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TENTH MEETING OF THE PARTIES TO
THE MONTREAL PROTOCOL ON
SUBSTANCES THAT DEplete
THE OZONE LAYER
Cairo, 23-24 November 1998

REPORT OF THE TENTH MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL ON
SUBSTANCES THAT DEplete THE OZONE LAYER

1. The Tenth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer was held at the Cairo International Conference Centre on 23-24 November 1998.

I. OPENING OF THE MEETING

2. The Meeting was opened at 10 a.m. by Mrs. Suzanne Mubarak, First Lady of Egypt, who welcomed all participants and expressed her happiness that the country had been chosen to host such an important international conference.

3. The Montreal Protocol, she said, marked the first concrete expression of the international will to deal with environmental problems, and represented a prototype for international action in other fields. Egypt was happy to host the meeting, as the country shared the great concern over environmental problems and was committed to dealing with them. Since 1982, Egypt had had an Environmental Protection Agency and, in its efforts to harmonize the differing concerns of the environment and of development, it had established a Ministry of the Environment in 1997. Egypt thus had the ability to respond to the global and domestic challenges to the environment. In addition, sustainable benefits were drawn from cooperation with other countries, learning from their experience and wisdom.

4. Her own special field of interest, she said, was children and the young, since action now to inculcate in children an awareness for nature was the best way to preserve the environment, not only for today, but also for tomorrow. Egypt had made it a national objective to develop its human resource base and to give everyone an opportunity to grow in a healthy environment. Education was a top priority and great efforts were being made to upgrade it and to develop appropriate curricula and increased competence

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for teachers. A new innovation in libraries was the special Green Corner for children, where useful information on the environment was available to them in an attractive format. Among the many examples of how to use innovative ways to help children to develop an affinity with their environment was the children's art competition organized by the Division of Technology, Industry and Economics of the United Nations Environment Programme (UNEP/TIE) and the Egyptian Environment Affairs Agency, for which prizes were to be awarded at the current meeting. In conclusion, she wished all the representatives success in their important mandate to help protect the ozone layer and, ultimately, humanity.

A. Statement by representatives of the Government of Egypt

5. In her statement of welcome to participants, Ms. Nadia Makram Ebeid, Minister of State for Environmental Affairs, drew attention to the achievements of Mrs. Suzanne Mubarak, First Lady of the country, in the life of Egypt, particularly her great pragmatism, her people-oriented approach and her holistic vision, which had a direct bearing on Egypt's efforts to develop its human resource base to the full.

6. Mr. Youssef Wally, Deputy Prime Minister of Egypt, welcoming participants to Cairo, said that Egyptian civilization had an ancient tradition of concern for the environment, which was considered to be a prerequisite for sustainable development. Since the Stockholm Conference on the Human Environment, Egypt had shown a growing concern for issues of the environment and had realized the importance of integrating the efforts of different countries to protect and conserve it. National development in Egypt also sought to protect natural resources and the environment, and much had been done by the business sector to promote environmentally friendly developments. Consumption of ozone-depleting substances had been greatly phased out, to a level of 4,000 tonnes. Moreover, the country had stopped the use of methyl bromide. He concluded by saying that Egypt attached great importance to international efforts to protect the ozone layer, and the hosting of the current meeting was a symbol of the country's commitment in that vital endeavour.

B. Statement by the Executive Director of the United Nations Environment Programme

7. In his address to the Meeting Mr. Klaus Töpfer, Executive Director of the United Nations Environment Programme (UNEP), quoting Mrs. Suzanne Mubarak's acceptance speech for the 1998 Prize of Tolerance awarded by the European Academy of Sciences and Arts, drew attention to the cultural diversity of Egypt and its catalytic role at the crossroads of different civilizations and expressed his appreciation to other honoured guests of the Meeting, including Dr. Mostafa Tolba, upon whom UNEP was conferring a global ozone award for his contribution to protecting the ozone layer.

8. While noting the success of the Montreal Protocol over the last 10 years, he warned against complacency, pointing out that the total concentration of bromine in the atmosphere was still increasing and that the ozone hole over the Antarctic had reached record proportions of 26 million square kilometres, larger than all of North America, and that, even with full implementation of the Montreal Protocol, total cumulative emissions would measure about 1.5 million tonnes up to the time that the phase-out of all ozone-depleting substances was complete. It was therefore vital to ensure that implementation of the Protocol remained on course and that full support was given to the assessment panels in performing their critical role.

9. Among key tasks facing Governments, he highlighted the need to prevent the spread of use of methyl bromide. He praised the performance of the Multilateral Fund and congratulated the contributing countries for their payments to date. He also urged donor countries to pay the balance of their contributions to the Multilateral Fund for 1998 and earlier years, to ensure its continued successful operation, which had enabled the implementation of over 2,500 projects and activities in over 100 countries

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and the elimination of approximately 117,000 tonnes of ozone-depleting substances. It was time, he said, to re-evaluate the objectives and priorities of the Fund, since encouragement to countries to participate had been replaced by the obligation to comply with a series of demanding commitments. He outlined a number of priority areas for action, including the closure of CFC production facilities; the needs of low-volume consuming countries and of small enterprises; the need for agencies to accelerate the completion of projects and for developing countries to simplify their procedures and the need for non-compliant countries in Eastern Europe and the former USSR to fulfil their obligations. In that context, he expressed gratification at the assistance given by the Global Environment Facility (GEF) and at the recent Special Initiative of the World Bank to shut down production facilities in the Russian Federation, which accounted for nearly half the world's CFC capacity.

10. Among important issues facing the Parties, he drew attention to the need for awareness-building activities by the developing countries; the possible marketing of new ozone-depleting substances and the need for criteria to identify such substances; and the dumping of used CFC products and equipment, in which context he drew attention to the UNEP-initiated pledge by companies not to manufacture or sell any new CFC-using equipment or technology in developing countries or countries with economies in transition.

11. In view of the interlinkages between climate change and ozone depletion, the future of HFCs must be decided in the light of the environment as a whole. In general, consideration must be given to the synergies between the different conventions and, in that context, he noted the collaboration by UNEP with the World Meteorological Organization (WMO) and also, in the methyl-bromide sector, with the Food and Agriculture Organization of the United Nations (FAO). Finally, he drew attention to the need for non-governmental organizations to continue their awareness-building activities, particularly in the servicing industry.

C. Statements by the heads of other United Nations agencies present

12. Mr. Rumen D. Bojkov, speaking on behalf of the Secretary-General of the World Meteorological Organization (WMO), said that WMO, as the specialized United Nations agency entrusted with coordinating the monitoring, research and assessment of the state of atmospheric composition and climate, believed that there was a need to continue to improve capabilities in monitoring ozone and ozone-depleting substances, their concentrations and vertical distribution, especially in the data-sparse tropical belt. Ground measurements had shown that the tropospheric loading of chlorine, responsible for destroying ozone, had already passed its maximum as a result of actions taken under the Montreal Protocol and its amendments; bromine concentrations continued to increase, however, and the same was true with respect to chlorine loading in the stratosphere where the ozone-destructive reactions, triggered by the anthropogenic halogen compounds, were taking place. During the current austral spring, in the southern polar region, low ozone values were recorded over the largest area ever, while during the September-October period the integrated ozone loss in the region poleward of 60° south had been the largest on record. In the northern-hemisphere polar region, in six out of the past nine winter-spring seasons, total ozone had declined in the same months by 25-30 per cent below the pre-1970 average. Had it not been for the Montreal Protocol and its amendments, the ozone decline would have been even greater and would have continued for many more decades.

D. Statement by the President of the Ninth Meeting of the Parties

13. Mr. Won-Hwa Park (Republic of Korea), President of the Ninth Meeting of the Parties, noted that the Tenth Meeting of the Parties was the last before the introduction of the freeze for Parties operating under Article 5. While notable successes had been achieved, he expressed concern at the low level of ratification of the London and Copenhagen amendments, the latter having been ratified by only half the Parties. He had sent letters to all Parties that had not ratified the amendments and urged Governments to take the necessary steps for doing so. As the July 1999 freeze approached, there was a need to intensify capacity-building efforts in Article 5 countries and he urged the Executive Committee to give special attention to projects in that area.

14. Drawing attention to the recommendations prepared by the Open-ended Working Group at its seventeenth and eighteenth meetings for consideration by the Parties, he hoped that the Meeting would adopt effective decisions. In conclusion, he noted the successes achieved over the previous year, in particular, the fulfilment of their phase-out commitments by the industrialized countries, and the early start of phase-out of activities by some Article 5 countries, and commended the Executive Committee of the Multilateral Fund, the Vice-Presidents, the Implementation Committee, the Ad Hoc Working Group of Legal and Technical Experts on Non-Compliance, the Implementing Agencies, his fellow Bureau members and all stakeholders on their work and wished the incoming Bureau and the Meeting every success in the forthcoming deliberations.

E. Presentation of prizes to the winners of the children's art competition

15. During the opening session on 23 November 1998, Mrs. Suzanne Mubarak, First Lady of Egypt and Mr. Klaus Töpfer, Executive Director of UNEP, presented prizes to the winners of the children's art competition who had been invited to attend by the Government of Egypt. Prizes were awarded to the following children: Najla Hussein Eid (Egypt), Laila Nuri (Indonesia), Rosa Kallontarpour (Islamic Republic of Iran) and Bachari Saidou (Niger). Jury prizes had been awarded to two other children Qu Nan (China) and Maria Rozica Popescu (Romania) and 10 other entries had received merit awards.

F. Presentation of Ozone Awards by the Government of Egypt and by UNEP

16. During the opening session of the meeting on 23 November 1998, awards were presented by the Government of Egypt to distinguished Egyptians for their outstanding achievements and contributions to the protection of the Earth's ozone layer. The winners of the awards were: Dr. Hamdi El-Banbi, a Minister in the Government of Egypt, who had orchestrated and introduced the phase-out of lead in petrol; Dr. Ossama El Kholy, a Professor of Engineering at Cairo University, who had spent most of his academic life participating in many initiatives across a number of sectors in Egypt, the Arab world and the world at large; and Dr. Mostafa K. Tolba, former Executive Director of UNEP.

17. Dr. Tolba, was also awarded the UNEP Global Ozone Award for his achievements in helping to negotiate the Montreal Protocol and in continuously contributing to its success.

II. ORGANIZATIONAL MATTERS

A. Attendance

18. The Tenth Meeting of the Parties was attended by representatives of the following Parties to the Montreal Protocol: Algeria, Antigua and Barbuda, Argentina, Australia, Austria, Azerbaijan, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Belgium, Benin, Bolivia, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Burundi, Cameroon, Canada, Chile, China, Colombia, Comoros, Costa Rica, Côte d'Ivoire, Croatia, Cuba, Czech Republic, Democratic People's Republic of Korea, Democratic Republic of the Congo, Denmark, Dominica, Dominican Republic, Ecuador, Egypt, Estonia, Ethiopia, European Community, Finland, France, Gambia, Georgia, Germany, Ghana, Greece, Guatemala, Guinea, Honduras, Hungary, Iceland, India, Indonesia, Iran (Islamic Republic of), Ireland, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Kiribati, Kuwait, Lao People's Democratic Republic, Latvia, Lebanon, Lesotho, Libyan Arab Jamahiriya, Liechtenstein, Lithuania, Luxembourg, Madagascar, Malaysia, Mali, Mauritania, Mauritius, Mexico, Mongolia, Morocco, Namibia, Nepal, Netherlands, New Zealand, Nicaragua, Nigeria, Norway, Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Qatar, Republic of Korea, Republic of Moldova, Romania, Russian Federation, Saint Lucia, Saint Vincent and the Grenadines, Saudi Arabia, Senegal, Singapore, Slovakia, Slovenia, South Africa, Spain, Sri Lanka, Sudan, Sweden, Switzerland, Syrian Arab Republic, Tajikistan, Thailand, the former Yugoslav Republic of Macedonia, Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukraine, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Uruguay, Uzbekistan, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe.

19. The following non-Parties were also represented: Albania, Armenia, and Iraq.

20. Representatives of the following United Nations bodies and specialized agencies also attended: Global Environment Facility (GEF), Secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol, United Nations Development Programme (UNDP), UNEP Division of Technology, Industry and Economics (UNEP/TIE), United Nations Information Centre for Egypt, United Nations Industrial Development Organization (UNIDO), United Nations Office at Nairobi (UNON), World Bank, World Meteorological Organization (WMO).

21. The following intergovernmental and non-governmental bodies and agencies were also represented: 3M Company, Alliance for Responsible Atmospheric Policy, AlliedSignal Europe, Arab Office for Youth and Environment, Asahi Research Center Company Limited, Association for Environment and Nature Protection, Cannon, Cannon-Afros, Carrier Corporation, Centre of Environment Friends, Consumer Unit and Trust Society, Dainippon Pharmaceutical Company, Dow, Dupont, Elf Atochem, Environmental Investigation Agency, European Chemical Industry Federation, Federation of Malaysian Consumers Associations, Friends of the Earth, Glaxo Wellcome, Great Lakes Chemical Company, Greenpeace, Indian Chemical Manufacturers Association, Indian Institute of Chemical Technology, Industrial Technology Research Institute, International Council of Environmental Law, International Institute of Refrigeration (IIR), International Pharmaceutical Aerosol Consortium, International Trade Information Service, Japan Electrical Manufacturers' Association, Japan Fluorocarbon Manufacturers Association, Japan Industrial Conference for Ozone Layer Protection, JSC Armstroy, Kenouz Sinai - Environment Protection Sharkiya, Korea Speciality Chemical Industry Association, League of Arab States, Lebanese Environment Forum, Legal Resources Centre, Lennox International Inc., Methyl Bromide Working Group, Otsuka Pharmaceutical Company Ltd, Ozone Action ProConsumers, Refrigerant Gas Manufacturers' Association, Sanko Chemical Industry Company, Trane Company, Trans-Mond Environment Limited, Tribuna Ecuatoriaam de Consumidores y Usunion, Uganda Consumers Protection Association, Vulcan Materials Company.

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B. Election of the President, three Vice-Presidents and the Rapporteur

22. In accordance with rule 21, paragraph 1, of the rules of procedure, the following officers were elected, by acclamation, at the opening session:

President: Mr. Alexandre A. Solovianov, Russian Federation
(Group of Eastern European countries)

Vice-Presidents: Mr. Rasmus Rasmusson (Sweden)
(Group of Western European and others countries)

Mr. Zweledinga Pallo Jordan (South Africa)
(Group of African countries)

Ms. Bernardina de Stavropulos (Panama)
(Group of Latin American and Caribbean countries)

Rapporteur: Ms. Syeda Sajeda Chowdhury (Bangladesh)
(Group of Asian countries)

C. Adoption of the agenda

23. The following agenda was adopted on the basis of the provisional agenda in document UNEP/OzL.Pro.10/1:

1. Opening of the Meeting:
 - (a) Statement by a representative of the Government of Egypt;
 - (b) Statement by the Executive Director of the United Nations Environment Programme;
 - (c) Statements by the heads of other United Nations agencies present;
 - (d) Statement by the President of the Ninth Meeting of the Parties.
2. Organizational matters:
 - (a) Election of the President, three Vice-Presidents and the Rapporteur;
 - (b) Adoption of the agenda;
 - (c) Organization of work;
 - (d) Credentials of representatives.
3. Statements by heads of delegations.
4. Presentation of a report by the Co-Chairs of the Open-ended Working Group and

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consideration of the recommendations of the Open-ended Working Group and decisions on essential-use nominations for ozone-depleting substances, transition to CFC-free metered-dose inhalers, decommissioning of all non-essential halon systems in non-Article 5 Parties, new substances with ozone-depleting potential, regulation of the import and export of products and equipment whose continuing functioning relies on substances listed in Annexes A and B of the Protocol, review of the non-compliance procedure, election of members of the Implementation Committee and Executive Committee of the Multilateral Fund, proposed budgets for the Montreal Protocol Trust Fund and other issues.

5. Consideration of the report of the President of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol.
6. Consideration of the report of the Chair of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol.
7. Date and venue of the Eleventh Meeting of the Parties.
8. Other matters.
9. Adoption of the report.
10. Closure of the Meeting.

D. Credentials of representatives

24. Speaking on behalf of the Bureau, the Secretariat reported that the Bureau of the Tenth Meeting of the Parties had approved the credentials of the representatives of 104 Parties to the Tenth Meeting of the Parties to the Montreal Protocol, out of 133 Parties represented at the Meeting. The Bureau had also approved provisionally the representation of 11 Parties on the understanding that they would send the credentials to the Secretariat in due course. Parties with no credentials had been requested to transmit those to the Secretariat as soon as possible and the President urged Parties, in future Meetings, to ensure that their credentials were submitted in good time.

25. The report of the Bureau was adopted by consensus.

III. STATEMENTS BY HEADS OF DELEGATIONS

26. Taking up agenda item 3 at its opening session, the Meeting first heard presentations from the Co-Chairs of the Assessment Panels and statements by representatives of the Implementing Agencies of the Multilateral Fund and the representative of the Global Environment Facility (GEF).

27. The Co-Chairs of the Scientific Assessment, Dr. Dan Albritton, Dr. Piet Aucamp and Dr. G. Mégie, summarized the status of three aspects of the Panel's work. The Panel's next report, "Scientific Assessment of Ozone Depletion: 1998", would be ready early in 1999. The report, which was being prepared by over 250 scientists from over 30 countries worldwide, would address questions concerning the future of the ozone layer in the coming decades. The Co-Chairs also noted two areas of ongoing research within the scientific community. The observation of halon-1202 in the atmosphere had raised questions regarding the nature, source and impact of the emissions of that and other new and uncontrolled ozone-depleting substances. There were challenges ahead in determining the significance of

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short-lived chlorine- and bromine-containing gases to the ozone layer. Lastly, the Co-Chairs noted the coordinated work of the Panel with that of the Intergovernmental Panel on Climate Change (IPCC) and the International Civil Aviation Organization (ICAO). They underscored that several gases were of relevance to both ozone depletion and climate change, and the Panel's collaboration with IPCC over the past several years had helped increase understanding of such gases and their linkages.

