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SEVENTH MEETING OF THE PARTIES TO THE  
MONTREAL PROTOCOL ON SUBSTANCES  
THAT DEplete THE OZONE LAYER  
Vienna, 5-7 December 1995

DRAFT DECISIONS FORWARDED BY THE PREPARATORY MEETING FOR THE  
CONSIDERATION OF THE SEVENTH MEETING OF THE PARTIES

The Seventh Meeting of the Parties decides:

Decision VII/1. Further adjustments and reductions

A. Controlled substances in Annex A

- {- 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 Annex A to the Protocol, as set out in Annex [ ] to the report of the Seventh Meeting of the Parties;}

B. Controlled substances in Annex B

- {- 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 Annex B to the Protocol, as set out in Annex [ ] to the report of the Seventh Meeting of the Parties;}

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C. Controlled substances in Annexes C and E

- [1. 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 C and E to the Protocol, as set out in Annex [ ] to the report of the Seventh Meeting of the Parties;
2. That the adjustment to Annex E set out in Annex [ ] to the report of the Seventh Meeting of the Parties shall enter into force on 1 January 1997;]

Decision VII/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;]

Decision VII/3. Provision of financial support  
and technology transfer

1. To emphasize the importance of the effective implementation of financial cooperation, including provision of adequate funding under Article 10 and technology transfer under Article 10A of the Montreal Protocol, in assisting Parties operating under paragraph 1 of Article 5 in complying with the existing control measures under the Protocol;
2. To stress that the adoption of any new control measures by the Seventh Meeting of Parties for Parties operating under paragraph 1 of Article 5 will require additional funding which will need to be reflected in the 1996 replenishment and beyond of the Multilateral Fund and in the implementation of technology transfer;
3. To underline that the implementation of control measures by Parties operating under paragraph 1 of Article 5 will, as provided in Article 5, paragraph 5, depend upon the effective implementation of the financial cooperation as provided by Article 10 and the transfer of technology as provided by Article 10A;
4. To urge Parties when taking decisions on the replenishment of the Multilateral Fund in 1996 and beyond, to allocate the necessary funds

in order to ensure that countries operating under paragraph 1 of Article 5 can comply with their agreed control measure commitments;

Decision VII/4. 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 and in relation to export, to meet the phytosanitary or sanitary requirements of the importing country or existing phytosanitary or sanitary requirements of the exporting 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 VII/5. 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;

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2. The Parties shall not take any further controls of methyl bromide, other than as stipulated in paragraph 1, until the remaining scientific, technical and economic uncertainties concerning the following are resolved to a reasonable degree of certainty:
  - (a) The contribution of commercially-produced methyl bromide to depletion of the ozone layer;
  - (b) The net impacts of human health and the environment of using the possible substitutes and alternatives to methyl bromide; and
  - (c) The economic impacts of further controls on methyl bromide and the use of the possible substitutes and alternatives to methyl bromide;
3. With respect to paragraph 2 (c), the uncertainties concerning possible substitutes and alternatives to methyl bromide shall not be considered to be resolved to a reasonable degree of certainty until all technologies and chemicals proposed as alternatives and/or substitutes have been tested under full laboratory and field conditions, including field tests in Article 5 countries and have been fully assessed, inter alia, as to their efficiency, ease of application, relevance to climatic conditions and cropping patterns, resource availability and efficiency with respect to specific target pests;
4. 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;
5. 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;
6. 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;]

Decision VII/5 bis. Trade in methyl bromide

- [1. To recall paragraph 10 of Article 4 of the Protocol, which provides inter alia that Parties shall consider by 1 January 1996 whether to amend the Protocol in order to extend the measures in Article 4 to trade in methyl bromide with States not Party to the Protocol;
2. Recognizing the importance of Article 4 trade controls in promoting the environmental objectives of the Protocol, to consider at the Eighth Meeting of the Parties whether to amend the Protocol to control trade in the controlled substance in Annex E, and in products containing the controlled substance in Annex E, with States not Party to the Protocol;
3. To the end, to request the Technology and Economic Assessment Panel to clarify, before the Eighth Meeting of the Parties, what products, if any, should be considered products containing the controlled substance in Annex E;]

Decision VII/6. 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;]

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Decision VII/7. Eligibility for payment by the Multilateral Fund of facilities used for export production

- [ - That the costs of conversion, replacement or early retirement of facilities producing controlled substances for export, to the extent that those facilities have been engaged in production for export, shall not be eligible for funding by the Multilateral Fund; ]

Decision VII/8. Continued uses of controlled substances as chemical process agents after 1996

[ ]

Decision VII/9. 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 urge Parties to organize National Consultative Committees to review and identify alternatives to laboratory and analytical uses and to encourage the sharing of information concerning alternatives and their wider use;
3. To encourage national standards organizations to identify and review those standards which mandate the use of ODS in order to adopt where possible ODS-free solvents and technologies;
4. To urge Parties to develop an international labelling scheme and encourage its voluntary adoption 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 Parties' 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 they are not exclusive to laboratory and analytical uses and/or alternatives are available:

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See annex I below.

