



United Nations
Environment
Programme



Distr.
GENERAL

UNEP/OzL.Pro/ImpCom/20/4
9 July 1998

ORIGINAL: ENGLISH

IMPLEMENTATION COMMITTEE UNDER THE
NON-COMPLIANCE PROCEDURE FOR
THE MONTREAL PROTOCOL
Twentieth meeting
Geneva, 6-7 July 1998

REPORT OF THE IMPLEMENTATION COMMITTEE UNDER THE NON-COMPLIANCE
PROCEDURE FOR THE MONTREAL PROTOCOL ON
THE WORK OF ITS TWENTIETH MEETING

I. INTRODUCTION

1. The twentieth meeting of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol was held at the Geneva International Conference Centre from 6 to 7 July 1998.

II. ORGANIZATIONAL MATTERS

A. Opening of the meeting

2. The meeting was opened at 10 a.m. on Monday, 6 July 1998.

B. Election of the President and Vice-President

3. Mr. Peter Acquah (Ghana) was elected to serve as President and Mr. Tom Land (United States) as Vice-President and Rapporteur.

C. Attendance

4. The meeting was attended by Committee members from Bolivia, the Dominican Republic, Germany, Ghana, Indonesia, Latvia, Lithuania, Pakistan and the United States of America. Kenya was not represented.
5. The meeting was also attended by representatives of the Implementing Agencies of the Multilateral Fund for the Implementation of the Montreal Protocol (the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the United Nations Industrial Development Organization (UNIDO) and the World Bank), the secretariats of the Multilateral Fund and the Global Environment Facility (GEF), and the Technology and Economic Assessment Panel.
6. At the invitation of the Committee, representatives of Azerbaijan, the Russian Federation and Uzbekistan attended in order to present information on their respective countries' progress towards compliance with the Montreal Protocol.
7. The full list of participants is contained in the annex to the present report.

III. ADOPTION OF THE AGENDA AND ORGANIZATION OF WORK

8. The Committee adopted the following amended agenda on the basis of the provisional agenda that had been circulated as document UNEP/OzL.Pro/ImpCom/20/1:
 1. Opening of the meeting.
 2. Election of the President and Vice-President.
 3. Adoption of the agenda and organization of work.
 4. Consideration of the report by the Secretariat on data:
 - (a) Communicating information on data to the Parties;
 - (b) Frameworks for addressing issues of non-compliance.
 5. Statements by representatives of the Fund Secretariat, Implementing Agencies (UNDP, UNEP, UNIDO, World Bank) and GEF on strategies and activities by their organizations to assist developing countries and/or countries with economies in transition to report their data in time.
 6. Compliance with the Montreal Protocol by Latvia (decision IX/29) and Lithuania (decision IX/30).
 7. Statements from non-complying countries, if any.
 8. Other matters.
 9. Closure of the meeting.

IV. CONSIDERATION OF THE REPORT BY THE SECRETARIAT ON DATA

9. The Secretariat drew the Committee's attention to the report of the Secretariat on information provided by the Parties in accordance with Articles 7 and 9 of the Montreal Protocol. The Secretariat highlighted several aspects of the report and outlined updated information it had recently received, or was in the process of receiving, from several Parties.

10. Regarding three Parties temporarily classified as operating under Article 5 but which were in a position to lose that status in light of paragraph (a) of decision VI/5 of the Sixth Meeting of the Parties, the Secretariat informed the Committee that Samoa had recently submitted its base-year data as required by that decision. The UNEP Regional Office for Africa had submitted a letter to the Secretariat noting that Liberia had just emerged from war and had not yet established an adequate administration to address all environmental issues. The letter stated that the ODSNET Regional Network Coordinator for Africa would visit Liberia from 13 to 15 July 1998 to assist the Liberian Government set up a focal point for ozone issues and start the process for the preparation of a country programme with the assistance of UNEP/IE and requested that the Implementation Committee take these matters into consideration during its deliberations on the issue. With respect to the Democratic Republic of Korea, the Committee was told that there had been no response to repeated Secretariat communications to that Government.

11. The Secretariat reported that Cuba and Nigeria had recently submitted data for 1996, bringing the total of Parties reporting data for that year to 121. One hundred and fifty-eight Parties had been required to report such data by September 1997. Only 22 Parties had reported their data for 1997.

12. The Secretariat made comments regarding several Parties whose data indicated a deviation from the production and consumption schedules mandated by the Montreal Protocol and its Amendments. Clarification had been received from Japan to the effect that the apparent increase in the consumption of substances listed in Annex C, Group I, had resulted from a clerical error and that no such increase had occurred. A similar clarification had been received from the Ukraine, with the Secretariat therefore concluding that no increase in the production of methyl chloroform or methyl bromide had occurred in Ukraine.