28. Dr. J.C. Van der Leun, Co-Chair of the Environmental Effects Assessment Panel, reported that the 1998 assessment on effects of ozone depletion was in print and would soon be distributed by UNEP. He explained that a variety of historical factors made it understandable why so much more was known about certain effects of ozone depletion than about others. For example, the decisive investigations linking skin cancer in UV-B radiation had been performed in the 1940s, whereas studies on some other effects started in the late 1970s. The variance in levels of information did not indicate any order of importance among the various effects. It was now possible to study available quantitative effects on skin cancer, and to some extent cataracts, under various scenarios of ozone depletion. The results indicated that the protective efforts, started when there were still many uncertainties, were indeed necessary. In conclusion, Dr. Van der Leun expressed his appreciation for the recommendation to the Meeting from the Open-ended Working Group that further attention should be paid to the interactions between ozone depletion and global warming. He said that, from the findings reported in the 1998 environmental effects assessment, it might be concluded that it was necessary to take into account the possible interactions working via the biosphere.

29. Dr. S. Andersen, Co-Chair of the Technology and Economic Assessment Panel reported on the progress made and challenge ahead of the Panel. He noted that the Technology and Economic Assessment Panel had 23 members from 17 countries and with its technical options committee had a total membership of 225 experts from 46 countries. The significant involvement of experts from industry in the Panel's work, ensured that the Panel possessed the necessary expertise and diversity.

30. He reported that for virtually every application of ozone-depleting substances there were now cost-effective and environmentally acceptable options. There were, however, continued critical and essential uses including those for feedstocks and process agents; solvents for space exploration; laboratory and analytical uses; and propellants for some metered-dose-inhaler uses. Continued halon-1201 and halon-1301 critical uses were covered in non-Article 5 countries from banks of halon produced before the 1994 production phase-out, while essential uses of halon-2402 were supplied from new production in the Russian Federation, because adequate supplies were not yet available from halon banks.

31. Dr. Helen Tope, Co-Chair of the Aerosols Technical Options Committee, reported on the transition from CFC-containing metered-dose inhalers to alternatives. In 1998, the Technology and Economic Assessment Panel had found that CFCs remained essential for use in metered-dose inhalers for asthma and chronic obstructive pulmonary disease, but it anticipated good progress in further transition, with minimal need for CFCs for metered-dose inhalers expected by the year 2005 in non-Article 5 countries. Alternative, CFC-free metered-dose inhalers and dry-powder inhalers were available in many countries with many other products in the process of being commercialized. The Technology and Economic Assessment Panel recommended that all Parties develop national or regional transition strategies to speed up and facilitate transition to those alternatives. An important consideration in the transition was that patients with asthma and chronic obstructive pulmonary disease needed a continued supply of affordable inhaled therapy. Parties might also wish to consider adopting a flexible global transition framework, managing CFC stockpiles at reasonable levels, granting essential-use exemptions only to companies actively pursuing alternatives and not allowing essential-use exemptions for CFCs for new metered-dose-inhaler products.

32. Dr. Lambert Kuijpers, Co-Chair of the Technology and Economic Assessment Panel, reported on the status of the assessment reports by all Technical Options Committees and by the Panel. He noted that

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technical innovation continued to increase options and that some Article 5 Parties were achieving remarkable success. He also highlighted the contents of the 1998 report of the Panel and summarized the planned activities of the task force on replenishment, particularly during the period December 1998 to April 1999, emphasizing its tight working schedule. He concluded by mentioning that, in the coming years, the Panel stood ready to assist the Parties study all issues, including: those areas where technology was still rapidly proceeding and where new options entered a competitive market; the replenishment of the Multilateral Fund for the period 2000-2002; and the evaluation of hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs) in cooperation with the relevant bodies under the United Nations Framework Convention on Climate Change and particularly within the framework of the third IPCC assessment report.

33. Mr. Edmund Cain, Resident Representative of the United Nations Development Programme in Egypt, said that his organization had a dynamic portfolio under the Multilateral Fund with 875 projects in 55 countries for a total value of \$220 million, which would eliminate 28,782 ODP tonnes of ozone-depleting substances a year. In addition, under GEF, UNDP had programmes in nine countries, amounting to \$11.6 million and aimed at eliminating 706 ODP tonnes. UNDP had completed almost 400 activities, which had eliminated 10,800 ODP tonnes a year. By the end of 1998, UNDP should have disbursed \$120 million, or more than half of all the funds approved under its programme. UNDP also had 22 ongoing institutional-strengthening projects. In its 1999 business plan, UNDP would significantly increase its aerosols, halons and solvents programmes and would also help Governments to formulate several methyl-bromide demonstration projects. Finally, he referred to the excellent cooperation between the Implementing Agencies and the Fund Secretariat, which could serve as a model for other international instruments.

34. Speaking on behalf of the Director of UNEP/TIE, Mr. Rajendra Shende, Chief of the UNEP/TIE Energy and OzonAction Unit, said that the UNEP programme aimed at strengthening the capacity of Governments and industry to take informed technical and policy decisions for the cost-effective and expeditious phase-out of ozone-depleting substances. Having outlined the innovative approaches employed by UNEP, which included mainstreaming small countries, building regional networks of national ozone units, developing refrigerant management plans and forging innovative partnerships, he said that the 2002 freeze for both halons and methyl bromide presented an opportunity to extend the refrigerant-management-planning approach to address those substances. On the interlinkages between the Kyoto and Montreal protocols, he said that innovative, proven mechanisms, such as networking, could easily be adapted to address both instruments and that expertise acquired under Montreal Protocol could benefit the Kyoto process as well.

35. Mr. Sidi Menad Si Ahmed, representing the United Nations Industrial Development Organization (UNIDO) said that, despite being a latecomer to the Fund, having joined in late 1992, UNIDO had succeeded in establishing programmes in 65 countries and to date had completed 169 projects with a total phase-out of ozone-depleting substances of more than 11,000 tonnes, and he was confident that in countries where UNIDO was active the 1999 freeze target would be achieved. Another area where UNIDO was playing a leading role was in the methyl bromide sector; UNIDO was implementing demonstration projects in 27 countries and was already seeing encouraging results. In accordance with the decision of the Executive Committee of the Multilateral Fund, in 1999 UNIDO would be submitting projects for an amount of over \$42 million for small and medium-sized enterprises for a total phase-out of ozone-depleting substances of over 4,200 tonnes.

36. Mr. Steve Gorman, the representative of the World Bank, said that the Bank's Montreal Protocol portfolio consisted of more than 400 investment projects which, when fully implemented, would eliminate more than 50,000 ODP tonnes of CFCs and some 41,000 ODP tonnes of other controlled substances, including 25,600 ODP tonnes of halon consumption and 28,000 ODP tonnes of production to be phased

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out under the China halon-sector programme. Total cumulative approvals for the Bank's investment projects were approximately \$300-400 million, taking into account the GEF funds for phase-out of ozone-depleting substances. By the end of 1998, the Bank's total cumulative disbursement to enterprises was estimated to reach some \$170 million. As at the end of 1997, more than 28,000 ODP tonnes had already been phased out, which constituted 70 per cent of total phase out from all the investment projects supported by the Multilateral Fund. In its 1999 business plan, the Bank gave high priority to investment projects in the CFC production sector, and projects from China and India would be submitted for the Executive Committee's consideration in 1999. In the same sector, the Bank had also been working with the Russian Federation to achieve a phase-out in that country in 2000. More than 50 per cent of the resources available to the Bank in 1999 were being programmed for projects in the CFC production and halon sectors. However, even with the additional resources to be allocated to the production sector through the Executive Committee's decision to place funding priority on the \$7.2 million currently unallocated to any one agency's 1999 business plan, there was still a risk that available resources could prove insufficient.

37. Mr. Mohamed T. El-Ashry, Chief Executive Officer and Chairman of the Global Environment Facility (GEF), said that GEF assistance was providing strong incentives for ratification of the Protocol and its amendments. In addition to the projects mentioned in the report of the UNEP Executive Director (UNEP/OzL.Pro.10/2), the GEF Council had recently approved assistance for the national ODS phase-out programmes of Azerbaijan, Turkmenistan, Ukraine and Uzbekistan and, to date, total GEF allocations in the ozone focal area exceeded \$130 million, to help phase out more than 35 million tonnes of ozone-depleting substances in 15 countries and enable compliance with the Montreal Protocol provisions by the year 2000. He was optimistic that the overall goal of complete phase-out of ozone-depleting substances in all recipient countries in accordance with the schedules presented to the Parties would be achieved in a timely and satisfactory manner.

38. In the ensuing general debate, the Meeting heard statements from the representatives of 45 Parties to the Protocol, one intergovernmental organization and four non-governmental organizations.

39. All representatives who took the floor expressed their appreciation to the Government and people of Egypt for their warm hospitality and for the excellent facilities and arrangements made for the meeting, which had contributed greatly to its success. Several also paid tribute to Egypt's Dr. Mostafa Tolba, the former Executive Director of UNEP, for his leadership and pioneering efforts in the creation and development of the Montreal Protocol.

40. Many representatives expressed their appreciation of the work done by the assessment panels, Implementation Committee, the Executive Committee, the Secretariat of the Multilateral Fund, the Implementing Agencies and the Ozone Secretariat. Many also expressed their appreciation for the work done by GEF in supporting the phase-out of ozone-depleting substances in countries with economies in transition.

41. Many representatives pointed to the Protocol as a great and influential success in international environmental relations as a model for environmental cooperation, based on the precautionary principle and the principle of differentiated obligations. It was, however, stressed that there was no time for complacency: as a truly global problem, ozone depletion required continued cooperation among all relevant Parties, international organizations, non-governmental organizations, and corporations and industry groups, as well as political determination.

42. Many representatives described the activities being undertaken in their countries to phase out the consumption of substances controlled under the Montreal Protocol, including the implementation of national regulations and the introduction of licensing systems, the ratification of the London, Copenhagen

or Montreal Amendments, and regional cooperation. Among Parties operating under Article 5 of the Protocol, many reiterated their commitment to meeting the 1999 freeze on levels of production and consumption of controlled substances in Annex A of the Protocol. Some countries operating under Article 5 said that they had voluntarily undertaken to phase out the ozone-depleting substances listed in Annexes A, B and E earlier than specified in the Montreal Protocol. One Article 5 country said that its ambitious phase-out programme would even make it possible to phase out CFCs by 2001. One representative, speaking on behalf of a regional economic integration organization and its member States, noted that many of those States were involved in bilateral cooperation activities with a number of Article 5 Parties.

43. Many representatives stressed the crucial significance of the Multilateral Fund for phase-out in Article 5 Parties and the importance that those countries attached to its adequate replenishment, bearing in mind the fast approaching phase-out schedules after the first freeze in 1999 and their dependence on financial support and access to replacement technologies in order to fulfil their commitments under the Protocol. Many representatives stated that existing levels of financial assistance to developing countries were insufficient to achieve the goals of the Protocol and said that it was essential to ensure adequate and timely funding to Article 5 countries. It was also stressed that, in view of the limited resources available, it was essential to ensure their most effective and proper use. One representative, while sharing that concern, said that it should be borne in mind that all phase-out efforts were directed at the containment and rectification of damage that had largely been caused by the developed countries. Some representatives called for greater efforts to ensure timely contributions to the Fund.

44. Many representatives urged that, in examining issues surrounding the replenishment of the Fund for the 2000-2002 period, the Technology and Economic Assessment Panel should pay careful attention to the needs of Article 5 Parties if they were to meet all their obligations.

45. One representative said that financial requirements for the halons and methyl bromide sectors needed to be taken into consideration in the preparation of the replenishment study. Several said that support had to be given for the establishment and operation of national ozone units. Another representative proposed that the Technology and Economic Assessment Panel carry out an assessment of the use of hydrocarbon technology for investment projects to be financed by the Multilateral Fund. Another representative stressed the need for the Panel to exercise some flexibility in assessing control measures in Article 5 countries, as what was best implemented in one country might not work well in another.

46. Several representatives said that due account should be taken of the special situation of small and medium-sized enterprises and that more funding should be allocated to them. One representative said that, with the introduction of cost-effectiveness thresholds for the approval of investment projects, the special needs of those enterprises had not been adequately addressed. He hoped that the \$10 million funding window recently opened by the Executive Committee for pilot demonstration projects for such enterprises would rectify that situation. Some other representatives drew attention to the needs of small and medium-sized enterprises in the areas of capacity-building and monitoring.

47. Many representatives drew attention to the needs to address the concerns of low-volume-consuming countries and stressed that non-investment projects, including institutional strengthening, technical training and consumer education, were critical elements in the overall phase-out in such countries. Accordingly, they urged the Executive Committee to take cognizance of their important role when evaluating the needs of such countries. Several representatives, emphasizing the important role of institutional strengthening, said that it was all the more essential for tackling the use of ozone-depleting substances in small and medium-sized enterprises, which accounted for considerable volumes of controlled substances and were difficult to reach with appropriate alternative technology.

48. Some representatives expressed concern that the phase-out of carbon tetrachloride used as a process agent had not yet been given priority by the Executive Committee, despite the 85 per cent reduction in the consumption of carbon tetrachloride by 2005 mandated by the Protocol for Article 5 countries. To meet those requirements, adequate and early funding from the Multilateral Fund was necessary.

49. Specific calls were also made for more financial support for workshops on awareness-raising measures; national and regional coordination efforts; the phase-out of ozone-depleting substances used as process agents, refrigerant management plans; introduction of licensing system for imports; training activities; demonstration projects; public-awareness programmes; capacity-building; and the harmonization of customs codes.

50. Concern was expressed by several representatives regarding the lack of funding for phase-out projects in the production sector, and they called on the Multilateral Fund to increase its efforts in that area. It was necessary to complete the formulation of guidelines for financing projects and to approve funding as soon as possible, since failure to do so could impede the ability of some Parties to meet the 1999 freeze. One representative stressed that his country intended to convert, and not close, the production sector and requested technical and financial assistance to that end. Another representative, noting that the abundance and cheap supply of CFCs was discouraging conversion to non-CFC technologies, urged the Executive Committee to expedite the necessary action to phase out the CFC production sector.

51. Several representatives expressed the view that the issue of technology transfer under the Protocol remained an unresolved problem. In their view, more effective technology transfer was necessary for full implementation of the Protocol by Article 5 Parties. Yet many important issues had still not been addressed. They called on all Parties to pay full attention to that matter and adopt timely and effective measures. Several representatives also pointed to the high costs of substitutes as one of the major impediments to phase-out in Article 5 countries and stressed the need to make them available at affordable prices.

52. Many representatives considered it unacceptable that the Multilateral Fund should continue to finance the use of controlled substances such as HCFCs, where viable alternatives existed. The present state of technology enabled developing countries to benefit from the most recent industrial experiences and, as a result, in the majority of cases, a transitional stage based on HCFCs was to be avoided. In addition, one representative, speaking on behalf of a regional economic integration organization and its member States, drew attention to a declaration sponsored by those Parties on the issue of HCFCs, as well as on HFCs and PFCs, which they encouraged other Parties to join.

53. One representative regretted that, as shown by recent evidence, there were frequent and substantial gaps in the information provided for Governments and firms in the Article 5 countries.

54. One representative, addressing the question of HCFCs, expressed support for the sovereign rights of all Parties to select the technologies that they believed to be the most viable in their specific context. Underlining the importance of ensuring that such decisions were taken in a fully informed manner, he supported the way in which the Multilateral Fund operated and noted that Parties had already decided to permit States to continue to use HCFCs for a relatively longer period of time as a bridge to facilitate earliest possible phase-out of CFCs. With regard to HFCs and PFCs, which had no harmful effects on the ozone layer, he believed that any international decisions about those non-ozone-depleting gases had to be taken by climate-change institutions.

55. One representative expressed concern at the possibility of higher prices and a restricted supply of HFCs to Article 5 countries that had already converted to those substances in the event that they were

controlled in developed countries. He was therefore pleased that the Meeting of the Parties had before it a draft decision on the implications of the Kyoto Protocol on the Montreal Protocol. Another representative urged the Parties to consider the basic principles of the Protocol concerning cost as well as social and economic disruption when considering future action on HFCs as well as new ozone-depleting substances.

56. Many representatives noted the importance of harmonizing the efforts of the Montreal Protocol and the United Nations Framework Convention on Climate Change and its Kyoto Protocol, a matter that was of particular concern to small island developing States and other countries that were vulnerable to sea-level rise. One representative, pointing to the many millions of dollars disbursed to developing countries by the Multilateral Fund to introduce HFC technologies as alternatives to CFCs, said that possible future controls could cause them great hardship. In that context, he said that the Fund would provide no assistance for developing countries to change over to a new technology for a second time. One representative stated that Article 5 Parties which were in the midst of the phase-out process were particularly concerned about the matter and needed immediate and good answers so that the momentum of phase-out could be maintained. One representative, speaking on behalf of a regional economic integration organization and its member States, believed that HFCs and PFCs should not be promoted where other, environmentally friendly and technically and economically feasible alternative technologies were available. One representative suggested that national focal points for the two regimes should coordinate their efforts.