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- (a) Refrigeration and air-conditioning equipment used in laboratories, including refrigerated laboratory equipment such as ultra-centrifuges;
  - (b) Cleaning, reworking, repair, or rebuilding of electronic components or assemblies;
  - (c) Preservation of publications and archives; and
  - (d) Sterilization of materials in a laboratory;
7. To request the Technology and Economic Assessment Panel to evaluate the current status of use of controlled substances and alternatives and report progress on the availability of alternatives to the Ninth Meeting of the Parties and later meetings;
8. To urge Article 2 countries to provide funding within their countries and on a bilateral basis for Article 5 countries to undertake research and development and activities aimed at ODS alternatives for laboratory and analytical uses;
9. To agree that controlled substances used for laboratory and analytical purposes shall meet the standards for purity as specified in decision VI/9;

Decision VII/10. Control measures for non-Article 5 Parties concerning halons and other agents used for agents used for fire-suppression and explosion-inertion purposes

- [1. To recommend that all non-Article 5 Parties should endeavour, on a voluntary basis, to limit the emissions of halon to a minimum by:
- (a) Accepting as critical those applications meeting the essential-use criteria as defined in decision IV/25, paragraph 1 (a);
  - (b) Limiting the use of halons in new installations to critical applications;
  - (c) Accepting that existing installations for critical applications may continue to use halon in the future;

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- (d) Considering the decommissioning of halon systems in existing installations, which are not critical applications, as quickly as technically and economically feasible;
  - (e) Ensuring that halons are effectively recovered;
  - (f) Preventing, whenever feasible, the use of halon in equipment testing and for training of personnel;
  - (g) Evaluating and taking into account only those substitutes and replacements of halon, for which no other more environmentally suitable ones are available;
  - (h) Promoting the environmentally safe destruction of halons, when they are not needed in halon banks (existing or to be created);
2. To request the Technology and Economic Assessment Panel and its Halons Technical Options Committee to prepare a report to the Eighth Meeting of the Parties to provide guidance on the above;]

Decision VII/11. Ratification, approval or accession to the Vienna Convention for the Protection of the Ozone Layer, the Montreal Protocol on Substances that Deplete the Ozone Layer and the Amendments to the Montreal Protocol

1. To note with satisfaction the large number of countries that have ratified the Vienna Convention for the Protection of the Ozone Layer, the Montreal Protocol on Substances that Deplete the Ozone Layer and the Amendments to the Montreal Protocol;
2. To urge all States that have not yet done so to ratify, approve or accede to the Vienna Convention, the Montreal Protocol and the Amendments to the Montreal Protocol, taking into account that universal participation is necessary to ensure the protection of the ozone layer;

Decision VII/12. Implementation of the Protocol by the Parties

1. To note that the implementation of the Protocol by those Parties that have reported data is satisfactory;

2. To note with regret that only 82 Parties out of 126 that should have reported data for 1993 have reported and that only 60 Parties have reported data for 1994;
3. To note that the timely reporting of data and any other required information is a legal obligation for each Party and to request all Parties to comply with the provisions of Articles 7 and 9 of the Protocol;

Decision VII/13. Compliance with the Montreal Protocol by Poland

1. To note that the Implementation Committee took cognizance of the joint statement made by Belarus, Bulgaria, Poland, the Russian Federation and Ukraine at the eleventh meeting of the Open-ended Working Group of the Parties to the Montreal Protocol regarding possible non-fulfilment of their obligations under the Montreal Protocol, as a submission under paragraph 4 of the non-compliance procedure of Article 8 of the Protocol;
2. To note the consultations of the Implementation Committee with the representatives of Poland regarding possible non-fulfilment of that Party's obligations under the Montreal Protocol;
3. To accept the assurance given by the representatives of Poland that their country is in compliance with its obligations under the Montreal Protocol for the year 1995 and is likely to be in compliance with its obligations under the Montreal Protocol in 1996, even though there are still some doubts concerning the availability of substitutes;
4. To note that, should Poland have doubts about its compliance with its obligations under the Montreal Protocol in the year 1996, it should submit the information to the Secretariat as soon as possible so that the necessary action can be initiated;

Decision VII/14. Compliance with the Montreal Protocol by Bulgaria

1. To note that the Implementation Committee took cognizance of the joint statement made by Belarus, Bulgaria, Poland, the Russian Federation and Ukraine at the eleventh meeting of the Open-ended Working Group of the Parties to the Montreal Protocol regarding possible non-fulfilment of their obligations under the Montreal Protocol, as a submission

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under paragraph 4 of the non-compliance procedure of Article 8 of the Protocol;

2. To note the consultations of the Implementation Committee with the representative of Bulgaria regarding possible non-fulfilment of that Party's obligations under the Montreal Protocol;
3. To note that Bulgaria was in compliance with its obligations under the Montreal Protocol in 1995 and that there is a possibility of non-compliance in 1996 so that the Implementation Committee might have to revert to that question that year;

Decision VII/15. Compliance with the Montreal Protocol by Belarus

1. To note that the Implementation Committee took cognizance of the joint statement made by Belarus, Bulgaria, Poland, the Russian Federation and Ukraine regarding possible non-fulfilment of their obligations under the Montreal Protocol, as a submission under paragraph 4 of the non-compliance procedure of Article 8 of the Protocol, and the statement made by the Russian Federation on its behalf and on behalf of Belarus, Bulgaria and Ukraine at the twelfth meeting of the Open-ended Working Group;
2. To note the consultations of the Implementation Committee with the representatives of Belarus regarding possible non-fulfilment of that Party's obligations under the Montreal Protocol;
3. To note that Belarus was in compliance with its obligations under the Montreal Protocol in 1995 and that there is a possibility of non-compliance in 1996 so that the Implementation Committee might have to revert to that question that year;
4. To note that Belarus agreed to submit its Country Programme for the Phase-out of Ozone-Depleting Substances in Belarus to the Secretariat by 31 December 1995;
5. To note that Belarus promised to provide information on the political commitment on the phase-out programme for ozone-depleting substances by Belarus and that the Implementation Committee after evaluation of the information might wish to request additional information on certain elements, such as:

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- (a) The political commitment on the phase-out plan for ozone-depleting substances by Belarus;
  - (b) The necessary linkages between the sectoral approach outlined by Belarus in its submission and the specific requirements for the financial, institutional and administrative arrangements towards the implementation of such measures;
  - (c) The gradual achievement of the proposed phase-out plan;
  - (d) The proposed measures for the enforcement of the measures - in particular the enforcement of the trade regulations;
6. That Belarus has agreed not to export any virgin, recycled or recovered substance controlled under the Montreal Protocol to any Party operating under Article 2 of the Protocol not member of the Commonwealth of Independent States and that such Parties shall not import such controlled substances from Belarus;
7. To recommend international assistance to enable compliance of Belarus with the Montreal Protocol in line with the following provisions:
- (a) Such support should be provided in consultation with the relevant Montreal Protocol Secretariats and the Implementation Committee to ensure consistency of ODS phase-out measures with relevant decisions of the Parties to the Montreal Protocol and subsequent recommendations of the Implementation Committee;
  - (b) Belarus shall submit annual reports on ODS phase-out progress in line with the schedule included in the country programme for the phase-out of ozone-depleting substances in Belarus;
  - (c) Reports shall be submitted in due time to enable the Ozone Secretariat - together with the Implementation Committee - to review the reports;
  - (d) In case of any questions related to the reporting requirements and the actions of Belarus and the disbursement of the international assistance should be contingent on the settlement of those problems with the Implementation Committee;

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8. To note that despite the economic difficulties of the period of transition, Belarus will endeavour to settle its financial contributions to the Multilateral Fund of the Montreal Protocol in the near future;

Decision VII/16. Compliance with the Montreal Protocol  
by the Russian Federation

1. To note that the Implementation Committee took cognizance of the joint statement made by Belarus, Bulgaria, Poland, the Russian Federation and Ukraine regarding possible non-fulfilment of their obligations under the Montreal Protocol, as a submission under paragraph 4 of the non-compliance procedure of Article 8 of the Protocol, and the statement made by the Russian Federation on its behalf and on behalf of Belarus, Bulgaria and Ukraine at the twelfth meeting of the Open-ended Working Group as well as the official message of the Chairman of the Government of the Russian Federation dated 26 May 1995;
2. To note the consultations of the Implementation Committee with the representatives of the Russian Federation regarding possible non-fulfilment of that Party's obligations under the Montreal Protocol;
3. To note that the Russian Federation was in compliance with its obligations under the Montreal Protocol in 1995 and that it is expected that there will be a situation of non-compliance in the Russian Federation in 1996 so that the Implementation Committee will have to revert to that question that year;
4. To acknowledge the major efforts of the Russian Federation to provide data in response to the request by the Implementation Committee;
5. To underline the urgency of further action to phase out ODS in production and consumption;
6. To note that the Russian Federation has promised to provide additional information on:
  - (a) The political commitment on the phase-out plan for ozone-depleting substances by the Russian Federation;

- (b) The necessary linkages between the sectoral approach outlined by the Russian Federation in its submission and the specific requirements for the financial, institutional and administrative arrangements towards the implementation of such measures;
  - (c) The gradual achievement of the proposed phase-out plan;
  - (d) The proposed measures for the enforcement of the measures - in particular the enforcement of the trade regulations;
7. To note that the Russian Federation will submit more detailed information to the Ozone Secretariat by the end of January 1996 for consideration of the Implementation Committee at an inter-sessional meeting in the first quarter of 1996;
- [8. To note that the Russian Federation has agreed not to export any virgin, recycled or recovered substance controlled under the Montreal Protocol to any Party operating under Article 2 of the Protocol not member of the Commonwealth of Independent States and that such Parties shall not import such controlled substances from the Russian Federation;]
- [9. To recommend that international assistance to enable compliance of the Russian Federation with the Montreal Protocol in line with the following provisions should be considered:
- (a) Such support should be provided in consultation with the relevant Montreal Protocol Secretariats and the Implementation Committee to ensure consistency of ODS phase-out measures with relevant decisions of the Parties to the Montreal Protocol and subsequent recommendations of the Implementation Committee;
  - (b) The Russian Federation shall submit annual reports on progress in phasing out ODS in line with the schedule included in the submission of the Russian Federation to the Parties;
  - (c) The reports should include - in addition to the data to be reported under Articles 7 and 4 of the Montreal Protocol and on recovering and recycling facilities - updated information on the elements mentioned in paragraph 6 of the present decision, including information on trade in substances controlled under the Montreal Protocol with Parties members of the Commonwealth of

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Independent States and Parties operating under paragraph 1 of Article 5, to monitor whether the levels of production allowed under the Montreal Protocol to satisfy the basic domestic needs of Parties operating under paragraph 1 of Article 5 are not exceeded;

(d) The reports should be submitted in due time to enable the Ozone Secretariat together with the Implementation Committee to review them;

(e) In case of any questions related to the reporting requirements and the actions of the Russian Federation, the disbursement of the international assistance should be contingent on the settlement of those problems with the Implementation Committee;]

Decision VII/17. Compliance with the Montreal Protocol by Ukraine

1. To note that the Implementation Committee took cognizance of the joint statement made by Belarus, Bulgaria, Poland, the Russian Federation, and Ukraine regarding possible non-fulfilment of their obligations under the Montreal Protocol, as a submission under paragraph 4 of the non-compliance procedure of Article 8 of the Protocol, and the statement made by the Russian Federation on its behalf and on behalf of Belarus, Bulgaria and Ukraine at the twelfth meeting of the Open-ended Working Group;
2. To note the consultations of the Implementation Committee with the representatives of Ukraine regarding possible non-fulfilment of that Party's obligations under the Montreal Protocol;
3. To note that Ukraine was in compliance with its obligations under the Montreal Protocol for 1995 and that there is a possibility of non-compliance in 1996 so that the Implementation Committee might have to revert to that question that year;
4. To note that Ukraine submitted the draft country programme for the phase-out of ozone-depleting substances in Ukraine to the Implementation Committee;
5. To note that Ukraine promised to provide additional information on the political commitment on the phase-out programme for ozone-depleting substances by Ukraine and that the Implementation Committee after

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evaluation of the information provided might wish to request additional information on certain elements, such as:

