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**Second Extraordinary Meeting of the Parties
to the Montreal Protocol on Substances
that Deplete the Ozone Layer**
Montreal, 1 July 2005**Report of the Second Extraordinary Meeting of the Parties to the
Montreal Protocol on Substances that Deplete the Ozone Layer****I. Opening of the meeting**

1. The meeting was opened at 10.10 a.m. on Friday, 1 July 2005, by the President of the Sixteenth Meeting of the Parties, Mr. Alan Flores (Costa Rica).

**A. Statement by the President of the Sixteenth Meeting of the Parties to the
Montreal Protocol**

2. Mr. Flores, President of the Sixteenth Meeting of the Parties to the Montreal Protocol, thanked Canada for its hospitality. He explained that the objective of the meeting was to discuss and decide on the critical-use nominations for methyl bromide that had been provisionally approved at the Sixteenth Meeting of the Parties held in Prague in November 2004, and the nominations that were categorized as "unable to assess" in the October 2004 report of the Technology and Economic Assessment Panel (TEAP). On behalf of all the Parties, Mr. Flores highly commended and thanked the Methyl Bromide Technical Options Committee (MBTOC) and TEAP for their tremendous efforts and the excellent work in re-evaluating the critical-use nominations as well as carrying out other assessments and tasks assigned to them by the Parties. He noted that the work of TEAP as well as of the other two assessment panels constituted a pillar of the success of the Montreal Protocol and expressed appreciation for the commitment and dedication of the individual experts participating in the panels.

3. The President reported that he had been conducting informal consultations during the week in the margins of the Open-ended Working Group in an attempt to identify issues that might need to be raised and resolved at the present Extraordinary Meeting of the Parties. He informed the meeting that the consultations had been very useful and had resulted in the proposed draft decision currently before the Extraordinary Meeting, and expressed appreciation to all those who had participated in the consultations. He noted that the spirit of cooperation and compromise that had prevailed during the consultations was typical of the spirit that had guided negotiations under the Protocol and ensured its success. The President stated that he would report on the substance of the draft decision in detail during the substantive discussion on the item.

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B. Opening remarks by the Executive Secretary

4. Mr. Marco Gonzalez, Executive Secretary of the Ozone Secretariat, welcomed participants on behalf of Mr. Klaus Töpfer, the Executive Director of the United Nations Environment Programme (UNEP) and emphasized the importance of the issue to be discussed by the Extraordinary Meeting of the Parties. He noted that although the successful implementation of the Montreal Protocol depended on the Parties' commitment to fully phase out ozone-depleting substances, it was important to put the current agenda in the broader perspective of the achievements under the Montreal Protocol. Indeed, because of the Protocol, the global production and consumption of ozone-depleting substances had been reduced by well over one and a half million tonnes. Additionally and perhaps more significantly, there had been a steady reduction in the essential-use exemptions from a high level of requests of approximately 14,000 tonnes to the current situation of virtual phase-out.

5. Mr. Gonzalez noted that if the wisdom and partnership that had already prevailed with the essential-use procedures for other ozone-depleting substances prevailed with methyl bromide, the ozone-depleting potential represented by the critical-use nominations would, in a relatively short time, be eliminated in a manner that would both protect human health and ensure a smooth transition to methyl-bromide-free agricultural production. He then invited the representative of Canada to take the floor and address the meeting on the occasion of Canada Day.

C. Statement by the representative of Canada

6. The representative of Canada welcomed the delegates to Canada. He said that it was both the one hundred and thirty-eighth anniversary of the establishment of Canada and the twentieth anniversary of the Canadian Charter of Rights and Freedoms. He invited the delegates to join in the festivities that marked the celebration of Canada's national holiday.