57. One representative, speaking on behalf of a regional economic integration organization and its member States, said that the Montreal Protocol marked the first time that Parties to a multilateral environmental agreement had approved and were applying a formal compliance procedure regarding implementation by individual Parties. Compliance lay at the heart of Parties' commitments to protect the ozone layer.

58. Several representatives praised the progress made by the Implementation Committee, the Ad Hoc Working Group of Legal and Technical experts on Non-Compliance, and the Open-Ended Working Group in discussing matters relating to non-compliance. One representative stressed the importance of taking positive measures as part of that process in order to help Parties fulfil their obligations, rather than adopting punitive measures that could have more harmful impacts on implementation.

59. Another representative drew attention to funding initiatives to assist non-compliant countries with economies in transition, particularly those which were undergoing economic and financial crises.

60. Many representatives expressed concern at the dumping of second-hand equipment in developing countries based on the use of controlled substances, which constituted an extra impediment to the implementation of the Montreal Protocol. One representative proposed that the Secretariat should support developing countries in their efforts to ban such equipment. Others pointed to the enactment of national legislation prohibiting the import of products or equipment using ozone-depleting substances. Several representatives expressed support for the draft decision before the Meeting on the issue. One representative said that, as many of those transactions did not involve the remittance of funds through banks, monitoring the import of such items was difficult. Mitigating that problem would require the introduction of controls at the point of export and he solicited the cooperation of developed countries to that end. Another representative suggested the introduction of a requirement for conversion of such equipment before it was exported.

61. Several non-compliant Parties reaffirmed their commitment to comply with the Montreal Protocol despite their economic and financial difficulties. One representative, drawing attention to the economic crisis in his country, asked the Secretariat to show understanding in case of a slight delay in the implementation of its phase-out programme.

62. Many representatives noted the importance of fully implementing controls on methyl bromide. Several urged that the Executive Committee should provide more funds for the development and demonstration of methyl-bromide phase-out projects. Another representative stated that the prioritization of methyl-bromide projects within the Executive Committee had no clear basis and was largely the result of inadequate funding levels. One representative stressed the need to maintain, for the time being, the exemption for quarantine and pre-shipment application. One representative emphasized that while there should be no delay in introducing proven alternatives to methyl bromide, those alternatives must have been demonstrated to be applicable in the environmental, geographic, agricultural and economic circumstances of the Parties concerned.

63. One representative believed that the Multilateral Fund was adopting guidelines and criteria that restricted access to its resources for some countries. With regard to methyl bromide phase-out, he considered that, in view of the limited time available and the anticipated surplus in the \$60 million allocated for the triennium 1997-1999, it was important that such funds be made available to all countries promptly, without initially limiting them to only a few priority projects.

64. Many representatives expressed concern over the continued illegal trade in ozone-depleting substances, noting that it threatened the goals of the Protocol, and called for joint efforts by all Governments to counter it. Some representatives also detailed their own efforts, including licensing legislation systems, to address the problem.

65. One representative suggested that customs duties could be used as a mechanism to control imports of CFCs, with incentives for the import of non-CFC equipment. Others suggested that there should be better coordination with customs authorities in the area of controlled substances.

66. Many representatives emphasized that it was the responsibility of the Parties to ensure that any decision taken on the issue of CFC-free metered-dose inhalers did not jeopardize the health care of millions of asthma patients in developing countries by imposing a significant financial burden on them. To that end, they looked forward to future transfers of the technology to produce HFC-134a and CFC-free metered-dose inhalers on fair and most favourable conditions. One representative expressed the hope that the developed countries could continue to assist Article 5 countries in their transition to CFC-free metered-dose inhalers, particularly in campaigning to educate patients and medical programmes.

67. Many representatives expressed concern regarding the potential impact on the ozone layer of new ozone-depleting substances. Potential efforts to limit the development and market introduction of new ozone-depleting substances should be studied by the Technology and Economic Assessment Panel and considered on a priority basis by the Parties at future meetings.

68. A number of representatives, while expressing gratitude for the support provided to enable participation by Article 5 countries in meetings convened under the Protocol, suggested that additional funding should be made available for that purpose to enable a larger number of countries to contribute to the common cause of ozone-layer protection.

69. Observers representing environmental non-governmental organizations called on Parties to stop using the scarce resources of the Multilateral Fund for projects based on HCFCs and HFCs, as alternative and environmentally safe technologies were available. The view was expressed that, since the global chemical industry bore responsibility for the damage to the ozone layer, it had a moral responsibility to help repair such damage, and should provide financial resources to help speed up the global phase-out of ozone-depleting substances. It was also suggested that the loop-hole in the Protocol that allowed unlimited use of

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methyl bromide for quarantine and pre-shipment purposes needed to be closed by Parties taking a proactive approach and, at the next Meeting of the Parties, severely limiting the use of such methyl bromide exemptions. In addition, Parties had to send an unequivocal message to the chemical industry that any new ozone-depleting substances would be automatically placed on the fast track for phase-out, and that n-propyl bromide and bromochloromethane should be immediately banned. Asserting that current CFC production was more than double what had been predicted by the 1994 Scientific Assessment, one observer considered that Parties should prohibit exports of all CFC-dependent equipment and products from non-Article 5 Parties and urgently accelerate the phase-out scheduled for CFC production in all countries. On the subject of replenishment of the Multilateral Fund, it was stated that, while there was no suggestion that developing countries were free from responsibility in the effort to phase out all ozone-depleting substances, it was necessary for the Multilateral Fund to be replenished to levels that would help them to attain their targets on schedule.

70. The representative of an industrial non-governmental organization expressed the view that HFCs were viable and proven solutions to the problems addressed by the Montreal Protocol and Kyoto Protocol process. In the view of his members, HFCs were energy efficient, low in toxicity, cost-effective alternatives to ozone-depleting substances that could be used safely in a broad range of applications which meet important environmental and societal needs including metered-dose inhalers, insulation, refrigeration, air-conditioning, aerosols and fire-extinguishers. Restricting access to HFCs and HCFCs for use as alternatives to CFCs would undermine the flexibility which had proven so important in the rapid transition from ozone-depleting substances.

IV. PRESENTATION OF A REPORT BY THE CO-CHAIRS OF THE OPEN-ENDED WORKING GROUP AND CONSIDERATION OF THE RECOMMENDATIONS OF THE OPEN-ENDED WORKING GROUP AND DECISIONS

71. The Tenth Meeting of the Parties heard a report from the Co-Chairs of the Open-ended Working Group of the Parties, presented by Mr. Jukka Uosukainen (Finland), speaking also on behalf of the other Co-Chair, Mr. V. Anand (India). He outlined the main issues covered in the deliberations of the Working Group, as contained in document UNEP/OzL.Pro/WG.1/18/2, and referred to the draft decisions negotiated by the Working Group for the attention of the Meeting of the Parties and contained in document UNEP/OzL.Pro.10/7/Rev.2.

V. REPORT OF THE PRESIDENT OF THE IMPLEMENTATION COMMITTEE

72. Mr. Peter Acquah (Ghana), President of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol, reported that the Implementation Committee had held its twentieth meeting on 6 and 7 July 1998 in Geneva, and its twenty-first meeting on 16 November 1998 in Cairo, and reviewed the data on production and consumption of ozone-depleting substances for 1996 submitted by Parties and compiled by the Secretariat.

73. He said that since the 1 July 1999 freeze for Article 5 Parties was imminent, the Implementation Committee had decided to be more analytical in its assessment and to demand benchmarks and monitorable indicators from Parties that were non-compliant with the Protocol. The twentieth and twenty-first meetings of the Implementation Committee had marked a watershed for the Committee. In that regard, the absence of three members at the twenty-first meeting of the Implementation Committee was a source of concern.

74. The Committee had noted the following areas of success, as shown in the report of the Secretariat

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on the reporting of data by the Parties to the Montreal Protocol (UNEP/OzL.Pro.10/3):

- (a) Twenty-six Article 5 Parties had decreased their consumption of CFCs for the previous three years or more;
- (b) Thirty-nine of the 90 Article 5 Parties that had reported data for 1996 as at 6 July 1998, had reported zero consumption of halons;
- (c) Fifty of the 90 Article 5 Parties that had reported data for 1996 as at 6 July 1998, had reported zero consumption of carbon tetrachloride;
- (d) Forty-three of the 90 Article 5 Parties that had reported data for 1996 as at 6 July 1998, had reported zero consumption of methyl chloroform.

75. There were also some individual cases deserving special mention, namely:

- (a) China, after six years of rising consumption, had decreased consumption of CFCs from 1995 to 1996 by over 20 per cent. It had also agreed with the Multilateral Fund to a halon phase-out schedule that was significantly faster than that required by the Protocol;
- (b) Kenya had decreased its CFC consumption by 35 per cent from 1995 to 1996 ;
- (c) Ghana had decreased CFC consumption by over 60 per cent from 1995 to 1996;
- (d) Sudan and Thailand had decreased their CFC consumption by over 30 per cent from 1995 to 1996;
- (e) Uruguay had decreased its CFC consumption by over 30 per cent from 1995 to 1996.

76. For the first time, Article 5 Parties were reporting their data more promptly than non-Article 5 Parties. The improved data-reporting by Article 5 Parties was attributable to the commendable initiatives taken by the Implementing Agencies, particularly the regional networking of ozone office officials in developing countries. There was, however, still room for improvement if data-reporting discrepancies were to be eliminated.

77. He drew attention to the three areas of serious concern identified by the members of the Implementation Committee: seven Parties had never reported any data; nine Parties had not reported any data for the past three years, which was noteworthy, since reported data for 1996 to 1997 would constitute the basis for establishing a baseline for compliance by Article 5 Parties with the CFC freeze; and, even though it was legal under the Protocol, 14 Parties that had received a total of approximately \$18 million from the Multilateral Fund in support of projects to reduce consumption and assist in phasing out ozone-depleting substances, had actually increased CFC consumption over the past three years.

78. At its twentieth meeting, the Implementation Committee had considered non-compliance with the Protocol by the following non-Article 5 Parties: Azerbaijan, Belarus, Czech Republic, Estonia, Latvia, Lithuania, Russian Federation, Ukraine and Uzbekistan. The recommendation of the Committee on each of those cases had been conveyed to the Parties concerned, which had been requested to send the relevant information to the Secretariat by 30 September 1998. The information made available to the Committee before the twenty-first meeting of the Implementation Committee had been reviewed and its recommendations had been considered by the Open-Ended Working Group at its eighteenth meeting and a

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revised version adopted and forwarded to the Tenth Meeting of the Parties for its further consideration.

79. As requested by several representatives, the Implementation Committee had considered the conflict between the regular data-reporting period and that to be used to examine compliance with the freeze in the production and consumption of ozone-depleting substances in Parties operating under Article 5, which would begin on 1 July 1999. The Committee believed that the control periods under paragraph 8 bis of Article 5 of the Protocol for Annex A, Group I, substances should be maintained. It believed, however, that, in its future meetings, the Implementation Committee should take due cognizance of the problems that were likely to arise, which could be important in cases of non-compliance.

80. He said that the information made available to the Implementation Committee by the Secretariat generally provided a basis for optimism. Overall, the Parties (Article 5 and non-Article 5) that had reported data for 1996 had decreased production of CFCs by 85 per cent, halons by 77 per cent, other fully halogenated CFCs by 104 per cent, carbon tetrachloride by 122 per cent, methyl chloroform by 98 per cent and methyl bromide by 4 per cent. Only the production of HCFCs had increased, by 115 per cent.

81. The data also showed that the overall consumption of CFCs had decreased by 84 per cent, halons by 79 per cent, carbon tetrachloride by 89 per cent, methyl chloroform by 96 per cent, compared to 1986. The consumption of HCFCs had declined by 40 per cent compared to the 1989 baseline, which was calculated by adding 2.8 per cent of 1989 CFC consumption to the actual HCFC consumption for that year. The consumption of methyl bromide had declined by 5 per cent.

82. Finally, since the 1999 freeze was just eight months away, he urged all Article 5 Parties to submit their reports for 1995, 1996 and 1997, so that their baseline could be established.

VI. REPORT OF THE CHAIR OF THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND

83. Mr. Marco Gonzalez (Costa Rica), Chair of the Executive Committee of the Multilateral Fund said that, in 1998, the Fund Secretariat had conducted a study of more than 100 Article 5 countries on their ability to comply with the 1999 freeze on CFC consumption and more than 70 per cent of those countries, including all but one of the high-level consuming countries had submitted the required data. On the basis of the data submitted, he was optimistic that the control on CFCs in Article 5 countries would be implemented.

84. Drawing attention to salient features of the report of the Executive Committee to the Tenth Meeting of the Parties at its nineteenth meeting (UNEP/OzL.Pro.10/6), he noted that the Fund had approved more than 2,500 investment projects and activities to eliminate more than 117,000 tonnes of ozone-depleting substances, and in 1998 alone it had approved projects to eliminate more than 37,000 tonnes. At the end of 1997 more than 46,000 tonnes of ozone-depleting substances had been eliminated and that figure was expected to increase by an additional 34,000 tonnes by the end of 1998.

85. The Executive Committee had undertaken a number of strategic activities in 1998, including a \$62 million strategic plan in the halon sector in China. Approval of that plan would enable the Executive Committee to consider phase-out projects on the basis of entire sectors, which would, in turn, instil in recipient Governments a greater sense of responsibility for the phase-out of ozone-depleting substances. To that end, the Committee had also launched a pilot programme for small and medium-enterprises. In addition, in 1998, it had made progress in the development of guidelines for the financing of investment projects for phase-out in the production sector and had conducted technical audits in most manufacturing

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plants in China and India, with a view to estimating compensation levels for plant closure.

86. The Committee had also given close attention to the issue of administrative costs of the Implementing Agencies and, at its most recent meeting, had agreed to apply a rate of less than 13 per cent for projects between \$500,000 and \$5 million and to consider projects over \$5 million on a case-by-case basis. He stressed that the reduction would apply neither to projects below \$500,000 nor to those relating to the small and medium-sized enterprise window.

87. The Committee had developed guidelines for the preparation of methyl-bromide projects, approving more than \$18 million for investment and demonstration projects in 40 Article 5 countries. It had also expanded its project monitoring and evaluation system, with a view to enhancing the accountability of the Multilateral Fund.

88. Together with GEF, the Committee had provided concessional lending for a refrigeration conversion programme in Thailand and work continued on the development of a concessional lending mechanism under the Fund.

89. Among future challenges facing the Committee, he drew attention to the mandatory requirement for Article 5 countries to work towards phase-out targets under the Protocol, once they had implemented the July 1999 freeze. Success in that area would require a strengthened commitment by Parties and strengthened leadership by the Multilateral Fund. Noting that, despite the significant achievements of past years, victory was still a long way off, he stressed the need for continued financial support to the Multilateral Fund to enable it fully to meet its objectives.

VII. DATE AND VENUE OF THE ELEVENTH MEETING OF THE PARTIES

90. Under this item, the Tenth Meeting of the Parties accepted with appreciation an offer by the Government of China to host the Eleventh Meeting of the Parties, in 1999.

91. The Secretariat said that, given the dates already set for the fifth meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change and for the GEF Council, the Eleventh Meeting would probably start in the last week of November 1999. The exact dates would be decided upon in due course and communicated to all Parties.

VII. ADOPTION OF DECISIONS

92. The Meeting of the Parties adopted a number of decisions, on the basis of the recommendations submitted by the seventeenth and eighteenth meetings of the Open-ended Working Group (UNEP/OzL.Pro.10/7/Rev.2). The text of the decisions, as adopted by consensus, is contained in paragraph 0 below.