- (a) The political commitment on the phase-out plan for ozone-depleting substances by Ukraine;
  - (b) The necessary linkages between the sectoral approach outlined by Ukraine in its submission and the specific requirements for the financial, institutional and administrative arrangements towards the implementation of such measures;
  - (c) The gradual achievement of the proposed phase-out plan;
  - (d) The proposed measures for the enforcement of the measures - in particular the enforcement of the trade regulations;
6. That Ukraine has agreed not to export any virgin, recycled or recovered substance controlled under the Montreal Protocol to any Party operating under Article 2 of the Protocol not member of the Commonwealth of Independent States and that such Parties shall not import such controlled substances from Ukraine;
7. To recommend international assistance to enable compliance of Ukraine with the Montreal Protocol in line with the following provisions:
- (a) Such support should be provided in consultation with the relevant Montreal Protocol Secretariats and the Implementation Committee to ensure consistency of ODS phase-out measures with relevant decisions of the Parties to the Montreal Protocol and subsequent recommendations of the Implementation Committee;
  - (b) Ukraine shall submit annual reports on ODS phase-out progress in line with the schedule included in the country programme for the phase-out of ozone-depleting substances in Ukraine;
  - (c) Reports shall be submitted in due time to enable the Ozone Secretariat - together with the Implementation Committee - to review the reports;

- (d) In case of any questions related to the reporting requirements and the actions of Ukraine and the disbursement of the international assistance should be contingent on the settlement of those problems with the Implementation Committee;

Decision VII/17 bis. The status of Mauritania vis-à-vis decision VI/5 of the Sixth Meeting of the Parties

1. To recall decision VI/5 of the Sixth Meeting of the Parties in accordance with which a country temporarily classified as operating under Article 5 loses that status if it does not report data within one year of the approval of its country programme and its institutional strengthening by the Executive Committee of the Multilateral Fund;
2. That Mauritania, whose country programme was approved in 1994, should be deemed ineligible for assistance from the Multilateral Fund until it submits to the Secretariat the necessary data on production and consumption of ozone-depleting substances;

Decision VII/18. Discrepancy between the data reported by a Party to Ozone Secretariat and the data presented by that Party to the Executive Committee of the Multilateral Fund

- To accept the recommendation of the Implementation Committee that the Secretariat should be entitled to question data reported under Article 7 if there is a discrepancy with the data in the country programme of the country concerned;

Decision VII/19. Membership of the Implementation Committee

1. To note with appreciation the work done by the Implementation Committee;
2. To confirm the positions of Austria, Bulgaria, Peru, Philippines and the United Republic of Tanzania as members of the Committee for one further year, and to select ... as members of the Committee for a two-year period;

Decision VII/20. Review of the Financial Mechanism

1. To request the Executive Committee to consider innovative mobilization of existing and additional resources in support of Protocol objectives and any further action by the end of 1996 and to report thereon to the Eighth Meeting of the Parties;
2. That the actions set out in Annex [ ] to the report of the Seventh Meeting of the Parties' should be taken to improve the functioning of the Financial Mechanism;
3. To note and to endorse the substantial and significant progress made by the Executive Committee in 1995 in developing policies and guidelines for the effective, equitable operation of the Multilateral Fund, including the commencement of resource allocation and business planning activities;
- [4. To note with concern, however, the increasingly selective criteria applied by the Executive Committee in the approval of projects due to the lack of sufficient resources. In this regard, we urge Parties, when taking decisions on the replenishment of the Multilateral Fund in 1997, to allocate the necessary level of funds in order to ensure that countries operating under paragraph 1 of Article 5 can comply with their commitments;]

Decision VII/21. Financial planning in the Multilateral Fund

1. To note with appreciation the report and the outline and framework for a three-year rolling business plan prepared by the Executive Committee;
2. To request the Executive Committee to provide to the Parties at their Eighth Meeting a full three-year rolling business plan based on the outline and framework approved by the Parties at their Seventh Meeting;]

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See annex II below.

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3. To note that the three-year rolling business plan must reflect the purpose of the Multilateral Fund, which is to enable Parties operating under paragraph 1 of Article 5 to meet their Protocol obligations. The plan would be based on the level of replenishment decided by the Parties and should be used as a basis for projecting beyond the period of the current replenishment. The plan should be based on, inter alia, the intersectoral priorities and strategies contained in the country programmes and should be consistent with agreed commitments under the Montreal Protocol;

Decision VII/21 bis. 1997-1999 replenishment

- To request the Technology and Economic Assessment Panel to prepare a report to the Eighth Meeting of the Parties and present it through the Thirteenth Meeting of the Open-ended Working Group on the appropriate level of the 1997-1999 replenishment, taking into account amongst other things;
- (a) All control measures agreed by the Parties to the Montreal Protocol;
  - (b) The report of the Review undertaken under paragraph 8 of Article 5.
  - (c) Historical experience, including limitations and successes, of ODP phase-out achieved with resources already allocated, as well as the performance of the Multilateral Fund and its Implementing Agencies;
  - (d) Special circumstances of low-volume-consuming countries and small- and medium-size enterprises;
  - (e) Projections included in the 1996 business plan for the Multilateral Fund;
  - (f) Calculating annual requirements with and without assuming a constant, flat rate of demand (for example, increase demand in some years);
  - (g) The November 1995 report of the Technology and Economic Assessment Panel on the economic and financial implications of possible methyl bromide and HCFC control scenarios for Article 5 countries;

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(h) Relevant decisions of the Seventh Meeting of Parties;

(i) Approved country programmes;

In undertaking this task, the Technology and Economic Assessment Panel should consult with the Executive Committee of the Multilateral Fund and other relevant sources of information;

Decision VII/22. Authorization of the Executive Committee of the Multilateral Fund to provide funding for methyl bromide projects for the purpose of evaluating alternatives

{- To add a paragraph to decision V/23 so that it reads as follows:

1. To authorize the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol to provide funding for a limited number of methyl bromide projects for data collection, information exchange within the scope of country programmes, in line with paragraphs 1 (b) and (c) of decision IV/23 of the Fourth Meeting of the Parties, as well as for a limited number of methyl bromide alternative demonstration projects, which should be selected with the assistance of the Technology and Economic Assessment Panel;
2. To request the Implementing Agencies to cooperate according to their specific expertise to assist in implementing the present decision;
3. To encourage Parties to provide bilateral support for other methyl bromide studies and projects in developing countries (over and above contributions to the Fund);
4. 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;)

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Decision VII/23. 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] [for small and medium-sized enterprises (SME) projects and those] 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 LVC economies][especially projects vital to the economies of Article 5 countries];]
  - (d) Requesting [UNEP, due to its extensive experience with LVCs,][all Implementing Agencies] to prepare an overall approach and take the lead in addressing these needs;
  - [ (e) Providing funds to Article 5 countries in general and low-volume-ODS-consuming countries in particular, on a regional basis, to organize training workshops for their customs and other officers on the harmonized system and other systems to control and monitor consumptions of ODS;]
  - [ (f) The Multilateral Fund and its Implementing Agencies should strive to work closely with low-volume-ODS-consuming countries to develop mechanisms for project preparation and implementation that take into account the particular needs of these countries;]
  - [ (f) The allocation of sufficient funds for projects in low-volume-ODS-consuming countries and very low-volume-ODS-consuming countries should be based upon a more relevant and appropriate project-appraisal mechanism reflecting the particular circumstances encountered by the countries referred to above;]

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Decision VII/24. Technology transfer

1. To recognize the role of technology transfer in enabling Parties to meet their obligations under the Protocol;
2. To note with appreciation the interim report of the Executive Committee of the Multilateral Fund on measures taken so far in the context of Article 10 of the Protocol, to establish a mechanism specifically for the transfer of technology and the technical know-how at fair and most favourable conditions necessary to phase-out ODS;
3. To request the Executive Committee to re-examine its interim conclusions contained in paragraphs 11 and 13 of that report in the light of issues raised in paragraph 45 of the report of the Eighteenth Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom.18/75), the Report on the Review under paragraph 8 of Article 5, and the Study on the Financial Mechanism of the Montreal Protocol, and other issues including equity, limited resources, conditions attached to project approvals and payment of technology transfer fees as negotiated by enterprises in Article 5 countries;
4. To request the Executive Committee to provide a final report on this issue to the Eighth Meeting of the Parties. In particular, in preparing its report to the Eighth Meeting of Parties, the Executive Committee is requested to seek input from Article 5 Parties on their experience with impediments to technology transfer and to identify solutions to overcome such impediments. The Executive Committee is authorized to provide appropriate funding, if necessary, for this purpose;

Decision VII/25. Executive Committee of the Multilateral  
Fund for the Implementation of the Montreal  
Protocol

1. To endorse the selection of ... as members of the Executive Committee representing Parties not operating under paragraph 1 of Article 5 of the Protocol, and the selection of ... as members representing Parties operating under paragraph 1 of Article 5, for one year;
2. To endorse the selection of ... to act as Chair and of ... to act as Vice-Chair of the Executive Committee for one year;

Decision VII/26. 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 and 1,1,1-trichloroethane 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 halon-2402 for special-hazards fire protection] are authorized as specified in Annex [...] to the report of the Seventh Meeting of the Parties,\* 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 in that year;
  - (b) The Technology and Economic Assessment Panel will review, biennially, whether the applications for which exemption was granted still meets the essential-use criteria 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 exemptions will reallocate, as decided by the Parties, to other uses the exemptions granted or destroy any surplus ozone-depleting substances 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;

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\* See annex III below.

Decision VII/26 bis. Assessment of the need for and possible modalities and criteria for a critical essential agricultural use exemption for methyl bromide

1. To note that the latest Montreal Protocol Scientific Assessment underscores the need for a phase out of methyl bromide because of its significant role in depleting the ozone layer;
2. To recognize, however, the concerns regarding the applicability of the existing essential use criteria and process for evaluating the use of methyl bromide in the agricultural sector, and the availability of alternatives for important agricultural uses of this compound;
3. To request the Technology and Economic Assessment Panel to examine the need for and modalities (including the essential use process) and criteria that could be used to facilitate review, approval and implementation of requests for critical agricultural use exemptions. In recommending suitable modalities and criteria, may take into the Technology and Economic Assessment Panel consideration:
  - (a) Whether alternative practices or substitutes exist that are commercially available and efficacious;
  - (b) The relative costs and benefit of alternative practices and substitutes to allow the Parties to assess their economic viability, taking into account the scale of application and the individual circumstances of particular uses;
  - (c) Whether a Party has demonstrated that all economically feasible actions are being taken to minimize use and any associated emissions from the approved exemption, and that continued efforts are being made to evaluate and develop alternatives to the use of methyl bromide for this application;
  - (d) The feasibility of placing a cap on the total percentage of baseline production and consumption permitted under an essential use for any particular country; and
  - (e) A range of alternative decision-making and implementation processes;

/...

