that performed by, or authorized by, a national plant, animal or environmental protection or health authority;

(ii) Quarantine pests are pests of potential importance to the areas endangered thereby and not yet present there, or present but not widely distributed and being officially controlled;

(b) "Pre-shipment applications" are those treatments applied directly, preceding transportation, to meet the official phytosanitary or sanitary requirements of the importing [geographical area]/country;

(c) In applying these definitions, non-Article 5 countries are urged to refrain from use of methyl bromide and to use non-ozone-depleting technologies wherever possible. Where methyl bromide is used, Parties are urged to minimize emissions and use of methyl bromide through containment and recovery and recycling methodologies to the extent possible (decision VI/11);

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4. Clarification of decision I/12 C on the definition of "basic domestic needs"

1. That the term "basic domestic needs" should not be understood as leading to undesirable barriers to the trade among Parties operating under Article 5 of the Montreal Protocol. It should include export and import needs of controlled substances, as well as products containing or made with ozone-depleting substances (ODS) between these Parties during their grace and phase-out periods, provided that the limits established in Article 2 of the Montreal Protocol and those imposed by the country programmes of the Parties involved are respected;
2. That "basic domestic needs" should not be understood as allowing dumping of excess ozone-depleting substances produced in non-Article 5 countries to these Parties in order to permit the feasibility of domestic ODS production during their grace and phase-out periods, so as to assure a smoother and faster phase-out; and
3. That the aforementioned definition should reassure the needs of ODS production rationalization of industries based in Article 5 countries (Brazil);

5. Essential use nominations for controlled substances for 1996 and beyond

1. To note with appreciation the work done by the Technology and Economic Assessment Panel and its Technical Options Committees pursuant to decision IV/25 of the Fourth Meeting of the Parties;
2. That, for 1996, 1997, 1998, 1999, 2000 and 2001 for Parties not operating under paragraph 1 of Article 5 of the Protocol, levels of production and consumption necessary to satisfy essential uses of CFC-11, CFC-12, CFC-113, CFC-114, 1,1,1-trichloroethane and halon-2402 for metered dose inhalers (MDIs) for asthma and chronic obstructive pulmonary disease, Nasal Dexamethasone, specific cleaning, bonding and surface activation applications in rocket motor manufacturing for the United States Space Shuttle and Titan and special hazards fire protection are authorized as specified in Annex [...] to the report of the Seventh Meeting of the Parties,¹ subject to the following conditions:

- (a) The Technology and Economic Assessment Panel will review, annually, the quantity of controlled substances authorized and submit a report to the meeting of the Parties of that year;

¹ See annex I to the present report.

(b) The Technology and Economic Assessment Panel will review, biennially, the essential-use criteria, including whether alternatives and substitutes have become technically and economically feasible and submit a report, through the Secretariat, to the meeting of the Parties in the year in which the review is made;

(c) The Parties granted essential use exemption will reallocate to other uses the exemptions granted or destroy any surplus ODS authorized for essential use but subsequently rendered unnecessary as a result of technical progress and market adjustments;

3. To urge the Parties to collate, coordinate and evaluate the individual company nominations for future years before submitting these nominations to the Secretariat;

6. Continued uses of controlled substances as chemical process agents after 1996

1. That the use of controlled substances as chemical process agents is not a feedstock use and therefore would be subject to phase-out after 1996;

2. That continued consumption of controlled substances to be used as chemical process agents could only be allowed under the Montreal Protocol after 1996 if such consumption were to be exempted from the control measures under the Montreal Protocol;

3. That the Montreal Protocol currently does not provide an exemption to allow a continued consumption of controlled substances to be used as chemical process agents because such a use cannot be considered as feedstock, and does not meet the criteria for an essential-use exemption;

4. That, if the Parties decide there is a need to allow a continued use of controlled substances as process agents in certain identified applications, the best available techniques and best environmental practices should be employed whenever possible;

5. If the Parties at their Seventh Meeting decide that there is indeed a necessity for allowing a continued consumption of controlled substances to be used as chemical process agents:

(a) To permit the consumption of controlled substances by a Party when it meets the criteria for chemical process agents applications to be agreed by Parties and incorporating that exemption adequately in the Montreal Protocol at the first convenient opportunity;

(b) To request the Technology and Economic Assessment Panel to develop such criteria along the lines of the report of the Chemical Process Agents Working Group (France, Italy, Netherlands);