II. Organizational matters

A. Attendance

7. The following Parties to the Montreal Protocol were present: Afghanistan, Albania, Algeria, Angola, Argentina, Armenia, Australia, Austria, Azerbaijan, Bangladesh, Belarus, Belgium, Belize, Bhutan, Bolivia, Bosnia and Herzegovina, Botswana, Brazil, Bulgaria, Burkina Faso, Burundi, Cambodia, Cameroon, Canada, Chile, China, Colombia, Comoros, Congo, Costa Rica, Cuba, Czech Republic, Denmark, Dominica, Egypt, El Salvador, Estonia, Ethiopia, European Community, Fiji, Finland, France, Gabon, Georgia, Germany, Ghana, Grenada, Guatemala, Guinea, Haiti, Honduras, Hungary, India, Indonesia, Iran (Islamic Republic of), Ireland, Israel, Italy, Japan, Jordan, Kazakhstan, Kenya, Kiribati, Kuwait, Lao People's Democratic Republic, Latvia, Lebanon, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritius, Mexico, Micronesia (Federated States of), Moldova (Republic of), Morocco, Namibia, Nepal, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Pakistan, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russian Federation, Rwanda, Saint Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Senegal, Serbia and Montenegro, Seychelles, Slovakia, Slovenia, Solomon Islands, South Africa, Somalia, Spain, Sri Lanka, Sudan, Sweden, Switzerland, Syrian Arab Republic, Tajikistan, Thailand, The former Yugoslav Republic of Macedonia, Tonga, Trinidad and Tobago, Tunisia, Turkey, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Uruguay, Uzbekistan, Venezuela (Bolivarian Republic of), Viet Nam, Yemen and Zambia.

8. Observers from the following State not party to the Montreal Protocol were also present: Democratic Republic of the Congo.

9. Observers from the following United Nations entities, organizations and specialized agencies were also present: Division of Technology, Industry and Economics, Division of Environmental Conventions, United Nations Development Programme; United Nations Environment Programme, United Nations Framework Convention on Climate Change, United Nations Industrial Development Organization; World Bank, Secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol, Scientific Assessment Panel, Technology and Economic Assessment Panel, Medical Technical Options Committee, Foams Technical Options Committee, Halons Technical Options Committee, Refrigeration, Air-Conditioning and Heat Pumps Technical Options Committee and the Methyl Bromide Technical Options Committee.

10. The following intergovernmental and non-governmental organizations were also represented: 3M Company, Agro District Chemicals, Albermarle Corporation, Alliance for Responsible Atmospheric Policy, American Lung Association, American Thoracic Society, Arvesta Cooperation, California Strawberry Commission, Canadian Atmosphere Protection Alliance, CIDA, Crop Protection Coalition, DC Consulting, DOW Agrosiences, Environmental Investigation Agency, Eversheds, Florida Fruit and Vegetable Association, Florida Tomato Exchange, Fumigation Service and Supply, Glaxosmithkline, Great Lakes Chemical Corporation, Greenpeace International, Hunton and Williams, Industrial Technology Research Institute, Inter-American Institute for Cooperation on Agriculture, JICOP, Korea Specialty Chemical Industry Association, Market Access Solutionz Limited, Mebrom, Methyl Bromide Global Coalition, Natural Resources Defence Council, Nordiko Quarantine Systems, North American Millers' Association, R&M Consultancy, Inc., Secretariat of the Pacific Regional Environment Programme, Trical Inc., US Floral Industry, University of California and Value Recovery, Inc.

B. Adoption of the agenda

11. The provisional agenda set forth in document UNEP/OzL.Pro.ExMP.2/1 was adopted:

1. Opening of the meeting.
 - (a) Statement by the President of the Sixteenth Meeting of the Parties to the Montreal Protocol;
 - (b) Opening remarks by the Executive Secretary.
 - (c) Statement by the representative of Canada
2. Organizational matters:
 - (a) Adoption of the agenda;*
 - (b) Organization of work;
3. Review of critical use nominations for methyl bromide for 2006.
4. Adoption of the report of the Extraordinary Meeting of the Parties.
5. Closure of the meeting.

C. Organization of work

12. The Meeting agreed that the co-chair of MBTOC would give a presentation on the final report on critical-use nominations relating to section III of the annex to decision XVI/2 (those that had been given interim approval at the Sixteenth Meeting of the Parties) and those categorized as "unable to assess", for consideration at the current meeting. It was also agreed that the President would present the outcome of his informal consultations for consideration and adoption.