A. Decisions

93. The Tenth Meeting of the Parties decides:

Decision X/1. Ratification of the Vienna Convention, Montreal Protocol,
London, Copenhagen and Montreal Amendments

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

Decision X/2. Data and information provided by the Parties in accordance with Articles 7 and 9 of the Montreal Protocol

1. To note with regret that, as of 31 October 1998, only 88 of the 164 Parties that should have reported data for 1997 had done so;
2. To remind all Parties to comply with the provisions of Articles 7 and 9 of the Protocol;

Decision X/3. Membership of the Implementation Committee

1. To note with appreciation the work done by the Implementation Committee;
2. To confirm the positions of Bolivia, Kenya, Latvia, Pakistan and the United States of America for one further year and to select Antigua and Barbuda, Mali, Poland, Saudi Arabia, and the United Kingdom as members of the Committee for a two-year period;

Decision X/4. Membership of the Executive Committee of the Multilateral Fund

1. To note with appreciation the work done by the Executive Committee, with the assistance of the Fund Secretariat, in the year 1998;
2. To endorse the selection of Belgium, Canada, Italy, Japan, Slovakia, Sweden, and the United States of America, as members of the Executive Committee representing Parties not operating under paragraph 1 of Article 5 of the Protocol, and the selection of Algeria, Bahamas, Brazil, Burkina Faso, China, India and Uganda, as members representing Parties operating under paragraph 1 of Article 5, for one year effective 1 January 1999;
3. To endorse the selection of the United States of America to act as Chair and of India to act as Vice-Chair of the Executive Committee for one year effective 1 January 1999;

Decision X/5. Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol

- To endorse the selection of Mr. Ibrahim Abdel Gelil (Egypt) and Mr. Jukka Uosukainen (Finland) as Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol for 1999;

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Decision X/6. Essential-use nominations for non-Article 5 Parties for controlled substances for 1999 and 2000

1. To note with appreciation the excellent work done by the Technology and Economic Assessment Panel and its technical options committees;
2. That the levels of production and consumption necessary to satisfy essential uses of CFC-11, CFC-12, CFC-113 and CFC-114, for metered-dose inhalers for asthma and chronic obstructive pulmonary diseases, CFC-113 for use in the coating of cardiovascular surgical material and halon-2402 for fire protection are authorized as specified in annex I to the report of the Tenth Meeting of the Parties, subject to the conditions established by the Meeting of the Parties in paragraph 2 of its decision VII/28;
3. To agree that the remaining quantity of methyl chloroform authorized for the United States at previous meetings of the Parties be made available for use in manufacturing solid rocket motors until such time as the 1999-2001 quantity of 176.4 tonnes (17.6 ODP-weighted tonnes) allowance is depleted, or until such time as safe alternatives are implemented for remaining essential uses;
4. To approve the authorization by the Secretariat in consultation with the Technology and Economic Assessment Panel of the emergency uses of 1.7 tonnes of CFC-113 for 1997 and 1998 for torpedo maintenance submitted as an essential-use nomination by Poland;
5. That the quantities approved under paragraph 2 above and all future approvals are for total CFC volumes with flexibility between CFCs within each group;

Decision X/7. Halon-management strategies

Noting that in the executive summary of its 1998 report, the Scientific Assessment Panel identifies complete elimination and destruction of halon-1211 and 1301 as the most environmentally beneficial option to enhance the recovery of the ozone layer,

Noting that the Technology and Economic Assessment Panel, in its 1998 report pursuant to decision IX/21, concludes that by definition all non-critical uses of halon-1211 and 1301 can be decommissioned, taking into account the costs and benefits of such operations,

1. To request all Parties to develop and submit to the Ozone Secretariat a national or regional strategy for the management of halons, including emissions reduction and ultimate elimination of their use;
2. To request Parties not operating under Article 5 to submit their strategies to the Ozone Secretariat by the end of July 2000;
3. In preparing such a strategy, Parties should consider issues such as:
 - (a) Discouraging the use of halons in new installations and equipment;
 - (b) Encouraging the use of halon substitutes and replacements acceptable from the standpoint

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- of environment and health, taking into account their impact on the ozone layer, on climate change and any other global environmental issues;
- (c) Considering a target date for the complete decommissioning of non-critical halon installations and equipment, taking into account an assessment of the availability of halons for critical uses;
 - (d) Promoting appropriate measures to ensure the environmentally safe and effective recovery, storage, management and destruction of halons;
4. To request the Technology and Economic Assessment Panel to update its assessment of the future need for halon for critical uses, in light of these strategies;
 5. To request the Technology and Economic Assessment Panel to report on these matters to the Twelfth Meeting of the Parties;

Decision X/8. New substances with ozone-depleting potential

Recalling that, under the Montreal Protocol, each Party has undertaken to control the global emissions of ozone-depleting substances with the ultimate objective of their elimination,

Recalling that decision IX/24 requested Parties to discourage the development and promotion of substances with a significant potential to deplete the ozone layer and provides a procedure for notifying such substances to the Secretariat and their evaluation by the Science Assessment Panel and the Technology and Economic Assessment Panel,

1. That all Parties should take measures actively to discourage the production and marketing of bromochloromethane;
2. To encourage Parties, in the light of reports from the Scientific Assessment Panel and the Technology and Economic Assessment Panel, to take measures actively, as appropriate, to discourage the production and marketing of new ozone-depleting substances;
3. That should new substances be developed and marketed which, following application of decision IX/24, are agreed by the Parties to pose a significant threat to the ozone layer, the Parties will take appropriate steps under the Protocol to ensure their control and phase-out;
4. That Parties should report to the Secretariat, as far as possible by 31 December 1999, and as necessary thereafter, on any new ozone-depleting substances notified and evaluated under the terms of decision IX/24 being produced or sold in their territories, including the nature of the substances, the quantities involved, the purposes for which these substances are being marketed or used and, if possible, the names of the producers and distributors;
5. To request the Technology and Economic Assessment Panel and the Science Assessment Panel, taking into account, as appropriate, assessments carried out under decision IX/24, to collaborate in undertaking further assessments:
 - (a) To determine whether substances such as n-propyl bromide, with a very short atmospheric life-time of less than one month, pose a threat to the ozone layer;

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- (b) To identify the sources and availability of halon-1202;

and to report back to the Meeting of the Parties as soon as possible, but not later than the Twelfth Meeting of the Parties;

6. To request the legal drafting group which the Open-ended Working Group may establish to consider and report back to the Eleventh Meeting of the Parties through the Open-ended Working Group on the options available under the Montreal Protocol to introduce controls on new ozone-depleting substances;

Decision X/9. Establishment of a list of countries that do not manufacture for domestic use and do not wish to import products and equipment whose continuing functioning relies on Annex A and Annex B substances

1. To recall that decision IX/9 recommends:
 - (a) That each Party adopt legislative and administrative measures, including labelling of products and equipment, to regulate the export and import, as appropriate, of products, equipment, components and technology whose continuing functioning relies on supply of substances listed in Annex A and Annex B of the Montreal Protocol, in order to avert any adverse impact associated with the export of such products and equipment using technologies that are or will soon be obsolete because of their reliance on Annex A or Annex B substances and which would be inconsistent with the spirit of the Protocol, including decision I/12 C of the First Meeting of the Parties to the Protocol, held in Helsinki in 1989;
 - (b) That non-Article 5 Parties adopt appropriate measures to control, in cooperation with importing Article 5 Parties, the export of used products and equipment, other than personal effects, whose continuing functioning relies on supply of substances listed in Annex A and Annex B of the Montreal Protocol;
2. To note that in order for such export measures to be effective, both importing and exporting Parties need to take appropriate steps;
3. To note that the products and equipment listed below* constitute categories of products and equipment whose continued use relies on the supply of substances listed in Annex A or Annex B;
4. To invite, on a voluntary basis, those Parties that do not manufacture for domestic use products and equipment in a category listed below* and that do not permit the importation of such products

* Products and equipment containing a controlled substance specified in Annex A or B of the Montreal Protocol: 1) Automobile and truck air conditioning units (whether incorporated in vehicles or not); 2) domestic and/or commercial refrigeration and air conditioning/heat pump equipment (when containing controlled substances in Annex A or Annex B as a refrigerant and/or in insulating material of the product) (e.g. refrigerators, freezers, dehumidifiers, water coolers, ice machines, air conditioning and heat pump units); 3) transport refrigeration units; 4) aerosol products, except medical aerosols; 5) portable fire extinguisher; 6) insulation boards, panels and pipe covers; 7) pre-polymers.

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and equipment from any source, to inform the Secretariat, if they so choose, that they do not consent to the importation of such products and equipment;

5. To request the Secretariat to maintain a list of Parties that do not want to receive products and equipment from one or more categories listed below.* This list shall be distributed to all Parties by the Secretariat at the Eleventh Meeting of the Parties and updated on an annual basis thereafter;
6. To acknowledge that the issue of imports and exports of products and equipment whose continued functioning relies on Annex A and Annex B substances should be further considered at the Eleventh Meeting of the Parties with a view to addressing more specifically the concerns of countries in the process of phasing out production of those products and equipment;

Decision X/10. Review of the non-compliance procedure

Recalling decision IV/5 on a non-compliance procedure of the Montreal Protocol adopted by the Fourth Meeting of the Parties,

Recalling also decision IX/35 on review of the non-compliance procedure adopted by the Ninth Meeting of the Parties,

Noting the report of the Ad Hoc Working Group of Legal and Technical Experts on Non-Compliance established by decision IX/35 (UNEP/OzL.Pro/WG.4/1/3) and, in particular, its conclusion that in general the non-compliance procedure has functioned satisfactorily but that further clarification was desirable and that some additional practices should be developed to streamline the procedure,

1. To express appreciation to the Ad Hoc Working Group for its report reviewing the non-compliance procedure;
2. To agree on the following changes in the text with a view to clarifying particular paragraphs of the non-compliance procedure:

(a) In paragraph 2, the following should be substituted for the last sentence:

If the Secretariat has not received a reply from the Party three months after sending it the original submission, the Secretariat shall send a reminder to the Party that it has yet to provide its reply. The Secretariat shall, as soon as the reply and information from the Party are available, but not later than six months after receiving the submission, transmit the submission, the reply and the information, if any, provided by the Parties to the Implementation Committee referred to in paragraph 5, which shall consider the matter as soon as practicable.

(b) In paragraph 3, the following should be substituted for the word accordingly at the end of the paragraph:

, which shall consider the matter as soon as practicable

(c) In paragraph 5:

- (i) The following should be inserted after the second sentence:

Each Party so elected to the Committee shall be requested to notify the Secretariat, within two months of its election, of who is to represent it and shall endeavour to ensure that such representation remains throughout the entire term of office.

- (ii) The following should be inserted after the third sentence:

A Party that has completed a second consecutive two-year term as a Committee member shall be eligible for election again only after an absence of one year from the Committee.

- (d) In paragraph 7, the following subparagraph should be inserted after subparagraph (c):

(d) To identify the facts and possible causes relating to individual cases of non-compliance referred to the Committee, as best it can, and make appropriate recommendations to the Meeting of the Parties;

and the subsequent subparagraphs should be renumbered accordingly;

3. To agree, consistent with the Implementation Committee's practice of reviewing all instances of non-compliance, that in situations where there has been a persistent pattern of non-compliance by a Party, the Implementation Committee should report and make appropriate recommendations to the Meeting of the Parties with the view to ensuring the integrity of the Montreal Protocol, taking into account the circumstances surrounding the Party's persistent pattern of non-compliance. In this connection, consideration should be given to progress made by a Party towards achieving compliance and measures taken to help the non-compliant Party return to compliance;
4. To draw the attention of Parties to the amended non-compliance procedure as set out in annex II to the report of the Tenth Meeting of the Parties;
5. To consider, unless the Parties decide otherwise, the operation of the non-compliance procedure again no later than the end of 2003;

Decision X/11. Quarantine and pre-shipment exemption

Noting the Technology and Economic Assessment Panel's findings that over 18 per cent of methyl-bromide use is estimated to have been excluded from control under the quarantine and pre-shipment exemption, and that this use is increasing in some regions according to official data,

Noting also that the operation of the exemption criteria might lead to unnecessary use of methyl bromide;

1. To request the Technology and Economic Assessment Panel, as part of its ongoing work:
 - (a) To assess the volumes and uses of methyl bromide under the quarantine and pre-shipment exemption, including the trend in use since the 1991 base year;

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- (b) To report on the existing and potential availability of alternative substances and technologies, identifying those applications where alternative treatments do not currently exist, and also on the availability and economic viability of recovery, containment and recycling technologies;
 - (c) To report on the operation of quarantine and pre-shipment exemptions as set out in decision VII/5, including the scope of the pre-shipment definition;
 - (d) To report on existing and potential options that individual Parties might consider to reduce the use and emissions of methyl bromide from its application under the quarantine and pre-shipment exemption and to elaborate further on their recommendations in previous reports, and taking into account the special circumstances of Parties operating under paragraph 1 of Article 5 of the Protocol;
 - (e) To review and report on the amendment by the International Plant Protection Convention (IPPC) to its quarantine and non-quarantine pests definitions, and the FAO/IPPC structure relative to the use of pesticides for regulated non-quarantine pests, to help determine whether clarification of the definitions of quarantine and pre-shipment, taking into account these FAO/IPPC usages, would help encourage consistency in the quarantine and pre-shipment definitions;
 - (f) To submit its findings to the Open-ended Working Group of the Parties to the Montreal Protocol at its first meeting in 1999;
2. To request the Open-ended Working Group, in the light of the report of the Technology and Economic Assessment Panel, to make any appropriate recommendations for consideration by the Eleventh Meeting of the Parties;
 3. To request the Parties to submit to the Secretariat by 31 December 1999 a list of regulations that mandate the use of methyl bromide for quarantine and pre-shipment treatments;
 4. To remind the Parties of the need to report on the volumes of methyl bromide consumed under the quarantine and pre-shipment exemption as set out in decision IX/28;

Decision X/12. Emissions of ozone-depleting substances from
feedstock applications

Noting the report of the Technology and Economic Assessment Panel that emissions from the use of carbon tetrachloride as feedstock in the manufacture of CFCs are estimated to be around 30,000 tonnes per year,

Concerned that this level of emissions may pose a threat to the ozone layer,

Aware that technology exists to reduce such emissions,

- To request the Technology and Economic Assessment Panel to investigate further and to report to the Parties at their Twelfth Meeting on:

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- (a) Emissions of carbon tetrachloride from its use as feedstock, including currently available and future possible options individual Parties may consider for the reduction of such emissions;
- (b) Emissions of other ozone-depleting substances arising from the use of controlled substances as feedstock;
- (c) The impact of CFC production phase-out on the future use of carbon tetrachloride as feedstock and emissions from such use;

Decision X/13. Terms of reference for a study on the 2000-2002 replenishment of the
Multilateral Fund

1. To request the Technology and Economic Assessment Panel to prepare a report for submission to the Eleventh Meeting of the Parties, and present it through the Open-ended Working Group at its nineteenth meeting, to enable the Eleventh Meeting of the Parties to take a decision on the appropriate level of the 2000-2002 replenishment of the Multilateral Fund. In preparing its report, the Panel should take into account, inter alia:
 - (a) All control measures, and relevant decisions, agreed by the Parties to the Montreal Protocol, including decisions agreed by the Tenth Meeting of the Parties, in so far as these will necessitate expenditure by the Multilateral Fund during the period 2000-2002;
 - (b) The need to allocate resources to enable all Article 5 Parties to maintain compliance with the Montreal Protocol;
 - (c) Agreed rules and guidelines for determining eligibility for funding of investment projects (including the production sector) and non-investment projects;
 - (d) Approved country programmes;
 - (e) Financial commitments in 2000-2002 relating to sectoral phase-out projects agreed by the Executive Committee;
 - (f) Experience to date, including limitations and successes of the phase-out of ozone-depleting substances achieved with the resources already allocated, as well as the performance of the Multilateral Fund and its Implementing Agencies;
 - (g) The impact that the controls and country activities are likely to have on the supply and demand for ozone-depleting substances, and the effect that this will have on the cost of ozone-depleting substances and the resulting incremental cost of investment projects during the period under examination;
 - (h) Administrative costs of the Implementing Agencies, taking into account paragraph 6 of decision VIII/4, and the cost of financing the secretariat services of the Multilateral Fund, including holding meetings;
2. That, in undertaking this task, the Technology and Economic Assessment Panel should consult widely with relevant persons and institutions and other relevant sources of information deemed useful;

3. That the Panel shall strive to complete its work in time to enable its report to be distributed to all Parties two months before the nineteenth meeting of the Open-ended Working Group;

Decision X/14. Process agents

Noting with appreciation the report of the Technology and Economic Assessment Panel and the Process Agent Task Force in response to decision VII/10,

Noting the findings of the Technology and Economic Assessment Panel that emissions from the use of ozone-depleting substances as process agents in non-Article 5 Parties are comparable in quantity to the insignificant emissions of controlled substances from feedstock uses, and that yet further reductions in use and emissions are expected by 2000,

Noting also the Technology and Economic Assessment Panel's findings that emissions from the use of controlled substances as process agents in countries operating under Article 5, paragraph 1, are already significant and will continue to grow if no action is taken,

Recognizing the usefulness of having the controlled substances produced and used as process agents clearly delineated within the Montreal Protocol,

1. That, for the purposes of this decision, the term "process agents" should be understood to mean the use of controlled substances for the applications listed in table A below;
2. For non-Article 5 Parties, to treat process agents in a manner similar to feedstock for 1998 and until 31 December 2001;
3. That quantities of controlled substances produced or imported for the purpose of being used as process agents in plants and installations in operation before 1 January 1999, should not be taken into account in the calculation of production and consumption from 1 January 2002 onwards, provided that:
 - (a) In the case of non-Article 5 Parties, the emissions of controlled substances from these processes have been reduced to insignificant levels as defined for the purposes of this decision in table B below;
 - (b) In the case of Article 5 Parties, the emissions of controlled substances from process-agent use have been reduced to levels agreed by the Executive Committee to be reasonably achievable in a cost effective manner without undue abandonment of infrastructure. In so deciding, the Executive Committee may consider a range of options as set out in paragraph 5 below;
4. That all Parties should:
 - (a) Report to the Secretariat by 30 September 2000 and each year thereafter on their use of controlled substances as process agents, the levels of emissions from those uses and the containment technologies used by them to minimize emissions of controlled substances. Those non-Article 5 Parties which have still not reported data for inclusion in tables A and B are urged to do so as soon as possible and in any case before the nineteenth meeting of

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the Open Ended Working Group;

- (b) In reporting annual data to the Secretariat for 2000 and each year thereafter, provide information on the quantities of controlled substances produced or imported by them for process-agent applications;
5. That the incremental costs of a range of cost-effective measures, including, for example, process conversions, plant closures, emissions control technologies and industrial rationalization, to reduce emissions of controlled substances from process-agent uses in Article 5 Parties to the levels referred to in paragraph 3 (b) above should be eligible for funding in accordance with the rules and guidelines of the Executive Committee of the Multilateral Fund;
 6. That the Executive Committee of the Multilateral Fund should, as a matter of priority, strive to develop funding guidelines and begin to consider initial project proposals during 1999;
 7. That Parties should not install or commission new plant using controlled substances as process agents after 30 June 1999, unless the Meeting of the Parties has decided that the use in question meets the criteria for essential uses under decision IV/25;
 8. To request the Technology and Economic Assessment Panel and the Executive Committee to report to the Meeting of the Parties in 2001 on the progress made in reducing emissions of controlled substances from process-agent uses and on the implementation and development of emissions-reduction techniques and alternative processes not using ozone-depleting substances and to review tables A and B of the present decision and make recommendations for any necessary changes;

Table A

List of uses of controlled substances as process agents

No.	Substance	Process agent application
1	Carbon tetrachloride (CTC)	Elimination of NCl ₃ in the production of chlorine and caustic
2	CTC	Recovery of chlorine in tail gas from production of chlorine
3	CTC	Manufacture of chlorinated rubber
4	CTC	Manufacture of endosulphan (insecticide)
5	CTC	Manufacture of isobutyl acetophenone (ibuprofen analgesic)
6	CTC	Manufacture of 1-1, Bis (4-chlorophenyl) 2,2,2- trichloroethanol (dicofol insecticide)
7	CTC	Manufacture of chlorosulphonated polyolefin (CSM)
8	CTC	Manufacture of poly-phenylene-terephthal-amide
9	CFC 113	Manufacture of fluoropolymer resins
10	CFC 11	Manufacture of fine synthetic polyolefin fibre sheet
11	CTC	Manufacture of styrene butadiene rubber
12	CTC	Manufacture of chlorinated paraffin
13	CFC 113	Manufacture of vinorelbine (pharmaceutical product)

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No.	Substance	Process agent application
14	CFC 12	Photochemical synthesis of perfluoropolyetherpolyperoxide precursors of Z-perfluoropolyethers and difunctional derivatives
15	CFC 113	Reduction of perfluoropolyetherpolyperoxide intermediate for production of perfluoropolyether diesters
16	CFC 113	Preparation of perfluoropolyether diols with high functionality
17	CTC	Production of pharmaceuticals ketotifen, anticol and disulfiram
18.	CTC	Production of tralomethrine (insecticide)
19.	CTC	Bromohexine hydrochloride
20.	CTC	Diclofenac sodium
21.	CTC	Cloxacilin
22.	CTC	Phenyl glycine
23.	CTC	Isosorbid mononitrate
24.	CTC	Omeprazol
25.	CFC-12	Manufacture of vaccine bottles

Note: Parties may propose additions to this list by sending details to the Secretariat, which will forward them to the Technology and Economic Assessment Panel. The Panel will then investigate the proposed change and make a recommendation to the Meeting of Parties whether or not the proposed use should be added to the list by decision of the Parties.

