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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 FOR CONSIDERATION BY THE SEVENTH MEETING
OF THE PARTIES TO THE MONTREAL PROTOCOL

The Seventh Meeting of the Parties decides:

Decision VII/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, C and E to the Protocol, as set out in Annex [] to the report of the Seventh Meeting of the Parties;

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 transfer of technology

1. That the implementation of each control measure adopted by the Seventh Meeting of the Parties by the Parties under paragraph 1 Article 5 shall start and continue only when financial support and technology as provided for by Article 10 and 10 A respectively are actually made available to these Parties;

2. That the transfers of technology referred to in subparagraph (a) of Article 10 A shall occur before commencement of implementation of control measures with a view to enabling Parties operating under paragraph 1 of Article 5 to comply with the control measures within the phase-out schedule; (China)

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 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)

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;
2. That alternative technologies and chemicals which have not been evaluated in respective Article 5 Parties should be subject to full laboratory and 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;

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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)

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; (Brazil)

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; (Australia, Canada, European Union, New Zealand, Norway, Switzerland, United States of America)

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

Alternative 1

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 2

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;

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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 6 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)

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 request 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 request 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 Parties¹ 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:
 - (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 encourage national Governments to stimulate research and development and provide funding of activities aimed at ODS alternatives for laboratory and analytical uses;

¹ See annex I below.

9. To authorize the Executive Committee of the Multilateral Fund to provide funding to Article 5 Parties for activities mentioned in paragraphs 2, 3, 4 and 8 above;

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

Alternative 1

1. To urge all Parties:
 - (a) To limit the use of halons, virgin and recovered, strictly to critical applications only;
 - (b) With the exception of applications mentioned under subparagraph (a) above,
 - (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 paragraph 1 (a) of decision IV/25 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 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; (Italy, Denmark, Germany, Sweden)

Alternative 2

- To recommend that all 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);

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- (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;
- (d) Considering the decommissioning of halon system 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); (European Community)

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 about half of the Parties that should have reported data for 1993 have reported and that solely 31 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;

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

1. To note that the Implementation Committee took cognizance of the statement made by the Russian Federation on behalf of itself and Belarus, Bulgaria, Poland and Ukraine regarding 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 the other countries concerned by the statement of the Russian Federation regarding non-fulfilment of obligations under the Montreal Protocol;
3. To accept the assurance given by the representative of Poland that his country is likely to be in compliance with the Montreal Protocol in 1996, even though there are still some doubts concerning the availability of substitutes;
4. To remind Poland that, should it have doubts about the feasibility of compliance, 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 statement made by the Russian Federation on behalf of itself and Belarus, Bulgaria, Poland and Ukraine regarding 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 the other countries concerned by the statement of the Russian Federation regarding non-fulfilment of obligations under the Montreal Protocol;
3. To note that Bulgaria was in compliance with the Montreal Protocol for 1995;
4. To note further that there is a possibility of non-compliance by Bulgaria in 1996 and that the Implementation Committee might have to revert to the question that year;
5. That, since the estimated levels of consumption provided by the representative of Bulgaria represent a worst-case scenario and the actual figures could be significantly lower as a result of the proposed assistance from the Global Environment Facility, any revision of the estimates, whether upwards or downwards, should be communicated by Bulgaria to the Secretariat for consideration by the Implementation Committee;

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

1. To note that the Implementation Committee took cognizance of the statement made by the Russian Federation on behalf of itself and Belarus, Bulgaria, Poland and Ukraine regarding 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 the other countries concerned by the statement of the Russian Federation regarding non-fulfilment of obligations under the Montreal Protocol;
(...)

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

1. To note that the Implementation Committee took cognizance of the statement made by the Russian Federation on behalf of itself and Belarus, Bulgaria, Poland and Ukraine regarding 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 the other countries concerned by the statement of the Russian Federation regarding non-fulfilment of obligations under the Montreal Protocol;
(...)

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

1. To note that the Implementation Committee took cognizance of the statement made by the Russian Federation on behalf of itself and Belarus, Bulgaria, Poland and Ukraine regarding 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 the other countries concerned by the statement of the Russian Federation regarding non-fulfilment of obligations under the Montreal Protocol;
(...)

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;

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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. To endorse the actions set out in Annex []² to the report of the Seventh Meeting of the Parties to improve the functioning of the Financial Mechanism;

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;

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);

² See annex II below.

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; (Kenya)

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 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; 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)

Decision VII/24. Technology transfer

1. 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;
2. To request the Executive Committee to provide a final report on this issue to the Eighth Meeting of the Parties;

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, 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,³ 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, 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;

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

1. That, since controlled substances which are entirely used as feedstock in the manufacture of other chemicals no longer deplete the ozone layer, it is not necessary for them to be controlled;
2. 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.

³ See annex III below.

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;

3. 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)

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. International transfers of the controlled substances for destruction should be carried out under the provisions of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal;

Decision VII/29. [Dumping] of substances in Annexes A and B of the Montreal Protocol and of products containing such 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)

Decision VII/30. 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)

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 by the Technical Options Committees and Working Groups of the TEAP in preparing their reports of November 1994 and of March 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 for consideration by the Open-ended Working Group and by the Eleventh Meeting of the Parties to the Montreal Protocol in 1999;
3. To encourage the Panels to meet once a year to enable the their Co-Chairs to bring to the notice of the annual meetings of the Parties to the Montreal Protocol, through the Secretariat, any significant developments which, in their opinion, deserve such notice;

Decision VII/32. Reorganization of the Technology and Economic Assessment Panel and its Technical Options Committees

1. To merge the functions of the Economic Options Committee of the Technology and Economic Assessment Panel 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)

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;

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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\$3,818,215 for 1996 as approved by the Sixth Meeting of the Parties and to approve the budget of US\$3,582,095 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 scales 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;

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.

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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-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)

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3. **Miscellaneous (including biochemical)**

3.1 Laboratory method development

3.2 Sample preparation using solvent

3.3 Heat transfer medium

Annex IIACTIONS TO IMPROVE THE FINANCIAL MECHANISM FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOLAction 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

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(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 at its Eighteenth Meeting and establish firm compensation policies with a view to completing incremental cost guidelines for the production of CFC-substitutes by mid-1996.

Action 6

At its Eighteenth Meeting, 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 at its Eighteenth Meeting, 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, for presentation at the Eighteenth Meeting 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

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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 at its Eighteenth Meeting 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.

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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.

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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	--	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]	--	--	--	--	--	--	--	--	--	--	--	--	--	[352]	[300]
9. Russian Federation	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
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.