13. The Committee took note of the report by the Secretariat. Several representatives welcomed the helpful addition of new charts and tables in the document.

14. During discussions under this and subsequent agenda items, the Committee agreed that, to facilitate discussions, the Secretariat, should also prepare, as part of its regular documentation for future meetings, a referenced summary outline of issues relating to the non-compliance status of each Party under discussion within the Implementation Committee. The information would include, but not be limited to: data regarding their non-compliance; communications with the Secretariat; relevant actions taken by previous meetings of the Parties and Implementation Committee; the history of multilateral or bilateral financial assistance for the ODS phase-out activities of the Parties concerned; and their ODS phase-out programme and interim benchmarks.

15. One representative emphasized the importance his delegation attached to the Secretariat communicating as much information as possible to members of the Implementation Committee prior to each meeting so that all available information could be fully considered. He recognized that data and other information received from Parties sometimes arrived too late to be included in the formal documentation but urged the Secretariat to use facsimiles and electronic mail to communicate additional information even up to two days prior to the meeting.

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16. The Committee agreed on the importance of complete and timely compliance of Parties with all reporting requirements under the Protocol and that the Committee should make efforts to remind Parties that data-reporting represented a fundamental obligation of each Party. Failure to report data was clearly an instance of non-compliance with the Protocol.

17. Following further discussions regarding data-reporting, the Implementation Committee decided:

(a) To note that the following 13 Parties had never reported data as required under Article 7 of the Protocol: Bosnia-Herzegovina, Burundi, Chad, Comoros, Grenada, Honduras, Kiribati, Democratic Republic of Korea, Liberia, Marshall Islands, Micronesia (Federated States of), Mongolia and Vanuatu;

(b) To note that, for the last three years, the following seven Parties had not reported data as required under Article 7 of the Protocol: Antigua and Barbuda, Bangladesh, Dominica, Lebanon, Libyan Arab Jamahiriya, Saudi Arabia and the Solomon Islands;

(c) To request that the Parties listed in subparagraphs (a) and (b) above to submit the required data to the Implementation Committee, through the Secretariat, by 30 September 1998;

(d) To review the issue at its twenty-first meeting.

18. Following further discussion, including consultations in closed sessions attended only by members of the Committee, the Implementation Committee took the following action with respect to Parties temporarily classified as operating under Article 5:

Democratic Republic of Korea

19. The Implementation Committee decided:

(a) To note that paragraph (a) of decision VI/5 of the Sixth Meeting of the Parties provided that a developing country temporarily classified as operating under Article 5 could lose that status if it did not: (i) report its data as required by the Protocol within two years unless the country had sought the assistance of the Executive Committee and Implementation Committee; or (ii) report its base-year data within one year of the approval of its country programme and institutional strengthening by the Executive Committee;

(b) To note that the country programme of the Democratic Republic of Korea had been approved by the Executive Committee of the Multilateral Fund in February 1997;

(c) To note that the country programme usually served as the basis from which continuous data-reporting begins;

(d) To note that the Secretariat had not received the data required under decision VI/5 from the Democratic Republic of Korea;

(e) To recommend to the Tenth Meeting of the Parties that the Democratic Republic of Korea lose its status as a Party operating under paragraph 1 of Article 5 unless the data required under decision VI/5 had been submitted to the Secretariat by 30 September 1998;

(f) To request the Secretariat, in consultation with the Implementing Agencies of the Multilateral Fund, to bring the above recommendation to the attention of the Government of the Democratic Republic of Korea.

Liberia

20. The Implementation Committee decided:

(a) To note that paragraph (a) of decision VI/5 of the Sixth Meeting of the Parties provides that a developing country temporarily classified as operating under Article 5 could lose that status if it did not: (i) report its data as required by the Protocol within two years unless the country had sought the assistance of the Executive Committee and Implementation Committee; or (ii) report its base-year data within one year of the approval of its country programme and institutional strengthening by the Executive Committee;

(b) To note the communication received by the Secretariat from the UNEP Regional Office for Africa regarding the difficult situation in Liberia and the plans for ODSNET and UNEP/IE to assist Liberia to identify an ozone focal point and to prepare its country programme;

(c) To request Liberia to submit the information and data required under decision VI/5 to the Implementation Committee, through the Secretariat, by 30 September 1998;

(d) To review the situation at its twenty-first meeting.

Samoa

21. The Implementation Committee decided:

(a) To note the data submitted by Samoa to the Secretariat for the base year and for 1995;

(b) To request Samoa to supply additional data as required under Article 7 by 30 September 1998.

Communication of information to the Parties

22. The Committee then proceeded to consider options for improving the way in which it analysed and presented data submitted to the Secretariat. In addition to the new charts and tables employed in document the report of the Secretariat, and the request for additional summaries of information from the Secretariat (outlined above in paragraph 14 above), the Committee agreed on the importance of analysing the data in search of previously unexamined trends and the policy issues they suggested. In that way, the Committee could better examine issues of non-compliance with the Protocol and bring them to the attention of the Parties.