Table B

Emission limits for process agent uses

(All figures are in metric tonnes per year)

Country/region	Make-up or consumption	Maximum emissions
European Community	1000	17
United States of America	2300	181
Canada	13	0
Japan	300	5
Hungary	15	0
Poland	68	0.5
Russian Federation	800	17
Australia	0	0
Czech Republic	0	0
Estonia	0	0
Lithuania	0	0
Slovakia	0	0
New Zealand	0	0
Norway	0	0

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Country/region	Make-up or consumption	Maximum emissions
Iceland	0	0
Switzerland	5	0.4
TOTAL	4501	220.9 (4.9%)

Decision X/15. Exports of controlled substances in Annex A and Annex B to the Montreal Protocol from non-Article 5 Parties to meet the basic domestic needs of Article 5 Parties

Aware that Parties operating under Article 5 are taking measures under the Protocol to limit their production of ozone-depleting substances in Annex A and Annex B,

Concerned that this reduction should not be offset by any unnecessary increase in exports of controlled substances from non-Article 5 Parties under the provisions of Article 2 of the Protocol,

- To request the Technology and Economic Assessment Panel:
 - (a) To make an assessment of the quantities of controlled substances in Annex A and Annex B to the Protocol likely to be required and produced by Parties operating under Article 5 of the Protocol for the period 1999-2010;
 - (b) To make an assessment of the quantities of controlled substances in Annex A and Annex B to the Protocol which need to be produced and exported by Parties not operating under Article 5 in order to meet the basic domestic needs of Parties operating under Article 5 during the period 1999-2010;
 - (c) To present its report to the Open-ended Working Group in time for the issue to be considered by the Eleventh Meeting of the Parties;

Decision X/16. Implementation of the Montreal Protocol in the light of the Kyoto Protocol

Noting the need to implement multilateral environmental agreements in a coherent way for the benefit of the global environment,

Noting that the Conference of the Parties to the United Nations Framework Convention on Climate Change adopted the Kyoto Protocol to the Convention at its third meeting, held in Kyoto, from 1 to 11 December 1997,

Noting that the Kyoto Protocol requires Parties listed in Annex I of the Framework Convention on Climate Change to ensure that their aggregate anthropogenic carbon dioxide equivalent emissions of the greenhouse gases listed in Annex A of that Protocol do not exceed their assigned amounts as listed in Annex B during the first commitment period of 2008-2012,

Noting further that the greenhouse gases included in Annex A of the Kyoto Protocol include hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs) in view of their high global warming potentials,

Noting that the Technology and Economic Assessment Panel has identified HFCs and PFCs as

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alternatives to ozone-depleting substances, and some Parties and enterprises have already changed over, and others are changing over, to such HFC and PFC technologies, and

Noting with appreciation that the Conference of the Parties to the Framework Convention on Climate Change at its fourth meeting adopted a decision on the relationship between efforts to protect the stratospheric ozone layer and efforts to safeguard the global climate system, in particular with reference to HFCs and PFCs,

- To request, with a view in particular to assisting the Parties to the Montreal Protocol to assess the implications for the implementation of the Montreal Protocol of the inclusion of HFCs and PFCs in the Kyoto Protocol, the relevant Montreal Protocol bodies, within their areas of competence:
 - (a) To provide relevant information on HFCs and PFCs to the Secretariat of the Framework Convention on Climate Change by 15 July 1999 in accordance with operative paragraph 1 of the above-mentioned decision;
 - (b) To convene a workshop with the Intergovernmental Panel on Climate Change which will assist the bodies of the Framework Convention on Climate Change to establish information on available and potential ways and means of limiting emissions of HFCs and PFCs in accordance with operative paragraph 2 of the above-mentioned decision;
 - (c) To continue to develop information on the full range of existing and potential alternatives to ozone depleting substances for specific uses, including alternatives not listed in Annex A of the Kyoto Protocol;
 - (d) To otherwise continue to cooperate with the relevant bodies under the United Nations Framework Convention on Climate Change and IPCC on these matters; and
 - (e) To report to the Open Ended Working Group at its nineteenth meeting and to the Eleventh Meeting of the Parties to the Montreal Protocol on this work;

Decision X/17. Production sector

Noting the recent estimation by the Technology and Economic Assessment Panel of high atmospheric emissions of carbon tetrachloride (almost 41,000 tonnes in 1996), out of which about 70 per cent was contributed by use of carbon tetrachloride as a feedstock to produce CFCs,

Noting the assessment of the Technology and Economic Assessment Panel that closure of CFC-manufacturing facilities in Article 5 Parties and Parties with economies in transition with accelerated introduction of alternatives could lead to a reduction in carbon tetrachloride emissions to the environment,

Noting that the Ninth Meeting of the Parties requested the Executive Committee to accelerate the formulation of guidelines for funding the phase-out in the production sector and subsequent approval of relevant projects in this sector,

1. To request the Executive Committee to complete the task of formulation of guidelines for funding the production sector on a priority basis and expeditiously;

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2. To further request the Executive Committee to facilitate the formulation of projects for funding the CFC-production sector and their subsequent approval on a priority basis;

Decision X/18. Customs codes

Recalling decision IX/22 on customs codes and decision IX/28, paragraph 4, on data reporting,

Noting that the existing customs codes set out in the Harmonized System do not allow Parties to easily monitor the import and export of mixtures of substances and that this will be of particular concern for monitoring consumption of HCFCs as a number of the HCFCs will only be consumed as part of refrigerant mixtures being marketed to replace CFCs for some applications,

Noting that many Parties rely on the Harmonized System codes to cross-check and monitor their consumption of ozone-depleting substances and to ensure compliance with their obligations under the Montreal Protocol,

1. To request the Ozone Secretariat to continue discussions with the World Customs Organization on:
 - (a) The possibility of revising the Harmonized System to allow the inclusion of appropriate codes for mixtures containing HCFCs, especially those used for refrigeration;
 - (b) The confirmation of the proper classification of methyl bromide that contains 2 per cent chloropicrin as a pure substance and not as a mixture, as suggested in the illustrative list of methyl-bromide mixtures provided earlier to the Parties by the Ozone Secretariat;
2. To convene a group of five interested experts to provide advice to the Ozone Secretariat out of session on possible amendments to the Harmonized System;
3. To request the Ozone Secretariat to report to the nineteenth meeting of the Open-ended Working Group on progress towards this end;

Decision X/19. Exemption for laboratory and analytical uses

1. To extend the global laboratory and analytical essential-use exemption until 31 December 2005 under the conditions set out in annex II of the report of the Sixth Meeting of the Parties;
2. To request the Technology and Economic Assessment Panel to report annually on the development and availability of laboratory and analytical procedures that can be performed without using the controlled substances in Annexes A and B of the Protocol;
3. That the Meeting of the Parties shall each year, on the basis of information reported by the Technology and Economic Assessment Panel in accordance with paragraph 2 above, decide on any uses of controlled substances which should no longer be eligible under the exemption for laboratory and analytical uses and the date from which any such restriction should apply;

4. That the Secretariat should make available to the Parties each year a consolidated list of laboratory and analytical uses that the Parties have agreed should no longer be eligible for production and consumption of controlled ozone-depleting substances under the global exemption;
5. That any decision taken to remove the global exemption should not prevent a Party from nominating a specific use for an exemption under the essential uses procedure set out in decision IV/25;

Decision X/20. Compliance with the Montreal Protocol by Azerbaijan

1. To note that Azerbaijan ratified the Montreal Protocol and the London and Copenhagen Amendments on 21 June 1996. The country is classified as a non-Article 5 Party under the Protocol and, for 1996, reported positive consumption of 962 ODP tonnes of Annex A and B substances, none of which was for essential uses exempted by the Parties. As a consequence, in 1996, Azerbaijan was in non-compliance with its control obligations under Articles 2A through 2E of the Montreal Protocol. Azerbaijan also expresses a belief that this situation will continue through at least the year 2000, necessitating annual review by the Implementation Committee and the Parties until such time as Azerbaijan comes into compliance;
2. To express great concern about Azerbaijan's non-compliance and to note that Azerbaijan only very recently assumed the obligations of the Montreal Protocol, having ratified it in 1996. It is with that understanding that the Parties note, after reviewing the country programme and submissions of Azerbaijan (which was prepared with UNEP assistance), that Azerbaijan specifically commits:
 - To a phase-out of CFCs by 1 January 2001 (save for essential uses authorized by the Parties);
 - To establish, by 1 January 1999, a system for licensing imports and exports of ODS;
 - To establish a system for licensing operators in the refrigeration-servicing sector;
 - To tax the imports of ozone-depleting substances, to enable it to ensure that it meets the year 2001 phase-out;
 - To a ban, by 1 January 2001, on all imports of halons; and
 - To consider by 1999, a ban on the import of ODS-based equipment;
3. That the measures listed in paragraph 2 above should enable Azerbaijan to achieve the virtual phase out of CFCs, and a complete phase-out of halons by 1 January 2001. In this regard, the Parties urge Azerbaijan to work with relevant Implementing Agencies to shift current consumption to non-ozone-depleting alternatives, and to quickly develop a system for managing banked halon for any continuing critical uses. The Parties note that these actions are made all the more urgent due to the expected closure of CFC and halon-2402 production capacity in its major source (Russian Federation) by the year 2000, and the very limited international availability of halon-2402 from other sources;
4. To closely monitor the progress of Azerbaijan with regard to the phase-out of ozone-depleting

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substances, particularly towards meeting the specific commitments noted above. In this regard, the Parties request that Azerbaijan submit a complete copy of its country programme, and subsequent updates, if any, to the Ozone Secretariat. To the degree that Azerbaijan is working towards and meeting the specific time-based commitments noted above and continues to report data annually demonstrating a decrease in imports and consumption, Azerbaijan should continue to be treated in the same manner as a Party in good standing. In this regard, Azerbaijan should continue to receive international assistance to enable it to meet these commitments in accordance with item A of the indicative list of measures that might be taken by a Meeting of the Parties in respect of non-compliance. However, through this decision, the Parties caution Azerbaijan, in accordance with item B of the indicative list of measures, that in the event that the country fails to meet the commitments noted above in the times specified, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures could include the possibility of actions that may be available under Article 4, designed to ensure that the supply of CFCs and halons that is the subject of non-compliance is ceased, and that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision X/21. Compliance with the Montreal Protocol by Belarus

1. To note that Belarus ratified the London Amendment on 10 July 1996. The country is classified as a non-Article 5 Party under the Protocol and, for 1996, reported positive consumption of 599.7 ODP tonnes of Annex A and B substances, none of which was for essential uses exempted by the Parties. As a consequence, in 1996, Belarus was in non-compliance with its control obligations under Articles 2A through 2E of the Montreal Protocol. Belarus also expresses a belief that this situation will continue through at least the year 2000, necessitating annual review by the Implementation Committee and the Parties until such time as Belarus comes into compliance;
2. To note that although Belarus submitted a list of specific projects with international financing that will reduce national consumption, it has not responded to the request of the Implementation Committee from its twentieth meeting for a phase-out plan with specific benchmarks demonstrating a schedule for coming into compliance with control obligations under Articles 2A through 2E of the Montreal Protocol. The Parties also note that in a verbal presentation to the Implementation Committee on 16 November 1998, Belarus announced the recent adoption, on 13 November 1998, of a resolution by its Cabinet of Ministers committing Belarus, through regulation:
 - To a phase-out in the consumption of Annex A and B substances by 1 January 2000.

However, Belarus noted that there may be difficulty in phasing out consumption for refrigeration associated with agriculture;

3. To closely monitor the progress of Belarus with regard to the phase-out of ozone-depleting substances, particularly towards meeting the specific commitments noted above. In this regard, the Parties request that Belarus submit a complete copy of its country programme, and subsequent updates, if any, to the Ozone Secretariat. To the degree that Belarus is working towards and meeting the specific time-based commitments noted above and continues to report data annually demonstrating a decrease in imports and consumption, Belarus should continue to be treated in the same manner as a Party in good standing. In this regard, Belarus should continue to receive international assistance to enable it to meet these commitments in accordance with item A of the indicative list of measures that might be taken by a Meeting of the Parties in respect of non-compliance. However, through this decision the Parties caution Belarus, in accordance with

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item B of the indicative list of measures, that in the event that the country fails to meet the commitments noted above in the times specified, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures could include the possibility of actions that may be available under Article 4, designed to ensure that the supply of CFCs and halons that is the subject of non-compliance is ceased, and that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision X/22. Compliance with the Montreal Protocol by the Czech Republic

1. To note that the Czech Republic ratified the London and Copenhagen Amendments on 18 December 1996. The country is classified as a non-Article 5 Party under the Protocol. For 1996, the Czech Republic reported positive consumption of 49.6 ODP tonnes of Annex A, Group I, substances that are partially accounted for under the essential-use exemption by the Parties for laboratory and analytical applications. However, the Czech Republic claims the remainder of the 1996 CFC consumption was for essential uses for metered-dose inhalers. But, as the Czech Republic imported ozone-depleting substances in 1996 without obtaining an essential-use authorization from the Parties to the Protocol, the Czech Republic was in state of technical non-compliance with its control obligations under Articles 2A through 2E of the Montreal Protocol for 1996. The Czech Republic reported to the Implementation Committee that it has the utmost interest in reliably meeting its obligations under the Montreal Protocol;
2. To take note of the Czech Republic's status regarding obligations under Articles 2A through 2E of the Montreal Protocol for 1996 and ask the Implementation Committee to continue to review annually the Czech Republic's status;

Decision X/23. Compliance with the Montreal Protocol by Estonia

1. To note that Estonia acceded to the Montreal Protocol on 17 October 1996. Estonia is classified as a non-Article 5 Party under the Protocol and, for 1996, reported positive consumption of 36.5 ODP tonnes of Annex A and B substances, none of which was for essential uses exempted by the Parties. As a consequence, in 1996, Estonia was in non-compliance with its control obligations under Articles 2A through 2E of the Montreal Protocol. Estonia also expresses a belief that this situation will continue through at least the year 2000, necessitating annual review by the Implementation Committee and the Parties until such time as Estonia comes into compliance;
2. To note with appreciation Estonia's significant strides in coming into compliance with the Montreal Protocol. Estonia decreased its consumption steadily from an estimated 131 ODP tonnes in 1995 to 36.5 tonnes in 1996. This significant reduction is a clear demonstration of Estonia's determination to achieve a complete phase-out according to its schedule. In response to a request from the Ozone Secretariat, Estonia submitted interim reductions targets for the phase-out. In this phase-out plan with interim benchmarks, Estonia commits:
 - To reduce consumption by 1 January 1999 to no more than 23 ODP tonnes for Annex A and B substances;
 - To completely phase out consumption of Annex B substances by 1 January 2000;
 - To reduce consumption by 1 January 2000 to no more than 14 ODP tonnes of Annex A