4. To request the Technology and Economic Assessment Panel to prepare a study of the possible uses of market-based measures to allow for greater flexibility in implementing the requirements for limitations on methyl bromide;
5. That the Technology and Economic Assessment Panel's analysis should be presented for consideration to the Open-ended Working Group at its thirteenth meeting to facilitate a decision by the Eight Meeting of the Parties;]

**Decision VII/27. Export and import of controlled substances  
to be used as feedstock**

1. 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. Importers shall, prior to export, provide exporters with a commitment that the controlled substances imported shall be used for this purpose. In addition, importing countries shall report to the Secretariat on the volumes of controlled substances imported for these purposes;
2. That the amount of controlled substances entirely used as feedstock in the manufacture of other chemicals should not be the subject of calculation of "consumption" in importing countries;

**Decision VII/28. Status of recycled CFCs and halons under the  
Basel Convention on the Control of Transboundary  
Movements of Hazardous Wastes and their Disposal**

- That the international transfers of controlled substances of the Montreal Protocol which are recovered but not purified to usable purity specifications prescribed by appropriate international and/or national organizations including International Standards Organization (ISO) should only occur if the recipient country has recycling facilities that can process the received controlled substances to these specifications or has destruction facilities incorporating technologies approved for that purpose;

Decision VII/29. Control of export and import of substances listed in Annexes A and B of the Montreal Protocol and equipment used in the manufacture of such products

1. To recommend that each Party adopt legislative and administrative measures, including labelling of products, to regulate the export and import, as appropriate, of products containing substances listed in Annexes A and B of the Montreal Protocol and of technology used in the manufacturing of such products, in order to avert any adverse impact associated with the export of such products and equipment using technologies that are or will soon be obsolete because of their reliance on Annex A or Annex B substances and which would be inconsistent with the spirit of the Protocol, including decision I/12C;
2. To recommend that Parties report on action taken to implement this decision at future Meetings of the Parties;

Decision VII/30. Illegal imports and exports of controlled substances

- To request that the Secretariat examine information available to it, and request further information from the Parties regarding dumping, illegal imports and exports, 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;

Decision VII/31. Assessment Panels'

1. To note with appreciation the work done by the Scientific, Environmental Effects, and Technology and Economic Assessment Panels and its Technical Options Committees and Working Groups in preparing their reports of November 1994, March 1995 and of November 1995;
2. To request the three assessment panels to update their reports of November 1994 and submit them to the Secretariat by 31 October 1998

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\* Replaces decisions VII/31 and 32 in document UNEP/OzL.Pro.7/9.

for consideration by the Open-ended Working Group and by the Eleventh Meeting of the Parties to the Montreal Protocol in 1999;

3. That the Scientific Assessment Panel should keep the Parties of the Montreal Protocol informed of any important new scientific developments on a year-to-year basis. The major emphases of the 1998 assessment should be twofold:
  - (a) An evaluation of the updated understanding of the impact of halocarbons on the ozone layer, including: observed and expected trends in controlled substances, ozone, and ultraviolet radiation; an improved understanding of the ozone-depleting role of methyl bromide; consequences to the ozone layer of non-compliance with the Montreal Protocol; a continuing evaluation of the ozone-depleting potentials of the substitutes for the phased-out substances; and the prediction of future halogen atmospheric abundances and ozone levels; and
  - (b) An assessment of other aspects of ozone changes, such as the impacts of aircraft emissions, and the role of ozone changes in the alteration of the global climate system, with particular attention to the need for adequate information in the southern hemisphere. The Panel is requested to work as appropriate with the International Civil Aviation Organization (ICAO) and the Intergovernmental Panel on Climate Change (IPCC);
4. That the Panel on Environmental Effects of Ozone Depletion should keep the Parties to the Montreal Protocol informed on any important new scientific developments on a year-to-year basis. It should consider:
  - (a) In consultation with the Scientific Assessment Panel, observed and predicted changes in ultraviolet radiation;
  - (b) Environmental effects of changing ultraviolet radiation; and
  - (c) Direct environmental effects of chemicals involved in the problem of depletion of the ozone layer;
5. That the Technology and Economic Assessment Panel should keep the Parties to the Montreal Protocol informed of any important new technical and economic developments on a year-to-year basis. It should furthermore:

/...

- (a) Complete by 31 March of each year the evaluation of essential-use nominations submitted for 1997 and beyond;
- (b) With regard to metered-dose inhalers:
  - (i) Recommend an accounting framework for reporting quantities and uses of ozone-depleting substances produced and consumed for metered-dose inhalers under terms of essential-use exemptions;
  - (ii) Report progress in commercial availability and acceptance of emerging non-ODS alternatives and substitutes;
  - (iii) Describe educational and training approaches to speed and the successful transition to non-ODS therapy, mindful of the needs of patients and the special circumstances of Article 5 countries and countries with economies in transition; and
  - (iv) By 31 March 1996, consider options for a transitional strategy for metered-dose inhalers, taking into consideration the rate of commercialization, manufacturing rationalization, the progress on national approval, the special circumstances of Article 5 countries and countries with economies in transition, and the importance of drug access by patients, including those who face particularly challenging therapy;
- (c) Report progress and developments in the control of substances by 31 March of each year;
- (d) Update or supplement their report on the status of implementation of the Protocol in the countries with economies in transition by 31 March 1996;
- (e) With regard to its organization and functioning:
  - (i) Proceed with efforts to increase participation of Article 5 country experts subject to budget constraints and to improve geographical and expertise balance;

/...

- (ii) Present procedures and criteria for the nomination and selection of members of the Technology and Economic Assessment Panel;
- (iii) Request the Secretariat to appoint a small informal advisory group from both Article 5 and non-Article 5 countries to meet with the Technology and Economic Assessment Panel and to report back to the Parties on the progress made; and
- (iv) Report to the Parties at the thirteenth meeting of the Open-ended Working Group, in 1996, including:
  - a. A description of member expertise highlighting relevance, affiliation, country of residence and period of service to the Technology and Economic Assessment Panel;
  - b. Its methods of operation, including appointment of new members to subsidiary bodies, promotion to chair and other matters; and
  - c. Options proposed for restructuring the TEAP and its Technical Options Committees and Working Groups including the financial and chairing issues in compliance with the terms of reference as set out in various decisions, including decision I/3, and propose adjustments, if deemed necessary, to those terms of reference;
- (f) Prepare a document listing the uses and possible applications of ODS given in Annex C, enabling Parties to collect information on their consumption levels for the purpose of compliance with reporting requirements;
- (g) Collaborate with the UNEP Industry and Environment Programme Activity Centre to prepare, in accordance with the provisions of decision VII/20, the report on inventory and assessment of technologies and know-how to phase out ozone-depleting substances, including an elaboration of the terms under which transfers of such technology and know-how take place;

/...