23. The Committee agreed that its reports and communications to the Meeting of Parties and Open-ended Working Group would outline important trends and individual successes and failures regarding compliance and non-compliance with Protocol provisions to phase-out ODS and to report data to the Secretariat. The reports would sometimes contain specific references to individual Parties or groups of Parties in order to highlight particular successes or the concerns shared by the Committee regarding particular instances of non-compliance. Following subsequent discussions and additional analysis by members of the Committee in cooperation with the Secretariat, the Implementation Committee agreed to highlight the following information:

Successes

(a) Twenty-six Article 5 Parties had decreased their consumption of CFCs for the last three years or more, namely: Bahamas, Barbados, Benin, Botswana, Cyprus, Gambia, Honduras, Iran (Islamic Republic of), South Korea, Kuwait, Malaysia, Malawi, Mexico, Namibia, Philippines, St. Kitts and Nevis, St. Lucia, Seychelles, Singapore, Slovenia, South Africa, Syrian Arab Republic, Venezuela, and Zimbabwe;

(b) Thirty-nine of the 90 Article 5 Parties that had reported data for 1996, reported zero consumption of halons;

(c) Fifty of the 90 Article 5 Parties that had reported data for 1996, reported zero consumption of carbon tetrachloride;

(d) Forty-three of the 90 Article 5 Parties that had reported for 1996, reported zero consumption of methyl chloroform;

(e) Individual cases deserving special mention included:

(i) After six years of rising consumption, China had decreased consumption of CFCs by over 20 per cent from 1995 to 1996. China had also agreed with the Executive Committee to a halon phase-out schedule which was significantly faster than that required by the Protocol;

(ii) Ghana had decreased consumption by over 60 per cent from 1995 to 1996;

(iii) Kenya had decreased consumption by 45 per cent from 1995 to 1996;

(iv) Thailand and Sudan had decreased their consumption by over 30 per cent from 1995 to 1996;

(v) Uruguay had decreased consumption by over 20 per cent from 1995 to 1996.

Concerns

(a) Thirteen Parties had never reported any data. It should be noted that those Parties received over \$2 million from the Multilateral Fund;

(b) Seven Parties had not reported any data for the previous three years. The Implementation Committee found that particularly troubling because the baseline for the control measures for Annex A substances for Article 5 Parties could not be established unless the relevant data for the years

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1995, 1996 and 1997 were available. In addition, those same seven Parties had received over \$3.5 million from the Multilateral Fund in support of phase-out activities;

(c) While not illegal under the Protocol, it was nonetheless of concern to the Implementation Committee that 14 Parties had increased CFC consumption over the previous three 3 years: Argentina, Bahrain, Burkina Faso, Cameroon, Colombia, Cote d'Ivoire, Guinea, India, Jordan, Tanzania, Trinidad and Tobago, Tunisia, Uganda, Vietnam. Those Parties had received approximately \$18 million from the Multilateral Fund in support of projects to reduce consumption and assist in phasing out ozone-depleting substances.

Framework for dealing with issues of non-compliance

24. One representative drew attention to the need to monitor progress by Parties towards compliance, pointing out that, under the current system, country plans had an endpoint but no intermediate benchmarks. In addition, there was a need to consider potential links between the allocation of funding from the Multilateral Fund and fulfilment of reporting requirements. Analysis of the data submitted to the Secretariat had indicated that a number of countries that were not reporting data had, nonetheless, received assistance from the Multilateral Fund.

25. Accordingly, he outlined a proposed framework for dealing with issues of non-compliance, comprising a number of progressive steps. He expressed hope that it would make possible the identification of specific targets or benchmarks which countries not in compliance could meet on a year-by-year basis. He suggested that such benchmarks could be agreed by the Meeting of the Parties, based on recommendations from the Implementation Committee, when the Parties took a decision on each country not in compliance with the Protocol. As long as the country in question succeeded in meeting those agreed benchmarks, it could be treated, for all intents and purposes, as though it were in compliance. Conversely, if it deviated from those benchmarks, there would be the assumption that the Committee would recommend appropriate action to the Meeting of the Parties.

26. During the ensuing discussion, several representatives emphasized that what most concerned the Committee were cases of wilful non-compliance that merited recommendations for action by the Parties. One representative noted, and the Committee agreed, that non-compliance meant non-compliance with treaty obligations and not with self-imposed targets - or benchmarks - in a country plan. Another representative pointed out that compliance with such benchmarks could depend on external factors beyond the country's control.

27. One representative suggested that, where Multilateral Fund funding was involved, the Implementing Agencies had some measure of responsibility in ensuring that countries met the benchmarks under their country programmes. The Secretariat noted that data submission was the responsibility of Governments.

