

**United Nations
Environment
Programme**

Distr.
GENERAL

UNEP/OzL.Pro.14/9
5 December 2002

ORIGINAL: ENGLISH

**FOURTEENTH MEETING OF THE PARTIES
TO THE MONTREAL PROTOCOL ON
SUBSTANCES THAT DEplete
THE OZONE LAYER**

Rome, 25-29 November 2002

**REPORT OF THE FOURTEENTH MEETING OF THE PARTIES TO THE MONTREAL
PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER****Introduction**

1. The combined sixth meeting of the Conference of the Parties to the Vienna Convention for the Protection of the Ozone Layer and Fourteenth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer was held at the headquarters of the Food and Agriculture Organization of the United Nations in Rome, from 25 to 29 November 2002. It consisted of a preparatory segment, held on 25, 26, 27 and 28 November and a high-level segment, held on 28 and 29 November.
2. As the combined meeting followed a single agenda, the present report covers the deliberations that took place under the substantive items of the agenda.

I. OPENING OF THE PREPARATORY SEGMENT OF THE MEETING

3. The preparatory segment of the combined meeting was opened by its Co-Chair, Mr. Milton Catelin (Australia), at 10 a.m. on 25 November 2002. Opening statements were made by Mr. Corrado Clini, Director-General in the Ministry of Environment of Italy and Mr. Marco González, Executive Secretary of the Ozone Secretariat speaking on behalf of Mr. Klaus Topfer, Executive Director of the United Nations Environment Programme (UNEP).
4. In his opening address, Mr. Clini welcomed participants to the combined sixth meeting of the Conference of the Parties to the Vienna Convention and the Fourteenth Meeting of the Parties to the Montreal Protocol. He described the process under the Montreal Protocol as a major example of global initiatives aimed at achieving sustainable development, noting that efforts to ensure the protection of the ozone layer had been marked by a strong driving force for global technological innovation in several industrial sectors in both developed and developing countries. He welcomed the remarkable results that had been achieved in restructuring industrial practices and altering consumer behaviour and trade patterns, and which had involved millions of enterprises and consumers, as well as considerable financial resources. Given the fact that the phasing-out of ozone-depleting substances (ODS) had almost been completed in

industrialized countries, the focus was now on the phasing-out of critical and essential uses, the recovery of the ozone layer, the destruction of ODS and the fight against illegal trade.

5. The challenge currently facing the Parties was how to strengthen technical and financial assistance to Article 5 Parties to enable them to comply with the provisions of the Montreal Protocol. In that regard, new models of partnerships and cooperation between developed and developing countries had already been mapped out in the framework of the Multilateral Fund, in line with commitments adopted at the World Summit on Sustainable Development held in Johannesburg in September 2002.

6. Mr. Clini noted that the country-driven approach recently adopted by the Multilateral Fund recognized each country's responsibility to protect the ozone layer and the environment, and allowed Article 5 Parties more flexibility in the use of funds based on strategies best suited to their local conditions. He stressed, in conclusion, the need to allow Article 5 Parties not only to achieve the phase-out of ODS locally, but also to help ensure the recovery of the ozone layer globally, in compliance with the Montreal Protocol provisions.

7. Mr. Marco González, Executive Secretary of the Ozone Secretariat, speaking on behalf of the Executive Director of UNEP, Mr. Klaus Töpfer, welcomed participants to the meeting and expressed his gratitude to the Government and people of Italy for hosting it. He noted that it was encouraging that the 2002 Scientific Assessment Panel Report had confirmed that ozone-depleting chemicals were currently peaking and could begin to decline with the recovery of the ozone layer as early as the mid twenty-first century.

8. He recalled that the ultimate goal of the Montreal Protocol was to reduce and eventually eliminate ODS and warned that failure to comply with the provisions of the Protocol would delay and could even prevent the ozone layer's future recovery.

9. He welcomed the fact that the Montreal Protocol process had continuously evolved over the past 15 years and had recently been hailed at the World Summit on Sustainable Development as a global success. He also drew attention to the launching and distribution at the current meeting of the book by Mr. K. Madhava Sarma and Mr. Stephen O. Andersen on *Protection of the Ozone Layer – the United Nations history*, which documented the accomplishments of the Protocol as well as the magnitude of the tasks facing the Parties.

10. Mr. González introduced the items on the agenda, highlighting some of the key issues before the Parties such as the replenishment of the Multilateral Fund for the 2003-2005 triennium, and stressed the importance of determining, in the same spirit of collaboration that had prevailed in past negotiations, an appropriate level of funding to assist Article 5 Parties in meeting their obligations during the critical compliance period. He also expressed appreciation to the Technology and Economic Assessment Panel (TEAP), whose Task Force had provided a report on their assessment of the funding requirement for the replenishment.

11. He welcomed the progress made in implementing the Montreal Protocol provisions and said that the Parties were now faced with the new challenges of coordinating efforts with other multilateral environmental agreements and sharing with them the valuable lessons learned from the Montreal Protocol. He also said that a major issue was the growing importance of coordination between the Implementation Committee and the Executive Committee. In order to review a country's compliance situation and make useful recommendations, the Implementation Committee had to have access to accurate and up-to-date information and had to work closely with Parties and the Executive Committee of the Multilateral Fund. He emphasized the importance of timely data reporting in that regard.

II. ORGANIZATIONAL MATTERS

A. Attendance

12. The combined sixth meeting of the Conference of the Parties to the Vienna Convention and the Fourteenth Meeting of the Parties to the Montreal Protocol was attended by representatives of the following Parties to the Montreal Protocol:

Albania, Algeria, Angola, Antigua and Barbuda, Argentina, Armenia, Australia, Austria, Azerbaijan, Bangladesh, Belarus, Belgium, Belize, Benin, Bolivia, Bosnia and Herzegovina, Botswana, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Cambodia, Canada, Chile, China, Colombia, Comoros, Congo, Costa Rica, Croatia, Cuba, Czech Republic, Democratic Republic of Congo, Denmark, Djibouti, Dominican Republic, Egypt, El Salvador, Estonia, Ethiopia, European Community, Fiji, Finland, France, Gabon, Georgia, Germany, Ghana, Guatemala, Guinea, Guinea-Bissau, Haiti, Honduras, Hungary, Iceland, India, Indonesia, Iran (Islamic Republic of), Israel, Italy, Jamaica, Japan, Jordan, Kazakhstan, Kenya, Kiribati, Democratic People's Republic of Korea, Republic of Korea, Kuwait, Kyrgyzstan, Libyan Arab Jamahiriya, Liechtenstein, Lithuania, Macedonia (the former Yugoslav Republic of), Malawi, Malaysia, Maldives, Mali, Malta, Mauritius, Mexico, Moldova (Republic of), Monaco, Mongolia, Morocco, Namibia, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Oman, Pakistan, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Poland, Portugal, Qatar, Romania, Russian Federation, Rwanda, St. Lucia, Samoa, Sao Tome and Principe, Senegal, Seychelles, Sierra Leone, Slovakia, South Africa, Spain, Sri Lanka, Sudan, Swaziland, Sweden, Switzerland, Syrian Arab Republic, Thailand, Togo, Tonga, Trinidad and Tobago, Tunisia, Turkey, Turkmenistan, Uganda, Ukraine, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Uruguay, Uzbekistan, Vanuatu, Venezuela, Viet Nam, Yemen, Yugoslavia, Zambia, Zimbabwe.

13. The following non-Parties were represented: Bhutan, Eritrea, Holy See, Niue.

14. The following intergovernmental and non-governmental bodies were also represented: Division of Technology Industry and Economics (DTIE) of UNEP, Food and Agriculture Organization of the United Nations (FAO), United Nations Development Programme (UNDP), United Nations Industrial Development Organization (UNIDO), World Meteorological Organization (WMO), World Bank, World Trade Organization (WTO), United Nations Environment Programme, Secretariat of the Basel Convention, Ozone Secretariat, Secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol, United Nations Office at Nairobi; Environment Public Authority, Environmental Crime Protection Programme (ECPP); American Lung Association, Association Sans But Lucratif, Econatura, Environmental Investigation Agency (EIA), Greenpeace International, Industrial Technology Research Institute, International Council of Women, Methyl Bromide Global Coalition, Manitoba Ozone Protection Industry Association (MOPIA).

B. Officers

15. Mr. Milton Catelin (Australia), one of the Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol, served as Chair of the preparatory segment of the combined meeting.

C. Adoption of the Agenda

16. The Chair, Mr. Catelin, introduced the provisional agenda (UNEP/OzL.Conv.6/1 – UNEP/OzL.Pro.14/1). In the light of a formal letter received from the Government of South Africa, the Meeting agreed to delete item 6 from its agenda.

17. Following proposals by representatives, the Meeting agreed to include on its agenda, under the item on “Other Matters”, an item dealing with the interaction between the Executive Committee and the Implementation Committee; an item dealing with the relationship between the Montreal Protocol on Substances that Deplete the Ozone Layer and the World Trade Organization; an item dealing with critical-use exemptions for methyl bromide for Parties operating under Article 5; an item dealing with the establishment of procedures and modalities for critical-use exemptions for methyl bromide for countries operating under Article 5, paragraph 1; an item on an update on expedited procedures; an item dealing with the issue of recovery; an item dealing with the development of policies governing the service sector and final use of chillers; and an item dealing with the use of the Globally Harmonized System (GHS) for the Classification and Labelling of Chemicals that deplete the ozone layer.

18. One representative requested that the Ozone Secretariat advise the Parties to the Montreal Protocol on its 15 July 2002 request to the World Trade Organization (WTO) seeking observer status with the WTO Committee on Trade and Environment. The representative suggested that this matter be addressed under the item on “other matters”.

19. Following a proposal by one representative, the Meeting also agreed to include under item 3 (b) of its agenda a discussion on the provision of funding for research activities in the context of the Vienna Convention for the Protection of the Ozone Layer.

20. The following agenda for the preparatory segment of the combined meeting was adopted, as amended, on the basis of the provisional agenda which had been circulated as document UNEP/OzL.Conv.6/1 – UNEP/OzL.Pro.14/1:

1. Opening of the meeting:
 - (a) Statement by a representative of the Government of Italy;
 - (b) Statement by the Executive Director of the United Nations Environment Programme.
2. Organizational matters:
 - (a) Adoption of the agenda;
 - (b) Organization of work.
3. Discussion on issues relating to the Vienna Convention:
 - (a) Status of ratification of the Vienna Convention, the Montreal Protocol and Amendments to the Montreal Protocol;
 - (b) Recommendations by the Bureau of the fifth meeting of the Conference of the Parties to the Vienna Convention arising out of the fifth meeting of the Ozone Research Managers.
4. Discussion on issues relating to the Montreal Protocol:
 - (a) Replenishment of the Multilateral Fund;
 - (b) Final report by the Treasurer and the Secretariat of the Multilateral Fund on the implementation of the fixed-exchange-rate mechanism for contributions to the Multilateral Fund;

- (c) Selection of:
 - (i) Members of the Implementation Committee;
 - (ii) Members of the Executive Committee of the Multilateral Fund;
 - (iii) Co-Chairs of the Open-ended Working Group;
 - (d) Reporting of data;
 - (e) Essential use exemptions for controlled substances;
 - (f) Status of destruction technologies of ozone-depleting substances, including an assessment of their environmental and economic performance, as well as their commercial viability;
 - (g) Review of the non-compliance procedure for the implementation of the Montreal Protocol;
 - (h) Monitoring of international trade and prevention of illegal trade in ozone-depleting substances;
 - (i) Campaign production of CFCs for metered-dose inhalers;
 - (j) Reduction of emissions of controlled substances from process agent uses and emissions-reduction techniques and alternative processes not using ozone-depleting substances;
 - (k) Clarification of terminology relating to ozone-depleting substances;
 - (l) Relationship between efforts to protect the stratospheric ozone layer and efforts to safeguard the global climate system: issues relating to hydrofluorocarbons and perfluorocarbons.
5. Compliance issues considered by the Implementation Committee.
 6. Financial statements and budgets for the trust funds for the Vienna Convention and the Montreal Protocol.
 7. Application of Armenia for reclassification as a developing country.
 8. Other matters.

D. Organization of work

21. The Meeting agreed to follow its customary procedure and to establish contact groups as necessary.

III. DISCUSSION ON ISSUES RELATING TO THE VIENNA CONVENTION AND THE MONTREAL PROTOCOL

A. Status of ratification of the Vienna Convention, the Montreal Protocol and Amendments to the Montreal Protocol

22. The Executive Secretary reported that, since the fifth meeting of the Conference of the Parties to the Vienna Convention, held in Beijing in 1999, 12 additional Parties had ratified the Vienna Convention and the Montreal Protocol; 28 had ratified the London Amendment; 40 had ratified the Copenhagen Amendment; 55 the Montreal Amendment; and 41 the Beijing Amendment. He welcomed Guinea-Bissau as the latest member of the ozone community, its instruments of ratification having been received just days before.

B. Recommendations by the Bureau of the fifth meeting of the Conference of the Parties to the Vienna Convention arising out of the fifth meeting of the Ozone Research Managers

23. The President of the Bureau of the Vienna Convention reported that the Bureau had examined the recommendations arising out of the fifth meeting of the Ozone Research Managers. Some priority areas for research had been identified, and a draft budget had been prepared by the World Meteorological Organization (WMO) to cover those areas, to ensure that high-quality work continued to be carried out and to increase scientific capacity. A draft decision would be submitted to the Parties shortly.

24. A number of representatives spoke in favour of funding such research, several of them describing the research work being pursued in their own countries. In many cases, the research had slowed down or even stopped owing to a lack of funding, particularly for maintenance and calibration of the measuring instruments. One representative, cautioning against a complacent attitude to the ozone problem, noted that while the ozone layer did seem to be recovering, climate change was at the same time impacting the recovery. Consequently, more research and systematic observations were needed. Another representative said that there was a need for such research to be grounded in the practical questions of what the findings and readings actually meant in terms of health or food security, while another urged that the issue be resolved at the current meeting, rather than being left to the next meeting of the Parties to the Vienna Convention, three years hence.

25. In answer to some representatives, who sought clarification of aspects of the proposed budget for the high-quality work to be carried out, the observer from WMO stressed that the budget was for a long-term project, intended to give some security to Article 5 Parties that wished to establish ozone measurement programmes and installations. He said that the ability to track the expected recovery of the ozone layer relied totally upon maintaining the measurement capabilities for column ozone that were in place. Satellite measurement systems were not always reliable and, if they failed, time was needed to re-establish their capability. On the other hand, ground-based measuring instruments had proved reliable, if systematically maintained and upgraded. They required relatively inexpensive periodic calibrations, but resources for that critical activity had recently decreased sharply. Once observations were compromised, years elapsed before the integrity of the data could be regained, while continuity of the data was lost forever. While WMO did understand that using the resources of the Trust Fund for the Vienna Convention for the purpose of funding research was without precedent, he stressed that no funds were available elsewhere.

26. In response to a question from the representative of Argentina, a representative of the Ozone Secretariat said that using the Trust Fund resources for such a purpose would require a change to the terms of reference of the Fund, which in turn would require a decision by the Conference of the Parties.

27. The Meeting established a contact group, chaired by the representative of Argentina, which Parties with views on the topic and the observer from WMO were invited to join, with the twin mandates of considering an amendment to the terms of reference of the Trust Fund for the Vienna Convention and considering the proposals which had been made in relation to funding of research activities.
28. The representative of Argentina introduced a conference room paper containing a revised proposal for a decision on ozone-related monitoring and research activities for the Vienna Convention, which Argentina was sponsoring in collaboration with a number of other Parties.
29. The representative of the Czech Republic announced his Government's intention to contribute between \$30,000 and \$50,000 to support the activities on research and observations relevant to the Vienna Convention, consistent with the proposed decision.
30. The Meeting agreed to amend the draft decision accordingly to note the generous offer of the Czech Republic, and extended its thanks to that Government.
31. One representative underlined the need for the ground-based monitoring stations to be sited wherever they were needed.
32. The preparatory segment decided to forward the draft decision on ozone-related monitoring and research activities for the Vienna Convention to the high-level segment for approval.

C. Replenishment of the Multilateral Fund

33. Mr. Jose Pons Pons, Co-Chair of the Aerosols Technical Options Committee of TEAP, introduced the September 2002 supplement to the April 2002 TEAP Replenishment Task Force Report, *Assessment of the Funding Requirement for the Replenishment of the Multilateral Fund for the Period 2003-2005*, which had been prepared by the TEAP Task Force on replenishment, in accordance with the request of the Ad Hoc Working Group on Replenishment, following the Group's meeting in Montreal on 26 July 2002.
34. He briefly outlined the time schedule of the report and its basic assumptions and procedures, the country categories used for calculation of funding for Annex A CFCs, the control schedule reductions, and the estimates for the triennium 2003-2005 that had originally been made in the TEAP Task Force's April 2002 Replenishment Report.
34. Mr. Lambert Kuijpers, Co-Chair of TEAP, said that the Ad Hoc Working Group on Replenishment had requested that, in supplementing its report, the Task Force should, inter alia: update the analysis of the CFC consumption sector, taking into account the decisions of the 36th and 37th meetings of the Executive Committee of the Multilateral Fund; separate out and specify the funding amounts for linear reductions for all substances for the period after 2005; study the consumption of carbon tetrachloride for process agents; and conduct sensitivity analyses for investment and non-investment activities, including cost-price analysis of CFCs and methyl bromide, and the impact on project costs.
35. He said that, on the basis of the updates carried out and contained in the supplementary report, the Task Force had estimated a funding requirement ranging from \$530.5 million to \$568.7 million for the triennium 2003-2005. Within the total funding required, the Task Force had taken into account the linear progress towards future compliance; the possibility of further reductions due to Parties' failure to ratify the Copenhagen Amendment; and other factors, which could either increase or decrease the funding requirement. Concerning the CFC consumption sector, a more detailed analysis had been possible and he enumerated the results. He also gave the figures deriving from consideration of the linear reductions towards the next compliance step.
36. Mr. Jonathan Banks described how the Task Force had taken into account the recommendations of the Ad Hoc Working Group with regard to methyl bromide, namely: to investigate the implications for the funding requirement of an increase of the methyl bromide consumption to 10,200 tonnes; to prepare an

alternative analysis on the basis of the arithmetic mean of the cost-effectiveness values of approved projects; to analyse the implications of possible increases or decreases in the price of methyl bromide in Article 5 Parties over the triennium, whereby two calculations had been performed, assuming 3 per cent and 7 per cent increases in the price of methyl bromide; and to evaluate the implications for the funding requirement if there were to be no further ratifications of the Copenhagen Amendment.

37. Mr. Kuijpers explained that, concerning the request to investigate the implications of an analysis of carbon tetrachloride consumption on a country-by-country basis, in the light of further information to be provided by countries by end of August 2002, the Task Force had been unable to conduct the investigation because of the lack of pertinent information submitted. Thus, no new figures had been calculated and the variation in the funding requirement under that component still lay between \$35 million and \$65 million.

38. Concerning sensitivity analyses in the production sector, new calculations had been made for Argentina, Mexico and Venezuela, based on the cost-effectiveness values of the production sector phase-out projects for China, Democratic People's Republic of Korea and India. Since there was no experience of methyl bromide production sector phase-out costs, the Task Force had estimated the implications on the funding requirement of a 20 per cent phase-out of methyl bromide production by 2005. Concerning non-investment activities, sensitivity analyses had been conducted on the effect of a plus or minus 20 per cent variation on the funding requirement for preparation or updating of country programmes. In addition, an analysis had been made of the effect of a plus or minus 15 per cent variation on the funding requirement for the operating costs of the Executive Committee and the Secretariat of the Multilateral Fund.