D. Credentials of representatives

13. The President reported that the Bureau of the Sixteenth Meeting of the Parties to the Montreal Protocol had met to examine the credentials. The Bureau had approved the credentials of the representatives of 56 Parties out of the 128 represented at the Second Extraordinary Meeting of the Parties. The Bureau had also provisionally approved the representation of 6 Parties on the understanding that they would forward their credentials to the Secretariat as soon as possible.

* See annex to decision XVI/46.

III. Review of critical-use nominations for methyl bromide for 2006

A. Presentation by the co-chair of the Methyl Bromide Technical Options Committee

14. Mr. Jonathan Banks introduced the final report of MBTOC on critical-use nominations relating to section III of the annex to decision XVI/2 – those that had been given interim approval at the Sixteenth Meeting of the Parties – and those identified as “unable to assess” in the October 2004 TEAP report.

15. There were 36 critical-use nominations in section III approved for 2006, from 10 Parties, for 3,045 tonnes of methyl bromide. Section III nominations were those for which there was a difference between the quantity nominated in 2004 for 2006 and the TEAP/MBTOC recommendations for those nominations that were considered at the Sixteenth Meeting of the Parties. The differences resulted from adjustments related to dosage rates, changes in formulation, and the phase-in period for alternatives.

16. There were four nominations for 2006 from three Parties, amounting to 430 tonnes of methyl bromide in total, in the “unable to assess” category.

17. Decision XVI/2 had requested TEAP to report its findings to the Parties in the form of an interim report by 30 April 2005, and in the form of a final report by 15 May 2005. The report had been compiled on the basis of all relevant information submitted by 24 January 2005, including any supplementary information submitted by the Parties, and information relating to what was suitable for the crops and circumstances of the nomination.

18. The MBTOC evaluations were based on decision IX/6 and annex I of decision XVI/4 insofar as: each nomination was considered on a case-by-case basis; bilateral discussions with the nominating party were held when requested; one field visit was undertaken to a key methyl-bromide-using region; and the same standard presumptions were used as for the 2004 round of critical-use nominations. These presumptions were set out fully in the TEAP report of May 2005.

19. Two of the criteria in decision IX/6 were not used in the evaluations: the availability of stocks of banked or recycled methyl bromide and the appropriateness of the efforts being made to evaluate, commercialize and secure national regulatory approval of alternatives and substitutes for the nomination. MBTOC did not have information from Parties on either criterion.

20. Reductions were recommended to some critical-use nominations to account for use of low-permeability tarpaulins and maximum indicative rates of: 350 or 450 kg of methyl bromide per hectare, with virtually impermeable films or an equivalent; 200 kg of methyl bromide per hectare, where high chloropicrin mixtures were feasible; and 20 g per square metre for structural fumigations. Reductions were not made if the Party had already used lower rates, provided substantive argument for a higher rate, such as unusually tolerant pests, or if there were regulatory requirements to use specific rates.

21. Some Parties had submitted further information on their critical-use nominations. Several of the reductions in the section III quantities and the “unable to assess” category were made or agreed by the nominating Parties. Where no further information had been received, MBTOC sought confirmation from the Party that none was expected. No further submissions for further supporting data had been received for 17 of the 36 section III quantities.

22. The TEAP/MBTOC evaluations of each critical-use nomination were contained in annex I to the final report of May 2005, including detailed comments, with references, and the economic reasoning provided by the nominating Party.

23. Mr. Banks then summarized the critical-use nominations and exemptions for 2005 and 2006. The critical-use exemptions granted for 2005 amounted to 16,050 tonnes. For 2006, a total of 11,744 tonnes had already been approved. Of the 3,045 tonnes that had been given interim approval at the Sixteenth Meeting of the Parties, TEAP/MBTOC was recommending approval of 1,081 tonnes. Of the 430 tonnes previously in the “unable to assess” category, TEAP/MBTOC was recommending approval of 189 tonnes. Nominations amounting to 130 tonnes had not been assessed.