28. The representative of GEF stated that if GEF recipients were requested by the Committee to incorporate benchmarks in their country programmes, GEF projects could assist the countries concerned in adding benchmarks. GEF already did review progress annually, but only insofar as it related to projects financed by GEF. GEF projects did not cover all production and consumption of ozone-depleting substances in the country concerned, and phase-out of ozone-depleting substances that was not financed by GEF was not monitored by it.

29. The representatives of UNEP/IE and UNDP supported the value of developing benchmarks.

30. Following additional discussions, the Committee agreed that the proposal sought simply to formalize central aspects of its current procedures. The main ideas in the proposal were already reflected in the past operation of the Implementation Committee as well as in past decisions of the Implementation Committee, past recommendations of the Committee to the Parties, and past Decisions by the Parties, including decisions VII/15 - VII/19 of the Seventh Meeting of the Parties, decisions VIII/22, VIII/23, and VIII/25 of the Eighth Meeting of the Parties, and decisions IX/29 - IX/31 of the Ninth Meeting of the Parties.

31. With this in mind, the Committee agreed that it would be useful to enunciate, in broad terms, its process of addressing issues on non compliance, recognizing that, unless otherwise instructed by the Parties, the Committee retained its flexibility to examine each situation individually.

32. The first broad step was identification or declaration by a Party in non-compliance, followed, in the second step, by a review by the Implementation Committee of the country's plan to achieve compliance. In the third step, the Implementation Committee, perhaps in consultation with the Implementing Agencies, would select provisions from that plan for use as specific "benchmarks" to be included in a proposed decision on that country by the Implementation Committee. Those benchmarks could include specific policy measures or reduction and phase-out steps which the country in question undertook - or was obliged to take - by a certain date, in order to receive the Committee's endorsement. Throughout this process, the Implementation Committee would rely on the Secretariat to keep the Party fully informed of what action or inaction had caused it to be identified as being in non-compliance as well as what information the Implementation Committee sought with regard to clarifying or remedying that status.

33. In the next step, the Implementation Committee would discuss the proposal with the country and would recommend it to the Parties. Countries ensuring implementation of the agreed commitments within their country plan would be treated, for all intents and purposes, as being in compliance with their Protocol commitments and would be recommended for favourable consideration when applying for financial assistance from GEF and the Multilateral Fund. However, if a country deviated from its commitments, there would be a presumption that the Implementation Committee would recommend that the Parties adopt additional measures such as recommending that additional financial assistance not be offered or that controlled substances not be exported to that Party until such time as it met its commitments or came into full compliance with the Protocol. Thus, the benchmarks would be used by both the Committee and the Party in non-compliance as an agreed upon mechanism to monitor the Party's efforts towards full compliance. The Committee would have clear standards by which to evaluate the Party's efforts. The Party would have a clear expectation of what the Committee and the Meeting of the Parties expected it to achieve in order to be considered, effectively, in full compliance with the Protocol and to enjoy the benefits thereof.

V. STATEMENTS BY REPRESENTATIVES OF THE FUND SECRETARIAT,
IMPLEMENTING AGENCIES (UNDP, UNEP, UNIDO, WORLD BANK)
AND GEF ON STRATEGIES AND ACTIVITIES BY THEIR
ORGANIZATIONS TO ASSIST DEVELOPING COUNTRIES
AND/OR COUNTRIES WITH ECONOMIES IN TRANSITION
TO REPORT THEIR DATA IN TIME

34. The Chief Officer of the Multilateral Fund reported that a total of \$725 million had been approved to date for phase-out projects in Article 5 Parties, covering more than 2,000 activities, including more than 1,000 investment projects and more than 90 institutional-strengthening projects. Data received from the Implementing Agencies indicated that those projects had resulted in the elimination of 40,000 tonnes of ODS. The Fund Secretariat had recently circulated a questionnaire to 110 Article 5 countries. Fifty per cent of the responses had emanated from low-volume-consuming countries, and indicated that they anticipated very little or no problem in achieving the 1999 freeze target.

35. The representative of UNEP/IE presented highlights from a written report submitted to the Committee. Notable successes of UNEP/IE activities included high levels of data-reporting for 1995 and 1996 and substantial increase in the number of countries fulfilling their reporting requirement, especially, in the African and Latin American regions. In his view, that reflected the positive impact of Regional Networks of National Ozone Units, institutional-strengthening projects and other training programmes for monitoring and control of ozone-depleting substances. Data-reporting levels were much lower in sections of the Asia-Pacific region, which largely reflected difficulties in communicating with, and organizing training for, the large number of small island States in the region.