39. The Meeting expressed thanks to the members of the Ad Hoc Working Group on Replenishment and to its Co-Chairs from Brazil and Finland, as well as to the TEAP Task Force on Replenishment.

40. One representative, speaking on behalf of the Group of 77 and China, said that the work carried out by the TEAP Task Force gave a starting point for the consideration of the level of the replenishment of the Fund. He considered that it was impossible to overstate the importance of adequate funding to enable Article 5 Parties to meet the huge challenges they faced in meeting the upcoming reduction and phase-out targets, including the 50 per cent reduction of CFC consumption by 2005; the 20 per cent reduction in methyl bromide consumption by 2005; the 85 per cent reduction in carbon tetrachloride consumption by 2005; the freeze on methyl chloroform consumption at the 1998-2002 average levels by 2003; and the reduction in consumption of halons by 2005. If they were to meet their goals, as well as the tasks beyond the years 2005 and 2007, they needed to maintain a steady and sustained rhythm of ODS elimination, taking into account the time lag involved in the preparation and implementation of projects. They had to sustain the momentum and, if possible, anticipate the total phase-out. That was one of the tasks set out in the strategic plan adopted by the Executive Committee as a basic guide for activity over the implementation period. As far as possible, he urged that a part of the funding foreseen for the total phase-out should be already included in the funding for the next triennium.

41. The terms of reference for the TEAP Task Force replenishment study that were approved at the Thirteenth Meeting of the Parties had meant that the Task Force had, basically, considered the existing decisions adopted by the Parties and the Executive Committee. While it had taken into account the technical issues, the representative considered that the Task force had not, nor could it have, taken into consideration certain specific issues. In the first place, the negative socio-economic impact on Article 5 Parties of the decisions on the phase-out of ODS had not been, nor could it have been, investigated in detail by the Task Force. Although it was very difficult to quantify such impacts, he believed that, on the basis of a decision linked to the level of replenishment, which could be viewed as a purely technical subject, there could be negative socio-economic consequences for the Article 5 Parties.

42. Secondly, it was necessary to recall that the strategic planning framework recognized that the related question of information and data merited priority action, since it formed the basis for the decision to be taken. In many other cases it had been acknowledged that the lack of reliable data was a problem which had not yet been solved satisfactorily. It was necessary to treat the information on which decisions were based with great caution since, with the exception of CFCs, the numbers relating to production and consumption of

controlled substances showed significant variations. The decision to be taken on the level of the replenishment needed to include some provision to deal with that uncertainty. It needed to address the issue of new members operating under paragraph 1 of Article 5. In addition, there were issues that needed to be considered in greater detail than in the Task Force report, such as low-volume consuming countries, metered-dose inhalers (MDIs) and consumption and production of carbon tetrachloride. In that light, the Group of 77 and China had prepared an amendment to the supplementary report of the Task Force. Although it did not directly address some of the concerns already raised, he considered that the summary would provide greater room to accommodate the needs which might arise as a result of the socio-economic impacts pertaining to low-volume consuming countries, MDIs and carbon tetrachloride consumption and production. In conclusion, he considered that, after carefully analysing the different components of the Multilateral Fund, the appropriate level of the replenishment should be \$924.6 million. He was open to participate in any process of consultation in relation to that figure.

43. Many representatives from Article 5 Parties pointed to the fact that, in its assessment, the TEAP Task Force had focused only on technical aspects and had not been able to take into account a number of important additional issues that impacted on the level of the replenishment of the Fund. Those issues included: the socio-economic impacts on Article 5 Parties of the phase-out of ODS; the lack of relevant data, against the background of new circumstances and events; the fact that Article 5 Parties, through allowing tax and duty exemptions on equipment for ODS phase-out, were also making an indirect contribution to the Fund; the needs of the new Parties to the Protocol; the unreliability of the cost-effectiveness calculations; the need to take into account to a greater extent the provision of alternatives to ODS; and the particular needs of sectors not adequately addressed in the report, such as the small and medium-sized enterprise sector, the carbon tetrachloride consumption sector, MDIs and the chiller sub-sector.

44. One representative, noting that the Task Force in its supplementary report had created a country category for those consuming less than 100 tonnes of ODS, considered that such categorization was too broad. The interests and needs of the very low-volume-consuming countries, some of whom used less than 5 tonnes, should be taken into account in the TEAP assessment, since they faced the same burdens as the larger consumers in the setting up of monitoring systems and legislation for an ODS phase-out.

45. A number of representatives from Article 5 Parties said that it was necessary to maintain the momentum that had been achieved in the phase-out process in the Article 5 Parties, and an inadequate level of replenishment of the Fund brought the risk that much of what had been gained could be jeopardized. Because of inadequate funding, Article 5 Parties had faced enormous difficulties in meeting the 1999 CFC freeze. Without adequate funding this time around, they would have even greater difficulties in meeting their reduction schedules during the crucial 2005-2007 compliance period.

46. Another representative, speaking on behalf of the countries in Central and Eastern Europe operating under paragraph 1 of Article 5 (Albania, Bosnia and Herzegovina, Georgia, Republic of Moldova, Romania, the former Yugoslav Republic of Macedonia, Turkey and Yugoslavia) recalled the statement they had made during the twenty-second Meeting of the Open-ended Working Group concerning the creation of a new regional network. He urged the Meeting to take into consideration the need for activities that would facilitate regional cooperation on the same basis as in other regions of the world. It was very important for data reporting, prevention of illegal trade and policy setting to achieve the objectives of the Montreal Protocol. The costing needed to be taken into consideration in the replenishment.

47. One representative observed that Fund resources were additional to national resources and could not replace countries' own responsibility for their environmental and health issues. He believed there should be greater involvement of the private sector and of other international funding institutions in the funding of the phase-out of ODS.

48. One representative, speaking on behalf of the Like-minded Article 2 Parties, said that, while his group did not agree with all of the conclusions of the TEAP Task Force, the work that it had carried out, particularly the revision of the replenishment report, represented a good basis for beginning the discussions. He looked forward to discussions in a spirit of good will, in the belief that all were committed to the success

of the Protocol and shared the goal of having an appropriate replenishment that would be sufficient to enable the compliance of all Article 5 Parties with their upcoming commitments. Supporting that view, one other representative from a non-Article 5 Party pointed to the need to be open to an overall increase in the Fund, around the higher range of what had been proposed by the Task Force. Another considered that it was necessary to guarantee the durability of projects and the benefits to the environment; those priorities needed to be taken into account in the decisions of the Executive Committee. A new constituent order for the Fund was required, at the very least at the level recommended by the TEAP Task Force.

49. One representative, speaking on behalf of the European Union and its member States, considered that the TEAP Task Force reports were very helpful and would give a better background to the discussions on replenishment. The latest decisions by the Executive Committee of the Multilateral Fund, especially concerning carbon tetrachloride and methyl bromide, would be helpful in reducing the uncertainties in assessing the required level of funding, and should be fully taken into account. The success of the Montreal Protocol was largely to be attributed to the existence of the Multilateral Fund. In the last triennium, no single project had been refused because of a lack of resources in the Fund, and he was particularly proud of that achievement. He assured the Meeting that the European Union was ready to continue to assist the Article 5 Parties in their efforts to ensure compliance with their commitments under the Protocol. The member States of the European Union represented 45 per cent of the total pledges to the Fund, and he expressed their preparedness to engage themselves in fruitful discussions on the replenishment.

50. A representative from a non-Article 5 Party considered that it was necessary to make more effective use of the resources in the Fund. Noting that some of its resources still remained uncommitted, he sought information on the current level of the carry-over. Pointing to the delay in the payment of country contributions to the Fund and the sizeable level of outstanding contributions, he urged all non-Article 5 countries to pay their contributions in full and in a timely manner. He cautioned against the view that a new set of circumstances automatically implied a higher level of replenishment and highlighted the need for the replenishment to be based on realistic estimates.

51. Another representative from a non-Article 5 Party, expressing surprise at the level of replenishment proposed by the Group of 77 and China, considered that it was necessary to balance the needs of the Article 5 Parties with the budgetary constraints faced by a number of donor countries. He also encouraged countries to make donations to the Fund over and above the agreed level of their contributions.

52. An observer from an environmental non-governmental organization pointed out that the UNEP/WMO Scientific Assessment of Ozone Depletion 2002 had concluded that the elimination of all ODS production by 2003 would accelerate the recovery of the ozone layer by four years, and elimination of all ODS emissions by 2003 would accelerate recovery by 10 years. He questioned whether one could be blasé about any time frame that accelerated the recovery of the ozone layer and prevented the harmful consequences of ozone depletion. From an environmental perspective, the Fund should be replenished to a level that would enable Article 5 Parties to phase out all ODS at a rapidly accelerating pace.

53. The Meeting established a contact group on the replenishment, comprising 10 Parties operating under paragraph 1 of Article 5 (Botswana, Brazil, China, Colombia, Dominican Republic, India, Iran (Islamic Republic of), Mauritius, Nigeria and Venezuela) and 10 non-Article 5 Parties (Canada, Finland, France, Germany, Italy, Japan, Netherlands, Poland, United Kingdom of Great Britain and Northern Ireland and the United States of America), to consider the level of replenishment. The contact group was co-chaired by Nigeria and Finland.

54. All representatives who took the floor expressed thanks to the Government of Italy for its hospitality and outstanding efforts in organizing the current Meeting.

55. The preparatory segment decided to forward the issue of the level of replenishment to the high-level segment for further consideration.

D. Final report by the Treasurer and the Secretariat of the Multilateral Fund on the implementation of the fixed-exchange-rate mechanism for contributions to the Multilateral Fund

56. The Chief Officer of the Multilateral Fund Secretariat introduced document UNEP/OzL.Pro14/8 on the impact and consequences of the fixed-exchange-rate mechanism. Explaining that it had been produced by the Secretariat in close cooperation with an external consultant, he suggested that the Meeting of the Parties might wish to hear a presentation from the consultant.

57. Mr. A. Brough, consultant to the Multilateral Fund Secretariat, explained that the document was essentially the same as the final report to the twenty-second meeting of the Open-ended Working Group, except that the figures in it had been updated, generally to 15 October 2002.

58. He noted that, over the triennium, there had been sharp movements in most currencies against the United States dollar and that that pattern was continuing in the fourth quarter of 2002. While there was some truth in the view that these swings would eventually cancel one another out, the problem for the Secretariat was that it could never be sure what resources were available to it for planning.

59. Over the triennium, up to the date of document UNEP/OzL.Pro14/8, the use of the fixed-exchange-rate mechanism had caused a total loss of some \$23 million, equivalent to 5.25 per cent of the pledged contributions of all Parties. Since that date, however, there had been a further decline in the value of the United States dollar, bringing the loss down to some \$19 million, or 4 per cent of contributions. With just a few weeks to go until the end of the year, and thus of the triennium, it remained to be seen what the final outcome would be, but that in turn underlined the uncertainty that the use of the fixed-exchange-rate mechanism brought with it.

60. Those Parties that had made use of the fixed-exchange-rate mechanism had certainly found that it had made budgetary administration easier, in that the amount of the contribution to be provided for in their national budgets was fixed in advance.

61. In general, payments using the fixed-exchange-rate mechanism had been made more promptly than had been the case prior to the introduction of the mechanism, but on the other hand those payments not under the fixed-exchange-rate mechanism had also been made more promptly than in the past.

62. He concluded by noting that there had been a consensus in the Open-ended Working Group that a trial period of one triennium (as mandated by the Eleventh Meeting of the Parties) was too short to determine the success or failure of the fixed-exchange-rate mechanism.

63. One representative, speaking on behalf of the European Union and its member States, said that the European Union supported continuation of the implementation of the fixed-exchange-rate mechanism and would be submitting a draft decision on the issue.

64. One representative recalled that the fixed-exchange-rate mechanism had been introduced on a trial basis with the purpose and objective of easing some of the contributing Parties' administrative difficulties due to commitments in other than their national currencies; promoting the timely payment of contributions; and ensuring that there was no adverse impact on the level of available resources of the Multilateral Fund. In the light of the detailed report, he saw little evidence that the mechanism had had any impact at all on the pattern of payment. There had been a reduction in resources available to the Fund, and in addition the mechanism had imposed a considerable additional administrative burden on the Treasurer, which had caused UNEP to ask for recovery of the full cost of maintaining the budget of the Multilateral Fund.

65. Other representatives took the view that the use of the fixed-exchange-rate mechanism had, indeed, promoted more timely payment of contributions. Additionally, the certainty that it provided in countries' domestic budgetary procedures had been highly useful. Some suggested the use of a longer time span for calculation of the exchange rates of national currencies against the United States dollar.

66. One representative drew attention to paragraph 34 of document UNEP/OzL.Pro.14/8, describing the practice currently followed by UNEP and by the Multilateral Fund up to 1999. Under that procedure, any shortfall resulting from the use of the fixed-exchange-rate mechanism was reimbursed by the Party concerned. He also said there was a need to seek a compensation clause that would take into account any losses due to the fixed-exchange-rate mechanism.

67. Several representatives expressed the view that a number of other issues on the agenda of the Meeting had to be resolved before the issue of the fixed-exchange-rate mechanism could be considered.

68. The preparatory segment decided to forward the issue of the implementation of the fixed-exchange-rate mechanism to the high-level segment for further consideration.

E. Selection of:

1. Members of the Implementation Committee

69. The Meeting confirmed the positions of Australia, Bangladesh, Bulgaria, Ghana and Jamaica as members of the Committee. It also noted the nominations of Italy, Lithuania, Maldives, Tunisia and Honduras and the withdrawal of Bolivia.

2. Members of the Executive Committee of the Multilateral Fund

70. The Meeting endorsed the selection of Austria, Belgium, Canada, France, Hungary, Japan and the United States of America as members of the Executive Committee representing non-Article 5 Parties to the Protocol and the selection of Bolivia, Burundi, El Salvador, India, Jordan, Mauritius and Saint Lucia as members representing Article 5 Parties, for one year effective 1 January 2003.

3. Co-Chairs of the Open-ended Working Group

71. The Meeting endorsed the selection of Ms. Maria Nolan (United Kingdom) and Mr. Khaled Klaly (Syrian Arab Republic) as Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol in 2003.

F. Reporting of data

72. The Executive Secretary drew attention to the data reported by Parties, as contained in document UNEP/OzL.Pro/14/3. He noted that 131 Parties had reported for 2001 and 157 for 2000. He said that the Implementation Committee had discussed the data in great detail, and would be submitting recommendations to the Parties.

G. Essential-use exemptions for controlled substances

73. The Executive Secretary reported that seven Parties had applied for essential-use exemptions for 2003 and 2004, amounting approximately to 6,000 and 5,000 tonnes respectively. Those figures represented a significant drop from the 16,000 tonnes approved for 1996, demonstrating that non-Article 5 Parties were moving to new technologies. The twenty-second meeting of the Open-ended Working Group had prepared a recommendation for a draft decision, which would be submitted to the Parties.

74. The representative of Uzbekistan said that her country's application for essential-use exemptions had not been included on the list, due to its late submission. It was agreed that the representative would meet with members of TEAP and the Ozone Secretariat to discuss the request.

75. The representative of Poland said that Poland had submitted essential-use exemption applications for CFC-113 and carbon tetrachloride for laboratory and analytical use that were not included in the list. Recalling decision XI/15, which eliminated certain uses from the global exemption for laboratory and

analytical uses starting in 2002, he said that non-ODS alternatives were not yet fully developed and requested advice from TEAP on whether his country should therefore apply for an emergency-use exemption. A member of TEAP agreed that Poland should apply for an emergency-use exemption for the immediate time period.

H. Status of destruction technologies of ozone-depleting substances, including an assessment of their environmental and economic performance, as well as their commercial viability

76. One representative noted that the twenty-second meeting of the Open-Ended Working Group had considered a draft decision suggesting a regulatory standard with regard to destruction and recovery efficiency at 99.99 per cent for concentrated sources and 95 per cent for diluted sources. Another representative wondered if the standards proposed by TEAP were based on particular experiences and, if these were adopted, how many Parties would realistically be able to implement them. Another representative asked whether the standards were seen as targets or mandatory.

77. A member of TEAP said that this was a highly complicated area, as the choice of destruction efficiency had an influence on the portion destroyed and also had implications for the environmental acceptability of the destruction process and the cost. He suggested that there should be consultation between interested parties, including TEAP experts.

78. The Chair agreed that a contact group, chaired by the representative of Australia, would revise the conference room paper on the status of destruction technologies in consultation with interested parties and, possibly, TEAP consultants.

79. The representative of Australia introduced a conference room paper containing a draft decision on the status of destruction technologies, which had been revised in the light of consultations undertaken in an informal contact group.

80. Some representatives also proposed a number of additional amendments, all of which were accepted by the Meeting, on the understanding that the criteria for technology capability which already exist and the criteria for the operation of each facility which do not yet exist, are different.

81. The representative of Japan, while basically supporting the draft decision, marked a reservation pending further study of the most recent amendments.

82. Taking note of the reservation of Japan, the preparatory segment decided to forward the draft decision on the status of destruction technologies, as amended, to the high-level segment for approval.

I. Review of the non-compliance procedure for the implementation of the Montreal Protocol

83. A representative of the Ozone Secretariat introduced the item, recalling that in their Decision X/10, the Parties had agreed to revise the operation of the non-compliance procedure for the implementation of the Montreal Protocol no later than the end of 2003.

84. The representative of the United States, speaking as one of the sponsors, introduced a conference room paper containing a draft decision on the non-compliance procedure. He explained the proposed amendments to the procedure to allow increased continuity in the participation on the Implementation Committee; to speed up the timing for communication between the Ozone Secretariat and Parties to confirm compliance status; to urge Parties to submit information according to Article 7, paragraph 3, within a shorter time frame; to urge countries elected as members of the Implementation Committee to attend all meetings; and to take steps to ensure that language difficulties did not prevent the Committee from carrying out its obligations in a timely and effective manner. The overall aim of the proposed decision was to enable the Implementation Committee to meet its obligations to the Parties in a more timely and effective manner than in the past.

85. A number of representatives expressed support for elements of the draft decision, including the suggestion that outgoing members could be invited to participate, as observers, in an advisory capacity in the first meeting of the Implementation Committee subsequent to their leaving; as well as the proposal to request that steps be taken to overcome language difficulties in the Committee.

86. However, a number of representatives considered that the proposed amendments to the terms of office of members of the Implementation Committee could jeopardize the principles of equitable geographic distribution and rotation on which the Committee was based. It was also considered that, since many Article 5 countries already faced difficulties in providing data in a timely manner, any shortening of the period of time allowed for submission of data would place a further burden on them and would be difficult to implement.

87. One representative suggested that the whole of the non-compliance procedure should be reviewed to see what amendments needed to be made to the procedure to enable it to take the required actions to enable relevant Parties to return to a state of compliance expeditiously.

88. Noting that the proposed decision represented a package of necessary changes to the non-compliance procedure, and pointing to the lack of agreement on all elements of the proposal, the representative of the United States, with the concurrence of the other sponsors, withdrew the proposed decision.

J. Monitoring of international trade and prevention of illegal trade in ozone-depleting substances

89. The Executive Secretary introduced the item and drew attention to the study prepared by the Secretariat pursuant to decisions XII/10 and XIII/12 which contained an analysis of the problem of illegal trade in ODS, identification and tracking of such substances and enforcement measures against illegal trade at the national and international level. In pursuance of decision XIII/12 of the Thirteenth Meeting of the Parties to the Montreal Protocol, the matter had been discussed at the twenty-second Meeting of the Open-ended Working Group and draft decisions had been forwarded for consideration by the current meeting. The decisions were contained in paragraphs 65 to 73 of the report of the Open-ended Working Group at its twenty-second meeting (UNEP/OzL.Pro/WG.1/22/6).