24. Working on the assumption that the total quantity of approximately 1,270 tonnes being recommended for approval at the Second Extraordinary Meeting would be approved, and that all of the additional quantities of approximately 452 tonnes (including amounts yet to be fully assessed) that would be considered at the Seventeenth Meeting of the Parties will also be approved, the maximum

2006 exemption would total about 13,466 tonnes. This would also constitute a considerable reduction on the amount of 16,050 tonnes approved for 2005.

B. General discussion

25. The President reported on the outcome of the informal consultations which he had held during the week. The purpose of the consultations had been to identify issues that were likely to be raised at the current meeting and find ways of addressing them prior to the meeting. He expressed appreciation to those who had taken part in the consultations for their wonderful spirit of cooperation and dedication to the work. The group had comprised the following Parties: Argentina, Australia, Canada, China, European Community, Japan, New Zealand, Nigeria, Norway, Switzerland, United Kingdom and United States of America. He also thanked the representatives of Costa Rica and Switzerland for skilfully co-chairing the negotiations under the sub-group. He then introduced the draft decision before the meeting which had been issued as a proposal of the President and invited the Parties to consider its adoption.

IV. Adoption of decision

26. The Extraordinary Meeting of the Parties adopted the following decision on the basis of the draft decision developed by the contact group set up by the President.

A. Decision Ex.II/1

27. The Second Extraordinary Meeting of the Parties decides:

Recognizing that technically and economically feasible alternatives exist for most uses of methyl bromide, and that those alternatives are not always technically and economically feasible in the circumstances of the nominations,

Mindful that exemptions must fully comply with decision IX/6, including with regard to use minimization and emissions reduction, and that they are intended to be limited, temporary derogations from the phase-out of methyl bromide,

Recognizing the value of gas retention or other techniques for minimizing emissions of methyl bromide and other chemical alternatives, and that such uses can achieve pest and disease control with significant reductions in dose,

Acknowledging that further information described in decision Ex.I/4 will be submitted by the Parties in 2006,

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

1. For the agreed critical uses for 2006, set forth in table A of the annex to the present decision, to permit, subject to the conditions set forth in the present decision and in decision Ex. I/4, to the extent those conditions are applicable, the supplementary levels of production and consumption for 2006 set forth in table B of the annex to the present decision which are necessary to satisfy critical uses, with the understanding that additional levels and categories of uses may be approved by the Seventeenth Meeting of the Parties in accordance with decision IX/6;
2. That a Party with a critical-use exemption level in excess of permitted levels of production and consumption for critical uses is to make up any such difference between those levels by using quantities of methyl bromide available from existing stocks;
3. That each Party which has an agreed critical use shall take into full consideration all quantities of existing stocks of methyl bromide and that the sum of these quantities shall be reported in 2006 in column G of the Framework Report, as set out in annex II to the report of the Sixteenth Meeting of the Parties, subject to confidentiality and disclosure clauses of domestic laws and regulations. Where all or part of the quantities are withheld pursuant to such

laws and regulations, the reasons for withholding the quantities in column G shall be footnoted appropriately;

4. That Parties that have an agreed critical use shall endeavour to license, permit, authorize or allocate the quantities of methyl bromide recommended by the Technology and Economic Assessment Panel to the specific categories of use shown in table A of the annex to the present decision;

5. That each Party which has an agreed critical use renews its commitment to ensure that the criteria in paragraph 1 of decision IX/6 are applied when licensing, permitting or authorizing the use of methyl bromide and that such procedures take into account quantities of methyl bromide available from existing stocks;

6. To request Parties licensing, permitting or authorizing methyl bromide that is used for 2006 critical uses to ensure, wherever methyl bromide is authorized for critical-use exemptions, the use of emission minimization techniques such as virtually impermeable films, barrier film technologies, deep shank injection and/or other techniques that promote environmental protection, whenever technically and economically feasible.