36. He noted that many National Ozone Units reported difficulty in meeting all the data-reporting obligations required by the Montreal Protocol, the Multilateral Fund and the Implementing Agencies. There was a clear need for greater harmonization and synchronization of the different requirements. He hoped that the Handbook on Data Reporting, which should be available by the Tenth Meeting of the Parties, would be helpful in this regard. In response to a question from the Committee, he confirmed that information on international customs codes would be included in the Handbook.

37. The representative of UNDP reported that only one of the 22 Parties in which UNDP was running institutional-strengthening projects had not reported data for 1996, and that data-reporting for the remaining Party was expected. He agreed with the Chief Officer of the Multilateral Fund that data reported to the Implementing Agencies often differed significantly from data reported to the Ozone Secretariat. He believed that the latter was often not updated following data analysis by the Implementing Agencies, and therefore often represented under-reporting, perhaps by as much as 50 per cent.

38. The representative of UNIDO reported that his organization was experiencing problems with only two countries: Bosnia-Herzegovina, where data collection had only recently begun, and Yugoslavia, which had recently drawn up its country programme and appointed an Ozone Officer. He queried the status of the Libyan Arab Jamahirya, which had not reported any data but had made two requests for financial support from the Multilateral Fund to develop a country programme, that were not approved by the Executive Committee of the Multilateral Fund. In response, the Chief Officer of the Multilateral Fund Secretariat reported in response that no assistance had been approved because no visits could be made to the country because of logistical difficulties resulting from the travel ban.

39. The representative of the World Bank reported that the institutional-strengthening projects it supported were proceeding as scheduled. It was currently working with China in order to set up a CFC-production database, based on its experience of a similar exercise for halons. The Chief Officer of the Multilateral Fund Secretariat added that \$600,000 had been allocated to undertake technical audits of production facilities in Article 5 Parties, a programme that would provide significant new data regarding production of ozone-depleting substances.

40. The representative of GEF reported on the specific nature of its assistance, which comprised primarily investment projects in countries with economies in transition. Although there was no formal linkage between GEF and the Montreal Protocol, the GEF Council had made it clear that phase-out

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activities should be carried out in close cooperation with the Implementation Committee. He believed that the progress-monitoring system could still be improved, and noted that GEF projects would assist the countries concerned - and the Committee - in identifying and monitoring steps towards phase-out.

41. In the subsequent discussion, there was general agreement on the importance of seeking uniformly accurate and consistent data-reporting, taking into account that such reporting represented a significant obligation for each Party to the Protocol.

42. Several representatives, supporting the suggestion of the Secretariat, suggested that efforts could be made to ask the Technology and Economic Assessment Panel or outside consultants to investigate the general issue of discrepancies in data-reporting. Some representatives suggested that when there were contradictions in data submitted to different international organizations, and when the Committee found that reasonable suspicions existed to believe that the data reported to the Secretariat were in fact not correct, the Implementation Committee should explore the discrepancies.

43. One representative expressed the view that the Committee, and the Meeting of the Parties, had to accept the data reported to the Ozone Secretariat and suggested that the confusion regarding apparently conflicting data possibly arose because the data reported to the Implementing Agencies represented sectoral use in any given year, whereas the consumption data reported to the Ozone Secretariat represented national production plus imports minus exports. Apparent discrepancies could therefore arise between the two sets of data if a country imported or produced ozone-depleting substances in one year and then used it in the following year. These discrepancies could, however, even out over time.

44. Another representative suggested that some countries might experience difficulty in introducing licensing systems for imports and exports given the general trend towards deregulation in trade. The introduction of a system of prior informed consent might be of assistance.

45. The Secretariat observed that many countries had implemented successful licensing systems and in that regard the progress of the framework to be established under the PIC Convention should be monitored.

VI. COMPLIANCE WITH THE MONTREAL PROTOCOL BY LATVIA AND LITHUANIA

46. The Secretariat recalled the adoption of decisions IX/29 and IX/30 of the Ninth Meeting of the Parties to the Montreal Protocol and reported that it had conveyed the texts of these decisions to the Governments of Latvia and Lithuania. Both Governments had been requested to implement them. Lithuania had ratified both the London and Copenhagen Amendments, but Latvia had yet to do so, contrary to their promise to the Implementation Committee and Parties to the Montreal Protocol that the ratification process of the London Amendment would be completed by October 1997. Both Governments had been further requested to prepare a brief update on compliance with Montreal Protocol in accordance with paragraphs (d) of decisions IX/29 and IX/30, respectively, for consideration by the Implementation Committee. Latvia had also been reminded to provide information on the steps being made to complete the ratification of the London Amendment.

47. The Secretariat drew attention to the relevant data in its report, which indicated that both Latvia and Lithuania were in non-compliance in 1996 with the control measures in Article 2 of the Protocol.