Alternative decision

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1. That the use of a controlled substance as feedstock is a process during which the controlled substance is entirely converted from its original composition and from which emissions are negligible and therefore pose no significant threat to the ozone layer;
2. That the use of controlled substances as chemical process agents is not a feedstock use;
3. That from 1998 onwards, the use of controlled substances as chemical process agents should be treated by the Parties under the essential uses procedure contained in decision IV/25;
4. To agree that, for 1997, in addition to 1996, chemical process agents continue to be treated in a manner similar to feedstock, as approved in decision VI/10;
5. To request the Technology and Economic Assessment Panel, when evaluating essential use nominations for chemical process agents, to apply the criteria set out in decision IV/25 together with any other agreed and relevant criteria uniquely applicable to chemical process agents, including best available techniques and best environmental practice, and make its recommendations accordingly (Switzerland);

7. Laboratory and analytical uses

1. To note with appreciation the work done by the Laboratory and Analytical Working Group of the Technology and Economic Assessment Panel;
2. To request Parties to organize National Consultative Committees to review and quantify alternatives to laboratory and analytical uses and to encourage the sharing of information concerning ODS-free alternatives and the terms of the laboratory exemptions;
3. To encourage national standards organizations to identify and review those standards which mandate the use of ODS in order to adopt ODS-free solvents and technologies;
4. To request Parties to introduce a voluntary national/international labelling scheme to stimulate awareness of the issue;
5. To adopt an illustrative list of laboratory uses as specified in Annex [] of the report of the Seventh Meeting of the Parties² to facilitate reporting as required by decision VI/9 of the Sixth Meeting of the Parties;
6. To exclude the following uses from the global essential use exemption, as

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they are not exclusive to laboratory and analytical uses and/or alternatives are available:

1. Refrigeration and air-conditioning equipment used in laboratories, including refrigerated laboratory equipment such as ultra-centrifuges;
 2. Cleaning, re-working, repair, or rebuilding of electronic components or assemblies;
 3. Preservation of publications and archives; and
 4. Sterilization of materials in a laboratory.
7. To require each Party to apply for each specific laboratory/analytical application under the essential uses procedure from 1 January 1997 for consideration by the Ninth Meeting of the Parties and later meetings;
8. To encourage national Governments to stimulate research and development and provide funding of activities aimed at ODS alternatives for laboratory and analytical uses;

8. Export and import of controlled substances to be used as feedstock

(a) That, since controlled substances which are entirely used as feedstock in the manufacture of other chemicals no longer deplete the ozone layer, it is therefore not necessary for them to be controlled;

(b) That the amount of controlled substances produced and exported for the purpose of being entirely used as feedstock in the manufacture of other chemicals in importing countries should not be the subject of the calculation of "production" or "consumption" in exporting countries. However, in order to ensure, in accordance with the original purpose, the usage of controlled substances imported, importers should, prior to importing, provide exporters with a commitment in this regard;

(c) That the amount of controlled substances imported for the purpose of being entirely used as feedstock in the manufacture of other chemicals should not be the subject of calculation of "consumption" in importing countries (Japan);

² See annex II to the present report.

9. Control measures concerning halons and other agents used for fire suppression and explosion inertion purposes

1. To urge all Parties:

- (a) To limit the use of halons, virgin and recovered, strictly to critical applications only;

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(b) With the exception of applications mentioned under (a),

(i) To prohibit, from 1 January 1996, the installation of halon-dependent new fire-suppression and explosion-inertion equipment;

(ii) To decommission existing halons at the first due routine maintenance or when the refilling of installations becomes necessary after discharge and, in the case of Article 2 countries, no later than 1 July 1997, avoiding venting into the atmosphere and restricting exceptions to individually authorized installations only and for limited periods of time;

2. To prevent, from 1 January 1996, halon use in equipment testing and for the training of personnel;
3. That until the review of critical applications provided for in the last paragraph of the present decision is made, to accept as critical only those applications meeting the essential-use-criteria as defined in decision IV/25 (1) (a) that are referred to in the list of examples drafted by the Halons Technical Options Committee in chapter 9 of its 1994 report; add to that list also when implementing decision IV/26;
4. To ensure that applications for which halons are still critical are adequately and cooperatively serviced on an international basis with halons that meet the specifications ISO 7201 or ASTM ES 24-93 through existing or newly created halon banks;
5. To strengthen release-prevention policies according to decision IV/24 by ensuring that halons are effectively recovered, that leak-free storage equipment, high-quality detection/release and control systems as well as safe collection methods are used, and that fixed as well as mobile installations are inspected regularly;
6. To encourage risk-prevention and risk-isolation strategies so as to minimize the need for actual fire suppression and, for the latter, direct the choice of users to the technology option that in the given, adequately assessed risk scenario appears to be the least damaging for human health and the environment;
7. To restrict all substitutes and replacements of halons whatsoever that do have a global environmental impact - be it because of a residual small ozone-depleting potential or a positive global warming potential, or any other form of impact - to uses that cannot adequately be met by environmentally more benign replacements or alternatives;
8. To make it mandatory for suppliers to disclose to users and authorities the complete data concerning environmental impact of the agents and