Annex

Table A: Agreed critical-use categories

Country	Categories of permitted critical uses (metric tonnes)
Australia	Cut-flowers (1.75); Strawberry runners (7.5)
Canada	Pasta manufacturing facilities (2.057); Flour mills (6.974)
Japan	Peppers (hot) (9.3); Peppers (green) (65.6)
United States of America	Ornamentals (148.483); dry-cured ham (40.854); Dry commodities/structures (cocoa beans) (9.228); Dry commodities/structures (processed foods, herbs and spices, dried milk and cheese processing facilities) (12.865); Eggplant – field, for research only (0.914); Mills and processors (66.915); Peppers – field (436.665); Strawberry fruit – field (207.648); Tomato – field (253.431)

Table B: Permitted levels of production and consumption of methyl bromide to satisfy critical uses in 2006

Country	Methyl bromide (metric tonnes)
Australia	9.250
Canada	9.031
Japan	74.900
United States of America	760.585

V. Comments made at the time of adoption of the decision

28. All representatives who spoke congratulated Canada on its 138th birthday, and thanked it for hosting the second Extraordinary Meeting of the Parties. They also thanked MBTOC, TEAP and the Secretariat for their efforts in producing and presenting the report on critical-use nominations and organizing the meeting, and the President and all the members of the contact group set up by the President, in particular the representatives of Costa Rica and Switzerland, for working so hard in a spirit of cooperation and compromise to produce such a satisfactory outcome.

29. Representatives applauded the contact group for producing a draft decision which tightened controls on uses and emissions of methyl bromide, in line with the criteria adopted in decision IX/6. The decision also encouraged innovative approaches such as the use of barrier films, and introduced greater clarity and transparency to the declaration of stockpiles.
30. All representatives looked forward to further progress with phasing out all uses of methyl bromide. Representatives of several Parties operating under Article 5 informed the meeting of their countries' progress with phasing out methyl bromide, in many cases completely, despite the disruption this had caused to their agricultural sectors, generally vital to developing countries' economies. This showed their determination to protect the ozone layer, and they called on all other countries to follow their example. One representative added that the adoption of such measures would be rendered easier if developed countries phased out subsidies for their own agricultural sectors, and welcomed the recent steps taken to forgive developing countries' debts, and to increase aid, in particular to agriculture.
31. The representative of the United States, observing that her country's request for critical-use exemptions for 2007 represented a 20 per cent reduction from 2006, reiterated her country's commitment to phasing out critical uses. The representative of New Zealand reminded the meeting that at the First Extraordinary Meeting of the Parties his country had reserved its right to make use of the emergency provisions set out in decision IX/7, but in fact had not done so and did not now expect to. New Zealand had also decided not to contest the MBTOC decision not to recommend critical-use exemptions equivalent to 20 per cent of his country's total nominations, in a deliberate attempt to put pressure on industry to phase out critical uses.
32. One representative asked for the total sums granted to each Party and globally for critical-use exemptions to be indicated. The totals for each Party were as follows: Australia, 9.25 tonnes; Canada, 2.031 tonnes; Japan, 74.9 tonnes; and United States, 1,177.003 tonnes. The global totals are indicated in paragraphs 23 and 24 of the present report. Another suggested that Parties should adopt a provision whereby the Secretariat could give clearance for critical uses of methyl bromide for Parties requesting critical-use exemptions in future.
33. The representative of an environmental non-governmental organization reminded the meeting of the fragility of the ozone layer, and the damage that humanity had done to it in a short period. As methyl bromide was such a short-lived substance, its effective ozone-depleting potential was much higher than the nominal figure, and the approval of the critical-use exemptions contained in the decision would cause real damage in terms of ozone depletion. He called on all Parties to phase out all critical uses in the near future. The representative of another environmental non-governmental organization called for better communication, for example to major retailers, of the role methyl bromide played in the destruction of the ozone layer, and the need to phase out uses of the substance.

VI. Adoption of the report of the Extraordinary Meeting of the Parties

34. The present report was adopted on Friday 1 July 2005, on the understanding that the Secretariat would be entrusted with the finalization of the report following the closure of the meeting.

VII. Closure of the meeting

35. Following the customary exchange of courtesies, the Second Extraordinary Meeting of the Parties was declared closed at 11.40 a.m.
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