Latvia

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48. The representative of Latvia said that following the adoption by the Parties to the Montreal Protocol of decision IX/29, his Government had approved regulations for protecting the ozone layer in December 1997, including phase-out dates and a licensing system for imports and exports. Latvia was already reducing consumption of Annex A, Group I, and Annex B, Group II, ozone-depleting substances faster than expected in its phase-out plan, and expected to reach total phase-out by 2000. The import and export of Annex A, Group II, substances had been banned. Latvia had agreed on a country programme with UNEP, and six investment projects had been identified by UNDP. GEF financial assistance would only be available, however, after Latvia had ratified the London Amendment. It had not, however, been possible to do so because sections within the Government had objected to a decision that required Latvia to contribute money to the Multilateral Fund, but he was optimistic that the London and Copenhagen Amendments would be ratified soon. Bilateral assistance had been made available by Sweden, and had been used for training programmes and publications.

49. The representative of UNDP confirmed that, in his view, GEF finance would be available if Latvia ratified the London Amendment. Given that more than \$2 million was earmarked for investment projects, and that in reality Latvia's contribution to the Multilateral Fund would be quite small, he hoped that ratification would occur soon. He noted that the problem was a common one with countries with economies in transition.

50. Following further discussion, including consultations in closed sessions attended only by members of the Committee, the Implementation Committee decided:

(a) To note Latvia's non-compliance in 1996 with the control measures under Article 2 of the Montreal Protocol;

(b) To note the information provided by Latvia with respect to ODS phase-out activities within Latvia;

(c) To urge Latvia to ratify the London, Copenhagen and Montreal Amendments to the Montreal Protocol at the earliest possible date;

(d) To note that ratification of the London Amendment was required to qualify for financial assistance from international funding agencies;

(e) To recommend that, should Latvia ratify the London Amendment, international funding agencies should consider favourably the provision of financial assistance to Latvia for projects to phase out ozone-depleting substances in the country;

(f) To request Latvia to provide the Implementation Committee, through the Secretariat, with an updated phase-out plan, by 30 September 1998, that included specific benchmarks with which the Implementation Committee could monitor its progress;

(g) To review the issue at its twenty-first meeting.

Lithuania

51. The representative of Lithuania agreed that her country was in a state of non-compliance with the Montreal Protocol in 1996 and 1997. Nevertheless, Lithuania was making good progress in reducing consumption of ozone-depleting substances and expected to achieve total phase-out by 2001. Lithuania had ratified the London and Copenhagen Amendments, which had enabled GEF to make financial assistance available. A country programme had been drawn up, investment projects agreed to with UNDP in May 1998, and their implementation had begun. The provision of bilateral assistance from Sweden had enabled training programmes to be organized. She believed that the figure shown for Annex A, Group 1, in the report of the Secretariat was inaccurate and offered to provide the Secretariat with updated information.

52. The representative of UNDP confirmed that GEF had approved the country programme for Lithuania in 1997, but its implementation had been conditional on ratification of the London Amendment. He believed Lithuania would meet its 2001 phase-out target. In response to a question from the Committee concerning the identification of specific targets to help the Committee monitor progress year-by-year, he stated that because the investment projects were just beginning it was unlikely that significant reductions would be experienced until 2000.

53. Following further discussion, including consultations in closed sessions attended only by members of the Committee, the Implementation Committee decided:

(a) To note Lithuania's non-compliance in 1996 with the control measures under Article 2 of the Montreal Protocol;

(b) To note the information provided by Lithuania with respect to ODS phase-out activities within Lithuania;

(c) To note that major efforts were being made by Lithuania to phase out production and consumption of ozone-depleting substances in accordance with its phase-out plan;

(d) To request Lithuania to provide the Implementation Committee, through the Secretariat, with an updated phase-out plan, by 30 September 1998, that included specific benchmarks with which the Implementation Committee could monitor its progress;

(e) To recommend that, in the interim, international funding agencies should consider favourably the provision of financial assistance to Lithuania for projects to phase out ozone-depleting substances in the country;

(f) To review the situation with regard to ODS phase-out in Lithuania at its twenty-first meeting.

VII. STATEMENTS BY NON-COMPLYING COUNTRIES

54. The Secretariat again drew the Committee's attention to tables 1 and 2 of the report of the Secretariat, which listed a number of Parties whose data suggested they were in non-compliance in 1996 with the control measures in Article 2 of the Protocol. Those Parties had been requested by the Secretariat to prepare explanations regarding their non-compliance in 1996 and their plans to phase out ozone-depleting substances. The Secretariat outlined the written and verbal communications it had received from the Parties concerned and noted that each had been requested to attend the twentieth meeting of the Implementation Committee to provide further information and discuss the matter in detail.

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Azerbaijan

55. The representative of Azerbaijan said that his country was in non-compliance with the Montreal Protocol as a result of the political, economic and administrative challenges it faced as a country with an economy in transition. He reported that Azerbaijan's country programme had been approved in April 1998, and implementation was due to begin in four weeks' time. Azerbaijan was committed to total phase-out of ozone-depleting substances by 2001. He also expressed his belief that there were mistakes in the data reported in table 1 in the report of the Secretariat including, in some cases, 1989 data having been wrongly submitted as baseline data. He would submit revised data to the Ozone Secretariat once he had returned to his capital.