90. A number of representatives noted that several countries had proposed useful amendments to the draft report of the Open-ended Working Group. They suggested that the contact group should be reconvened to elaborate a final draft report for the consideration of the Parties. The Chair requested that the contact group on monitoring of illegal trade be reconvened, chaired by the representative of Poland, to consider amendments to the draft report of the Open-ended Working Group.

91. The representative of Poland introduced a conference room paper containing a draft decision recommended by the twenty-second meeting of the Open-ended Working Group, which had been revised in the light of consultations held in the informal contact group. He explained that the new draft was intended to improve on the former one by reintroducing some of the recommendations of the study of the Secretariat and by strengthening cooperation between the Parties. He further explained that the clarifications of the differences between controlled substances, mixtures containing controlled substances and products containing controlled substances included in the draft decision would require no new actions on the part of Parties, but were designed to assist customs agencies in monitoring trade.

92. One representative queried the proposal to encourage Parties to report cases of illegal trade in ODS-containing products, stating that he was unclear what the term meant in the context of the Montreal Protocol. Other representatives believed that the reports on illegal trade to be collected by the Secretariat would in themselves help to throw light on this issue, and that it was known that some illegal trade took place via this route.

93. A number of representatives sought to know what action should be taken regarding illegally imported quantities of substances seized by customs agencies. One representative observed that Article 5 Parties could come under pressure from multinational companies in this regard; he quoted an example where his

Government had recently destroyed banned products and had been asked to reimburse the operator. The representative of Poland clarified that the disposal of seized products was a matter for the Government concerned; Article 5 Parties, where consumption was still allowed, could sell them at auction, export them or stockpile them, though of course the quantities thus disposed of would then count against their own consumption limits. Destruction was also a possibility, but may pose problems of cost and practicality.

94. Many representatives drew attention to the need for capacity-building in Article 5 Parties, particularly in terms of customs training and equipment, in order to control illegal trade effectively. One representative noted that, due to a lack of a well established customs department and control systems, his country was facing trade in refrigeration equipment containing CFC-12, which was destroying its commercial markets. Another representative suggested that the work of UNEP/DTIE on training of customs officers should be reviewed to see how helpful it was to Parties. He noted that such training had proved to be extremely effective in his country, where there was very close cooperation between the customs department and the ozone unit.

95. Another representative underlined the need for unified international action to prevent illegal trade, with regular exchanges of information between Parties. Several representatives stressed the value of regional networks in facilitating this information exchange, and also of the desirability of the Secretariat carrying out missions to Parties to assist them in mitigating illegal trade.

96. A number of representatives observed that the draft decision already provided for the Executive Committee of the Multilateral Fund to consider carrying out an evaluation of customs training and licensing system projects in tackling illegal trade. One representative, however, suggested that this was not sufficient and proposed to add a further paragraph requesting the Executive Committee to provide financial and technical assistance to Article 5 Parties to support the introduction of inspection technologies, and to make this a priority. Another representative stated that his country could not accept this proposal without a clear understanding of the financial implications and the impact on the other priorities of the Executive Committee.

97. Following consultations, the representative of Poland proposed modified language aiming to clarify the request to Parties to provide information on fully proved cases of illegal trade, on the disposal of seized substances and on the provision of financial and technical assistance from the Executive Committee. Some representatives proposed additional language stating that seized quantities would not count against a Party's consumption only if they were neither exported nor placed on its own market, but other representatives felt that the implications of this wording were unclear.

98. The preparatory segment decided to forward the decision on the monitoring of illegal trade to the high-level segment for further consideration.

K. Campaign production of CFCs for metered-dose inhalers

99. One representative, speaking on behalf of the European Community and its member States, said that the European Community was working with others to put forward a draft decision on the need for a global database on metered-dose inhalers (MDIs).

100. Another representative pointed to the need for a forum for appropriate transfer of technology for MDIs and requested that this be included in the draft decision.

101. One representative, speaking on behalf of the European Community and its member States, introduced a conference room paper containing a draft decision on a global database to determine appropriate measures to complete the transition from CFC MDIs. He said that, while he was aware of the considerable effort that had been made by MDI manufacturers to develop, seek approval for, and launch CFC-free inhalers, he also noted that some developed countries that had applied for essential-use CFCs had not yet filed transition strategies with the Ozone Secretariat. He therefore believed that the global database would be a useful tool for determining the appropriate amounts of essential use CFCs for MDIs for the nominating Party, for TEAP

and for the Parties. The production of essential-use CFCs needed to be kept to the absolute minimum. The essential-use process must be seen as an exemption process and not "business as usual". The nominating Party, TEAP and the Parties should be able to agree on the appropriate volume of CFCs with reference to a common global database of alternatives. No such global database currently existed.

102. The information requested from Parties in the proposal, he said, could be used in many ways. For example, the global database of alternatives could be used to determine which alternatives were already sold on particular markets and therefore a decision could be made to consider not allocating CFCs for MDIs where alternatives already existed. One could also consider not allocating CFCs in cases where one should avoid disrupting the marketing of CFC-free MDIs, when the CFC-MDI remained on the market too long after the introduction of the alternative. He noted that the European Community already had a global database that was well developed and, since it accounted for the majority of exports, the European Community would be the major contributor to the database which would be posted on the Ozone Secretariat web site.

103. Another representative, noting that the proposal represented the first attempt to formulate a national strategy for MDIs, considered that it would only be successful if it set out clear rules for conversion of the national MDI production sector. Other representatives stressed the importance of technology transfer to meet the needs of the Article 5 countries. One of them considered that the Executive Committee and the implementing agencies had not given sufficient consideration to accelerating the phase-out of CFCs in the MDI sector, and Parties had not received adequate support from the Multilateral Fund.

104. Several representatives pointed to the problem of submitting their information on CFC and non-CFC MDIs within the time frame set out in the proposal. One representative suggested that Parties request the Executive Committee to make the necessary arrangements to support Article 5 countries in gathering data on the MDI sector for the database. Another proposed that TEAP be requested to prepare a report on the issue, on the basis of information to be submitted by May 2003. One representative said that TEAP should develop a questionnaire to help the countries concerned to complete the tasks specified in the proposal, within an expanded time frame.

105. One representative pointed to the need to also take into account other techniques for the control of asthma and chronic obstructive pulmonary disease (COPD); the possibility of expanding the time frame for submission of information to the end of February 2003; the need to obtain information about the price disparity between CFC and non-CFC treatments; and the need to submit the relevant information to TEAP.

106. One representative, speaking on behalf of the European Community and its members States, introduced a conference room paper containing a revised draft decision on a global database and assessment to determine appropriate measures to complete the transition from chlorofluorocarbons metered-dose inhalers.

107. One representative, noting that the revised draft decision accommodated most of the concerns expressed by the Parties, suggested that the request for each Party or regional economic integration organization to submit information by 28 February 2003 did not provide sufficient time for such information to be gathered. He asked that the document be further revised to accommodate that consideration.

108. The sponsor for the draft decision noted that he expected that some information would be available by 28 February 2003 and that another year would elapse before submission of further information would be required.

109. Responding to a question as to why the draft decision did not request TEAP to make a recommendation, the sponsor of the draft decision explained that TEAP would be expected to report in its annual assessment.

110. The representative of the European Community, speaking also on behalf of its member States, introduced a conference room paper containing a revised draft decision on a global database and assessment to determine appropriate measures to complete the transition from chlorofluorocarbon metered-dose inhalers.

111. The preparatory segment decided to forward the draft decision on a global database and assessment to determine appropriate measures to complete the transition from chlorofluorocarbon metered-dose inhalers to the high-level segment for approval.

L. Reduction of emissions of controlled substances from process agent uses and emissions-reduction techniques and alternative processes not using ozone-depleting substances

112. One representative said that a new draft decision on the reduction of emissions of controlled substances from process agent uses and emissions-reduction techniques and alternative processes not using ODS had been submitted jointly by several sponsors.

113. Following a discussion, the Co-Chair noted that there was no consensus on the issue and the draft decision was withdrawn.

M. Clarification of terminology relating to ozone-depleting substances

114. The representative of Poland introduced the draft decision on this item noting that it had not been discussed widely during the twenty-second Meeting of the Open-ended Working Group and gave brief background information on the item. It had been noticed that, despite the fact that terms such as “recovered ODS” and “recycled ODS” had been precisely defined in decision IV/24, the terms were not used uniformly in some other decisions of the Parties. The term “used ODS” had never been defined under the Montreal Protocol and in some instances was taken to mean recovered, while in others it was taken to mean recovered, reclaimed or recycled. It was understood that attempting detailed clarifications of previously made decisions would cause problems for other Parties which had already introduced the explanations to their legal systems, but some action was deemed necessary.

115. A number of representatives agreed that making changes to existing guidelines would cause problems and some countries might be forced to rewrite and re-ratify their legislation. One representative suggested that, in order to ensure that similar problems did not arise in the future, the decision on the item might delineate past problems with all definitions covered and provide an operative paragraph that urged Parties to take those problems into account and to be very precise in their definitions, based on the concerns expressed.

116. The Meeting agreed to ask Poland to hold consultations with interested parties with the aim of re-drafting the decision. Following informal consultations, the preparatory segment decided to forward the decision on clarification of terminology relating to ozone-depleting substances to the high-level segment for approval.

N. Relationship between efforts to protect the stratospheric ozone layer and efforts to safeguard the global climate system: issues relating to hydrofluorocarbons and perfluorocarbons

117. Introducing the item, a representative of the Secretariat noted that, at its twenty-second meeting, the Open-ended Working Group had agreed to include this issue on the agenda for consideration by the Fourteenth Meeting of the Parties, specifying that any discussion should be limited to consideration of the decision by the Meeting of the Parties to the United Nations Framework Convention on Climate Change. Information paper UNEP/OzL/Pro.14/INF/5 included the decision that had been adopted by the eighth Conference of the Parties to the United Nations Framework Convention on Climate Change.

118. One representative, speaking on behalf of the European Union and its member States, noted that a draft decision was being prepared to mirror the decision of the eighth Conference of the Parties to the Convention on Climate Change.

119. One representative expressed disappointment at the decision by the eighth Conference of the Parties to the Convention on Climate Change and the response by the Subsidiary Body for Scientific and Technological Advice which detailed the nature of the proposed report that the Intergovernmental Panel on Climate Change was to prepare with TEAP. She said that the final form of the decision contained shortcomings, including the lack of a clear description of gases; the use of the report format rather than web site format, which meant that it would rapidly become outdated; and the absence of an information policy or a clearing-house mechanism. In addition, the technical information did not include benchmarks for ODS alternative substances and the financial implications for the Montreal Protocol were unclear. Furthermore, the report did not appear to be timely. Three years were to elapse before the completion date and that would be too late for these countries which were currently in the process of preparing hydrofluorocarbon (HFC) and perfluorocarbon (PFC) replacement decisions. However, in the spirit of maintaining a positive relationship with the Conference of the Parties to the Convention on Climate Change, her delegation would not oppose the decision, provided the financial implications of TEAP involvement were clarified and that TEAP confirmed that the report would not interfere with its other obligations. Several other representatives concurred with her views.

120. Another representative said that HFCs and PFCs continued to be very important substitutes for ODS. He noted that his understanding of the agreement reached during the eighth Conference of the Parties to the Convention on Climate Change was that the respective bodies of the two Conventions should develop a balanced scientific and technical relevant policy report, which included analysis of policy elements. That should be done on the condition that existing data sources were used and no additional burden was placed on the secretariats involved. With respect to the policy-related part of the report, the work should respect the obligations of the Parties under each Convention, including the phase-out of ODS consumption and production and the phase-out of greenhouse gases under the Kyoto Protocol to the Convention on Climate Change. He noted that the relevant experts should be called upon to participate in the examination of relevant substances.

121. One representative, speaking on behalf of the European Union and its member States, introduced a conference room paper co-sponsored by Norway containing a draft decision on the relationship between efforts to protect the stratospheric ozone layer and efforts to safeguard the global climate system: issues relating to HFCs and PFCs.

122. One representative recalled that, at the twenty-second meeting of the Open-ended Working Group, Parties had agreed to include the issue on the agenda of the current Meeting, on the understanding that discussion would be limited only to consideration of decision X/CP.8, taken at the eighth meeting of the Conference of the Parties to the Convention on Climate Change. He considered that, in line with that understanding, any decision of the current Meeting should mirror the decision X/CP.8. Considering that the draft decision currently before the Parties did not stick to the agreement reached at the twenty-second meeting of the Open-ended Working Group, he proposed amendments to the text. Some other representatives supported that view.

123. Another representative, noting that no environmental problem existed in isolation from others, believed it was useful for the Parties to the Montreal Protocol to consider issues pertaining to HFCs and PFCs. One other representative said there was a need to strengthen the links between the Montreal Protocol and the Convention on Climate Change.

124. Following consultations, one representative, speaking on behalf of the European Union and its member States, said that decision X/CP.8 of the eighth Conference of the Parties to the Convention on Climate Change was very clear. The Multilateral Fund was funding activities encouraging the use of greenhouse gases, and it was inconceivable that the decision X/CP.8 could not be viewed in the context of the Montreal Protocol. He stated that the position of the European Union was consistent with decision X/16 of the Tenth Meeting of the Parties, on implementation of the Montreal Protocol in the light of the Kyoto Protocol. While he was prepared to accept some amendment of the proposal submitted, he was unable to accept a Montreal Protocol decision that was inconsistent with decision X/CP.8 of the Conference of the Parties to the Convention on Climate Change.

125. Many other representatives expressed support for the draft decision and for the position of the European Union and its member States. Several of them stressed that the draft decision referred to an information gathering exercise, and could not understand why that was not considered to be relevant. Another noted that synergies between environmental conventions were usually encouraged, and some representatives considered that the Montreal Protocol needed to work more closely with the institutions dealing with climate change.

126. One representative pointed out that his Government had a very specific policy on climate change issues and in that connection he was seeking further guidance on the present draft decision. He considered that, since decision XI/17 of the Eleventh Meeting of the Parties already authorized TEAP to work with climate change institutions, no further decision of the Meeting of the Parties on that subject was needed at the current time.

127. The observer from an environmental non-governmental organization said that the eighth Conference of the Parties to the Convention on Climate Change invited TEAP and IPCC to develop a balanced scientific, technical and policy-relevant special report on issues related to HFCs and PFCs. Since the Montreal Protocol did fund, and thus encouraged, the large-scale use of HFCs it therefore had, at minimum, an ethical responsibility for the consequences of such use. As such, the Parties to the Montreal Protocol should be keenly interested in the findings of the proposed IPCC/TEAP study that could provide them with valuable, up-to-date information and assist the Parties in making further funding and policy decisions. He asked how the Montreal and Kyoto Protocols could possibly harmonize their mandates to protect the ozone layer while safeguarding the climate if one body refused to consider relevant data of mutual concern. He urged Parties to welcome the proposed report and to direct the Executive Committee of the Multilateral Fund to limit the funding of HFC projects to those few applications where there were truly no environmentally safer alternatives.

128. The preparatory segment decided to forward to the high-level segment for approval, the draft decision on the relationship between efforts to protect the stratospheric ozone layer and efforts to safeguard the global climate change system: issues relating to HFCs and PFCs.

IV. COMPLIANCE ISSUES CONSIDERED BY THE IMPLEMENTATION COMMITTEE

129. The President of the Implementation Committee presented a summary of the report of the twenty-ninth meeting of the Implementation Committee. He drew the meeting's attention to the rate of data reporting, of about 50 per cent of Parties within the nine-month period specified by Article 7. Although that was an improvement on previous years, he hoped it would improve further. Several Article 5 Parties had yet to report any data, and several others had still to report one or more years' baseline data. The Committee called upon them to work with the implementing agencies and the Secretariat to report those data as soon as possible.

130. Four Article 5 Parties had reported partial data which placed them in a potential state of non-compliance, and three non-Article 5 Parties had reported consumption for 2000 above their control limits. The Committee had proposed draft decisions calling upon the Parties concerned to report or clarify the appropriate data as a matter of urgency. Seven Parties had requested changes in their baseline data, and the Committee had decided that four of them had provided sufficient information to justify the changes. The other three would be asked to provide more information to the next meeting of the Committee.

131. The majority of the Committee's recommended draft decisions dealt with the issue of non-compliance by particular Parties. It was inevitable that this number would rise as Parties moved further towards total phase-out of all ODS, but the Committee was pleased to note that several Parties listed in the previous year under decisions of the Parties had already achieved compliance: Argentina, Chad, Honduras, Mongolia, Niger, Oman, Peru and Samoa.

132. Nine draft decisions dealt with Parties which had reported data showing them to be in non-compliance in the control period 1 July 2000 to 30 June 2001. The decisions repeated the language used in similar decisions at the Thirteenth Meeting of the Parties, requesting the Party to submit a plan of action to the Implementation Committee, including time-specific benchmarks to ensure a prompt return to compliance. A further six decisions covered Parties which were identified as being in non-compliance in decisions of the Parties in 2001; in most cases the Committee had agreed a plan of action with the Party to bring them back into compliance, and in some cases sufficient steps had already been taken. In the case of Armenia, the Party's situation would change if its request for reclassification as a developing country operating under Article 5 were to be accepted; the Committee would keep the situation under review. Only in the case of Cameroon had the Committee not yet been able to agree a plan of action.

133. The final decision dealt with the Russian Federation, and the President was pleased to confirm, after successive recommendations of the Implementation Committee and decisions of Meetings of the Parties starting in 1995, that the Russian Federation had now returned to compliance with its obligations. This was an illustration, he believed, of the success of the non-compliance system of the Montreal Protocol, a system widely regarded as a model for other multilateral environmental agreements.

134. The representative of Maldives stated that he had explained to the Ozone Secretariat that his country's state of non-compliance had resulted from a large volume of imports in one year, and that no further imports would be permitted for the following two years. The representative of the Secretariat clarified that this by itself would not guarantee that annual consumption levels would fall below the control levels. The Committee was still requesting an action plan, and would be pleased to invite the representative of Maldives to the next meeting of the Committee to explain his country's situation with regard to compliance.

135. The representative of Bosnia and Herzegovina stated that his country's baseline data had been calculated during a period of wartime and were therefore unrealistically low; he asked for the understanding of the meeting.

136. The representative of Yemen stated that he had participated in the twenty-eighth meeting of the Committee, and had provided further information on his country's request for a baseline change. He had assumed that this would be sufficient to allow resolution of the issue at the Committee's recent meeting, and he did not understand why it had not been so. The President explained that a change in baseline data was an important matter which the Committee considered very carefully. The information provided by Yemen was very welcome but it was still not complete, and he looked forward to being able to consider the issue again at the next meeting of the Committee.

137. One representative asked why every Party whose status of non-compliance was under discussion by the Implementation Committee should not be invited to present their case. He believed that dialogue between Parties and the Committee was very important, and he hoped that the new post requested by the Secretariat would facilitate the Committee's work. He also expressed his regret that the large number of draft decisions recommended by the Committee had only just become available to the meeting.

138. The Secretariat explained that Parties were not normally invited to attend the Committee on the first occasion that their status was considered. The Committee considered the data that had been submitted to it, together with any remarks by the implementing agencies and, if the data showed that the Party was not in compliance, the Committee requested clarification of the data, and a plan of action designed to bring the Party back into compliance. Where the issues were more complex, or where the plan needed to be discussed, the Party was invited to attend a meeting.