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technologies - including those concerning global warming and the atmospheric residence time - together with data on toxicological and chemical-physical properties, and enhance relevant publicly available information; to that effect, make sure that all data are also expressed in terms of a standard risk unit (e.g. 1,000m₃) in order to ensure easy and effective comparability of agent quantity-weighted impacts;

9. To monitor actively residual halon uses, in particular through inventories of installed stock;
10. To encourage the environmentally safe destruction of halons in excess of critical uses according to managed schemes, so as to secure the servicing of critical uses of Article 2 as well as Article 5 countries for a period of 10 years after production and consumption phase-out and, at the same time, progressively eliminate an unnecessary source of possible emissions;
11. To report every two years, starting in 1996, to the Ozone Secretariat, the measures taken and the results achieved in the minimization of halon use.
12. To review every two years, starting in 1997:
 - (i) The list of residual critical uses of halons as defined under paragraph 3 above,
 - (ii) The effectiveness of the measures taken by the Parties as reported to the Secretariat,

after scrutiny and evaluation by the Technology and Economic Assessment Panel and the relevant Technical Options Committees (Denmark, Germany, Italy, Sweden);

10. Status of recycled CFCs and halons under the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal

1. To recommend that the Parties to the Basel Convention agree that recycled CFCs/halons which meet usable purity specifications [] are not considered to be wastes for the purposes of the Basel Convention;
 2. That international transfers of CFCs/halons that cannot meet usable purity specifications [] should only occur if the recipient country has recycling facilities that can process the received CFCs/halons to these standards;
 3. That the Secretariat of the Montreal Protocol undertake immediate and ongoing consultation with the Secretariat of the Basel Convention to ensure that any relevant future developments under the Basel Convention are fully taken into account (Australia);
11. Authorization of the Executive Committee of the Multilateral

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Fund to provide funding for methyl bromide projects
for the purpose of evaluating alternatives

- To add the following paragraph to decision V/23:

"To authorize the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol to provide funding for projects to evaluate alternatives to methyl bromide" (Kenya);

12. Provision by the Executive Committee of the Multilateral
Fund of specific financial support for projects in
low-volume ODS-consuming countries (LVCs)

- To request the Executive Committee of the Multilateral Fund to provide specific support to low-volume ODS-consuming countries (LVCs) by:
 - (a) Allocating sufficient funds for projects in LVCs to further strengthen and expand awareness and training programmes, especially in the area of refrigeration management;
 - (b) Supporting specialized assistance such as a workshop to establish regulatory and legislative measures required to facilitate ODS phase-out;
 - (c) Allowing financing of retrofitting projects, especially in sectors vital to LVCs economies; and
 - (d) Requesting UNEP, due to its extensive experience with LVCs, to prepare an overall approach and take the lead in addressing these needs (Bahamas, Botswana, Mauritius, Sri Lanka);

13. Dumping, illegal traffic and uncontrolled production
of substances in Annexes A and B and of
products containing substances

- To urge each Party to take legislative and administrative measures, including labelling of products, to regulate the export and import, as appropriate, of products containing ODS and of equipment used in the manufacturing of such products, in order to avert any intended dumping of the said products in any country (Mauritius);

14. Control measures on methyl bromide

1. That Parties should endeavour to reduce methyl bromide emissions by encouraging producers and users to take appropriate measures to implement, inter alia, good agricultural practices and improved application techniques;
2. That alternative technologies and chemicals which have not been evaluated in respective Article 5 Parties should be subject to full laboratory and

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field testing and adaptive research in order to assess, inter alia, their efficacy, ease of application, relevance to climatic conditions and cropping patterns, resource availability and specific target pests prior to their adoption;

3. That, in order to facilitate research, laboratory and field testing of methyl bromide alternative technologies and chemicals and the technology transfer, financial resources should be made available by the Multilateral Fund to Article 5 Parties;
4. To de-link potential control measures of methyl bromide as a pre-condition to availability and immediate use of the Multilateral Fund by the Article 5 Parties to meet their incremental costs including, inter alia, access to relevant technologies and monitoring activities to facilitate compliance with the measures of the Protocol directed to methyl bromide phase-out;
5. That the calculated levels of consumption and production of methyl bromide governed by Article 2H of the Protocol should not include the amounts of methyl bromide used by Article 5 Parties in "domestic" quarantine operations (Kenya);