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- substances;
- To reduce consumption of CFC-12 to all but 1 tonne in 2001;
 - To a complete phase out of Annex A substances by 1 January 2002; and
 - To establish, for 1999, a harmonized system for monitoring and controlling imports of ozone-depleting substances;
3. To urge Estonia, in order to assist it in meeting its commitments, to work with relevant Implementing Agencies to shift current consumption to non-ozone-depleting alternatives, and to quickly develop a system for managing recovered refrigerants and halon for any continuing critical uses. The Parties note that these actions are made all the more urgent due to the expected closure of CFC and halon-2402 production capacity in its major source (Russian Federation) by the year 2000, and the very limited international availability of halon-2402 from other sources.
4. To closely monitor the progress of Estonia with regard to the phase-out of ozone-depleting substances, particularly towards meeting the specific commitments noted above. In this regard, the Parties request that Estonia submit a complete copy of its country programme, and subsequent updates, if any, to the Ozone Secretariat. The Parties urge Estonia to ratify the London and Copenhagen Amendments. To the degree that Estonia is working towards and meeting the specific time-based commitments noted above and continues to report data annually demonstrating a decrease in imports and consumption, Estonia should continue to be treated in the same manner as a Party in good standing. In this regard, Estonia should, to the degree consistent with relevant assistance requirements, receive international assistance to enable it to meet these commitments in accordance with item A of the indicative list of measures that might be taken by a meeting of the Parties in respect of non-compliance. However, through this decision the Parties caution Estonia, in accordance with item B of the indicative list of measures, that in the event that the country fails to meet the commitments noted above in the times specified, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures could include the possibility of actions that may be available under Article 4, designed to ensure that the supply of CFCs and halons that is the subject of non-compliance is ceased, and that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision X/24. Compliance with the Montreal Protocol by Latvia

1. To note that Latvia acceded to the Montreal Protocol on 28 April 1995 and ratified the London and Copenhagen Amendments on 2 November 1998. The country is classified as a non-Article 5 Party under the Protocol and, for 1996, reported to positive consumption of 342 tonnes ODP of Annex A and B substances, none of which was for essential uses exempted by the Parties. As a consequence, in 1996, Latvia was in non-compliance with its control obligations under Articles 2A through 2E of the Montreal Protocol. Latvia also expresses a belief that this situation may continue through at least the year 2000, necessitating annual review by the Implementation Committee and the Parties until such time as Latvia comes into compliance.
2. To note with appreciation the fact that Latvia has made tremendous strides in coming into compliance with the Montreal Protocol. Although Latvia ratified the Protocol just three years ago, it has decreased its consumption steadily from 1986, when it was 6,558 tonnes, to 1993, when its consumption was 1,205 tonnes, to 1995, when its consumption was 711.5 tonnes to the present

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level of 342.8 tonnes. This significant reduction is a clear demonstration of Latvia's commitment to become a Party in full compliance with the Protocol. The Parties note with appreciation that Latvia has made efforts to achieve compliance through agreements with its industry, and through the application of a tax on imports of ozone-depleting substances. Latvia has also undertaken efforts to understand the disposition of halons that are currently deployed, and to stockpile halon from decommissioned uses in order to ensure availability to meet future critical uses. The Parties note these important undertakings, and point out that similar undertakings could be considered by other countries who are striving to comply with the provisions of the Protocol. The Parties also note that Latvia's submission and statements to the Implementation Committee indicate a commitment:

- To observe the ban on the production and import of Annex A, Group II, substances imposed on 12 December 1997;
 - To limit consumption of Annex A, Group I, substances to no more than 100 metric tonnes in 1999; and
 - To ban the production and import of Annex A, Group I, and all Annex B substances by 1 January 2000;
3. To note Latvia's report that a majority of its remaining use of ozone-depleting substances is in the aerosol sector, a sector with alternatives that are available at a cost savings to users. The Parties further note the late time at which phase-out projects are being initiated. Accordingly, and considering the plan produced by Latvia, the Parties are hopeful that Latvia will be able to achieve a total phase-out of Annex A and B substances by 1 July 2001. Achievement of these commitments and goals will necessitate the strict application of import quota restrictions on an annual basis to ensure phased reductions in consumption;
 4. To closely monitor the progress of Latvia with regard to the phase-out of ozone-depleting substances, particularly towards meeting the specific commitments noted above. In this regard, to request that Latvia submit a complete copy of its country programme, and subsequent updates, if any, to the Ozone Secretariat. To the degree that Latvia is working towards and meeting the specific time-based commitments noted above and continues to report data annually demonstrating a decrease in imports and consumption, Latvia should continue to be treated in the same manner as a Party in good standing. In this regard, Latvia should continue to receive international assistance to enable it to meet these commitments in accordance with item A of the indicative list of measures that might be taken by a meeting of the Parties in respect of non-compliance. However, through this decision, the Parties caution Latvia, in accordance with item B of the indicative list of measures, that in the event that the country fails to meet the commitments noted above in times specified, the Parties shall consider measures, consistent with item C of the indicative list of measure. These measures could include the possibility of actions that may be available under Article 4, designed to ensure that the supply of CFCs and halons that is the subject of non-compliance is ceased, and that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision X/25. Compliance with the Montreal Protocol by Lithuania

1. To note that Lithuania acceded to the Montreal Protocol on 18 January 1995, and acceded to the London and Copenhagen Amendments on 3 February 1998. The country is classified as a

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non-Article 5 Party under the Protocol and, for 1996, reported positive consumption of 295 ODP tonnes ODP of Annex A and B substances, none of which was for essential uses exempted by the Parties. As a consequence, in 1996, Lithuania was in non-compliance with its control obligations under Articles 2A through 2E of the Montreal Protocol. Lithuania also expresses a belief that this situation may continue through at least the year 2000, necessitating annual review by the Implementation Committee and the Parties until such time as Lithuania comes into compliance;

2. To note with appreciation the fact that Lithuania has made tremendous strides in coming into compliance with the Montreal Protocol. Although Lithuania ratified the Protocol just three years ago, it has decreased its consumption steadily from 1986, when it was estimated at 6,089 tonnes, to 1993, when its consumption was estimated at 935 ODP tonnes, to 1995, when its consumption was 428 tonnes, to 1996 when its consumption of Annex A and B substances is reported at 295 tonnes. Lithuania is very clear in admitting that a substantial reason for the significant reduction in consumption is due to the economic turmoil that has been taking place in its country. After review of the submissions and presentation to the Implementation Committee, it is noted that Lithuania commits:
 - To ban the import of CFC-113, carbon tetrachloride and methyl chloroform by 1 January 2000; and
 - To reduce the consumption of Annex A and B substances by 86 per cent from 1996 levels by 1 January 2000;
3. To note that achievement of these goals will necessitate a strict application of Lithuania's existing import licensing system to ensure that phased reductions and reduced reliance on ozone-depleting substances continue to take place, and indeed, the Lithuania country programme includes a commitment to make arrangements with its customs department to ensure that imports are ceased. Ensuring that requirement to cease imports is particularly important given the pending closure of CFC producers in Russian Federation, supply on which Lithuania has traditionally depended. Noting Lithuania's obvious commitment to the Montreal Protocol, it is hopeful that the country will be able to achieve a total phase-out of Annex A and B substances by 1 January 2001. In so stating, the Parties noted but specifically rejected a request by Lithuania to allow for continuous imports until 2005 for servicing existing refrigeration equipment. The Parties, in so doing, note that achieving a phase-out by 1 January 2001 may necessitate that Lithuania increase the recovery of existing ODS or the import of recycled material, and urge Lithuania to plan carefully for its future refrigerant-servicing needs and invite the Technology and Economic Assessment Panel to help in this endeavour. The Parties will closely monitor the progress of Lithuania towards meeting the above-noted commitments to reduce CFC-113, carbon-tetrachloride and methyl-chloroform use prior to the next Meeting of the Parties, and to put in place by June 1999 a requirement to cease imports of these substances by 1 January 2000 (save for essential uses authorized by the Parties);
4. To closely monitor the progress of Lithuania with regard to the phase-out of ozone-depleting substances, particularly towards meeting the specific commitments noted above. In this regard, the Parties request that Lithuania submit a complete copy of its country programme, and subsequent updates, if any, to the Ozone Secretariat. To the degree that Lithuania is working towards and meeting the specific time-based commitments noted above and continues to report data annually demonstrating a decrease in imports and consumption, Lithuania should continue to be treated in the same manner as a Party in good standing. In this regard, Lithuania should receive international assistance to enable it to meet these commitments in accordance with item A of the indicative list of measures that might be taken by a meeting of the Parties in respect of non-compliance. However,

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through this decision, the Parties caution Lithuania, in accordance with item B of the indicative list of measures, that in the event that the country fails to meet the commitments noted above in the times specified, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures could include the possibility of actions that may be available under Article 4, designed to ensure that the supply of CFCs and halons that is the subject of non-compliance is ceased, and that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision X/26. Compliance with the Montreal Protocol by the Russian Federation

1. To note that the Russian Federation ratified the London Amendment on 13 January 1992. The country is classified as a non-Article 5 Party under the Protocol and, for 1996, reported positive consumption of 13,955 ODP tonnes, none of which was for essential uses exempted by the Parties. As a consequence, in 1996, the Russian Federation was in non-compliance with its control obligations under Articles 2A through 2E of the Montreal Protocol. The Russian Federation also expresses a belief that this situation will continue through at least the year 2000, necessitating annual review by the Implementation Committee and the Parties until such time as the Russian Federation comes into compliance;

2. To note with appreciation that the Russian Federation is making significant progress in coming into compliance with the Montreal Protocol. Data reported for 1996 indicates that the Russian Federation reduced consumption of CFCs from 20,990 ODP tonnes in 1995, to a level of 12,345 ODP tonnes. The Russian Federation submitted a country programme in October 1995 (revised in November 1995) that contains specific benchmarks and a phase-out schedule. In 1996, production of Annex A, Group I, substances was 16,770 ODP tonnes, well below the benchmark of 28,000 ODP tonnes contained in the country programme. Further steps were taken to bring the Russian Federation into compliance with its obligations under Articles 2A through 2E of the Montreal Protocol when, in October 1998, the Special Initiative for ODS Production Closure in the Russian Federation (Special Initiative) was signed. The Parties note that, in the country programme and the Special Initiative, the Russian Federation commits:
 - To reduce consumption of Annex A, Group I, substances to no more than 6,280 ODP tonnes in 1999;
 - To reduce consumption of Annex A, Group II, substances to no more than 960 ODP tonnes in 1999;
 - To reduce consumption of Annex B, Group I, substances to no more than 18 ODP tonnes in 1999;
 - To phase out the production of Annex A substances by 1 June 2000; and
 - To phase out the consumption of Annex A and B substances by 1 June 2000;

3. To closely monitor the progress of the Russian Federation with regard to the phase-out of ozone-depleting substances, particularly towards meeting the specific commitments in the 1995 country programme and the Special Initiative noted above. In this regard, the Parties request that the Russian Federation submit a complete copy of its country programme, and subsequent updates, if any, to the Ozone Secretariat. To the degree that the Russian Federation is working towards and

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meeting the specific time-based commitments in the country programme and the Special Initiative and continues to report data annually demonstrating a decrease in imports and consumption, the Russian Federation should continue to be treated in the same manner as a Party in good standing. In this regard, the Russian Federation should continue to receive international assistance to enable it to meet these commitments in accordance with item A of the indicative list of measures that might be taken by a meeting of the Parties in respect of non-compliance. However, through this decision, the Parties caution the Russian Federation, in accordance with item B of the indicative list of measures, that in the event that the country fails to meet the commitments noted in prior decisions as well as in the above documents in the times specified, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures could include the possibility of actions that may be available under Article 4, designed to ensure that the supply of CFCs and halons that is the subject of non-compliance is ceased, and that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision X/27. Compliance with the Montreal Protocol by Ukraine

1. To note that Ukraine ratified the London Amendment on 6 February 1997. The country is classified as a non-Article 5 Party under the Protocol and, for 1996, reported positive consumption of 1,470 ODP tonnes of Annex A and B controlled substances, none of which was for essential uses exempted by the Parties. As a consequence, in 1996, Ukraine was in non-compliance with its control obligations under Articles 2A through 2E of the Montreal Protocol. Ukraine also expresses a belief that this situation will continue through at least the year 2000, necessitating annual review by the Implementation Committee and the Parties until such time as Ukraine comes into compliance;
2. To express great concern about the non-compliance of Ukraine, as well as the significant increase in consumption of ozone-depleting substances in Ukraine from 1995 to 1996, when total consumption doubled from 767 to 1,470 ODP tonnes. The Parties note the commendable actions taken by Ukraine in working with customs and industry to monitor imports and improve the accuracy of the data reported to the Ozone Secretariat. After reviewing Ukraine's submission to the Implementation Committee, the Parties note that the Ukraine, through its acceptance of this decision, specifically commits:
 - To a phase-out of the consumption of Annex A and B substances by 1 January 2002 (save for essential uses authorized by the Parties);

Ukraine notes, however, that there may be difficulty in phasing out consumption in the domestic refrigeration sector;

3. To urge Ukraine to work with relevant Implementing Agencies to shift current consumption to non-ozone-depleting alternatives, and to quickly develop a plan for managing existing supplies of CFCs as well as training in the refrigeration sector to encourage recovery and recycling. The Parties note that these actions are made all the more urgent due to the expected closure of CFC and halon-2402 production capacity in its major source (Russian Federation) by the year 2000, and the very limited international availability of halon-2402 from other sources. Noting Ukraine's obvious commitment to the Montreal Protocol, it is hopeful that the country will be able to achieve a total phase-out of Annex A and B substances by 1 January 2002. In so stating, the Parties noted but specifically rejected a request by Ukraine to allow for continuous imports until 2010 for servicing existing refrigeration equipment. The Parties, in so doing, note that achieving a

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phase-out by 1 January 2002 may necessitate that Ukraine increase the recovery of existing ozone-depleting substances or the import of recycled material, and urge Ukraine to plan carefully for its future refrigerant servicing needs and invite the Technology and Economic Assessment Panel to help in this endeavour;

3. To closely monitor the progress of Ukraine with regard to the phase-out of ozone-depleting substances, particularly towards meeting the specific commitments noted above. In this regard, the Parties request that Ukraine submit a complete copy of its country programme, and subsequent updates, if any, to the Ozone Secretariat. To the degree that Ukraine is working towards and meeting the specific time-based commitments noted above and continues to report data annually demonstrating a decrease in imports and consumption, Ukraine should continue to be treated in the same manner as a Party in good standing. In this regard, Ukraine should continue to receive international assistance to enable it to meet these commitments in accordance with item A of the indicative list of measures that might be taken by a meeting of the Parties in respect of non-compliance. However, through this decision, the Parties caution Ukraine, in accordance with item B of the indicative list of measures, that in the event that the country fails to meet the commitments noted above in the times specified, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures could include the possibility of actions that may be available under Article 4, designed to ensure that the supply of CFCs and halons that is the subject of non-compliance is ceased, and that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision X/28. Compliance with the Montreal Protocol by Uzbekistan

1. To note that Uzbekistan ratified the Montreal Protocol on 18 May 1993, and ratified the London and Copenhagen Amendments on 10 June 1998. The country is classified as a non-Article 5 Party under the Protocol and, for 1996, reported positive consumption of 272 ODP tonnes of Annex A and Annex B substances, none of which was for essential uses exempted by the Parties. As a consequence, in 1996, Uzbekistan was in non-compliance with its obligations under Articles 2A through 2E of the Montreal Protocol. Uzbekistan also expresses a belief that this situation may continue through at least the year 2001, necessitating annual review by the Implementation Committee and the Parties until such time as Uzbekistan comes into compliance;
2. To note with appreciation the fact that Uzbekistan has made significant strides in coming into compliance with the Montreal Protocol, decreasing consumption steadily from an estimated 1,300 tonnes in 1992 to 275 tonnes in 1996. Its country programme shows its determination and commitment to phase out of Annex A and B substances by 2002. Specifically, the Parties note that the Uzbekistan country programme includes a commitment:
 - To reduce consumption of CFCs by 40% by 2000, by 80% by 2001, and completely by 2002;
 - To reduce consumption of carbon tetrachloride by 35% by 2000, by 67% by 2001, and completely by 2002;
 - To reduce consumption of methyl chloroform by 40% in 2000, by 82% in 2001, and completely in 2002;
 - To put in place in 1999, import quotas in order to freeze the imports at the current level

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- and to support the phase-out schedule noted above;
- To put in place by 1999, bans on imports of ODS and equipment using and containing ODS;
 - To put in place policy instruments and regulatory requirements to ensure progress in achieving the phase-out;
3. To note that, given the fact that virtually all of its remaining use is in the refrigeration-servicing sector, Uzbekistan will have to work very hard in the coming years to ensure that it maintains a downward momentum in consumption in order to ensure that it meets its commitment for a phase-out in Annex A and B substances by the year 2002. In this regard, the Tenth Meeting of the Parties is happy to see that Uzbekistan intends to focus its efforts towards training in the refrigeration sector, and refrigerant recovery and recycling. The Parties also note that it is critical that Uzbekistan put in place its licensing and quota system to control the import of ozone-depleting substances no later than September 1999 to meet its reduction commitment;
4. To closely monitor the progress of Uzbekistan with regard to the phase-out of ozone-depleting substances, particularly towards meeting the specific commitments noted above. In this regard, the Parties request that Uzbekistan submit a complete copy of its country programme, and subsequent updates, if any, to the Ozone Secretariat. To the degree that Uzbekistan is working towards and meeting the specific time-based commitments noted above and continues to report data annually demonstrating a decrease in imports and consumption, Uzbekistan should continue to be treated in the same manner as a Party in good standing. In this regard, Uzbekistan should continue to receive international assistance to enable it to meet these commitments in accordance with item A of the indicative list of measures that might be taken by a meeting of the Parties in respect of non-compliance. However, through this decision, the Parties caution Uzbekistan, in accordance with item B of the indicative list of measures, that in the event that the country fails to meet the commitments noted above in the times specified, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures could include the possibility of actions that may be available under Article 4, designed to ensure that the supply of CFCs and halons that is the subject of non-compliance is ceased, and that exporting Parties are not contributing to a continuing situation of non-compliance;