139. Members of the Committee also explained that, while they appreciated the concerns raised by Parties, the Committee's deliberations depended on the quality and timeliness of the data submitted to it. Late or unclear reporting of data made the Secretariat's and Committee's work very difficult, but the Committee never took its decisions lightly. One member of the Committee added that Australia, the European Community, New Zealand and the United States had hoped to address those difficulties, and to assist the

smooth operation of the Committee, by submitting their proposals for reforms to the non-compliance procedure.

140. The President of the Committee also introduced a corrigendum dealing with the draft decision on non-compliance with consumption phase-out by non-Article 5 Parties in 2000. He explained that Ukraine should not have been included in the draft decision, as under the terms of Decision X/27 it was still in compliance. He apologized to Ukraine on behalf of the Committee and the Secretariat.

141. The representative of the Maldives noted with disappointment that the draft decision dealing with the Maldives was still being put forward without reference to its request to have the report reflect the fact that it had submitted its plan of action to the Ozone Secretariat. He explained that his Government recognized that it was in non-compliance, due to an unusually high volume of imports in one year, resulting from the fact that the supplier was not willing to sell less than one container load of substances, but said that it had adopted and submitted a comprehensive plan of action to deal with the problem. This included a licensing system which had been implemented in March 2002, ODS import quotas to be implemented from 1 January 2003, government control of CFC stockpiles, proposals to ban the import of ODS-using equipment by January-February 2003, the conversion of ODS-using mobile air-conditioning systems, and a temporary ban on imports of CFC-12 from 1 January 2003 to 2005. He considered that this was sufficient to deal with the issue of non-compliance by the Maldives, and that language reflecting the adoption of the action plan should be included in the draft decision. If it could not be, he would have to express his reservations on the contents of the report. He believed that other low-volume-consuming countries were likely to find themselves in a similar situation, and that the Implementation Committee should take proper account of this, and encourage Parties to adopt plans of action rather than to ignore them.

142. The preparatory segment decided to forward the draft decisions on compliance matters and data reporting to the high-level segment for approval.

V. FINANCIAL STATEMENTS AND BUDGETS FOR THE TRUST FUNDS FOR THE VIENNA CONVENTION AND THE MONTREAL PROTOCOL

143. The representative of the Czech Republic, speaking as Chair of the Budget Committee, composed of the representatives of Belgium, Botswana, Brazil, Burkina Faso, Burundi, Canada, Czech Republic, Germany, Georgia, Japan, Malawi, New Zealand, Nigeria, Rwanda, Saint Lucia, Togo, Uganda, United Kingdom and the United States of America, reported on the deliberations of the Committee. He drew the attention of the preparatory segment to two conference room papers, containing, respectively, a draft decision on the Trust Fund for the Vienna Convention on the Protection of the Ozone Layer; and a draft decision on the Trust Fund of the Montreal Protocol on Substances that Deplete the Ozone Layer.

144. He reported that participants had held very intensive discussions on the documents "The Financial Report on the Trust Fund for the Vienna Convention for the Protection of the Ozone Layer for the Biennium 2000-2001 and Expenditure for 2001 as Compared to the Approved Budget" (UNEP/OzL.Conv.6/4) and "Approved 2002, Revised 2003 and Proposed 2004, 2005 and 2006 Budgets for the Trust Fund for the Vienna Convention for the Protection of the Ozone Layer (UNEP/OzL.Conv.6/5).

145. The Committee had also deliberated on the documents "The Financial Report on the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer for the Biennium 2000-2001 and Expenditure for 2001 as Compared to the Approved Budget" (UNEP/OzL.Pro/14/4) and "Approved 2002 and Proposed 2003 and 2004 Budgets for the Montreal Protocol on Substances that Deplete the Ozone Layer (UNEP/OzL.Pro.14/5).

146. The members of the informal group had expressed high appreciation for the excellent management of the above-mentioned Trust Funds that had led to the savings in 2001 in both Trust Funds (Vienna Convention \$155,986; Montreal Protocol \$1,186,869). In that context, the Budget Committee commented very positively on the information in the chapter entitled “Development of the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer,” as contained in document UNEP/OzL.Pro.14/INF/3. The actual total reserve in that Trust Fund stood at \$8,623,262, including interest income of \$2,381,222.

147. The Committee was aware of the necessity to keep the grand total budget at the level acceptable to all Parties. The aim was to promote the goals of “zero nominal growth”, to avoid the large accumulation of the budget surplus, including of interest income, not to increase the financial burdens of the Parties and, at the same time, to create the most favourable conditions for further fulfilment of the tasks and targets by the Vienna Convention and the Montreal Protocol in the very important period after the World Summit on Sustainable Development. The highest priority should be paid to monitoring and assisting Parties in complying with the Montreal Protocol obligations and to the more active dissemination of information. That was why the Budget Committee was recommending to the Parties to agree with the establishment of new posts – one under the Vienna Convention (Programme Officer – Communication and Information).

148. As could be seen from the draft decision the Budget Committee recommended the budget of the Trust fund for the Vienna Convention for 2003 in the amount of \$449,690; for 2004 in the amount of \$559,689; for 2005 in the amount of \$1,233,169; and proposing for 2006 the amount of \$556,299. The Committee recommended, from the year 2004, an increase in the amount drawn down from the Trust Fund balance from the current \$75,000 to \$100,000, and to divide the saving from the 2001 budget to the years 2003 and 2005, respectively.

149. In the draft decision for the Trust Fund for the Montreal Protocol, the Committee had taken into account the Parties’ decisions from the Twelfth and Thirteenth Meetings of the Parties, and had recommended the budget for 2003 in the amount of \$3,855,220 and a proposed 2004 budget in the amount of \$3,921,664. To further reduce the contribution of the Parties for 2003 and 2004, a draw down of \$250,000 was recommended to be made from the interest income annually accruing to the Fund. Together with drawdowns from the reserve and from unspent balances of the years 2000 and 2001, that was a reasonable move to decrease the level of surplus in future years, following the recommendations by many Parties.

150. In spite of the fact that the level of total contributions from the Parties was decreasing, the Budget Committee appealed to Parties to pay their contributions promptly and in full.

151. The Budget Committee also discussed the same amendment to “The Terms of Reference for the Administration of Trust Funds for the Vienna Convention and for the Montreal Protocol” (UNEP/OzL.Conv.6/6, UNEP/OzL.Pro.14/7) that reflected General Assembly resolutions 55/5 B-F of 23 December 2000, changing the criteria and elements used in the United Nations scale of contributions. In that context, the amendment to paragraph 4 of “The Terms of Reference for the Administration of Trust Funds for the Vienna Convention and for the Montreal Protocol” was proposed. The amendment was included in the respective draft decisions on Trust Funds. The majority of Parties participating at the meeting of the Committee had supported that proposal. During the discussions in the Budget Committee, the representative of Brazil, on behalf of the Group of 77 and China, stated that paragraph 3 of Part C of General Assembly resolution 55/5, Part C should also be considered in discussing that matter by Parties.

152. He concluded his report by thanking the representatives of those interested Parties that had taken part in the Budget Committee for their active and positive approach.

153. During the discussion of the draft decisions, the representative of Brazil wished to record a reservation concerning the reference in paragraph 12 of the draft decision on the Trust Fund of the Montreal Protocol, and paragraph 8 of the draft decision on the Trust Fund of the Vienna Convention, which in both cases referred to the decision to amend paragraph 4 of the terms of reference for the administration of the Trust Funds by substituting 25 per cent by 22 per cent in accordance with the United Nations General Assembly resolution through its decision A/RES/55/5 B-F of 23 December 2000. The reservation introduced by the

delegation of Brazil was based on paragraph 3, part C of the same United Nations General Assembly resolution A/RES/55/5 B-F of 23 December 2000.

154. The representative of Argentina wished the report of the Meeting to reflect that the Government of Argentina reserved the right to request a revision of the scale of contributions to the Trust Funds of the Vienna Convention and the Montreal Protocol concerning Argentina's contribution, in conformity with what the United Nations General Assembly might decide, with the aim of reducing the percentage assigned to Argentina for 2003 and subsequent years.

155. The representative of China, noting that China had carefully studied General Assembly resolution 55/5 of 23 December 2000, said that the resolution clearly pointed out that the scale of assessment should not automatically apply to United Nations specialized agencies or other organizations. While he appreciated the Secretariat's management of the Trust Funds, he wished to point out that increasing the contributions according to the United Nations scale of assessments was not the only solution. For example, the contributions of those that were more able to pay could be considered. He thus wished to record a reservation on the draft decisions on the Trust Funds of the Vienna Convention and of the Montreal Protocol submitted by the Budget Committee.

156. The preparatory segment decided to forward the draft decision on the Trust Fund for the Vienna Convention on the Protection of the Ozone Layer; as well as the draft decision on the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer, to the high-level segment for approval.

VI. APPLICATION OF ARMENIA FOR RECLASSIFICATION AS A DEVELOPING COUNTRY

157. The representative of Armenia said that, after long hesitation, Armenia now wished to be reclassified as a developing country operating under Article 5 of the Montreal Protocol, on the basis of its small size, low gross domestic production and low level of ODS consumption, and its status as a developing country in many other intergovernmental organizations. A number of representatives spoke in favour of the reclassification, with several of them suggesting the stipulation that Armenia should not request funding from the Multilateral Fund until it had ratified the London Amendment. The representative of Armenia said that the process of ratification of the London Amendment had already begun. The procedure was very protracted, but there was no opposition in the country to the ratification.

158. In responding to a question from one representative, the Secretariat stated that Armenia's CFC consumption was 0.01kg per capita per year, below the threshold required for Article 5 Party classification.

159. The preparatory segment decided to forward the draft decision on Armenia's application for reclassification to the high-level segment for approval.

VII. OTHER MATTERS DISCUSSED DURING THE PREPARATORY SEGMENT

Interaction between the Executive Committee and the Implementation Committee

160. The representative of the United States introduced a conference room paper containing a draft decision. He said that over the past two years, the Multilateral Fund had entered a new phase in its history. In its early years, the Fund had operated primarily under a project-by-project approach, designed to convert individual users and reduce baselines. With the initiation of the compliance phase, the work of the Fund had become focused instead on performance-based projects and/or national compliance strategies that were designed "to enable compliance" and to ensure that reductions that were funded were permanently sustained. In the course of that new compliance-focused work, the Executive Committee had recently been faced with situations where a Party had submitted documents that either demonstrated its current non-compliance; or projected its future non-compliance; or both. Those situations had arisen most starkly in cases where a Party

had submitted a strategic national plan that explicitly proposed that the Party would be out of compliance for some period of time. They had also arisen in individual project proposals where the Party submitted associated documentation that forecast its future non-compliance.

161. A number of representatives expressed concern that the issue of non-compliance could constitute a barrier in the future to the approval of projects. Additionally, some cases of non-compliance arose precisely out of the lack of resources, or inadequate transfer of technology, which the Multilateral Fund was intended to rectify. Some representatives considered that a gulf was being created between the two Committees, whereas their roles were complementary and they should work in harmony. Saying that no Article 5 Party that had ratified the Montreal Protocol would be reluctant to make efforts towards compliance, several representatives called for a flexible approach to be adapted to cases of non-compliance. Other representatives, pointing out that the purpose of the Multilateral Fund was to ensure compliance, said that it would not be right for it to introduce measures that would push Article 5 Parties further into non-compliance.

162. The representative of the United States stressed that the overall aim of the draft decision was to accelerate the approval of projects for countries that were, or might be, in a state of non-compliance. In the present situation, if the Executive Committee was required to deal with such projects, it was obliged to wait until the Implementation Committee had examined the situation and the Meeting of the Parties had made a decision on it, which could mean that up to a whole year was lost. He also stressed that approval of projects for countries in non-compliance was certainly not to be taken as indicating that the Executive Committee approved of such non-compliance. On the contrary, those projects were to be approved specifically without prejudice to non-compliance procedure or to any decision by the Parties on the non-compliance.

163. The representative of the United States introduced a further conference room paper containing a draft decision on the interaction between the Executive Committee and the Implementation Committee, which had been revised in the light of consultations undertaken in an informal contact group.

164. The preparatory segment decided to forward the draft decision on the interaction between the Executive Committee and the Implementation Committee, as amended from the floor, to the high-level segment for approval.

Critical-use exemptions for methyl bromide

165. The representative of the Dominican Republic introduced a conference room paper containing a draft decision on critical-use exemptions for methyl bromide. He explained that a number of Article 5 Parties wanted to pursue an accelerated phase-out of methyl bromide and, in this, they were encouraged by the alternatives to methyl bromide use made available by the non-Article 5 countries. However, with a view to seeking the equitability of market supplies, it was necessary to take into account the implications of critical-use exemptions for the non-Article 5 countries and to ensure that such exemptions did not put the Article 5 countries in a disadvantageous market situation. Thus, the proposed decision requested TEAP to conduct an analysis of the potential implications that critical-use exemptions might have on the sustainability of the phase-out efforts in both Article 5 and non-Article 5 countries. He stressed that the proposal did not aim to prevent any Party from obtaining a critical-use exemption, but simply aimed to clarify the issue with regard to commercial and trade concerns, not just for the present, but also for after 2005.

166. One representative recalled that, in 1997, the Parties had agreed to the methyl bromide phase-out schedule only on the understanding that there would be clear exemptions for critical use. While alternatives for methyl bromide were available, and were still being researched, the situations and needs of all countries were different. Critical-use exemptions were reviewed very carefully in line with those needs. The current proposal, however, sought to change the criteria under which they were reviewed. While the issues of trade and competitiveness were very serious, it was imperative that Parties continue to review the critical-use exemptions on the basis of the good criteria already developed.

167. Several representatives expressed support for the proposal. One representative observed that applications in some countries for critical-use exemptions for methyl bromide were already higher than annual consumption, and compromised the credibility of the efforts under the Montreal Protocol and the encouragement given to Article 5 Parties to implement phase-out. The study requested in the draft decision was needed, and TEAP should be mandated to carry it out. The representative of an environmental non-governmental organization agreed, describing the critical-use exemption procedure as the Achilles' heel of the Protocol.

168. Two observers pointed to the fact that, while much effort and funding had been expended on the search for alternatives to methyl bromide, viable alternatives for use in every case had not yet been found. Parties, agriculture and industry still needed critical-use exemptions, and there needed to be an assessment of the impact of the phasing out of methyl bromide. A policy was required that took into account the legitimate concerns of agriculture and trade, while protecting the environment. The Montreal Protocol's steps for reductions in the use of methyl bromide were a critical blow, and should be halted until safe and viable alternatives had been designed and implemented. Some representatives expressed concern at the suggestion that the alternatives to methyl bromide were ineffective, and reiterated their support for the proposed decision.

169. One representative, expressing confusion over the proposal, observed that the Executive Committee had recently approved a proposal for methyl bromide phase-out in the Dominican Republic, and said that he did not understand what impact the proposed studies were supposed to have on the completion of the project.

170. A number of representatives believed that while the proposal had some merit, it was premature. One recalled that TEAP was already conducting a study, to be published in early 2003, on which discussions on possible adjustments to the methyl bromide phase-out schedule would be based. The representative of the European Community announced that the Community was planning to run a workshop on alternatives to methyl bromide before the next meeting of the Open-ended Working Group, featuring many experts from Article 5 Parties; he welcomed attendance at the event.

171. The preparatory segment decided to forward, in square brackets, the draft decision on critical-use exemptions for methyl bromide to the high-level segment for further consideration.

172. The representative of Kenya introduced a conference room paper containing a draft decision on the establishment of procedures and modalities for critical-use exemptions for methyl bromide in Article 5(1) Parties. He explained that many Article 5 Parties were committed to phasing out methyl bromide earlier than the 2015 target date, some as early as 2004. However, the Protocol did not provide for critical-use exemptions for Article 5 Parties before 2015, unlike non-Article 5 Parties, which will be permitted critical-use exemption from 2005. His decision therefore requested TEAP to establish procedures and modalities for critical-use exemptions for methyl bromide for Article 5 Parties which committed to phase-out before 2015.

173. Several representatives thanked Kenya for raising the issue, which was clearly of growing importance. However, some representatives felt that, like the draft decision submitted by the Dominican Republic, it would be preferable to discuss the issue in the context of the discussions on methyl bromide phase-out that were planned for 2003.

174. The preparatory segment decided to forward, in square brackets, the draft decision on the establishment of procedures and modalities for critical-use exemptions for methyl bromide in Article 5(1) Parties to the high-level segment for further consideration.

Development of policies governing the service sector and final use of chillers

175. In considering the above item, the Meeting had before it a conference room paper containing a draft decision on the service sector and chillers.

176. Several representatives expressed support for the draft decision, and some amendments were proposed from the floor. Some representatives considered the proposal to be extremely important, since it concerned the medium- and low-volume-consuming countries and their ability to meet their obligations.

177. One representative recalled that the Executive Committee had in the past considered that, with regard to chillers, because of the great savings incurred and the short payback time, no incremental costs arose that were eligible for funding under the Multilateral Fund. To date, such projects had been funded on the basis of a loan. The Executive Committee had requested the preparation of a paper on chillers and their eligibility for funding. There was a distinct lack of information on the subject. He considered that a decision along the lines proposed had potentially great implications for the Multilateral Fund, and to accept it without first undertaking an investigation of the subject would be premature.

178. The representative of Cuba introduced a conference room paper containing a revised draft decision on development of policies governing the service sector and chillers.

179. The preparatory segment decided to forward the draft decision on development of policies governing the service sector and chillers, as amended from the floor, to the high-level segment for approval.

Creation of a regional network of the Central and Eastern European countries operating under Article 5 of the Montreal Protocol

180. The representative of Georgia introduced a conference room paper containing a draft decision on the creation of a regional network of the Central and Eastern European countries operating under Article 5 of the Montreal Protocol. He noted that the countries of the region were committed to implementation of their Montreal Protocol control obligations, which would be facilitated by regional cooperation among them. He expressed the view that the countries in that region were missing the opportunity provided by the regional consultations which had been available for other Article 5 countries in other regions, and were, in fact, working in isolation.

181. Several representatives from countries in the region spoke in support of the draft decision. They noted that the countries contained 120 million people, and accounted for 7,000 tonnes of ODS consumption. Noting that all of the countries were easily reached from Vienna, one of them suggested that the United Nations Industrial Development Organization might be the correct implementing agency to help set up such a network.

182. Some representatives of countries outside the region also spoke in favour of the draft decision, noting that it would be advisable to allow the region to benefit from the advantages that had been experienced with regional networks elsewhere in the world. Others, however, expressed uncertainty as to the financial implications of such a network, and doubt as to what degree of financial priority should be granted to it, in the light of many other claims on limited financial resources.

183. Following further discussion, the representative of Georgia withdrew the draft decision noting that he would pursue the issue at another forum.

Relationship between the Montreal Protocol and the World Trade Organization

184. The representative of Colombia, on behalf also of Canada and New Zealand, introduced a conference room paper containing a draft decision on the relationship between the Montreal Protocol and the World Trade Organization (WTO). He explained that the Fourth Ministerial meeting of WTO in November 2001 in Doha had adopted a declaration deciding to undertake negotiations on the relationship between WTO rules and multilateral environmental agreements containing trade measures, to establish procedures for regular

information exchange between the secretariats of multilateral environmental agreements and of WTO, and to consider the possibility of observer status for secretariats of multilateral environmental agreements on the WTO's Committee on Trade and Environment. That Committee had already invited a number of multilateral environmental agreement secretariats to some of its meetings. The draft decision therefore requested the Ozone Secretariat to inform Parties of any meetings if attended, whether as an invitee or an observer, to monitor developments in the Committee and to report to the Meeting of the Parties, and to coordinate with the Multilateral Fund Secretariat and to consult with the Parties and the members of the Executive Committee, before giving any information to WTO. He hoped that this would improve Parties' awareness of these important negotiations within WTO and the relationship between WTO rules and the trade provisions of the Protocol.