56. The representative of GEF stated that the country programme for Azerbaijan had been approved but not yet endorsed and that the GEF Council would take into account the opinion of the Implementation Committee when considering funding. The representative of UNDP confirmed that his organization would be responsible for implementing the investment projects associated with Azerbaijan's country programme and that in UNDP's view, the 2001 phase-out target was achievable.

57. Following further discussion, including consultations in closed sessions attended only by members of the Committee, the Implementation Committee decided:

(a) To note Azerbaijan's non-compliance in 1996 with the control measures under Article 2 of the Montreal Protocol;

(b) To note the information provided by Azerbaijan with respect to ODS phase-out activities within Azerbaijan, including its intention to achieve a full phase-out by 2001;

(c) To request Azerbaijan to provide the Implementation Committee, through the Secretariat, with updated data by 30 September 1998;

(d) To request Azerbaijan to provide the Implementation Committee, through the Secretariat, with a phase-out plan, by 30 September 1998, that included specific benchmarks with which the Implementation Committee could monitor its progress;

(e) To recommend, based on Azerbaijan's commitment noted in subparagraph (b) above, that, in the interim, international funding agencies should consider favourably the provision of financial assistance to Azerbaijan for projects to phase out ozone-depleting substances in the country;

(f) To review the situation with regard to ODS phase-out in Azerbaijan at its twenty-first meeting.

Belarus

58. No representative from Belarus was present. The Secretariat reported that the data submitted by the Government indicated Belarus was in non-compliance with the Protocol in 1996. Belarus did not produce or export ozone-depleting substances and imported such substances only from the Russian Federation. Although admittedly in non-compliance in 1995 and 1996, Belarus had developed a phase-out plan and its data showed reductions in the consumption of ozone-depleting substances in 1996, and more reductions were expected to 1997.

59. Following further discussion, including consultations in closed sessions attended only by members of the Committee, the Implementation Committee decided:

(a) To note Belarus' non-compliance in 1996 with the control measures under Article 2 of the Montreal Protocol;

(b) To note the information provided by Belarus with respect to ODS phase-out activities within Belarus;

(c) To request Belarus to provide the Implementation Committee, through the Secretariat, with a phase-out plan, by 30 September 1998, that included specific benchmarks with which the Implementation Committee could monitor its progress;

(d) To review the situation with regard to ODS phase-out in Belarus at its twenty-first meeting.

Czech Republic

60. No representative from the Czech Republic was present. The representative of GEF reported that total phase-out of ODS was about to be completed and no further financial assistance was contemplated.

61. Following further discussion, including consultations in closed sessions attended only by members of the Committee, the Implementation Committee decided:

(a) To note the Czech Republic's non-compliance in 1996 with the control measures under Article 2 of the Montreal Protocol;

(b) To note the information provided by the Czech Republic with respect to ODS phase-out activities within the Czech Republic, including its expected compliance in 1997;

(c) To note that as the Czech Republic had been out of compliance with the controls on different substances for 1994, 1995 and 1996, respectively, there was an expectation that failure to achieve compliance in the future would result in a recommendation by the Committee for specific actions to address this persistent non-compliance;

(d) To note that no further action would be necessary so long as the Czech Republic met its stated commitment to a complete phase-out of ozone-depleting substances and its expected compliance in 1997 and 1998.

Estonia

62. No representative from Estonia was present. One representative queried the data in table 1 of the report of the Secretariat. The Secretariat stated that every country had been invited to comment on the data, but that Estonia had not responded. Another representative suggested that in cases such as that of Estonia, members of the Implementation Committee might pursue bilateral contacts to clarify data.

63. The representative of UNEP/IE reported that the preparation of an Estonia country programme would be completed within the next month. Estonia had not yet, however, ratified the London Amendment.

64. Following further discussion, including consultations in closed sessions attended only by members of the Committee, the Implementation Committee decided:

(a) To note Estonia's non-compliance in 1996 with the control measures under Article 2 of the Montreal Protocol;

(b) To note the information provided by Estonia with respect to ODS phase-out activities within Estonia;

(c) To request Estonia to provide the Implementation Committee, through the Secretariat, with a phase out plan, by 30 September 1998, that included specific benchmarks with which the Implementation Committee could monitor its progress;

(d) To review the situation with regard to the phase-out of ozone-depleting substances in Estonia at its twenty-first meeting.