Decision X/29. Inconsistencies in the timing for the reporting of data under Article 7 and for monitoring compliance with the phase-out schedule under Article 5, paragraph 8 bis

Noting that the compliance period for Parties operating under paragraph 1 of Article 5 of the Protocol for the freeze in production and consumption extends from 1 July 1999 to 30 June 2000, from 1 July 2000 to 30 June 2001, and from 1 July 2001 to 31 December 2002 under paragraph 8 bis of Article 5,

Noting also that the process of collecting accurate data on anything other than a calendar year basis is very difficult,

Noting further that Parties not operating under paragraph 1 of Article 5 faced similar difficulties, which were overcome when it became clear that their reductions in production and consumption were significantly below those required under the freeze obligations of Article 2A,

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1. To urge the Implementation Committee to review and report on the status of the data reported by Parties operating under paragraph 1 of Article 5, relative to the freeze in production and consumption using the best available data submitted;
2. To urge the Implementation Committee to view the data from the July to June time period, or other time periods relevant to paragraph 8 bis of Article 5, as especially critical in cases where annual data submitted by Parties operating under paragraph 1 of Article 5 demonstrates that a country is very close to its baseline freeze level;

Decision X/30. Financial matters: financial report and budgets

1. To take note of the financial report on the Trust Fund for the Montreal Protocol for 1997, as contained in document UNEP/OzL.Pro.10/5;
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 VIII to the report of the Ninth Meeting of the Parties (document UNEP/OzL.Pro.9/12), for the year 1999, and for the year 2000 in annex IV to the report of the Tenth Meeting of the Parties;
3. To approve the budget of \$3,615,740 for 1999 and proposed budget of \$3,679,704 for 2000, as set out in annex III to the report of the Tenth Meeting of the Parties;
4. To encourage Parties not operating under Article 5 to continue offering financial assistance to their members in the three assessment panels and their subsidiary bodies for their continued participation in the assessment activities under the Protocol;

Decision X/31. Measures taken to improve the Financial Mechanism and technology transfer

1. To note with appreciation the work and the report of the Executive Committee on the measures taken to improve the Financial Mechanism and technology transfer and on its excellent functioning in 1998;
2. To request the Executive Committee to report annually to the Meetings of the Parties on the operation of the Financial Mechanism and the measures taken to improve the operation;

Decision X/32. Proposal to study a fixed currency exchange rate mechanism for the replenishment of the Multilateral Fund

Noting that some donor countries make payments to the Multilateral Fund in their national currencies, and that minor discrepancies often arise from the different exchange rates used to issue and encash their payments,

Further noting that some financial procedures have been utilized by other multilateral funding mechanisms to simplify the administration of these contributions and limit these discrepancies,

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1. To request the Treasurer of the Multilateral Fund to prepare, in consultation with relevant institutions and Parties and in time for the nineteenth meeting of the Open-ended Working Group, a discussion paper which describes how a mechanism using fixed currency exchange rates could be implemented for the replenishment of the Multilateral Fund for the triennium 2000-2002. The paper should examine the administrative framework, the potential impact and any risks for the operation of the Fund that are associated with the adoption of such a mechanism. The paper should also include criteria for determining if a particular currency's fluctuations had been of such a magnitude that a fixed exchange rate mechanism would not be practical, in which case that country would continue to make its commitments and payments in United States dollars;
2. To request the Treasurer of the Multilateral Fund to monitor exchange rates of donor country currencies, including the euro, between 1 March 1999 and 30 September 1999, and to submit in time for the Eleventh Meeting of the Parties a table showing the average exchange rate for each donor country currency with the United States dollar and Special Drawing Rights (SDRs) for this period;

Decision X/33. Global Environment Facility

- To note with appreciation the assistance given by the Council of the Global Environment Facility to the countries with economies in transition;

Decision X/34. Eleventh Meeting of the Parties to the Montreal Protocol

- To convene the Eleventh Meeting of the Parties to the Montreal Protocol in China, in November 1999.

B. Comments made at the time of the adoption of the decisions

94. The Meeting agreed that some technical corrections should be made to the text of the decisions on non-compliance by certain Parties (decision X/20 to X/28 above) when the report was being finalized.

IX. OTHER MATTERS

Declaration on hydrochlorofluorocarbons (HCFCs), hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs)

95. At the closing session of the Meeting, the representative of Denmark introduced a declaration on hydrochlorofluorocarbons, hydrofluorocarbons and perfluorocarbons to which the following countries had subscribed: Austria, Azerbaijan, Belgium, Bolivia, Botswana, Bulgaria, Costa Rica, Croatia, Cuba, Czech Republic, Denmark, Estonia, European Community, Finland, France, Germany, Georgia, Greece, Hungary, Iceland, Ireland, Italy, Lao People's Democratic Republic, Latvia, Lesotho, Liechtenstein, Lithuania, Luxembourg, Madagascar, Netherlands, Norway, Poland, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, United Kingdom and Uzbekistan. The text of the declaration is contained in annex V to the present report.

96. The representative of South Africa said that he supported the view expressed in the general debate

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(see para. 0 above) to the effect that any international decision on non-ozone-depleting substances with global warming potential should be taken only by the climate-change institutions. His country had been able to meet its commitments under the Protocol only because of the availability of HCFCs and HFCs. In the process, it had phased out some 12,000 tonnes of ozone-depleting substances and had invested millions of rand in newly installed equipment. He believed that countries must be able to select the technologies that they considered to be the most viable in the light of their specific conditions.

Composition of the Ad Hoc Working Group on Replenishment

97. The Tenth Meeting of the Parties agreed that the membership of the Ad Hoc Working Group on Replenishment should be as follows: China, Cuba, India, Iran (Islamic Republic of), Nigeria, Venezuela and Zimbabwe, representing Parties operating under Article 5; and Canada, Germany, Japan, Poland, Switzerland, United Kingdom and United States, representing Parties not operating under Article 5.

Informal advisory group on technology transfer

98. The coordinator of the informal advisory group on technology transfer reported to the Meeting on its work. The group had formed during the Eighteenth Meeting of the Open-Ended Working Group to discuss issues related to technology transfer including the obstacles which inhibited its more effective implementation. The group had made progress in its discussions but had reached no consensus regarding a common proposal. The coordinator said that he would circulate within the group written proposals put forward by individual members. The Group would meet again in March 1999 and hoped to submit a report to the Executive Committee for its consideration.

Expression of appreciation to the Government of Egypt

99. The Meeting expressed its appreciation to the Government and people of Egypt for the excellent arrangements made for the Meeting and the warm hospitality shown to participants.

X. ADOPTION OF THE REPORT

100. The present report was adopted on the basis of the draft report submitted to the Meeting.

XI. CLOSURE OF THE MEETING

101. Following the screening of a documentary film on the life and work of Dr. Mostafa K. Tolba and a musical puppet show performed by children, closing statements were made by the acting President of the Meeting, Mr. Rasmus Rasmusson, and by Ms. Nadia Makram Ebeid, Minister of State for Environmental Affairs of the Arab Republic of Egypt. The acting President declared the Tenth Meeting of the Parties closed at 5.20 p.m. on Tuesday, 24 November 1998.

Annex I

ESSENTIAL-USE EXEMPTIONS APPROVED BY THE TENTH MEETING OF THE PARTIES FOR 1999-2000
(in metric tonnes)

Party	CFC-11		CFC-12		CFC-113		CFC-114		Halon-2402
	1999	2000	1999	2000	1999	2000	1999	2000	1999
1. Australia	45.0	63.0	90.0	153.7	--	--	--	3.3	--
2. Canada	140.0	140.0		--	--	--		--	--
3. European Community	--	1,415.0	--	2,057.0	0.1	6.1	--	292.0	--
4. Poland	120.0	125.0	235.0	245.0	1.7	--	25.0	30.0	--
5. Russian Federation	--	--	--	--	--	--	--	--	160.0
6. United States of America	--	1,013.0	--	2,391.0	--	--	--	331.0	--
TOTAL	305.0	2,756.0	325.0	4,846.7	1.8	6.1	25.0	656.3	160.0

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Annex II

NON-COMPLIANCE PROCEDURE (1998)*

The following procedure has been formulated pursuant to Article 8 of the Montreal Protocol. It shall apply without prejudice to the operation of the settlement of disputes procedure laid down in Article 11 of the Vienna Convention.

1. If one or more Parties have reservations regarding another Party's implementation of its obligations under the Protocol, those concerns may be addressed in writing to the Secretariat. Such a submission shall be supported by corroborating information.

2. The Secretariat shall, within two weeks of its receiving a submission, send a copy of that submission to the Party whose implementation of a particular provision of the Protocol is at issue. Any reply and information in support thereof are to be submitted to the Secretariat and to the Parties involved within three months of the date of the despatch or such longer period as the circumstances of any particular case may require. **If the Secretariat has not received a reply from the Party three months after sending it the original submission, the Secretariat shall send a reminder to the Party that it has yet to provide its reply. The Secretariat shall, as soon as the reply and information from the Party are available, but not later than six months after receiving the submission, transmit the submission, the reply and the information, if any, provided by the Parties to the Implementation Committee referred to in paragraph 5, which shall consider the matter as soon as practicable.**

3. Where the Secretariat, during the course of preparing its report, becomes aware of possible non-compliance by any Party with its obligations under the Protocol, it may request the Party concerned to furnish necessary information about the matter. If there is not response from the Party concerned within three months of such longer period as the circumstances of the matter may require or the matter is not resolved through administrative action or through diplomatic contacts, the Secretariat shall include the matter in its report to the Meeting of the Parties pursuant to Article 12 (c) of the Protocol and inform the Implementation Committee, **which shall consider the matter as soon as practicable.**

4. Where a Party concludes that, despite having made its best, bona fide efforts, it is unable to comply fully with its obligations under the Protocol, it may address to the Secretariat a submission in writing, explaining, in particular, the specific circumstances that it considers to be the cause of its non-compliance. The Secretariat shall transmit such submission to the Implementation Committee which shall consider it as soon as practicable.

5. An Implementation Committee is hereby established. It shall consist of 10 Parties elected by the Meeting of the Parties for two years, based on equitable geographical distribution. **Each Party so elected to the Committee shall be requested to notify the Secretariat, within two months of its election, of the name of the individual who is to represent it and shall endeavour to ensure that the same individual remains its representative throughout the entire term of office.** Outgoing Parties may be re-elected for one immediate consecutive term. **A Party that has completed a second consecutive two-year term as a Committee member shall be eligible for election again only after an absence of one year from the Committee.** The Committee shall elect its own President and Vice-President. Each shall serve for one year at a time. The Vice-President shall, in addition, serve as the rapporteur of the Committee.

* New text is indicated in bold.

6. The Implementation Committee shall, unless it decides otherwise, meet twice a year. The Secretariat shall arrange for and service its meetings.
7. The functions of the Implementation Committee shall be:
 - (a) To receive, consider and report on any submission in accordance with paragraphs 1, 2 and 4;
 - (b) To receive, consider and report on any information or observations forwarded by the Secretariat in connection with the preparation of the reports referred to in Article 12 (c) of the Protocol and on any other information received and forwarded by the Secretariat concerning compliance with the provisions of the Protocol;
 - (c) To request, where it considers necessary, through the Secretariat, further information on matters under its consideration;
 - (d) To identify the facts and possible causes relating to individual cases of non-compliance referred to the Committee and make appropriate recommendations to the Meeting of the Parties;**
 - (e) To undertake, upon the invitation of the Party concerned, information-gathering in the territory of that Party for fulfilling the functions of the Committee;
 - (f) To maintain, in particular for the purposes of drawing up its recommendations, an exchange of information with the Executive Committee of the Multilateral Fund related to the provision of financial and technical cooperation, including the transfer of technologies to Parties operating under Article 5, paragraph 1, of the Protocol.
8. The Implementation Committee shall consider the submissions, information and observations referred to in paragraph 7 with a view to securing an amicable solution of the matter on the basis of respect for the provisions of the Protocol.
9. The Implementation Committee shall report to the Meeting of the Parties, including any recommendations it considers appropriate. The report shall be made available to the Parties not later than six weeks before their meeting. After receiving a report by the Committee the Parties may, taking into consideration the circumstances of the matter, decide upon and call for steps to bring about full compliance with the Protocol, including measures to assist the Parties compliance with the Protocol, and to further the Protocol s objectives.
10. Where a Party that is not a member of the Implementation Committee is identified in a submission under paragraph 1, or itself makes such a submission, it shall be entitled to participate in the consideration by the Committee of that submission.
11. No Party, whether or not a member of the Implementation Committee, involved in a matter under consideration by the Implementation Committee, shall take part in the elaboration and adoption of recommendations on that matter to be included in the report of the Committee.
12. The Parties involved in a matter referred to in paragraphs 1, 3 or 4 shall inform, through the Secretariat, the Meeting of the Parties of the results of proceedings taken under Article 11 of the Convention regarding possible non-compliance, about implementation of those results and about

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implementation of any decision of the Parties pursuant to paragraph 9.

13. The Meeting of the Parties may, pending completion of proceedings initiated under Article 11 of the Convention, issue an interim call and/or recommendations.

14. The Meeting of the Parties may request the Implementation Committee to make recommendations to assist the Meeting's consideration of matters of possible non-compliance.

15. The members of the Implementation Committee and any Party involved in its deliberations shall protect the confidentiality of information they receive in confidence.

16. The report, which shall not contain any information received in confidence, shall be made available to any person upon request. All information exchanged by or with the Committee that is related to any recommendation by the Committee to the Meeting of the Parties shall be made available by the Secretariat to any Party upon its request; that party shall ensure the confidentiality of the information it has received in confidence.

Annex III

TRUST FUND FOR THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER
BUDGETS FOR 1998-2000

		1998		1999		2000	
		w/m	\$	w/m	\$	w/m	\$
10 PROJECT PERSONNEL COMPONENT							
1100 Project personnel							
1101	Executive Secretary (D-2) (Shared with the Vienna Convention, (VC)	6	69,700	6	71,440	6	102,270
1102	Deputy Executive Secretary (P-5)	12	113,250	12	116,080	12	139,290
1103	Programme Officer (Law) (P-5)	12	100,000	12	102,500	12	103,030
1104	Programme Officer (Science) (P-5) (shared with VC)	6	67,650	6	69,340	6	88,730
1105	Administrative and Programme Management Officer (shared with VC) to be paid by UNEP (P-4)	6	49,000	6	50,220	6	0
1106	Programme Officer (Data Systems) (P-3)	12	98,400	12	100,860		0
1199	Total		498,000		510,440		433,320
1200 Consultants							
1201	Assistance in data-reporting, analysis and promotion of the Protocol		48,750		49,960		51,210
1299	Total		48,750		49,960		51,210

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1300 Administrative support

1301	Administrative/Programme Assistant (G-7)	6	9,738	6	9,980	6	10,230
1302	Personal Assistant (G-6)	12	16,400	12	16,810	12	17,230
1303	Programme Assistant (G-6) (paid by VC)		0		0		0
1304	Personal Assistant (G-6)	6	8,713	6	8,930	6	9,150
1305	Programme Assistant (G-6)	6	8,713	6	8,930	6	9,150
1306	Documents Clerk (G-3)	12	8,200	12	8,400	12	8,610
1307	Data Assistant (G-7)		0	12	17,850	12	18,300
1308	Programme Assistant (G-6) paid by UNEP		0		0		0
1309	Logistics Assistant (G-3) paid by UNEP		0		0		0
1320	Temporary assistance		6,150		6,300		6,460
1321	Conference-servicing costs (CSC) - Open-ended Working Group meetings		410,000		420,250		420,250
1322	CSC - Preparatory and Parties meetings (shared with VC every three years, applies to 1999)		401,661		302,000		409,905
1323	CSC - Assessment Panel meetings		69,700		71,440		73,230
1324	CSC - Bureau meetings		42,025		43,070		44,150
1325	CSC - Committee meetings		27,675		28,360		29,070
1326	CSC - Informal consultation meetings		11,275		11,550		11,840
1399	Total		1,020,250		953,870		1,067,575

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1600	Travel on official business			
1601	Staff travel on official business	104,550	107,160	109,840
1602	Conference Services staff travel on official business	20,500	21,010	21,540
1699	Total	125,050	128,170	131,370
1999	Component total	1,692,050	1,642,440	1,683,475
30	MEETING/PARTICIPATION COMPONENT			
3300	Participation of developing countries			
3301	Assessment Panel meetings	550,000	563,750	565,770
3302	Preparatory and Parties meetings	256,250	262,650	263,560
3303	Open-ended Working Group meetings	256,000	262,400	263,310
3304	Bureau meetings	30,750	31,510	32,300
3305	Committee meetings	61,500	63,030	64,610
3306	Meetings for the promotion of the Protocol among non-Parties	20,000	20,500	21,010
3399	Total	1,174,500	1,203,840	1,210,560
3999	Component total	1,174,500	1,203,840	1,210,560
40	EQUIPMENT AND PREMISES COMPONENT			
4100	Expendable equipment (items under \$1,500)			
4101	Miscellaneous expendables (shared with VC)	20,625	21,140	21,670
4199	Total	20,625	21,140	21,670

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4200	Non-expendable equipment			
4201	Personal computers and accessories	5,125	5,250	5,380
4202	Portable computers	3,075	3,150	3,230
4203	Other office machines (server, fax, scanner, etc.)	20,000	5,920	6,070
4204	Photocopiers	0	0	0
4299	Total	28,200	14,320	14,680
4300	Premises rental			
4301	Rental of office premises (shared with VC)	30,750	31,510	32,300
4399	Total	30,750	31,510	32,300
4999	Component total	79,575	66,970	68,650
50	MISCELLANEOUS COMPONENT			
5100	Operation and maintenance of equipment			
5101	Maintenance of equipment and others (shared with VC)	12,300	12,600	12,920
5199	Total	12,300	12,600	12,920
5200	Reporting costs			
5201	Reporting	61,500	63,030	64,610
5202	Reporting (Technical Assessment Panels)	61,425	31,510	32,300
5299	Total	122,925	94,540	96,910

5300 Sundry				
5301	Communications	76,875	78,790	80,760
5302	Freight charges (documents)	64,825	66,440	68,100
5303	Training	10,000	10,250	10,510
5304	Others	4,875	4,990	5,110
5399	Total	156,575	160,470	164,480
5400 Hospitality				
5401	Hospitality	18,450	18,910	19,380
5499	Total	18,450	18,910	19,380
5999	Component total	310,250	286,520	293,690
98	TOTAL DIRECT PROJECT COST	3,256,375	3,199,770	3,256,375
	Programme support cost (13%)	423,329	415,970	423,329
	Contingencies	0	0	0
99	GRAND TOTAL (inclusive of programme support costs)	3,679,704	3,615,740	3,679,704

EXPLANATORY NOTES FOR THE PROPOSED 1999 AND 2000 BUDGETS FOR THE TRUST
FUND FOR THE MONTREAL PROTOCOL

General: All figures are in US dollars (US\$).