15. Reorganization of the Technology and Economic Assessment Panel and the Technical Options Committees

1. To merge the functions of the Economic Options Committee with those of the Panel itself, as appropriate;
2. To merge the Solvents, Coatings and Adhesives Technical Options Committee with the Aerosol Products, Sterilants, Miscellaneous Uses and Carbon Tetrachloride Technical Options Committee, to be known in future as the Aerosols, Solvents, Carbon Tetrachloride and Miscellaneous Uses Technical Options Committee;
3. To authorize the Co-chairs of the Technology and Economic Assessment Panel to reorganize the Technical Options Committees:
 - (a) To improve the geographical and expertise balance;
 - (b) To limit the number of members in each Technical Options Committee to 40 or less;
 - (c) To increase participation of experts from developing countries in the work of the Technology and Economic Assessment Panel and its Technical Options Committees and to increase the funding for such participation appropriately;
4. To offer the assistance of the Technology and Economic Assessment Panel to the subsidiary body on science and technology under the United Nations Framework Convention on Climate Change, as necessary (TEAP);

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16. Illegal imports of controlled substances

- To request the Secretariat to examine information available to it, and request further information from the Parties regarding dumping, illegal traffic, and uncontrolled production of Annex A and B substances and products containing them that could undermine the effectiveness of the Protocol, and report to the Eighth Meeting of the Parties, taking into account the non-compliance procedure under the Montreal Protocol (Australia and others);

17. Review of the Financial Mechanism established by Article 10 of the Protocol

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Annex I

NOMINATIONS FOR ESSENTIAL USE
PRODUCTION EXEMPTIONS

(Recommended)

(In Tonnes)

Party	CFC-11			CFC-12			CFC-113			CFC-114			Methyl Chloroform			CFC-12/114		Halon-2402	
	96	97	98	96	97	98	96	97	98	96	97	98	96	97	98	97	96	97	
1. Australia	--	48	29	--	112	70	--	--	--	--	4	4	--	--	--	--	--	--	
2. Canada	--	164	--	--	404	--	--	--	--	--	80	--	--	--	--	--	--	--	
3. European Union	--	1,991.3	--	--	3,946.3	--	--	18.5	--	--	679	--	--	--	--	1.5	--	--	
4. Hungary	5	5	--	2	2	--	1	1	--	2	2	--	--	--	--	--	--	--	
5. Israel	2	2	--	4.8	4.8	--	0.5	0.4	--	--	--	--	--	--	--	--	--	--	
6. Japan	--	57	--	--	147	--	--	0.8	--	--	35.2	--	--	--	--	--	--	--	
7. New Zealand	9	8	--	23.5	22	--	--	--	--	--	--	--	--	--	--	--	--	--	
8. Poland	--	--	--	[100]	--	--	--	--	--	--	--	--	--	--	--	--	--	--	
9. Russian Federation	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	[352]	[300]	
10. USA	328	331	--	437.5	437.2	--	--	--	--	40.8	43.7	--	0.29	0.37	57*	--	--	--	
TOTAL	344	2,606.3	29	467.8	5,075.3	70	1.5	20.7	--	42.8	843.9	4	0.29	0.37	57	1.5	352	300	

* For USA for 1999, 2000 and 2001 the following quantities were recommended: 56.99, 56.87 and 56.87, respectively.

Annex II

CATEGORIES AND EXAMPLES OF LABORATORY USES (this list is not exhaustive)

1. Research and development (e.g. pharmaceutical, pesticide, CFC and HCFC substitutes)

1.1 Reaction solvent or reaction feedstock (e.g. Diels-Alder and Friedel-Crafts Reactions, RuO₃ oxidation, allelic side bromination, etc.)

2. Analytical uses and regulated applications (including quality control)

2.1 Reference

- Chemical (ODS monitoring, volatile organic compound (VOC) Detection, Equipment Calibration)
- Toxicant
- Product (adhesive bond strength, breathing filter test)

2.2 Extraction

- Pesticide and heavy metal detection (e.g. in food)
- Oil mist analysis
- Colour and food additive detection
- Oil detection in water and soil

2.3 Diluent

- Zinc, copper, cadmium detection in plants and food
- Microchemical methods to determine molecular weight or oxygen
- Measuring drug purity and residual determination
- Sterilization of lab equipment

2.4 Carrier (Inert)

- Forensic methods (e.g. fingerprinting)
- Titration (cholesterol in eggs, drug chemical characteristics, "Iodine value", e.g. in oils and chemical products)
- Analytical equipment (Spectroscopy (Infra-red, Ultra-violet, Nuclear Magnetic Resonance, fluorescence), chromatography (High-pressure liquid

chromatography, gas chromatography, thin-layer chromatography)

2.5 Tracer

- Sanitary engineering

2.6 Miscellaneous (including testing)

- Ingredient in material for testing (e.g. asphalt, metal fatigue and fracturing)
- Separation media (separation of extraneous materials such as filth and insect excreta from stored food products)

3. Miscellaneous (including biochemical)

3.1 Laboratory method development

3.2 Sample preparation using solvent

3.3 Heat transfer medium