6. That the enhanced participation of the Article 5 countries and countries with economies in transition should be funded by the Secretariat with an adequate budget allocation or could be also provided by additional voluntary contributions which all Parties are encouraged to offer;
7. To offer the assistance of the Scientific, Environmental Effects, and Technology and Economic Assessment Panels to the subsidiary body on science and technology under the United Nations Framework Convention on Climate Change, as necessary;
8. To present to the Secretariat schedules of Technology and Economic Assessment Panel meetings and workshops annually;

Decision VII/32

See footnote to decision VII/31 above.

Decision VII/33. Destruction technology

1. To note that the Technology and Economic Assessment Panel examined the results of testing and verified that the "radio frequency plasma destruction" technology of Japan meets the suggested minimum emission standards that were approved by the Parties at their Fourth Meeting for destruction technologies; and
2. To approve, for the purposes of paragraph 5 of Article 1 of the Protocol, the radio frequency plasma destruction technology and to add it to the list of destruction technologies already approved by the Parties;

Decision VII/34. Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol

- To endorse the selection of ... and ... as Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol for 1996;

Decision VII/35. Financial matters: financial report and budgets

1. To take note of the financial report on the Trust Fund for the Montreal Protocol for biennium 1994-1995 and expenditures for 1994 (UNEP/OzL.Pro.7/4);

/...

2. To urge all Parties to pay their outstanding contributions promptly and also to pay their future contributions promptly and in full, in accordance with the formula for contributions by Parties as set out in Annex [ ] to the report of the Seventh Meeting of the Parties;
3. To confirm the budget for the Trust Fund for the Montreal Protocol of US\$2,818,215 for 1996 as approved by the Sixth Meeting of the Parties and to approve the budget of US\$3,301,290 for 1997, as set out in Annex [ ] to the report of the Seventh Meeting of the Parties;
4. (a) To approve the adoption of the new United Nations scale of assessments, which came into effect through the General Assembly resolution 49/19 of 3 March 1995 for members of the United Nations and through ST/ADM/SER.B/451 of 4 January 1995 for non-members of the United Nations as the basis for calculating individual Parties levels of contributions to the Montreal Protocol and the Multilateral Fund trust funds in 1996 and beyond;
- (b) To authorize the Treasurer to recalculate the future individual Parties levels of contributions to the Montreal Protocol and the Multilateral Fund trust funds by the Parties, using the scale of assessments as updated and adopted within the United Nations system;
5. To encourage Parties not operating under Article 5 to continue offering financial assistance to their members in the Assessment Panels for their continued participation in the assessment activities under the Protocol;
6. To request additional voluntary contributions from Parties in support of:
  - (a) Increased participation of assessment panel members from developing countries in Assessment Panels and Technical Options Committees;
  - (b) Information material for the celebration of the International Day for the Preservation of the Ozone Layer;

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\* See UNEP/OzL.Pro.7/9/Rev.1/Add.1 (English only) .

7. To request:

- (a) Countries having Junior Programme Officer (JPO) programmes to consider funding the post of Programme Officer (Information Systems) (post 1105) through their JPO programmes;
- (b) UNEP to fund the post of Programme Officer (Information Systems) from the Programme support costs given to UNEP by the Montreal Protocol Trust Fund;

Decision VII/36. Eighth Meeting of the Parties to  
the Montreal Protocol

[That the Eighth Meeting of the Parties to the Montreal Protocol will be held on ... in ... 1996.]

Annex I

**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-Craft Reactions, RuO<sub>4</sub> 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**

Annex II

ACTIONS TO IMPROVE THE FINANCIAL MECHANISM FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL

Action 1

- (a) Completion of the development by the Executive Committee of (i) a systematic approach to policy development, (ii) monitoring and evaluation guidelines, bearing in mind that operational responsibility remains with Governments, financial intermediaries or the Implementing Agencies, (iii) project templates for all sectors, with a view to having a project evaluation system in place by the end of 1995;
- (b) The Executive Committee to examine the integration of Agencies' and Secretariat's project review activities no later than six months after it has concluded that the preconditions for increased delegation set out in the recommendations in paragraphs 90 and 91 have been met;
- (c) Further delegation by the Executive Committee in due course, with a view to achieving appropriate delegation on over time;
- (d) Evaluation of the Small Project Approval Process (SPAP) by the Executive Committee on completion of the current project group.

Action 2

- (a) The Executive Committee to develop and take decisions on policy issues already identified, so that a satisfactory number of such issues have been clearly addressed by late 1996. New policy issues are likely to continue to emerge, but would be dealt with more expeditiously with refined administrative processes;
- (b) A list of foreseeable policy issues to be drafted by the Executive Committee with the help of the Implementing Agencies and the Fund Secretariat over the next two meetings;
- (c) The Fund Secretariat and designated consortia of Implementing Agencies to produce consensus options for consideration by the Executive Committee;

/...

- (d) Decisions proposed for the consideration of the Executive Committee should clearly indicate the implications for project proposals if the decisions were to be adopted.

Action 3

The Committee members should normally refrain from speaking on projects in which they have a direct interest. However, this should not apply to projects which present policy issues, on which the Chair may invite all members to speak, in order to expedite consideration of such projects. It should be evident from records of Meetings of the Executive Committee that all projects are given equal treatment by the Committee.

Action 4

The Executive Committee should oversee the completion by the Implementing Agencies and the Secretariat, jointly, by the end of 1995 of a comprehensive, integrated database common to all agencies and the Secretariat, in conjunction with the completion of standard project outlines (templates), with a view to achieving a decrease in the number of projects undergoing substantial revision or reduction in proposed project costs due to the project review process and review the database in mid-1996.

