

**Open-ended Working Group of the Parties to
the Montreal Protocol on Substances that
Deplete the Ozone Layer**

Twenty-eighth meeting

Bangkok, 7–11 July 2008

Item 4 of the provisional agenda*

**Report of the Executive Committee on case studies called for under
decision XVII/17 on environmentally sound destruction of
ozone-depleting substances (decision XVIII/9)**

**Proposal for a decision by the Twentieth Meeting of the Parties to
promote destruction of ozone-depleting substances**

Note by the Secretariat

The annex to the present note contains a proposal by the Government of the Republic of Argentina for a decision by the Twentieth Meeting of the Parties on action to promote the destruction of ozone-depleting substances.

* UNEP/OzL.Pro.WG.1/28/1.

Annex

I. Proposal

1. The Government of the Republic of Argentina proposes that Parties to the Montreal Protocol take action to meet the need to destroy ozone-depleting substance (ODS) banks¹ in member countries and recommends the following:

(a) Determination of measures and means to ensure destruction of ODS banks by all Parties. In countries operating under paragraph 1 of Article 5, such measures must be supported by financial and technical assistance through the Multilateral Fund;

(b) Extension of the above to encompass destruction of surplus ODS intended for essential-use exemptions and not used when justified, when imported as raw material for production of ODS, or because of an anticipated phase-out;

(c) Approval of a decision at the Twentieth Meeting of the Parties that contemplates the adoption of the necessary modifications of or amendments to the Montreal Protocol.

II. Basis

2. The last 20 years of global efforts to reduce ODS and restore the ozone layer are one of the great successes of international environmental cooperation. In spite of the collective progress made in this respect, however, the potential for eventual release of a major quantity of ODS stored in banks poses a significant threat to stratospheric ozone and could reverse much of the progress made towards ozone recovery. These banks are contained mostly in refrigerators,² stationary and mobile air conditioners, thermal insulating foam and stockpiles of new or recovered ODS.

3. Current emissions of ODS and their substitutes are determined largely by historic use patterns. For chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs), a significant contribution, both now and in the future, comes from their respective banks. There are no regulations to restrict these CFC and HCFC emissions, whether under the Montreal Protocol or the United Nations Framework Convention on Climate Change and its Kyoto Protocol, although some countries do have effective national policies for this purpose.

4. Destruction of all banks in end-of-life refrigeration and air-conditioning equipment as of 2008 could accelerate by two years the estimated return to 1980 values of effective equivalent stratospheric chlorine, thereby speeding up the recovery of the ozone layer.³ According to the Technology and Economic Assessment Panel, “end-of-life measures [across all sectors] are consistent and significant contributors to savings in terms of both ozone and climate, with cumulative savings of around 300,000 ODP tonnes and about 6 billion tonnes CO₂-eq.” from 2011 to 2050.⁴

1 Banks are the total amount of substances contained in existing equipment, chemical stockpiles, foams and other products not yet released into the atmosphere.

2 See UNEP, IPCC/TEAP, *Special Report: Safeguarding the Ozone Layer and the Global Climate System: Issues Related to Hydrofluorocarbons and Perfluorocarbons*, Technical Summary (2005), at 53 (“With a typical 20-year lifespan, refrigerator end-of-life retirement and disposal occurs at a frequency of about 5% of the installed base each year. This means approximately 75 million refrigerators containing 100 g per unit, or a total of 7500 tonnes of refrigerant, are disposed of annually.”)

3 See *Supplement to the IPCC/TEAP Report* (Nov. 2005), at x [hereinafter TEAP Supplement].

4 TEAP, *Response to Decision XVIII/12, Report of the Task Force on HCFC Issues (with Particular Focus on the Impact of the Clean Development Mechanism) and Emissions Reductions Benefits Arising from Earlier HCFC Phase-Out and Other Practical Measures*, (August 2007), at 12, available at http://ozone.unep.org/Assessment_Panels/TEAP/Reports/TEAP_Reports/TEAP-TaskForce-HCFC-Aug2007.pdf [hereinafter TEAP Response]. The tables here reference only CFCs and HCFCs. Banks of CFCs, HCFCs, HFCs, and PFCs were estimated at about 21 GtCO₂-eq. in 2002. IPCC/TEAP, *Special Report: Safeguarding the Ozone Layer and the Global Climate System: Issues Related to Hydrofluorocarbons and Perfluorocarbons*, Summary for Policymakers (2005), at 9 (“In 2002, CFC, HCFC, and HFC banks were about 16, 4, and 1 GtCO₂-eq. (direct GWP weighted) respectively. In 2015, the banks are about 8, 5, and 5 GtCO₂-eq. respectively, in the BAU scenario.”)

5. Without action, most of these banks will be released into the atmosphere by 2015, by which time emissions from CFC banks alone could equal approximately 6.0–7.4 billion tons of carbon dioxide equivalent between 2002 and 2015. Cost-effective technology exists to prevent most of these emissions that otherwise will perish by leakage.⁵

6. The actions necessary to prevent CFC and HCFC emissions from banks can also reduce emissions of hydrofluorocarbons, further protecting the climate. Steps to destroy banks will therefore pay a double dividend for ozone and climate protection.

III. Necessary components of the decision taken by Parties at the Twentieth Meeting of the Parties

A. Financing for ODS bank destruction in Parties operating under paragraph 1 of Article 5

7. Destruction of ODS banks in developing countries would benefit from financing through the Multilateral Fund and, if necessary, supplementary sources committed to greenhouse gas reductions. The history of decisions resulting from meetings of the Parties demonstrates that promoting destruction of ODS banks and assisting in their destruction in countries operating under paragraph 1 of Article 5 has long been considered to be a concern warranting the allocation of significant resources, not only within the purview of the Montreal Protocol.⁶ Multilateral Fund financing could begin immediately with pilot projects. This can be achieved by adding at the end of the indicative list of incremental costs (annex VIII to the report of the Fourth Meeting of the Parties, contained in document UNEP/OzL.Pro.4/15) as “(d) cost of destruction of substances contained in existing equipment, chemical stockpiles, foams and other products not yet released to the atmosphere, of surplus, contaminated and superfluous ODS.”

B. Incentives to all Parties for ODS bank destruction

8. Destruction of appropriate quantities of ODS could be made a condition for essential- or critical-use exemptions by amending decision IV/25 on essential uses.⁷

9. This provision could apply immediately to Parties not operating under paragraph 1 of Article 5. For Parties operating under that provision, however, it could apply following a five-year time lag, beginning from the year in which essential- or critical-use exemptions enter into force for Parties operating under paragraph 1 of Article 5.

C. Destruction of surplus ODS after essential-use exemption for all Parties terminates

10. This can be achieved by amending Articles 2, 2A to 2H and Article 5.

[hereinafter IPCC/TEAP Summary for Policymakers]. TEAP Supplement, *supra* note 2, at 15 (“The large scale destruction of banks is not included in the BAU scenario.”)

5 After 2015, ODS banks in foams will surpass all other banked sources combined in ODS emissions in terms of both ozone depleting potential and global warming potential.

6 Examples of decisions relating to ODS bank destruction include decisions IV/11, para. 7; IV/12, para. 2; IV/24, para. 4; VII/31; XVII/17 and XVII/18, para. 1.

7 See Sarma, K. Madhava, *Strengthening the Montreal Protocol: The Step-by-step Approach of the Montreal Protocol*, in *The Montreal Protocol: Celebrating 20 Years Of Environmental Progress* (ed. Kaniaru, Donald) 203–13, at 209. (Cameron May 2007).