<u>Budget line</u>	<u>Comment</u>
1103-1105 1300	and Classification of the posts in UNEP is currently taking place in accordance with the guidelines of the United Nations. Financial provision is made by the Parties for the upgrading of these posts and re-designation, if found necessary, in the classification and if approved by the Executive Director, after review for the year 2000.
1106	The Government of the Netherlands is funding the post of the Programme Officer (Data Systems) as a Junior Programme Officer from 13 July 1998 for a maximum duration of three years. The budgeted amounts have been retained in the budget for 1999, since the budget for the year 1999 has already been approved and the contributions by Parties been worked out accordingly. No amount will be spent from the Secretariat budget from this budget line in 1998 or 1999.
1321 1326	<p>Necessary funds may be transferred from the conference-servicing budget lines (1321 1326) should such services be required to be rendered either by individual consultancies or corporate contracts. The total cost of organizing the meeting should not, however, exceed the amounts agreed in this budget.</p> <p>The conference-servicing costs have been based on the following assumptions:</p> <ul style="list-style-type: none">(a) 1321: One meeting of the Open-ended Working Group will be held each year during 1999 and 2000 in Nairobi or Geneva using six languages.(b) 1322: The Meeting of the Parties and its preparatory meeting (OEWG) will be held in Nairobi in both years and both the years in six languages. When meetings are not held in Nairobi, the incremental cost will be paid by the host Government.(c) 1323: The Technology and Economic Assessment Panel has been allocated \$37,000 to cover the communication and other sundry costs related to the work of Panel members from developing countries and countries with economies in transition.(d) 1324: Two Bureau meetings are scheduled for each of the years

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<u>Budget line</u>	<u>Comment</u>
	1999 and 2000.
	(e) 1325: Two Implementation Committee meetings, in English only, are assumed to take place in Nairobi.
	(f) 1326: One informal consultation a year, in English only, is assumed to take place in Nairobi.
3300	This item includes assistance to participants from countries with economies in transition in addition to participants from developing countries. The average cost of participation from these countries is assumed to be \$5,000 per participant in 1998, with no more than one person's travel costs being covered for each country and using the most appropriate economical fare and the United Nations per diem allowances.
3304	The participation costs for the two Bureau meetings are based on four participants from developing countries or countries with economies in transition in each meeting.
3305	The participation costs for the two Bureau meetings are based on four participants from developing countries or countries with economies in transition in each meeting.
3306	Funds are required for assisting non-Parties to participate in the meetings of the Protocol for promoting awareness regarding the benefits of ratification of the Protocol.
4200	The Secretariat is constantly developing its electronic data processing systems in order to make the documentation of the Protocol and the Convention available electronically to the Parties. This development requires updating of the existing computer equipment, and procurement of necessary peripherals and software licenses.

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Annex IV

TRUST FUND FOR THE MONTREAL PROTOCOL ON THE SUBSTANCES
THAT DEplete THE OZONE LAYER

Scale of contributions by the Parties for the year 2000 based on
the United Nations scale of assessment with no Party
paying more than 25 per cent (in US dollars)

PARTY	UNITED NATIONS SCALE OF ASSESSMENT FOR 2000	ADJUSTED TO EXCLUDE NON- CONTRIBUTORS	ADJUSTED PERCENTAGES WITH 25% CEILING CONSIDERED	CONTRIBUTIONS BY PARTIES FOR THE YEAR 2000
Algeria	0.086	0.000	0.000	0
Antigua and Barbuda	0.002	0.000	0.000	0
Argentina	1.103	1.103	1.082	39,833
Australia	1.483	1.483	1.455	53,555
Austria	0.942	0.942	0.924	34,018
Azerbaijan	0.011	0.000	0.000	0
Bahamas	0.015	0.000	0.000	0
Bahrain	0.017	0.000	0.000	0
Bangladesh	0.010	0.000	0.000	0
Barbados	0.008	0.000	0.000	0
Belarus	0.057	0.000	0.000	0
Belgium	1.104	1.104	1.083	39,869
Belize	0.001	0.000	0.000	0
Benin	0.002	0.000	0.000	0
Bolivia	0.007	0.000	0.000	0
Bosnia and Herzegovina	0.005	0.000	0.000	0
Botswana	0.010	0.000	0.000	0
Brazil	1.471	1.471	1.444	53,122
Brunei Darussalam	0.020	0.000	0.000	0
Bulgaria	0.011	0.000	0.000	0
Burkina Faso	0.002	0.000	0.000	0
Burundi	0.001	0.000	0.000	0
Cameroon	0.013	0.000	0.000	0
Canada	2.732	2.732	2.681	98,661
Central African Republic	0.001	0.000	0.000	0
Chad	0.001	0.000	0.000	0
Chile	0.136	0.136	0.133	4,911
China	0.995	0.995	0.977	35,932

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PARTY	UNITED NATIONS SCALE OF ASSESSMENT FOR 2000	ADJUSTED TO EXCLUDE NON- CONTRIBUTORS	ADJUSTED PERCENTAGES WITH 25% CEILING CONSIDERED	CONTRIBUTIONS BY PARTIES FOR THE YEAR 2000
Colombia	0.109	0.109	0.107	3,936
Comoros	0.001	0.000	0.000	0
Congo	0.003	0.000	0.000	0
Costa Rica	0.016	0.000	0.000	0
Côte d'Ivoire	0.009	0.000	0.000	0
Croatia	0.030	0.000	0.000	0
Cuba	0.024	0.000	0.000	0
Cyprus	0.034	0.000	0.000	0
Czech Republic	0.107	0.107	0.105	3,864
Democratic Republic of the Congo	0.007	0.000	0.000	0
Democratic People's Republic of Korea	0.015	0.000	0.000	0
Denmark	0.692	0.692	0.679	24,990
Dominica	0.001	0.000	0.000	0
Dominican Republic	0.015	0.000	0.000	0
Ecuador	0.020	0.000	0.000	0
Egypt	0.065	0.000	0.000	0
El Salvador	0.012	0.000	0.000	0
Estonia	0.012	0.000	0.000	0
Ethiopia	0.006	0.000	0.000	0
European Community	2.500	2.500	2.500	91,993
Federated States of Micronesia	0.001	0.000	0.000	0
Fiji	0.004	0.000	0.000	0
Finland	0.543	0.543	0.533	19,609
France	6.545	6.545	6.423	236,359
Gabon	0.015	0.000	0.000	0
Gambia	0.001	0.000	0.000	0
Georgia	0.007	0.000	0.000	0
Germany	9.857	9.857	9.674	355,965
Ghana	0.007	0.000	0.000	0
Greece	0.351	0.351	0.344	12,676
Grenada	0.001	0.000	0.000	0
Guatemala	0.018	0.000	0.000	0
Guinea	0.003	0.000	0.000	0
Guyana	0.001	0.000	0.000	0

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PARTY	UNITED NATIONS SCALE OF ASSESSMENT FOR 2000	ADJUSTED TO EXCLUDE NON- CONTRIBUTORS	ADJUSTED PERCENTAGES WITH 25% CEILING CONSIDERED	CONTRIBUTIONS BY PARTIES FOR THE YEAR 2000
Honduras	0.003	0.000	0.000	0
Hungary	0.120	0.120	0.118	4,334
Iceland	0.032	0.000	0.000	0
India	0.299	0.299	0.293	10,798
Indonesia	0.188	0.188	0.185	6,789
Iran, Islamic Republic of	0.161	0.161	0.158	5,814
Ireland	0.224	0.224	0.220	8,089
Israel	0.350	0.350	0.343	12,640
Italy	5.437	5.437	5.336	196,346
Jamaica	0.006	0.000	0.000	0
Japan	20.573	20.573	20.191	742,951
Jordan	0.006	0.000	0.000	0
Kazakhstan	0.048	0.000	0.000	0
Kenya	0.007	0.000	0.000	0
Kiribati	0.001	0.000	0.000	0
Kuwait	0.128	0.128	0.126	4,622
Lao People's Democratic Republic	0.001	0.000	0.000	0
Latvia	0.017	0.000	0.000	0
Lebanon	0.016	0.000	0.000	0
Lesotho	0.002	0.000	0.000	0
Liberia	0.002	0.000	0.000	0
Libyan Arab Jamahiriya	0.124	0.124	0.122	4,478
Liechtenstein	0.006	0.000	0.000	0
Lithuania	0.015	0.000	0.000	0
Luxembourg	0.068	0.000	0.000	0
Madagascar	0.003	0.000	0.000	0
Malawi	0.002	0.000	0.000	0
Malaysia	0.183	0.183	0.180	6,609
Maldives	0.001	0.000	0.000	0
Mali	0.002	0.000	0.000	0
Malta	0.014	0.000	0.000	0
Marshall Islands	0.001	0.000	0.000	0
Mauritania	0.001	0.000	0.000	0
Mauritius	0.009	0.000	0.000	0
Mexico	0.995	0.995	0.977	35,932

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PARTY	UNITED NATIONS SCALE OF ASSESSMENT FOR 2000	ADJUSTED TO EXCLUDE NON- CONTRIBUTORS	ADJUSTED PERCENTAGES WITH 25% CEILING CONSIDERED	CONTRIBUTIONS BY PARTIES FOR THE YEAR 2000
Moldova	0.010	0.000	0.000	0
Monaco	0.004	0.000	0.000	0
Mongolia	0.002	0.000	0.000	0
Morocco	0.041	0.000	0.000	0
Mozambique	0.001	0.000	0.000	0
Myanmar	0.008	0.000	0.000	0
Namibia	0.007	0.000	0.000	0
Nepal	0.004	0.000	0.000	0
Netherlands	1.632	1.632	1.602	58,936
New Zealand	0.221	0.221	0.217	7,981
Nicaragua	0.001	0.000	0.000	0
Niger	0.002	0.000	0.000	0
Nigeria	0.032	0.000	0.000	0
Norway	0.610	0.610	0.599	22,029
Pakistan	0.059	0.000	0.000	0
Panama	0.013	0.000	0.000	0
Papua New Guinea	0.007	0.000	0.000	0
Paraguay	0.014	0.000	0.000	0
Peru	0.099	0.000	0.000	0
Philippines	0.081	0.000	0.000	0
Poland	0.196	0.196	0.192	7,078
Portugal	0.431	0.431	0.423	15,565
Qatar	0.033	0.000	0.000	0
Republic of Korea	1.006	1.006	0.987	36,330
Republic of Moldova	0.010	0.000	0.000	0
Romania	0.056	0.000	0.000	0
Russian Federation	1.077	1.077	1.057	38,894
Saint Kitts and Nevis	0.001	0.000	0.000	0
Saint Lucia	0.001	0.000	0.000	0
Saint Vincent and the Grenadines	0.001	0.000	0.000	0
Samoa	0.001	0.000	0.000	0
Saudi Arabia	0.562	0.562	0.552	20,295
Senegal	0.006	0.000	0.000	0
Seychelles	0.002	0.000	0.000	0
Singapore	0.179	0.179	0.176	6,464

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PARTY	UNITED NATIONS SCALE OF ASSESSMENT FOR 2000	ADJUSTED TO EXCLUDE NON- CONTRIBUTORS	ADJUSTED PERCENTAGES WITH 25% CEILING CONSIDERED	CONTRIBUTIONS BY PARTIES FOR THE YEAR 2000
Slovakia	0.035	0.000	0.000	0
Slovenia	0.061	0.000	0.000	0
Solomon Islands	0.001	0.000	0.000	0
South Africa	0.366	0.366	0.359	13,217
Spain	2.591	2.591	2.543	93,569
Sri Lanka	0.012	0.000	0.000	0
Sudan	0.007	0.000	0.000	0
Suriname	0.004	0.000	0.000	0
Swaziland	0.002	0.000	0.000	0
Sweden	1.079	1.079	1.059	38,966
Switzerland	1.215	1.215	1.192	43,877
Syrian Arab Republic	0.064	0.000	0.000	0
Tajikistan	0.004	0.000	0.000	0
Thailand	0.170	0.170	0.167	6,139
The former Yugoslav Republic of Macedonia	0.004	0.000	0.000	0
Togo	0.001	0.000	0.000	0
Tonga	0.001	0.000	0.000	0
Trinidad and Tobago	0.016	0.000	0.000	0
Tunisia	0.028	0.000	0.000	0
Turkey	0.440	0.440	0.432	15,890
Turkmenistan	0.006	0.000	0.000	0
Tuvalu	0.001	0.000	0.000	0
Uganda	0.004	0.000	0.000	0
Ukraine	0.190	0.190	0.186	6,861
United Arab Emirates	0.178	0.178	0.175	6,428
United Kingdom of Great Britain and Northern Ireland	5.092	5.092	4.997	183,887
United Republic of Tanzania	0.003	0.000	0.000	0
United States of America	25.000	25.000	24.535	902,823
Uruguay	0.048	0.000	0.000	0
Uzbekistan	0.025	0.000	0.000	0
Vanuatu	0.001	0.000	0.000	0
Venezuela	0.160	0.160	0.157	5,778
Viet Nam	0.007	0.000	0.000	0
Yemen	0.010	0.000	0.000	0

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PARTY	UNITED NATIONS SCALE OF ASSESSMENT FOR 2000	ADJUSTED TO EXCLUDE NON- CONTRIBUTORS	ADJUSTED PERCENTAGES WITH 25% CEILING CONSIDERED	CONTRIBUTIONS BY PARTIES FOR THE YEAR 2000
Yugoslavia	0.026	0.000	0.000	0
Zambia	0.002	0.000	0.000	0
Zimbabwe	0.009	0.000	0.000	0
TOTAL CONTRIBUTIONS	103.586	101.847	100.000	3,679,702
Difference due to rounding				(2)
TOTAL APPROVED BUDGET				3,679,704

Annex V

DECLARATION ON HYDROCHLOROFLUOROCARBONS (HCFCs),
HYDROFLUOROCARBONS (HFCs) AND PERFLUOROCARBONS (PFCs)

by

AUSTRIA, AZERBAIJAN, BELGIUM, BOLIVIA, BOTSWANA, BULGARIA, COSTA RICA,
CROATIA, CUBA, CZECH REPUBLIC, DENMARK, ESTONIA, EUROPEAN COMMUNITY,
FINLAND, FRANCE, GERMANY, GEORGIA, GREECE, HUNGARY, ICELAND,
IRELAND, ITALY, LAO PEOPLE'S DEMOCRATIC REPUBLIC, LATVIA,
LESOTHO, LIECHTENSTEIN, LITHUANIA, LUXEMBOURG, MADAGASCAR,
NETHERLANDS, NORWAY, POLAND, ROMANIA, SLOVAKIA, SLOVENIA,
SPAIN, SWEDEN, SWITZERLAND, UNITED KINGDOM
AND UZBEKISTAN

The above Parties present at the Tenth Meeting of the Parties to the Montreal Protocol,

Concerned about the continuing depletion of the ozone layer of both the northern and southern hemispheres,

Mindful of the scientific indications that global warming could delay the recovery of the ozone layer,

Being aware that further reductions in the emissions of hydrochlorofluorocarbons (HCFCs) would have a beneficial effect on the ozone layer, especially in the coming years when chlorine concentrations in the stratosphere will reach a critical maximum,

Being also aware that more environmentally sound alternative substances and technologies are commercially available for virtually all HCFC applications and are being increasingly used,

Noting that Annex A to the Kyoto Protocol includes hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs) in view of their high global-warming potential,

Concerned that a large number of projects using HCFCs, in particular HCFC-141b, have been funded by the Multilateral Fund, where other, more environmentally friendly, alternatives or technologies are available,

1. Call upon all bodies of the Montreal Protocol not to support the use of transitional substances (HCFCs) where more environmentally friendly alternatives or technologies are available;

2. Urge all Parties to the Montreal Protocol to consider all ODS replacement technologies, taking into account their total global-warming potential, so that the use of alternatives with a high contribution to global warming should be discouraged where other, more environmentally friendly, safe and technically and economically feasible alternatives or technologies are available.

Cairo, 24 November 1998