185. Many representatives welcomed the draft decision. Some of them wondered why coordination with the Multilateral Fund secretariat was felt to be necessary, but other representatives believed that the decisions of the Fund Secretariat and Executive Committee could have implications for trade, and that it was important that a coordinated viewpoint was put forward to WTO. Some representatives also felt that the proposal to consult with the members of the Executive Committee was unnecessary.

186. Some representatives argued that it was important to distinguish between the types of information to be given to WTO by the Ozone Secretariat. If the information was of a general nature about the trade provisions of the Protocol, then it would be acceptable for the Secretariat to proceed to give it to WTO; if they had any doubts, they could consult with Parties, and with the Executive Committee if the matter related to the Multilateral Fund. If the issue was a question of interpretation of the trade provisions of the Protocol, however, representatives felt that the only body qualified to deliver such information was the Meeting of the Parties, and that such a matter had to be referred to the next Meeting. A number of modifications to the wording of the draft decision were proposed to meet these concerns, and some were accepted. The representative of Switzerland, however, stated that he wished his Government to be consulted on any matter concerning the relationship between the Montreal Protocol and WTO.

187. Following the discussion, the preparatory segment decided to forward the draft decision to the high-level segment for approval.

Consideration of the use of the globally harmonized system for the Classification and Labelling of Chemicals that deplete the ozone layer

188. One representative, speaking on behalf of the European Union and its member States, introduced a conference room paper containing a draft decision on consideration of the use of the Globally Harmonized System (GHS) for the Classification and Labelling of Chemicals that deplete the ozone layer. He observed that GHS symbols were under consideration and, although not mandatory in nature, were useful to countries that had not developed a system of their own. Since a number of ODS would remain in trade for years after their phase-out, use of the GHS symbol would raise awareness of the ODS and help countries in their decisions.

189. Several representatives requested clarification of the meaning of elements of the proposal and pointed to the need for amendments.

190. Following consultations in an informal contact group, the preparatory segment decided to forward the decision on the consideration of the use of the Globally Harmonized System for the Classification and Labelling of chemicals that deplete the ozone layer to the high-level segment for further consideration.

Update on request for observer status by the Ozone Secretariat with the World Trade Organization

191. In response to a request for an update on the relationship between the Ozone Secretariat and WTO, the Secretariat explained that its request for observer status on the Committee on Trade and Environment of WTO was still pending and therefore there was no further action to report.

VIII. OPENING OF THE HIGH-LEVEL SEGMENT OF THE MEETING

192. The high-level segment of the combined Meeting was held on 28 and 29 November 2002, and was opened at 10 a.m. on Thursday, 28 November 2002 by Mr. Enrico Gasbarra, Deputy Mayor of the City of Rome, who warmly welcomed all participants and said that the City was proud to host the Meeting. He considered that the Meeting would mark yet another step towards improving the quality of life on the planet, and stressed that the Government of Italy was making a great effort, at the international level, to contribute to that cause. He hoped the Meeting would enjoy success and that, for the future, humankind and human values could not only co-exist with the interests of market development, but also prove to be the most important element.

193. At the opening of the high-level segment, statements were also made by Mr. Fabio Fajardo-Moros, President of the fifth meeting of the Conference of the Parties to the Vienna Convention; Mr. Rukman Senanayake, Vice-President of the Thirteenth Meeting of the Parties to the Montreal Protocol; Mr. Shafqat Kakakhel, Deputy Executive Director of UNEP; and Mr. Altero Matteoli, Minister of Environment and Territory of Italy.

194. Mr. Fajardo-Moros said that, in 2002, 17 years after the adoption of the Vienna Convention and 15 years after the signing of the Montreal Protocol, it was almost impossible to describe the achievements of the international community within the framework of those instruments to attain the goal of protecting of the ozone layer. He was proud of the results, which provided an example of what could be achieved when there was the political will and the desire to cooperate. What appeared to be a nightmare a few years ago had turned out to be a reality. But the efforts to freeze and reduce the use of ODS had reversed the process of destruction of the ozone layer, and he paid honour to those members of the international community who had worked to serve that end.

195. Noting that, at the close of the Fourth Meeting of the Parties to the Montreal Protocol in 1992, the erstwhile Executive Director of UNEP had asked whether enough was being done to protect the ozone layer under the Montreal Protocol, he said that 10 years later those words were still meaningful. Despite the clear achievements, there was much to be done. The main tasks included: seeking synergies with the Climate Change Convention and its Kyoto Protocol; tackling the increasing use of HCFCs, and applying viable alternatives; strengthening the monitoring and research systems that had first brought the problem to international attention; seeking viable alternatives to methyl bromide; combating the illegal traffic in ODS; and establishing control procedures for new substances that could deplete the ozone layer. He concluded by expressing profound thanks to the Government of Italy for the excellent facilities provided for the meeting, and to the people of Italy for their hospitality.

196. Mr. Senanayake, speaking as the Vice-President of the Thirteenth Meeting of the Parties to the Montreal Protocol, said that the Montreal Protocol was a symbol of sustainable development, which the international community had embraced successfully. It was gratifying to note that more than 87 per cent of all ODS had been phased out, and the remaining 13 per cent were expected to be phased out in the next two decades in the developing countries. But there was no reason for complacency. The developing countries were only just beginning to comply with the control measures of the Montreal Protocol and required continuous support from the developed countries, as provided for under the Protocol. The negotiations underway at the current Meeting to replenish the Multilateral Fund for the next triennium needed to arrive at a good level of funding that would satisfy the needs of the developing countries. He expressed thanks to all those Parties that had contributed to the Multilateral Fund over the years for their commitment and support to the developing countries. Important tasks still lay ahead: prevention of illegal trade in ODS; establishment of effective licensing systems to monitor import and export of ODS; and monitoring, identification and immediate action concerning new substances with an ozone-depleting potential.

197. The work to eliminate all ODS would not be completed unless and until the ratification of various Amendments to the Montreal Protocol had been accelerated and fully implemented. He urged all Parties to fulfil that important obligation.

198. Mr. Kakakhel expressed thanks to the Government of Italy for hosting the sixth meeting of the Conference of the Parties to the Vienna Convention and the Fourteenth Meeting of the Parties to the Montreal Protocol in Rome, and for the warm hospitality shown. He welcomed Mr. Marco Gonzalez to his new position as Executive Secretary of the Ozone Secretariat and expressed confidence in his future work and achievements.

199. Noting that the scientific assessment carried out in 2002 had concluded that, although some ozone-depleting agents in the atmosphere were declining slowly from the peak that occurred in 1992-1994, others were still on the increase, he said that scientists predicted that the ozone layer would remain particularly vulnerable during the next decade or so, even if all countries complied with the measures put in place by the Montreal Protocol. Failure to comply with the Protocol would delay and could even prevent the ozone layer's future recovery.

200. Despite the success of the agreements on ozone, it had to be emphasized that the behaviour of the ozone layer over the South Pole was still far from well understood. As was clear from the Antarctic Ozone Bulletins issued by the World Meteorological Organization, the ozone holes during 2000 and 2001 were the largest ever recorded. However, in 2002 it took everyone by surprise and covered only half the area it had reached in the previous decade, and then split inexplicably into two. It was thus necessary to remain vigilant in the efforts to protect the ozone layer.

201. The intensive negotiations taking place at the current meeting to determine the level of the replenishment of the Multilateral Fund for the next triennium represented probably the most important issue of the meeting. The two excellent reports of TEAP on the issue would certainly assist in the negotiations. In the coming three years, the developing countries were required to freeze and then reduce their CFCs and halon consumption by 50 per cent; reduce carbon tetrachloride consumption by 85 per cent; reduce methyl chloroform by 30 per cent; and freeze and then reduce methyl bromide by 20 per cent. He said that he could not over-emphasize the need for adequate replenishment of the Multilateral Fund at the current stage.

202. He then drew attention to the statements made at the World Summit on Sustainable Development. The World Summit had agreed that actions should be taken at all levels to strengthen capacities of developing countries and countries with economies in transition and to facilitate implementation of the Montreal Protocol by ensuring adequate replenishment of its Multilateral Fund for 2003-2005.

203. He congratulated and welcomed the four countries that had become Party to the Vienna Convention and the Montreal Protocol since the last Conference of the Parties: Guinea Bissau, Nauru, Sao Tome and Principe and Sierra Leone. With those new Parties, the membership of the Vienna Convention had reached 185, leaving only 11 countries as non-Parties. However, the number of Parties to the Vienna Convention and the Montreal Protocol that had acceded to the four Amendments of the Montreal Protocol was far less than 185 and he urged all Parties that had not yet acceded to any of the Amendments to do so promptly.

204. The Parties' record for reporting data on ODS production and consumption as provided by the Protocol had been outstanding. However, there was still room to improve, especially concerning the timeliness of the annual reporting to the Secretariat and he urged all Parties to make every effort to respect the reporting deadlines.

205. He expressed thanks to the Assessment Panels established to support the Protocol for their excellent work in providing expert information and advice for its decision-making process. He also thanked the Executive Committee and the Secretariat of the Multilateral Fund, for providing the developing countries with more than \$1.5 billion in financial resources enabling technology transfer and other activities required to meet their commitments under the Protocol to phase out ODS. He thanked the Global Environment Facility which, since its inception in 1991, had granted more than \$150 million to support activities of 16 countries with economies in transition to meet the targets set for them by the Montreal Protocol.

206. He said that the implementing agencies UNDP, UNIDO and the World Bank had functioned tirelessly to develop and implement investment projects which resulted in the phase-out of ODS. UNEP had implemented capacity-building projects in developing countries and in countries with economies in transition, and had established regional and worldwide information exchange systems. The networks started about ten years previously by Sweden, and currently run by UNEP's OzonAction Programme under the Multilateral Fund, had become models for other multilateral environmental agreements.

207. Concerning the cross-cutting issue of preventing illegal trade in ODS, which was on the agenda of the current meeting, he said that UNEP had initiated a project, financed by the Multilateral Fund, to train customs officers and ODS officers on the substances controlled by the Montreal Protocol. Related to the prevention of illegal trade was the proper use of the Customs Codes issued under WCO's Harmonized System to identify correctly goods traded internationally. Under the Montreal Protocol, Customs Codes had been allocated by the WCO to all the pure substances controlled by the Protocol but were lacking for the mixtures of ODS.

208. He pointed to the important role in the process of protecting the ozone layer played by non-governmental organizations, from both the environmental and industrial sectors. That partnership of the non-governmental organizations was compatible with the outcome of the World Summit on Sustainable Development which had fully acknowledged the role of the non-governmental organizations.

209. In closing, he conveyed thanks to the Parties that had contributed promptly to the Vienna Convention and the Montreal Protocol Trust Funds, and expressed gratitude to those Parties that had provided their contribution on time to the Multilateral Fund. He also thanked the Food and Agriculture Organization of the United Nations, which had placed its conference facilities at the Meeting's disposal. He was sure that the excellent facilities would contribute significantly to the success of the Meeting.

210. Mr. Matteoli welcomed all participants to Italy. He said that the Montreal Protocol was a fine example of partnership between Article 5 countries and non-Article 5 countries to safeguard the environment. The Multilateral Fund and the implementing agencies had contributed to the financing of industrial conversion and capacity-building. Italy was aware of its responsibilities, and was in the forefront of development of non-ODS technologies. Although the ozone layer was recovering, the work had not ended and much remained to be done. It was necessary to have a better understanding of the issues that called for decisions, and Italy would continue to support the developing countries by means of the replenishment of the Multilateral Fund.

211. There had to be intergovernmental cooperation to combat illegal trade in ODS. In addition, it was necessary to urge all Parties to ratify the Amendments under the Protocol as soon as possible. It was necessary to take further steps for the implementation of the Protocol and the promotion of sustainable development, and he strongly restated Italy's commitment to that end. Political will was required to ensure the use of up-to-date technologies. Noting the cooperation that had taken place over the past 15 years towards a common goal, he hoped that it would continue in the same spirit. He wished all participants success in their deliberations at the Meeting and an enjoyable stay in Rome.

212. At the opening ceremony of the high-level segment, Mr. Altero Matteoli, was presented with a copy of the book "*Protection of the Ozone Layer: the United Nations history*", by Mr. Stephen O. Andersen and Mr. K. Madhava Sarma.

213. The book was officially launched at the combined meeting of the sixth meeting of the Conference of the Parties to the Vienna Convention and the Fourteenth Meeting of the Parties to the Montreal Protocol.

214. At the conclusion of the opening ceremony, on behalf of those participating in both components of the Meeting, Mr. Marco Gonzalez, Executive Secretary of the Ozone Secretariat, expressed thanks to the Minister of Environment and Territory and to the Government of Italy for the excellent welcome and the hospitality provided.

IX. ORGANIZATIONAL MATTERS

A. Election of officers of the sixth meeting of the Conference of the Parties to the Vienna Convention

215. At the opening session of the high-level segment of the combined meeting, in accordance with rule 21, paragraph 1, of the rules of procedure, the following officers were elected, by acclamation, to the Bureau of the sixth meeting of the Parties to the Vienna Convention:

President:	Mr. Paul Horwitz, United States of America (Western European and others group)
Vice-Presidents:	Mr. Jiri Hlavacek, Czech Republic (Eastern European group)
	Mr. Victor Yameogo, Burkina Faso (African group)
	Mr. Shajahan Siraj, Bangladesh (Asian and Pacific group)
Rapporteur:	Mr. Javier Camargo, Colombia (Latin America and Caribbean group)

B. Election of officers of the Fourteenth Meeting of the Parties to the Montreal Protocol

216. At the opening session of the high-level segment, in accordance with rule 21, paragraph 1, of the rules of procedure, the following officers were elected, by acclamation, to the Bureau of the Fourteenth Meeting to the Montreal Protocol:

President:	Mr. Rukman Senanayake, Sri Lanka (Asian and Pacific group)
Vice-Presidents:	Mr. Mikheil Tushishvili, Georgia (Easter European group)
	Mr. Jorge Salazar Cardenal, Nicaragua (Latin America and Caribbean group)
	Ms. Giuliana Gasparrini, Italy (Western European and others group)
Rapporteur:	Ms. Margaret Sangarwe, Zimbabwe (African group)

C. Adoption of the agenda of the sixth meeting of the Conference of the Parties to the Vienna Convention and the Fourteenth Meeting of the Parties to the Montreal Protocol

217. At the opening session of the high-level segment, the Parties adopted the following agenda for the high-level segment on the basis of the provisional agenda which had been circulated in document UNEP/OzL.Conv.6/1 – UNEP/OzL.Pro.14/1:

1. Opening of the high-level segment
2. Organizational matters:
 - (a) Election of officers of the sixth meeting of the Conference of the Parties to the Vienna Convention;
 - (b) Election of officers of the fourteenth Meeting of the Parties to the Montreal Protocol;
 - (c) Adoption of the agenda of the sixth meeting of the Conference of the Parties to the Vienna Convention and the fourteenth Meeting of the Parties to the Montreal Protocol;
 - (d) Organization of work;
 - (e) Credentials of representatives.
3. Presentation on progress reports by the assessment panels.
4. Presentation by the Chair of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol.
5. Presentations by the representatives of United Nations implementing agencies and the Global Environment Facility.
6. Statements by heads of delegation.
7. Report of the Co-Chairs of the preparatory segment and consideration of the decisions recommended for adoption by the sixth meeting of the Conference of the Parties to the Vienna Convention and the fourteenth Meeting of the Parties to the Montreal Protocol.
8. Dates and venues of the fifteenth Meeting of the Parties to the Montreal Protocol and the seventh meeting of the Conference of the Parties to the Vienna Convention.
9. Other matters.
10. Adoption of the report of the sixth meeting of the Conference of the Parties to the Vienna Convention.
11. Adoption of the report of the fourteenth Meeting of the Parties to the Montreal Protocol.
12. Closure of the meeting.

D. Organization of work

218. The Meeting agreed to follow its customary procedure.

E. Credentials of representatives

219. The Secretariat, speaking on behalf of the Bureau reported that the Bureau of the sixth meeting of the Conference of the Parties to the Vienna Convention and the Fourteenth Meeting of the Parties to the Montreal Protocol had approved the credentials of the representatives of 96 Parties out of the 140 represented at the Meeting. The Bureau had also provisionally approved the representation of six Parties on the understanding that they would send their credentials to the Secretariat as soon as possible. The Bureau

urged all Parties attending future meetings of the Parties to make their best efforts to submit credentials to the Secretariat, as required under rule 18 of the rules of procedure for meetings of the Parties.

X. PRESENTATION ON PROGRESS REPORTS BY THE ASSESSMENT PANELS

Scientific Assessment Panel

220. Mr. Daniel Albritton, Co-Chair of the Scientific Assessment Panel, summarized the status of the Panel's new report on the understanding of the ozone layer. He expressed appreciation to the Parties for their nomination of participants for the two-year assessment project; over half of the 266 participants were from that group.

221. The new assessment report focused on an update of controlled substances, short-lived substances, global and polar ozone, and ultraviolet radiation. A special emphasis in all chapters was the interrelation between ozone depletion and climate change. The Executive Summary was on the UNEP web site, and the full report would be available early in 2003. A companion booklet had been written for the public and students answering frequently-asked questions about the ozone layer.

222. Mr. Albritton also gave a short summary of the state of the Antarctic ozone hole in 2002, which was very unusual. While the cause of the low level of ozone loss was still being researched, he noted that unusual meteorology and atmosphere motions were more likely to be the source of the atypical behaviour, rather than changes in the amount of ozone-depleting substances in the atmosphere.

Environmental Effects Assessment Panel

223. Mr. Jan C. van der Leun, Co-Chair of the Environmental Effects Assessment Panel, reported that the Panel had recently completed its new assessment, after review by scientists from all over the world. As requested by the Parties to the Montreal Protocol, special attention had been given in the report to possible consequences of interactions between ozone depletion and climate change, and several such consequences had been signalled and discussed. Accordingly, the title of the new report had become *Environmental Effects of Ozone Depletion and its Interactions with Climate Change: 2002 Assessment*. It would soon be printed and distributed, and also made available on the Ozone Secretariat's web site, www.unep.org/ozone.

224. Mr. Van der Leun mentioned a few examples of the interactions analysed. Depletion of the ozone layer increased the level of UV-B radiation reaching the earth's surface, but the level was also influenced by several aspects of climate change, such as changes in cloudiness and rain, and the melting of snow and ice. Moreover, climate change could, according to some model calculations, also extend the period of ozone depletion. That would not only prolong the period over which UV-B effects would occur, but would also amplify those effects that depended on UV-B doses accumulating over many years, such as cataracts, skin cancer and possibly some long-term effects on trees.

225. A rise in the temperature of sea water not only had physical consequences, such as expansion of water volume and increased evaporation, but also influenced the chemical reactions taking place in sea water, and the life of many organisms and their interactions. Predicting the final outcome was not possible at present, but one concern was a possible negative influence on fish. In addition, climate change could lead to the spread of certain diseases over new regions, while ozone depletion reduced the immune resistance of the people living in those regions. Experimental mice given regular UV exposure developed skin cancer; mice given the same UV exposures in a room with a higher temperature developed more skin cancers. There were good reasons to expect a similar effect in human populations receiving roughly the same UV radiation as before but at increased environmental temperatures. The effect in human populations could well be quantitatively different from that in mice, so that a good prediction of the consequences would require additional investigations.