Action 5

- (a) The Executive Committee should examine the effectiveness of its policy dissemination procedures in early 1996. The procedures should include the provision of practical examples of the application of policy decisions, with a view to reducing the extent of project revision during the review process, and also examine the degree to which national ozone protection units and consultants consider they have sufficient information to guide project development;
- (b) The Executive Committee should develop operational guidelines for agencies and their consultants;
- (c) The Executive Committee should consider a report on incremental costs for the production of CFC-substitutes and establish firm

compensation policies with a view to completing incremental cost guidelines for the production of CFC-substitutes by mid-1996.

Action 6

The Executive Committee should evaluate the regime adopted for 1995, taking into account the study's recommendations, including the recommendation that: "Cost-effectiveness norms should be prepared based on model projects of different capacities under standard conditions. Thereafter, projects should be assessed on their own merits." Nonetheless, all eligible projects shall continue to be funded overtime irrespective of their relative cost-effectiveness. In case of delayed funding, however, lump-sum payments could be considered.

Action 7

- (a) Relevant Implementing Agencies should review institutional strengthening experiences and present a combined paper to the Executive Committee, which will include guidelines on the possible proportionate commitment of Article 5 countries in such areas as financial, organizational and human resource support, with a view to enhancing the effectiveness of ODS phase-out strategies;
- (b) Institutional strengthening could include, at the request of Article 5 countries, assistance to meet their country programme goals relative to laws and regulations.

Action 8

The Executive Committee should select a lead Agency to prepare the framework for a policy dialogue with Article 5 countries by the end of 1996, with a view to enhancing regulatory support to ODS phase-out in Article 5 countries.

Action 9

The Executive Committee should request a lead Implementing Agency, with the other Agencies and the Secretariat, to further develop, as appropriate, the guidelines for country programmes, taking into account these recommendations, with a view to the adoption by the

/...

Executive Committee of revised guidelines. The Executive Committee will consider these guidelines in the light of its experience to date taking into account as appropriate the sectoral approach to technology transfer. However, approval of eligible projects should not be made contingent upon revision of country programmes. Any revision of the country programme would be at the request of the Party concerned.

Action 10

The study by the World Bank on the establishment of a concessional loan mechanism, requested by the Executive Committee at its Sixteenth Meeting, should be completed as soon as possible, and analysed and discussed by the Executive Committee at its Nineteenth Meeting and that a decision on suitable future steps be taken by the Executive Committee by its Twentieth Meeting or by the Meeting of the Parties in 1996, as appropriate, with a view to starting the use of concessional loans by the end of 1996, to the extent that the need and demand exist.

Action 11

The Executive Committee should examine the issue of industrial consolidation, taking into account national industrial strategies of Article 5 countries, with a view to achieving more effective approaches to ODS phase-out.

Action 12

Noting that the Executive Committee approved funding for Latin American and African Networks, the Executive Committee should review the existing similar networks and establish new networks, as appropriate.

Action 13

The Implementing Agencies should report to the Executive Committee on measures to include ODS phase-out issues into their ongoing dialogue on development programming and on measures they could take to mobilize non-Fund resources in support of Montreal Protocol objectives, with a view to achieving an increase in the number of ozone-protection projects.

Action 14

The Executive Committee should consider the need for new Implementing Agencies for loan programmes in the light of emerging sectoral strategy policies and for methyl bromide after the Seventh Meeting of the Parties.

Action 15

The Executive Committee should urge the Article 5 countries concerned to select Implementing Agencies and mode of implementation keeping in mind the need to implement projects without delay.

Action 16

The World Bank should report on the training and incentive structure and, at its Nineteenth Meeting, the Executive Committee should consider this report and the relationship of the costs of training to total overhead costs, in order to ensure that the Executive Committee is fully informed about the role, resourcing and effectiveness of Financial Intermediaries.

Action 17

The Executive Committee should request each Implementing Agency to report, as and when the issue arises, on legal and institutional impediments to project implementation and measures taken to address them as soon as possible.

Action 18

- (a) The World Bank and all other institutions associated with the Financial Mechanism should propose measures to assist UNEP in collecting contributions in arrears;
- (b) The World Bank should review with UNEP the processes for acceptance of promissory notes.

Action 19

The Executive Committee should monitor the extent to which the available bilateral component is utilized.

/...

Action 20

The Executive Committee should pay attention to training directly related to investment projects and consider training of technical experts from Article 5 countries, especially when addressing the needs of small-ODS users. Where the Fund supports eligible projects of research to adapt technology to local circumstances, it should encourage the involvement of Article 5 country technical experts in the discussions of technical options, and the effective involvement of local experts in field missions.

Action 21

- (a) The Executive Committee should prepare an itemized progress report on measures taken so far, in the context of Article 10 of the Protocol, to establish a mechanism specifically for the transfer of technology and the technical know-how at fair and most favourable conditions necessary to phase-out ODS; and at the same time,
- (b) The Executive Committee should request UNEP to intensify its efforts to collect information from relevant sources, and to prepare an inventory and assessment of environmentally sound and economically viable technologies and know-how conducive to phase-out of ODS. This inventory should also include an elaboration of terms under which transfers of such technologies and know-how could take place;
- (c) The Executive Committee should consider what steps can practicably be taken to eliminate any impediments in the international flow of technology;
- (d) The Executive Committee should further elaborate the issue of the eligible incremental costs of technology transfer, including costs of patents and designs and the incremental costs of royalties as negotiated by the recipient enterprises.

The action in subparagraphs (a), (b) and (c) should be completed by its Nineteenth Meeting and updated periodically, and the action in subparagraph (d) be taken immediately.

Annex III

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 | 96         | 97  | 96         | 97    |
| 1. Australia          | -      | 21      | 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            | 3      | 3       | -  | 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.