Russian Federation

65. The representative of the Russian Federation said that since the nineteenth meeting of the Implementation Committee, his country had been doing its best to comply with its phase-out schedule adopted in 1995, and that it was already considerably ahead of its targets, particularly with respect to ozone-depleting substances consumption of ozone-depleting substances. The problems with the production sector were likely to be resolved by the World Bank's Special Initiative. A round-table meeting with donors to the Initiative would be held in Moscow in September, and by then the Russian Federation should have financed a ban on CFC production by 2000, subject to the provision of World Bank Special Initiative funding.

66. The representative of the World Bank noted that the World Bank gave a high priority to completing the Special Initiative and that senior management at the World Bank viewed it as an important contribution to the phase-out of ozone-depleting substances. The World Bank was working with the Russian Federation and the donor community to develop a final agreement. He welcomed the round-table meeting scheduled for September. There was still a gap in funding, which he hoped GEF would fill.

67. The representative of GEF confirmed that the implementation of existing projects was ahead of schedule, but that it might be difficult to approve the third tranche of consumption-sector phase-out funding at the GEF Council in October 1998, given its proximity to the Moscow round-table meeting the previous month.

68. Following further discussion, including consultations in closed sessions attended only by members of the Committee, the Implementation Committee decided:

(a) To note the Russian Federation's non-compliance in 1996 with the control measures under Article 2 of the Montreal Protocol;

(b) To note that major efforts are being made by the Russian Federation to phase out production and consumption of ozone-depleting substances in accordance with its phase-out plan;

(c) To recommend that international funding agencies should continue to consider favourably the provision of financial assistance to the Russian Federation for projects to phase-out ozone-depleting substances in the country;

/...

(d) To keep under review the situation with regard to phase-out of ozone-depleting substances in the Russian Federation.

Ukraine

69. No representative of Ukraine was present. The representative of the World Bank confirmed that a phase-out programme had been approved 18 months previously and was now under way. The representative of GEF reported that there had been a considerable delay between approval and implementation of the country programme, mainly because it had been difficult to acquire data on, and assess the financial viability of, the recipient enterprises.

70. Following further discussion, including consultations in closed sessions attended only by members of the Committee, the Implementation Committee decided:

(a) To note Ukraine's non-compliance in 1996 with the control measures under Article 2 of the Montreal Protocol;

(b) To note the information provided by Ukraine with respect to ODS phase-out activities within Ukraine;

(c) To note that major efforts are being made by Ukraine to phase out the consumption of ozone-depleting substances in accordance with its phase-out plan;

(d) To request Ukraine to provide the Implementation Committee, through the Secretariat, with updated data by 30 September 1998;

(e) To request Ukraine to provide the Implementation Committee, through the Secretariat, with an updated phase-out plan, by 30 September 1998, that included specific benchmarks with which the Implementation Committee could monitor its progress;

(f) To recommend that, in the interim, international funding agencies should continue to consider favourably the provision of financial assistance to Ukraine for projects to phase out ozone-depleting substances in the country;

(g) To review the situation with regard to the phase-out of ozone-depleting substances in Ukraine at its twenty-first meeting.

Uzbekistan

71. The representative of Uzbekistan reported that her country had ratified the London and Copenhagen Amendments, and had just completed the first draft of its country programme. Data collection had been slow but was improving in quality. She expressed her belief that some of the data as reported in table 1 in the report of the Secretariat was inaccurate and should show more substantial reductions in consumption. She accepted that Uzbekistan was not in compliance with the Montreal Protocol and expected that phase-out of Annex A and Annex B ozone-depleting substances would be completed by 2000.

72. The representative of UNDP stated that since the identified projects could only be submitted to the GEF Council for approval in late 1998, he believed that phase-out by the end of 2000 was optimistic.

73. Following further discussion, including consultations in closed sessions attended only by members of the Committee, the Implementation Committee decided:

(a) To note Uzbekistan's non-compliance in 1996 with the control measures under Article 2 of the Montreal Protocol;

(b) To note the information provided by Uzbekistan with respect to ODS phase-out activities within Uzbekistan;

(c) To request Uzbekistan to provide the Implementation Committee, through the Secretariat, with a final version of its phase-out plan, by 30 September 1998, that included specific benchmarks with which the Implementation Committee could monitor its progress;

(d) To recommend that, in the interim, international funding agencies should consider favourably the provision of financial assistance to Uzbekistan for projects to phase out ozone-depleting substances in Uzbekistan;

(e) To review the situation with regard to phase-out of ozone-depleting substances in Uzbekistan at its twenty-first meeting.

VIII. OTHER MATTERS

74. There were no other matters.

IX. ADOPTION OF THE REPORT

75. The Committee agreed to entrust completion of the report to the President and Vice-President and Rapporteur, in consultation with the Secretariat.

X. CLOSURE OF THE MEETING

76. After the customary exchange of courtesies, the President declared the twentieth meeting of the Implementation Committee closed at 10 a.m. on Tuesday 7 July 1998.

Annex

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