226. Mr. van der Leun concluded his presentation with the statement that the problems around the ozone layer have not yet been solved.

Technology and Economic Assessment Panel

227. Mr. José Pons Pons, Co-Chair of the Aerosols Technical Options Committee, reported that TEAP had considered, and recommended approval for essential-use nominations for Australia, the European Union, Japan, Poland, Russian Federation, Ukraine and the United States for use in treating asthma and COPD, but approval was not recommended for nominated uses in nasal inhalers and cardiac sprays.

228. He reported that transition to CFC-free metered-dose inhaler products was proceeding, with transition strategies submitted by 8 of 43 non-Article 5(1) Parties by January 2002.

229. TEAP had observed that small quantities of ODS might be necessary for medical uses and for maintenance of air quality in ambulances and other emergency vehicles used in areas contaminated by chemical, biological or radiological agents. Adequate quantities of ODS were generally available from stockpiles produced before the phase-out, but Parties might wish to examine environmental regulations to ensure that such emergency uses were not inadvertently restricted.

230. Mr. Lambert Kuijpers, Co-Chair of TEAP, reported that the n-propyl bromide (nPB) market had not developed significantly since 2001. Manufacturers were in disagreement over conclusions on the toxicology, with one manufacturer having abandoned plans for production, but with another having started production of nPB dry-cleaning equipment in one country.

231. Mr. Kuijpers reported that the TEAP Task Force on Collection, Reclamation and Storage estimated that a total of 350,000 to 400,000 ODP-tonnes of refrigerants, 1.25 million ODP-tonnes of foam blowing agent, 450,000 ODP tonnes of halon 1301 and 330,000 ODP-tonnes of halon 1211 were estimated to be contained in products or in inventory. With economic incentives, there was an opportunity to collect and destroy surplus substances, with the exception of halon 1301, which was still required for certain specialized fire protection uses.

232. He reported that the TEAP Task Force on Destruction Technologies had evaluated 45 technologies, with 12 being recommended and 29 considered as emerging. The newly recommended technologies were argon plasma arc, nitrogen plasma arc, microwave plasma, gas phase catalytic dehalogenation, superheated steam reactor and rotary kiln incinerator.

233. Mr. Radhey Agarwal, Co-Chair of the Refrigeration Technical Options Committee, reported technical progress in the foam, refrigeration and air-conditioning sectors. Several Article 5 (1) countries were approaching foam sector phase-out. Some non-Article 5 (1) countries were facing difficulty in phasing out HCFC foam blowing on their national schedule. Hydrocarbons were gaining market share in domestic and stand-alone commercial refrigeration equipment. Large commercial equipment was mostly using R-404a, with further development of ammonia, hydrocarbons (HC) and carbon dioxide (CO₂). Mobile air conditioning systems were less emissive than previously and were continuing to improve, while new prototype systems for HC, HFC-152a and CO₂ continued to be developed, with commercialization expected in the next few years.

234. Mr. Jonathan Banks, Co-Chair of the Methyl Bromide Technical Options Committee, reported that the *Handbook on Critical Use Nominations for Methyl Bromide* had been published, with more alternatives and substitutes being commercialized and registered. Registration and regulation continued to be a major impediment to commercial availability of methyl bromide alternatives.

235. With some TEAP members resigning, Mr José Pons Pons had been nominated as a TEAP Co-Chair and Mr. Masaaki Yamabe and Mr. Tamás Lotz nominated as TEAP Senior Experts. The nominations were approved by the meeting. TEAP welcomed nominations for membership of its Technical Options Committees for 2003.

XI. PRESENTATION BY THE CHAIR OF THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

236. Mr. O.A. Afolabi (Nigeria), Chair of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol, introduced the report of the Executive Committee to the Fourteenth Meeting of the Parties (UNEP/OzL.Pro.14/6). The report covered the activities of the Executive Committee meetings in March, July and November 2002. During this reporting period, the Executive Committee had made significant steps toward the goal of meeting the Montreal Protocol compliance measures.

237. The Executive Committee had approved a total of 510 additional projects and activities valued at over \$261 million. When implemented, these projects would lead to the phase-out of 23,624 ODP tonnes of consumption and 9,833 ODP tonnes of production of controlled substances.

238. Landmark agreements had been reached with Argentina and with the Democratic People's Republic of Korea. Those agreements would result in the total phase-out of their respective CFC production sectors. Furthermore, at its 38th Meeting held the previous week, the Executive Committee had approved an important agreement that would enable China to achieve an 85 per cent reduction in production and consumption in the CTC sector.

239. Aside from those programme issues, the Executive Committee had addressed financial oversight issues. One indicator of progress in this area was the return of over \$30 million from implementing agencies from project balances and accounts reconciliation. At its previous meeting, the Executive Committee had initiated a process for the annual reconciliation of the accounts with the agencies' progress reports to maintain consistency between the two reporting mechanisms.

240. The Executive Committee had achieved unrivalled success over the reporting period. The strategic planning process, that had been initiated by the Executive Committee prior to the Beijing Meeting of the Parties, was now near completion and the Chair of the Executive Committee drew attention to some of the outcomes of this important process.

241. Recognizing the validity of country-driven processes, the Executive Committee, at its 35th Meeting, had significantly increased the level of funding for institutional strengthening projects and provided funding for country programme updates. It had agreed a starting point for the remaining level of CFC consumption upon a commitment to achieve sustained permanent aggregate reductions in national consumption and production of CFCs.

242. The strategic planning process had resulted in a movement away from the project-by-project approach to sector and national ODS phase-out agreements. Eight of the ten largest ODS consuming Article 5 countries had now entered into phase-out agreements with the Executive Committee. Those agreements would lead to the near, or total phase-out, of all ODS in each country.

243. The strategic planning process had also resulted in proposals for the modification of business planning for the Fund during the 2003-2005 triennium, particularly in the area of resource planning and allocation.

244. At its 38th Meeting, the Executive Committee had adopted a model three-year ODS phase-out plan for the Multilateral Fund as a guide for the preparation of annual or multi-year business plans during the next triennium. In addition, the Meeting had adopted a new administrative cost regime for three of its implementing agencies that included a core unit budget and reduced agency fees of 7.5 per cent and 9 per cent on project costs depending on the size of the project.

245. In agreeing to the replenishment for the 2000-2002 triennium in Beijing, the Parties had set a budget for the Multilateral Fund of \$475 million and requested the Executive Committee to endeavour to fully commit the budget. With the approval of some \$82 million at its 38th Meeting, the Executive Committee had managed to honour this request of the Parties and commit all but some \$13 million of the budget.

246. Moreover, the Executive Committee had approved in principle, an additional \$235 million for these sector and national ODS phase-out agreements. The Committee would release this amount of funding annually on the basis of the achievement of pre-agreed performance targets.

247. It was noted that the work of the Executive Committee, the implementing agencies, and the Article 5 countries was now entering a critical stage. Control measures were already in place and significant reductions in ODS were imminent. In this regard, the Executive Committee continued to monitor the status of Article 5 countries in their compliance efforts to provide assistance where and when needed.

248. Although over 156,000 ODP tonnes had been phased out with support from the Multilateral Fund since its inception in 1991, an even larger amount of phase-out was currently under implementation from approved but unimplemented projects. Article 5 countries and implementing and bilateral agencies were currently implementing projects that, when completed, would result in the permanent phase-out of some 176,000 ODP tonnes over the next triennium.

249. The task over the next triennium was daunting, and the timely and efficient implementation of projects and agreements, was even more critical than ever before. However, through the institutions that had been developed over the preceding 11 years (national ozone units established in some 125 Article 5 countries; regional and subregional networks that met twice yearly; the Compliance Assistance Programme of UNEP; able implementing and bilateral agencies with their expertise; and a dedicated Secretariat and committed Executive Committee), it was confidently expected that the Multilateral Fund for the Implementation of the Montreal Protocol, would exceed all expectations in the future, as it had in the past.

250. During his tenure, the Chair of the Executive Committee, on behalf of the Committee, had had the honour of leading missions to China, Egypt and Japan with the Vice-Chair and the Chief Officer of the Multilateral Fund. The meetings held during these missions with the ministers of the environment, senior government officials, and representatives of industry in each respective country, had emphasized the importance of the continued support for the Multilateral Fund, and the ODS phase-out efforts of both developed and developing countries.

251. As requested by the Executive Committee at its 36th Meeting, the Chair of the Executive Committee had explored, with the Executive Director of UNEP, the circumstances under which the contract of the Chief Officer could be extended beyond retirement age. At the request of the 38th Meeting of the Committee, he would continue those efforts to seek an extension of the contract of the current Chief Officer of the Multilateral Fund Secretariat for a period of up to two years.

252. In his concluding remarks, the Chair of the Executive Committee expressed appreciation to all those who had been involved in the activities he had described. He also thanked his fellow Executive Committee members for their hard work over the year as well as the implementing agencies for their determined efforts to put the strategic plan of the Fund into action. He extended his gratitude and thanks to the Fund Secretariat for their work in facilitating the efficient operation of the Multilateral Fund and the Executive Committee and Dr. Omar El-Arini, the Fund Secretariat's Chief Officer, for his tireless efforts and the tremendous personal support he had given him.

XII. PRESENTATIONS BY THE REPRESENTATIVES OF UNITED NATIONS IMPLEMENTING AGENCIES

UNDP

253. The representative of UNDP congratulated the Montreal Protocol on 15 years of collaboration and partnership during which significant achievements had been realized. He drew attention to the linkages among the protection of the ozone layer, the outcome of the World Summit on Sustainable Development and the Millennium development goals. Like the World Summit on Sustainable Development, the Montreal Protocol was essentially about action and implementation rather than simply agenda-setting. Through its various bodies, it had time and again demonstrated its focus on action, as a basis for win-win solutions. The specific mandate of UNDP was to advocate change and to strive to enhance and support the sharing of knowledge, experience and resources to develop capacity in order to help people around the world build better lives and it was doing this by being present and on the ground in 166 countries.

254. As one of the implementing agencies of the Multilateral Fund for the Implementation of the Montreal Protocol, UNDP was pleased to continue to contribute to its growth, its success and its evolution. It had received approval to implement 1,556 projects in 86 countries. That represented over \$369 million in programme funding that would eliminate nearly 46,000 ODP tonnes of ozone-depleting substances. It had also received \$19.6 million under GEF to eliminate 1,742 ODP tonnes.

255. By responding in a positive manner to the new strategic guidance of the Multilateral Fund, UNDP was already working with a number of Article 5 countries on the implementation of 16 total national phase-out plans covering all sectors. UNDP, stressing its strong country-level presence and capacity development experience, reaffirmed its continued effort to ensure that the goals of the Montreal Protocol were met in a sustainable fashion.

UNEP

256. The representative of UNEP presented the distinct role of UNEP/DTIE among the implementing agencies in providing assistance through non-investment activities such as policy setting, institutional strengthening and training. In 2002, UNEP was assisting 138 Article 5 countries, about 70 per cent of which were low-volume-consuming countries.

257. The UNEP Compliance Assistance Programme (CAP) was approved by the Executive Committee of the Multilateral Fund in December 2001, and 2002 was thus the first year of its implementation. It was designed to achieve and sustain national compliance with phase-out targets for CFCs, halons and methyl bromide, through promoting a greater sense of national ownership and management of the phase-out plan, improving the reliability and accuracy of data reporting and addressing the needs of small- and medium-sized enterprises and the informal sector. The specific activities proposed under the CAP for 2003 included providing policy assistance, building awareness of methyl bromide alternatives and phase-out possibilities, and providing online training materials.

258. A key strength of the UNEP programme was its joint activities with bilateral agencies, non-governmental organisations, UN and government bodies, industry associations, national, regional and international organisations, Convention secretariats and regional and local training institutes. In particular, UNEP's network of ozone officers was actively supported by a number of developed country partners. UNEP looked forward to continuing to develop opportunities for joint activities with other agencies and partners, consistent with its catalytic and supporting role, in order to maximise the impact and outreach of its expertise and experience to assist Article 5 and countries with economies in transition.

UNIDO

259. The representative of UNIDO said that the year 2002 represented a milestone for UNIDO in its relationship with the Multilateral Fund. Ten years earlier, it had become one of the Fund's implementing agencies, although at that time it had not realized the scale of the effort that was to be required to meet its important commitments to the Montreal Protocol. In those ten years, UNIDO had phased out 21,935 ODP tonnes of ozone-depleting substances, developing well over 800 projects in 68 countries, with a total budget exceeding \$300 million. By the end of October 2002, 508 projects with a value of over \$183 million had been completed.

260. He expressed the gratitude of UNIDO to the Governments, national ozone units and recipient enterprises of Article 5 countries for their cooperation and support, which had enabled UNIDO to achieve almost all of the performance indicators established by the Executive Committee in UNIDO's 2001 business plan.

261. Over those ten years, it had been evident that multilateral cooperation efforts could make a great difference and have a substantial impact on global environmental challenges. Success would not have been possible without the cooperation among the Multilateral Fund Secretariat, the Ozone Secretariat, the implementing agencies, bilateral agencies, donors and Article 5 countries. The present change in the approach to ODS phase-out, from a project-by-project approach to national and sectoral phase-out plans, should strengthen cooperation and also further stress the crucial responsibilities of Article 5 countries in meeting their compliance targets. In response to the new approach, UNIDO had included in its 2002 business plan seven national and 14 sectoral phase-out plans.

262. In its partnership with the Multilateral Fund, UNIDO had not simply focused on technology but had also incorporated the important issues of safety, quality assurance, cost-effectiveness and product engineering. That approach, for example, had enabled UNIDO to be the first implementing agency to move directly to hydrocarbons such as cyclopentane and isobutane, rather than promoting HCFCs and HFCs. Similarly, UNIDO continued to maintain a leading position in the fumigant sector.

263. The 38th Executive Committee meeting had taken critical decisions stressing the importance of ensuring that the business planning activities of the implementing agencies were fully oriented towards compliance. Welcoming the change in direction, UNIDO would strive to meet the challenge and fulfil the expectations of the Parties, notably in providing technical advisory, auditing and reporting services.

World Bank

264. The representative of the World Bank said that, since the inception of the Multilateral Fund, the World Bank had carried out 527 investment projects which would account for 130,000 ODP-tonnes of substances phased out, about 60 per cent of total phase-out approved under the Fund to date. By the end of 2001, 70 per cent of the World Bank's projects had reached completion, with an actual phase-out of over 105,000 ODP-tonnes and a total of \$346 million disbursed. In addition, nearly \$300 million had been agreed in principle by the Executive Committee for multi-year projects under Bank implementation.

265. The impact of the production sector projects approved by the Fund was now beginning to be felt. Since the first sector plan for the China halon sector had been approved in 1997, 27,000 ODP-tonnes of halon was no longer produced. Through Bank-implemented projects, China had ceased producing over 14,000 ODP-tonnes of CFCs, India 3,465 ODP-tonnes and the Russian Federation over 20,000 ODP-tonnes. Based on the Bank's experience to date, the annual production reductions were definite and should be a strong driver for accelerating the completion of ongoing projects.

266. The transition from project-based to strategic approaches to phasing out ODS consumption was not an easy one, but with the experience garnered through sector approaches, the Bank was in a position to assist countries. Furthermore, the experience gained by Article 5 countries in developing and implementing sector and national ODS phase-out plans would have far-reaching impacts, in particular on the implementation of

other global and regional environmental agreements such as the Kyoto Protocol on climate change or the Stockholm Convention on persistent organic pollutants. As the Montreal Protocol moved towards its end goal, Parties should keep in mind the commitments made at the World Summit on Sustainable Development and determine how to apply what they have learned in order to protect the environment.

XIII. STATEMENTS BY HEADS OF DELEGATIONS

267. In the ensuing debate, the Meeting heard statements from the representatives of 50 Parties to the Protocol and 1 non-governmental organization.

268. All the speakers expressed their appreciation to the Government and people of Italy for hosting the Meeting in the beautiful and historic city of Rome, and for their hospitality. They congratulated the newly elected members of the Bureau and commended the Secretariat on its good work and the various organs of the Montreal Protocol for performing their duties diligently.

269. Some speakers commended the Multilateral Fund for committing virtually the entire budget for the period 2000-2002 within the triennium. Many speakers from Article 5 countries outlined measures undertaken in their countries to protect the environment, and, in particular, to protect the ozone layer.

270. Many speakers reported on their country's recent ratifications of one or other of the Protocol's Amendments. However, one country expressed concern at the slow pace of ratification of the Amendments, and urged Parties to expedite their procedures for such ratifications.

271. Many speakers noted that the Montreal Protocol was one of the most successful international environmental agreements ever negotiated and had been a model of effective international cooperation, science-based decision-making and prudent action over the past 15 years aimed at addressing a global environmental problem. Several speakers drew attention with pride to the achievements of the Montreal Protocol and the Multilateral Fund, saying that the level of cooperation and mutual assistance it had created between developed and developing countries would have seemed a fantasy only a few short years before.

272. However, a number of speakers said that one should not become complacent as a result of the success stories. Pointing to the uncertain knowledge of the processes within the stratospheric ozone layer, they said that even with full compliance it would remain vulnerable over the coming decade or so. Any slackening of the implementation work could jeopardize the efforts made so far.

273. Several speakers called for increased and more wide-ranging cooperation to include non-governmental organizations, members of the scientific and academic communities, the private sector and other stakeholders.

274. Several speakers said that they had already fulfilled their obligations under the Montreal Protocol with regard to phasing out ODS, some of them before the deadlines required by the Montreal Protocol. It was generally felt that such countries should share their experiences with other countries to help them to comply with their obligations under the Protocol. One speaker, pointing to her country's extensive research in the development of alternatives to methyl bromide, was proud to have an opportunity to share that experience with other countries through demonstration projects. One speaker announced his country's intention to phase out the use of methyl bromide 10 years before the target date of 2015.

275. A number of speakers considered that the surplus of CFCs and other ODS on the world market was undermining the phase-out efforts of the Article 5 Parties. It was necessary to have a better balance between the needs of the Article 5 Parties and the supply of controlled substances for their basic domestic needs.

276. Many speakers spoke of the need for enhanced cooperation between the Montreal Protocol and the Convention on Climate Change due to the obvious interrelation between ozone and climate issues. They welcomed the preparation of a joint integrated special report by the Intergovernmental Panel on Climate Change and TEAP.

277. Many speakers highlighted the positive outcomes of the World Summit on Sustainable Development. The Summit had agreed on the importance of facilitating implementation of the Montreal Protocol and ensuring adequate replenishment of the Fund; to improve developing countries' access to viable ODS alternatives, and to assist developing countries in complying with the phase-out schedule under the Montreal Protocol in view of the scientific and technical inter-relation between ozone depletion and climate change. At Johannesburg, commitments had been made to contain global warming, to conserve depleting biodiversity, improve water and sanitation and put into force the ambitious World Summit Plan of Implementation aimed at ensuring sustainable development for the people of the world. One speaker, on behalf of the European Union and its member States, said that the European Union was fully prepared to meet the commitments and promises made in Johannesburg.

278. Many speakers underlined the need for continued effort, determination and sacrifice towards the protection of the ozone layer. A number noted the need for the establishment of ozone monitoring stations in developing countries in order to monitor the impact and vulnerability of these countries to ozone depletion.

279. A number of speakers noted that the latest TEAP report showed that Article 5 countries were making considerable efforts to eliminate ODS and to conform to phase-out schedules under the Montreal Protocol but their continued efforts in this regard would depend greatly on the financial resources made available to them. Adequate replenishment of the Multilateral Fund was, therefore, of the utmost importance and many speakers called on non-Article 5 countries to ensure that effective technical and financial support was provided to avoid Article 5 countries falling into non-compliance. Speakers from both Article 5 and non-Article 5 countries said that there should be a robust level of replenishment and concerted efforts should be made by the Parties to ensure that the Multilateral Fund was used with maximum efficiency to assist developing countries to phase out ODS. There were calls for the replenishment of the Multilateral Fund to be revised from the level proposed by TEAP of around \$500 million to a more realistic estimate of around \$900 million. A number of speakers said that the developing countries could only meet their obligations to the extent that the developed countries met theirs. There had to be a real political commitment in the pursuit of the common goals to protect the ozone layer.

280. Several speakers from Article 5 countries drew the attention of the Parties to the variability of consumption between countries categorized as low volume consumption countries, and proposed the creation of a new subcategory of low low volume consuming countries. Such countries were significantly disadvantaged and could easily fall into non-compliance for various reasons, including the fact that exporters were reluctant to export small quantities of CFC and its alternatives and the cost of these products was several times that charged in developed countries.

281. A number of speakers noted that choices were further limited due to the interaction between climate change and ozone depletion. Alternatives to CFCs such as HCFCs and PFCs were seen as bad alternatives because of their global warming potential, with some speakers calling for the TEAP to do further research in this area.

282. Speakers from several African countries spoke of the particular difficulties faced in the region, including increasingly harsh economic conditions, poverty, civil war, and the AIDS scourge. One of them noted that, despite the considerable difficulties caused by a state of conflict in his country, the national ozone unit had still been able to prepare the reports required under the Protocol, and had succeeded in making the public more aware of the importance of the Protocol.

283. Several speakers considered that environmental protection was indissolubly linked to the struggle of many Article 5 countries to overcome poverty. Strategies to alleviate poverty and promote sustainable development provided a coherent framework within which to address environmental issues.

284. Some other speakers pointed to the need for particular technical and financial assistance to those Article 5 countries that had just joined the Montreal Protocol, to help them catch up in the implementation of the Protocol.

285. Several speakers from Article 5 countries spoke of the need to avoid the disruption of the socio-economic development of their countries. They considered that the Article 5 countries should be able to also apply for critical-use exemptions in cases where viable alternatives were not yet available. If they were granted in strict accordance with the guidelines of the Montreal Protocol and properly implemented and monitored, such exemptions could complement the ultimate goal of protecting the ozone layer.

286. A number of speakers from Article 5 countries reported difficulties in the phasing out of ODS, particularly CFCs in the refrigeration sector. Several of them cited the lack of affordable alternatives to low price illicit refrigeration equipment. They noted the exorbitant cost of non-ODS alternatives, particularly refrigerants, and the urgent need to curb the import of ODS-containing equipment from non-Article 5 countries. Most agreed that developing countries were targeted as “dumping grounds” for CFC containing equipment and underlined the difficulty of controlling and monitoring the import of ODS containing equipment with limited technical resources. A number of speakers underlined the need to aggressively address illegal trade in ODS and ODS containing equipment, which was hampering countries’ phase-out efforts. Several speakers called for missions to be organized under the guidance of the Secretariat for dialogue on how to best deal with this very serious problem. One speaker proposed the creation of a framework for greater coordination and cooperation among the international, regional and national enforcement agencies to curb the illegal trade in ODS.

287. Several speakers drew attention to the importance of awareness-raising about the ozone layer, both among the public and decision-makers. Some of them described the efforts undertaken in this direction in their own countries. There was a particular need, according to one speaker, for greater support for information and awareness-raising activities for the populations of Article 5 countries, the majority of whom were illiterate. She also proposed that countries implement the ODS phase-out projects themselves.

288. A number of speakers pointed to the need to extend Multilateral Fund assistance to the chillers sector, where continuing use of CFCs was hampering phase-out efforts.

289. A number of speakers stressed the need for the implementation of programmes to be country driven.

290. Some speakers, referring to projects in their country that had been rejected by the Executive Committee of the Montreal Protocol, wondered about the possibilities for resubmitting them.

291. Many speakers underlined the need for increased technology transfer to Article 5 countries. International cooperation to promote the use of technological innovations and the application of scientific expertise was of paramount importance. One speaker stressed the importance of transferring the right technology, not just the cheapest, in order to ensure the quality of the resulting production.

292. One speaker noted the difficulties encountered due to the lack of a special destruction facility for ODS and ODS-containing equipment in his country.

293. One speaker from a country with a high production level of CTCs spoke of the daunting task of phasing out 85 per cent of CTC production by 2005 and requested that, in this regard, projects be approved in a timely manner to allow their implementation without delay. Provision of adequate resources was also vital when it came to ODS phase-out in the service sector which catered largely to small- and medium-sized enterprises providing livelihoods to millions of people. He proposed a special funding window, with differentiated cost effectiveness, for small- and medium-sized enterprises in all sectors in the next triennium.

294. One speaker, noting that new financial ideas such as revolving funds and concessional lending were being discussed in the Executive Committee of the Multilateral Fund, considered that there was insufficient evidence of the merit of such innovative financing instruments. Such arrangements might even have an adverse effect by increasing the indebtedness of the Article 5 countries.

295. One speaker noted that war had broken out in his country on the day after it had acceded to the Vienna Convention and the Montreal Protocol. With 200,000 people killed, and its industry virtually destroyed, the country had inevitably slipped into non-compliance. He called for understanding of his country's position, and reiterated its commitment to the aims of the Montreal Protocol.

296. Most speakers underlined the political goodwill of their countries and were optimistic that they would phase out ODS within the stipulated time-limit.

297. Most speakers expressed appreciation for the help they had had in their phase-out efforts from the Multilateral Fund, as well as from the implementing agencies and bilateral donors.

XIV. REPORT OF THE CO-CHAIR OF THE PREPARATORY SEGMENT AND CONSIDERATION OF THE DECISIONS RECOMMENDED FOR ADOPTION BY THE SIXTH MEETING OF THE CONFERENCE OF THE PARTIES TO THE VIENNA CONVENTION AND THE FOURTEENTH MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL.

298. The Co-Chair of the preparatory segment informed the high-level segment about the main issues covered in the deliberations of the preparatory segment and pointed to the draft decisions which had been approved for transmission to the high-level segment. Following further informal consultations in contact groups the Meeting approved two draft decisions on the level of replenishment of the Multilateral Fund and the implementation of the fixed-exchange-rate mechanism.

299. The Meeting of the Parties adopted a number of decisions on the basis of the draft forwarded by the preparatory segment and on the basis of other proposals submitted to the high-level segment. The text of the decisions of the sixth meeting of the Conference of the Parties to the Vienna Convention, as adopted, may be found in the report of the sixth meeting (UNEP/OzL.Conv.6/7). The text of the decisions of the Fourteenth Meeting of the Parties to the Montreal Protocol, as adopted is contained in chapter VIII below.

XV. ADOPTION OF DECISIONS

A. Decisions

The Fourteenth Meeting of the Parties decides:

Decision XIV/1. Ratification of the Vienna Convention for the Protection of the Ozone Layer, the Montreal Protocol on Substances that Deplete the Ozone Layer and the London, Copenhagen, Montreal and Beijing Amendments

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 as of 28 November 2002, 164 Parties had ratified the London Amendment to the Montreal Protocol, 142 Parties had ratified the Copenhagen Amendment to the Montreal Protocol, 84 Parties had ratified the Montreal Amendment to the Montreal Protocol while only 41 Parties had ratified the Beijing Amendment to the Montreal Protocol;
3. To note further that the Beijing Amendment entered into force on 25 February 2002, on the ninetieth day following the date of deposit on which the twentieth instrument of ratification had been deposited by States or regional economic integration organizations that are Party to the Montreal Protocol on Substances that deplete the Ozone Layer;

4. 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 XIV/2. Application by Armenia for developing country status under the Montreal Protocol

To accept the application of Armenia to be listed as a developing country operating under Article 5 of the Montreal Protocol, taking into account its difficult economic situation, its classification as a developing country by the World Bank and the United Nations Development Programme and its low per capita consumption of ozone-depleting substances, on the understanding that the process for ratification of the London Amendment in Armenia must be completed before any assistance from the Multilateral Fund can be rendered to the Party.

Decision XIV/3. Clarification of certain terminology related to controlled substances

1. To note that the terms in past Decisions related to “used controlled substances” such as “recovered”, “recycled” and “reclaimed” have not been used uniformly and may be misinterpreted;
2. To urge Parties to be precise from now in the terminology related to “used controlled substances” in future Decisions, and when appropriate, refer specifically to the definitions agreed in Decision IV/24.

Decision XIV/4. Essential-use nominations for non-Article 5 Parties for controlled substances for 2003 and 2004

1. To note with appreciation the excellent work done by the Technology and Economic Assessment Panel and its Technical Options Committees;
2. To authorize the levels of production and consumption necessary to satisfy essential uses of CFCs for metered-dose inhalers for asthma and chronic obstructive pulmonary diseases as specified in annex I to the report of the Fourteenth Meeting of the Parties, subject to the conditions established by the Meeting of the Parties in paragraph 2 of its decision VII/28.

Decision XIV/5. Global database and assessment to determine appropriate measures to complete the transition from chlorofluorocarbon metered-dose inhalers

Noting that while the transition to chlorofluorocarbon-free (CFC-free) alternative treatments for asthma and chronic obstructive pulmonary disease (COPD) depends largely on non-Article 5(1) Parties adopting effective transition strategies and CFC metered-dose inhaler manufacturers diligently developing, seeking approval for, and launching CFC-free metered-dose inhalers and dry-powder inhalers;

Noting with concern the slow transition to CFC-free metered-dose inhalers in some Parties, and the need for affordable and available alternatives in Parties operating under Article 5(1);

Recognizing the desirability of a more transparent presentation of data to assist Parties in better understanding essential use CFC volumes and gauging progress on, and impediments to, the transition;

1. To request each Party or regional economic integration organization to submit available information to the Ozone Secretariat by 28 February 2003 and annual updates thereafter the following information concerning inhaler treatments for asthma and COPD that contain CFCs or that do not contain CFCs:

(a) CFC and non-CFC metered-dose inhalers and dry-powder inhalers: sold or distributed within the Party, by active ingredient, brand/manufacturer, and source (import or domestic production);

(b) CFC and non-CFC metered-dose inhalers and dry-powder inhalers: produced within the Party for export to other Parties, by active ingredient, brand/manufacturer, source and importing Party;

(c) Non-CFC metered-dose inhalers and dry-powder inhalers: date approved, authorized for marketing, and/or launched in the territory of the Party;

2. To request the Technology and Economic Assessment Panel to take into account information submitted pursuant to paragraph 1 and other available information in its annual assessment, and to request the Parties to pay due consideration to this information when reviewing their national transition strategies;

Decision XIV/6. Status of destruction technologies of ozone-depleting substances, including an assessment of their environmental and economic performance, as well as their commercial viability

1. To note with appreciation the Report of the Task Force on Destruction Technologies presented to the twenty-second meeting of the Open-ended Working Group;

2. To note that the Task Force has determined that the destruction technologies listed in paragraph 3 of this decision meet the suggested minimum emission standards that were approved by the Parties at their Fourth Meeting;

3. To approve the following destruction technologies for the purposes of paragraph 5 of Article 1 of the Protocol, in addition to the technologies listed in annex VI to the report of the Fourth Meeting and modified by decisions V/26 and VII/35:

(a) For CFC, HCFC and halons: argon plasma arc;

(b) For CFC and HCFC: nitrogen plasma arc, microwave plasma, gas phase catalytic dehalogenation and super-heated steam reactor;

(c) For foam containing ODS: rotary kiln incinerator;

4. To request the Technology and Economic Assessment Panel to update, in time for consideration by the twenty-third Open-ended Working Group, the Code of Good Housekeeping to provide guidance on practices and measures that could be used to ensure that during the operation of the approved destruction technologies, environmental release of ODS through all media and environmental impact of those technologies is minimized;

5. To consider, at the twenty-fourth meeting of the Open-ended Working Group, the need to review the status of destruction technologies in 2005, including an assessment of their environmental and economic performance, as well as their commercial viability.

Decision XIV/7. Monitoring of trade in ozone-depleting substances and preventing illegal trade in ozone-depleting substances

Mindful of Decision XIII/12 requesting the Ozone Secretariat to undertake a study dealing with issues related to monitoring of trade in ODS and preventing illegal trade in ODS listed in Decision XII/10 and present a report with practical suggestions to the Open-ended Working Group at its twenty-second meeting, in 2002, for consideration of the Parties in 2002,

Acknowledging with appreciation the work of the Ozone Secretariat and all organizations and individuals which assisted in the preparation of the report,

Acknowledging with appreciation the proposal from the Ozone Secretariat, based on the work done by the ODS Customs Codes Discussion Group convened under Decision X/18, on national subdivisions to customs codes for classification of mixtures containing ODS, which is presently being processed by the World Customs Organization,

Recalling previous decisions of the Parties dealing with monitoring of trade in ODS, customs codes, ODS import and export licensing systems and prevention of illegal trade in ODS, namely Decisions II/12, VI/19, VIII/20, IX/8, IX/22, X/18 and XI/26,

Understanding the importance of actions aimed at improvement of monitoring of trade in ODS and preventing illegal trade in ODS for timely and smooth phase-out of ODS according to the agreed schedules,

1. To encourage each Party to consider means and continued efforts to monitor international transit trade;
2. To encourage all Parties to introduce economic incentives that do not impair international trade but which are appropriate and consistent with international trade law, to promote the use of ODS substitutes and products (including equipment) containing them or designed for them, and technologies utilizing them; and to consider demand control measures in addressing illegal trade;
3. To urge each Party that has not already done so to introduce in its national customs classification system the separate sub-divisions for the most commonly traded HCFCs and other ODS contained in the World Customs Organization recommendation of 25 June 1999 and request that Parties provide a copy to the Secretariat; and to urge all Parties to take due account of any new recommendations by the World Customs Organization once they are agreed;
4. To provide the following further clarification of the difference between a controlled substance, or a mixture containing a controlled substance, and a product containing a controlled substance contained in Article 1 of the Montreal Protocol and further explained in Decision I/12A:
 - (a) No matter which customs code is allocated to a controlled substance or mixture containing a controlled substance, such substance or mixture, when in a container used for transportation or storage as defined in Decision I/12A, shall be considered to be a "controlled substance" and thus shall be subject to the phase-out schedules agreed upon by the Parties;
 - (b) The clarification contained in subparagraph (a) above concerns, in particular, controlled substances or mixtures containing controlled substances classified under customs codes related to their function and sometimes wrongly considered to be "products", thus avoiding any controls resulting from the Montreal Protocol phase-out schedules;
5. To encourage all Parties to exchange information and intensify joint efforts to improve means of identification of ODS and prevention of illegal ODS traffic. In particular those Parties concerned should make even greater use of the UNEP regional networks and other networks in order to increase cooperation on illegal trade issues and enforcement activities;
6. To request the Division of Technology, Industry and Economics of the United Nations Environment Programme through the Executive Committee to report to the Sixteenth Meeting of the Parties on the activities of the regional networks with regard to means of combating illegal trade; to request the Executive Committee to consider making an evaluation of customs officers training and licensing systems projects a priority and, if possible, report to the Sixteenth Meeting of the Parties;
7. To invite Parties, in order to facilitate exchange of information, to report to the Ozone Secretariat fully proved cases of illegal trade in ozone-depleting substances. The illegally traded quantities should not be counted against a Party's consumption provided the Party does not place the said quantities on its own market. The Secretariat is requested to collect any information on illegal trade received from the Parties and

to disseminate it to all Parties. The Secretariat is also requested to initiate exchanges with countries to explore options for reducing illegal trade;

8. To request the Executive Committee of the Multilateral Fund to continue to provide financial and technical assistance to Article 5 Parties to introduce, develop and apply inspection technologies and equipment in customs to combat illegal ODS traffic and to monitor ODS trade, and to report to the Sixteenth Meeting of the Parties to the Montreal Protocol on activities to date.

Decision XIV/8. Consideration of the use of the Globally Harmonized System for the Classification and Labelling of chemicals that deplete the ozone layer

Noting the value that could be attributed to labelling ozone-depleting substances under the Globally Harmonized System of Classification and Labelling of Chemicals (GHS), such as: providing information with respect to identifying the safe handling of these substances in trade, in the workplace, and in consumer products,

Acknowledging the work of the Economic and Social Council and its subcommittee of experts that are responsible for developing the GHS,

Noting, however, that substances that deplete the ozone layer are not currently included in the GHS;

To request the Ozone Secretariat to contact the Subcommittee of Experts of the Economic and Social Council once the GHS has been adopted by Council in order to clarify whether ozone-depleting substances are included in its programme of work and, if they are not included:

(a) To evaluate the possibilities for and feasibility of including ozone-depleting substances on its work programme; and

(b) To report to the twenty-third meeting of the Open-ended Working Group of the Parties.

Decision XIV/9. The development of policies governing the service sector and final use of chillers

To request the Technology and Economic Assessment Panel to collect data and assess the portion of the refrigeration service sector made up by chillers and identify incentives and impediments to the transition to non-CFC equipment and prepare a report;

To request the Technology and Economic Assessment Panel to submit the report to the 2003 Open-ended Working Group meeting for their consideration;

Decision XIV/10. Relationship between efforts to protect the stratospheric ozone layer and efforts to safeguard the global climate system: issues relating to hydrofluorocarbons and perfluorocarbons

Welcoming decision X/CP.8 taken by the eighth Conference of the Parties to the United Nations Framework Convention on Climate Change on the relationship between efforts to protect the stratospheric ozone layer and efforts to safeguard the global climate system,

Noting that the Intergovernmental Panel on Climate Change and the Technology and Economic Assessment Panel are invited by the Convention on Climate Change to develop a balanced scientific, technical and policy-relevant special report as outlined in their responses to a request by the Subsidiary Body for Scientific and Technological Advice of the Convention on Climate Change (UNFCCC/SBSTA/2002/MISC.23),

To request the Technology and Economic Assessment Panel to work with the Intergovernmental Panel on Climate Change in preparing the report mentioned above and to address all areas in one single integrated report to be finalized by early 2005. The report should be completed in time to be submitted to the Open-ended Working Group for consideration in so far as it relates to actions to address ozone depletion and the Subsidiary Body for Scientific and Technological Advice of the Convention on Climate Change simultaneously.

Decision XIV/11. The relationship between the Montreal Protocol and the World Trade Organization

1. To request the Ozone Secretariat to report to the Parties to the Montreal Protocol on any meetings it attends at the World Trade Organization and any substantive contacts with the World Trade Organization Secretariat and its Committee Secretariats;
2. To request the Secretariat to monitor developments in the negotiations of the World Trade Organization Committee on Trade and Environment in special session and report to the Parties;
3. To further request that the Ozone Secretariat, in coordination with the Multilateral Fund Secretariat, when called upon to provide general advice to the World Trade Organization on trade provisions of the Montreal Protocol and activities of the Multilateral Fund, consult with the Parties of the Montreal Protocol and the Executive Committee before providing this advice. If the Ozone Secretariat is asked for interpretations of the Protocol's trade provisions, the Secretariat should refer the matter to the Parties before providing that advice.

Decision XIV/12. Membership of the Implementation Committee

1. To note with appreciation the work done by the Implementation Committee in the year 2002;
2. To confirm the positions of Australia, Bangladesh, Bulgaria, Ghana, and Jamaica for one further year and select Honduras, Italy, Lithuania, Maldives and Tunisia as members of the Committee for a two-year period from 1 January 2003;
3. To note the selection of Australia to serve as President and of Jamaica to serve as Vice-President and Rapporteur of the Implementation Committee for one year effective 1 January 2003.

Decision XIV/13. Data and information provided by the parties in accordance with Article 7 of the Montreal Protocol

1. To note that the implementation of the Protocol by those Parties that have reported data is satisfactory;
2. To note with regret that 49 Parties out of the 180 that should have reported data for 2001 have not reported to date;
3. To note further that lack of timely data reporting by Parties impedes effective monitoring and assessment of Parties' compliance with their obligations under the Montreal Protocol;
4. To strongly urge Parties to report consumption and production data as soon as the figures are available, rather than waiting until the final deadline of 30 September every year;
5. To remind Parties operating under Article 5(1) that for the purposes of reporting data, under the provisions of Article 2A paragraph 2 and Article 5 paragraph 8 bis (a) the current control period extends from 1 July 2001 to 31 December 2002.

Decision XIV/14. Non-compliance with data reporting requirements under Article 7 of the Montreal Protocol by Parties temporarily classified as operating under Article 5 of the Protocol

1. To note that the following Parties, temporarily classified as operating under Article 5, have not reported any consumption or production data to the Secretariat: Cambodia, Cape Verde, Djibouti, Liberia, Micronesia (Federated States of), Nauru, Palau, Rwanda, Sao Tome and Principe, Sierra Leone, Somalia, Suriname and Vanuatu;
2. To note that this situation places these Parties in non-compliance with their data reporting obligations under the Montreal Protocol;
3. To acknowledge that many of these Parties have only recently ratified the Montreal Protocol but also to note that twelve of them have received assistance with data collection from the Multilateral Fund through the Implementing Agencies;
4. To urge these Parties to work together with the United Nations Environment Programme under the Compliance Assistance Programme and with other Implementing Agencies of the Multilateral Fund to report data as quickly as possible to the Secretariat, and to request the Implementation Committee to review the situation of these Parties with respect to data reporting at its next meeting.

Decision XIV/15. Non-compliance with data reporting requirement under Article 7 paragraphs 1 and 2 of the Montreal Protocol

1. To note that several Parties operating under Article 5 have not reported data for one or more of the base years (1986, 1989 or 1991) for one or more groups of controlled substances, as required by Article 7 paragraphs 1 and 2 of the Montreal Protocol;
2. To note that Article 7 paragraphs (1) and (2) of the Protocol provides for Parties to submit best possible estimates of the data referred to in those provisions where actual data is not available;
3. To request that the Secretariat should communicate with the Parties referred to in paragraph 1 above and offer assistance in reporting such estimates in accordance with Article 7 paragraphs (1) and (2).

Decision XIV/16. Non-compliance with data reporting requirement for the purpose of establishing baselines under Article 5 paragraphs 3 and 8 ter (d)

1. To note that the following Parties have not reported data for one or more of the years which are required for the establishment of baselines for Annex A and E to the Protocol, as provided for by Article 5, paragraphs 3 and 8 ter (d):
 - (a) For Annex A: Angola, Cambodia, Cape Verde, Djibouti, Haiti, Liberia, Micronesia (Federated States of), Nauru, Palau, Rwanda, Sao Tome and Principe, Sierra Leone, Somalia, Suriname and Vanuatu;
 - (b) For Annex E: Cape Verde, Democratic Republic of Congo, Djibouti, Micronesia (Federated States of), Haiti, Democratic People's Republic of Korea, Liberia, Maldives, Nigeria, Palau, Saint Kitts and Nevis, Sao Tome and Principe, Sierra Leone, Somalia, Vanuatu;
2. To note that this places these Parties in non-compliance with their data reporting obligations under the Montreal Protocol;
3. To stress that compliance by these Parties with the Montreal Protocol cannot be determined without knowledge of this data;

4. To note that 18 out of 20 of these Parties are receiving assistance with data collection from the Multilateral Fund through the Implementing Agencies;
5. To urge these Parties to work closely with the Agencies concerned to report the required data to the Secretariat as a matter of urgency, and to request the Implementation Committee to review the situation of these Parties with respect to data reporting at its next meeting.

Decision XIV/17. Potential non-compliance with the freeze on CFC consumption by Parties operating under Article 5 for the control period July 2000 to June 2001

1. To note that, pursuant to decision X/29 of the Tenth Meeting of the Parties, the Implementation Committee requested the Secretariat to write to those Parties operating under Article 5 that had reported data on CFC consumption for either the year 2000 and/or 2001 that was above their individual baselines;
2. To note that Guatemala, Malta, Pakistan and Papua New Guinea have failed to report data for the control period from 1 July 2000 to 30 June 2001, and have reported annual data for either 2000 or 2001 which is above their baseline. In the absence of further clarification, these Parties are presumed to be in non-compliance with the control measures under the Protocol;
3. To urge these Parties to report data for the control period from 1 July 2000 to 30 June 2001 as a matter of urgency;
4. To closely monitor the progress of these Parties with regard to the phase-out of ozone-depleting substances. To the degree that these Parties are working towards and meeting the specific Protocol control measures, they should continue to be treated in the same manner as Parties in good standing. In this regard, these Parties should continue to receive international assistance to enable them to meet their 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 these Parties, in accordance with item B of the indicative list of measures, that in the event that any Party fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting Parties are not contributing to a continuing situation of non-compliance.

Decision XIV/18. Non-compliance with the Montreal Protocol by Albania

1. To note that Albania ratified the Montreal Protocol on 8 October 1999. The country is classified as a Party operating under Article 5 (1) of the Protocol but has not had its country programme approved by the Executive Committee. However, the Executive Committee has approved \$215,060 from the Multilateral Fund to facilitate compliance in accordance with Article 10 of the Protocol;
2. Albania's baseline for Annex A, Group I substances is 41 ODP-tonnes. It reported consumption of 62 and 69 ODP-tonnes of Annex A, Group I substances in 2000 and 2001 respectively, and consumption of 58 ODP-tonnes of Annex A, Group I substances for the consumption freeze control period of 1 July 2000 to 30 June 2001. As a consequence, for the July 2000 to June 2001 control period, Albania was in non-compliance with its obligations under Article 2A of the Montreal Protocol;
3. To request that Albania submit to the Implementation Committee a plan of action with time-specific benchmarks to ensure a prompt return to compliance. Albania may wish to consider including in this plan of action the establishment of import quotas to freeze imports at baseline levels and support the phase-out schedule, a ban on imports of ODS equipment, and policy and regulatory instruments that will ensure progress in achieving the phase-out;

4. To closely monitor the progress of Albania with regard to the phase-out of ozone-depleting substances. To the degree that Albania is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a Party in good standing. In this regard, Albania 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 Albania, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/19. Non-compliance with the Montreal Protocol by Bahamas

1. To note that Bahamas ratified the Montreal Protocol, the London Amendment and the Copenhagen Amendment on 4 May 1993. The country is classified as a Party operating under Article 5 (1) of the Protocol and had its country programme approved by the Executive Committee in 1996. Since approval of the country programme, the Executive Committee has approved \$658,487 from the Multilateral Fund to enable compliance in accordance with Article 10 of the Protocol;

2. Bahamas' baseline for Annex A, Group I substances is 65 ODP-tonnes. It reported consumption of 66 ODP-tonnes of Annex A, Group I substances in 2000 and consumption of 87 ODP-tonnes of Annex A, Group I substances for the consumption freeze control period of 1 July 2000 to 30 June 2001. As a consequence, for the July 2000 to June 2001 control period, Bahamas was in non-compliance with its obligations under Article 2A of the Montreal Protocol;

3. To request that Bahamas submit to the Implementation Committee a plan of action with time-specific benchmarks to ensure a prompt return to compliance. Bahamas may wish to consider including in this plan of action the establishment of import quotas to freeze imports at baseline levels and support the phase-out schedule, a ban on imports of ODS equipment, and policy and regulatory instruments that will ensure progress in achieving the phase-out;

4. To closely monitor the progress of Bahamas with regard to the phase-out of ozone-depleting substances. To the degree that Bahamas is working towards and meeting the specific Protocol control measures, it should continue to be treated in the same manner as a Party in good standing. In this regard, Bahamas 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 Bahamas, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/20. Non-compliance with the Montreal Protocol by Bolivia

1. To note that Bolivia ratified the Montreal Protocol, the London Amendment and the Copenhagen Amendment on 3 October 1994, and the Montreal Amendment on 12 April 1999. The country is classified as a Party operating under Article 5 (1) of the Protocol and had its country programme approved by the Executive Committee in 1995. Since approval of the country programme, the Executive Committee has approved \$1,428,767 from the Multilateral Fund to enable compliance in accordance with Article 10 of the Protocol;

2. Bolivia's baseline for Annex A, Group I substances is 76 ODP-tonnes. It reported consumption of 79 and 77 ODP-tonnes of Annex A, Group I substances in 2000 and 2001 respectively, and consumption of 78 ODP-tonnes of Annex A, Group I substances for the consumption freeze control period of 1 July 2000 to 30 June 2001. As a consequence, for the July 2000 to June 2001 control period, Bolivia was in non-compliance with its obligations under Article 2A of the Montreal Protocol;

3. To request that Bolivia submit to the Implementation Committee a plan of action with time-specific benchmarks to ensure a prompt return to compliance. Bolivia may wish to consider including in this plan of action the establishment of import quotas to freeze imports at baseline levels and support the phase-out schedule, a ban on imports of ODS equipment, and policy and regulatory instruments that will ensure progress in achieving the phase-out;

4. To closely monitor the progress of Bolivia with regard to the phase-out of ozone-depleting substances. To the degree that Bolivia is working towards and meeting the specific Protocol control measures, Bolivia should continue to be treated in the same manner as a Party in good standing. In this regard, Bolivia 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 Bolivia, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/21. Non-compliance with the Montreal Protocol by Bosnia and Herzegovina

1. To note that Bosnia and Herzegovina ratified the Montreal Protocol on 6 March 1992. The country is classified as a Party operating under Article 5 (1) of the Protocol and had its country programme approved by the Executive Committee in 1999. Since approval of the country programme, the Executive Committee has approved \$1,308,472 from the Multilateral Fund to enable compliance in accordance with Article 10 of the Protocol;

2. Bosnia and Herzegovina's baseline for Annex A, Group I substances is 24 ODP-tonnes. It reported consumption of 176 and 200 ODP-tonnes of Annex A, Group I substances in 2000 and 2001 respectively. As a consequence, Bosnia and Herzegovina was in non-compliance with its obligations under Article 2A of the Montreal Protocol;

3. To request that Bosnia and Herzegovina submit to the Implementation Committee a plan of action with time-specific benchmarks to ensure a prompt return to compliance. Bosnia and Herzegovina may wish to consider including in this plan of action the establishment of import quotas to freeze imports at baseline levels and support the phase-out schedule, a ban on imports of ODS equipment, and policy and regulatory instruments that will ensure progress in achieving the phase-out;

4. To closely monitor the progress of Bosnia and Herzegovina with regard to the phase-out of ozone-depleting substances. To the degree that Bosnia and Herzegovina is working towards and meeting the specific Protocol control measures, Bosnia and Herzegovina should continue to be treated in the same manner as a Party in good standing. In this regard, Bosnia and Herzegovina 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 Bosnia and Herzegovina, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/22. Non-compliance with the Montreal Protocol by Namibia

1. To note that Namibia ratified the Montreal Protocol on 20 September 1993 and the London Amendment on 6 November 1997. The country is classified as a Party operating under Article 5 (1) of the Protocol and had its country programme approved by the Executive Committee in 1995. Since approval of the country programme, the Executive Committee has approved \$406,147 from the Multilateral Fund to enable compliance in accordance with Article 10 of the Protocol;
2. Namibia's baseline for Annex A, Group I substances is 22 ODP-tonnes. It reported consumption of 22 and 24 ODP-tonnes of Annex A, Group I substances in 2000 and 2001 respectively, and consumption of 23 ODP-tonnes of Annex A, Group I substances for the consumption freeze control period of 1 July 2000 to 30 June 2001. As a consequence, for the July 2000 to June 2001 control period, Namibia was in non-compliance with its obligations under Article 2A of the Montreal Protocol;
3. To request that Namibia submit to the Implementation Committee a plan of action with time-specific benchmarks to ensure a prompt return to compliance. Namibia may wish to consider including in this plan of action the establishment of import quotas to freeze imports at baseline levels and support the phase-out schedule, a ban on imports of ODS equipment, and policy and regulatory instruments that will ensure progress in achieving the phase-out;
4. To closely monitor the progress of Namibia with regard to the phase-out of ozone-depleting substances. To the degree that Namibia is working towards and meeting the specific Protocol control measures, Namibia should continue to be treated in the same manner as a Party in good standing. In this regard, Namibia 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 Namibia, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/23. Non-compliance with the Montreal Protocol by Nepal

1. To note that Nepal ratified the Montreal Protocol and the London Amendment on 6 July 1994. The country is classified as a Party operating under Article 5 (1) of the Protocol and had its country programme approved by the Executive Committee in 1998. Since approval of the country programme, the Executive Committee has approved \$432,137 from the Multilateral Fund to enable compliance in accordance with Article 10 of the Protocol;
2. Nepal's baseline for Annex A, Group I substances is 27 ODP-tonnes. It reported consumption of 94 ODP-tonnes of Annex A, Group I substances in 2000, and consumption of 94 ODP-tonnes of Annex A, Group I substances for the consumption freeze control period of 1 July 2000 to 30 June 2001. As a consequence, for the July 2000 to June 2001 control period, Nepal was in non-compliance with its obligations under Article 2A of the Montreal Protocol;
3. To request that Nepal submit to the Implementation Committee a plan of action with time-specific benchmarks to ensure a prompt return to compliance. Nepal may wish to consider including in this plan of action the establishment of import quotas to freeze imports at baseline levels and support the phase-out schedule, a ban on imports of ODS equipment, and policy and regulatory instruments that will ensure progress in achieving the phase-out;

4. To closely monitor the progress of Nepal with regard to the phase-out of ozone-depleting substances. To the degree that Nepal is working towards and meeting the specific Protocol control measures, Nepal should continue to be treated in the same manner as a Party in good standing. In this regard, Nepal 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 Nepal, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/24. Non-compliance with the Montreal Protocol by Saint Vincent and the Grenadines

1. To note that Saint Vincent and the Grenadines ratified the Montreal Protocol, the London Amendment and the Copenhagen Amendment on 2 December 1996. The country is classified as a Party operating under Article 5 (1) of the Protocol and had its country programme approved by the Executive Committee in 1998. Since approval of the country programme, the Executive Committee has approved \$152,889 from the Multilateral Fund to enable compliance in accordance with Article 10 of the Protocol;

2. Saint Vincent and the Grenadines' baseline for Annex A, Group I substances is 2 ODP-tonnes. It reported consumption of 6 and 7 ODP-tonnes of Annex A, Group I substances in 2000 and 2001 respectively, and consumption of 9 ODP-tonnes of Annex A, Group I substances for the consumption freeze control period of 1 July 2000 to 30 June 2001. As a consequence, for the July 2000 to June 2001 control period, Saint Vincent and the Grenadines was in non-compliance with its obligations under Article 2A of the Montreal Protocol;

3. To request that Saint Vincent and the Grenadines submit to the Implementation Committee a plan of action with time-specific benchmarks to ensure a prompt return to compliance. Saint Vincent and the Grenadines may wish to consider including in this plan of action the establishment of import quotas to freeze imports at baseline levels and support the phase-out schedule, a ban on imports of ODS equipment, and policy and regulatory instruments that will ensure progress in achieving the phase-out;

4. To closely monitor the progress of Saint Vincent and the Grenadines with regard to the phase-out of ozone-depleting substances. To the degree that Saint Vincent and the Grenadines is working towards and meeting the specific Protocol control measures, Saint Vincent and the Grenadines should continue to be treated in the same manner as a Party in good standing. In this regard, Saint Vincent and the Grenadines 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 Saint Vincent and the Grenadines, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/25. Non-compliance with the Montreal Protocol by Libyan Arab Jamahiriya

1. To note that Libyan Arab Jamahiriya ratified the Montreal Protocol on 11 July 1990 and the London Amendment on 12 July 2001. The country is classified as a Party operating under Article 5 (1) of the Protocol and had its country programme approved by the Executive Committee in 2000. Since approval of the country programme, the Executive Committee has approved \$2,794,053 from the Multilateral Fund to enable compliance in accordance with Article 10 of the Protocol;

2. Libyan Arab Jamahiriya's baseline for Annex A, Group I substances is 717 ODP-tonnes. It reported consumption of 985 ODP-tonnes in 2000 and 985 ODP-tonnes in 2001, placing Libyan Arab Jamahiriya clearly in non-compliance with its obligations under Article 2A of the Montreal Protocol;

3. To request that Libyan Arab Jamahiriya submit to the Implementation Committee a plan of action with time-specific benchmarks to ensure a prompt return to compliance. Libyan Arab Jamahiriya may wish to consider including in this plan of action the establishment of import quotas to freeze imports at baseline levels and support the phase-out schedule, a ban on imports of ODS equipment, and policy and regulatory instruments that will ensure progress in achieving the phase-out;

4. To closely monitor the progress of Libyan Arab Jamahiriya with regard to the phase-out of ozone-depleting substances. To the degree that Libyan Arab Jamahiriya is working towards and meeting the specific Protocol control measures, Libyan Arab Jamahiriya should continue to be treated in the same manner as a Party in good standing. In this regard, Libyan Arab Jamahiriya 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 Libyan Arab Jamahiriya, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/26. Non-compliance with the Montreal Protocol by Maldives

1. To note that Maldives ratified the Montreal Protocol on 16 May 1989, the London Amendment on 31 July 1991 and the Copenhagen Amendment and the Montreal Amendment on 27 September 2001. The country is classified as a Party operating under Article 5 (1) of the Protocol and had its country programme approved by the Executive Committee in 1993. Since approval of the country programme, the Executive Committee has approved \$370,516 from the Multilateral Fund to enable compliance in accordance with Article 10 of the Protocol;

2. Maldives' baseline for Annex A, Group I substances is 5 ODP-tonnes. It reported consumption of 5 ODP-tonnes in 2000 and 14 ODP-tonnes in 2001, placing Maldives clearly in non-compliance with its obligations under Article 2A of the Montreal Protocol;

3. To request that Maldives submit to the Implementation Committee a plan of action with time-specific benchmarks to ensure a prompt return to compliance. Maldives may wish to consider including in this plan of action the establishment of import quotas to freeze imports at baseline levels and support the phase-out schedule, a ban on imports of ODS equipment, and policy and regulatory instruments that will ensure progress in achieving the phase-out;

4. To closely monitor the progress of Maldives with regard to the phase-out of ozone-depleting substances. To the degree that Maldives is working towards and meeting the specific Protocol control measures, Maldives should continue to be treated in the same manner as a Party in good standing. In this regard, Maldives 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 Maldives, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/27. Requests for changes in baseline data

1. To note that in accordance with decision XIII/15 of the Thirteenth Meeting of the Parties, Parties that had requested changes in reported baseline data for the base years were asked to present their requests before the Implementation Committee, which would in turn work with the Ozone Secretariat and the Executive Committee to confirm the justification for the changes and present them to the Meeting of the Parties for approval;
2. To note that the following Parties have presented sufficient information to justify their requests for a change in their baseline consumption of the relevant substances:
 - (a) Bulgaria to change baseline consumption data for Annex E substances in 1991 from zero to 51.78 ODP-tonnes,
 - (b) Sri Lanka to change its baseline consumption data for Annex A, Group I substances from 400.4 to 445.6 ODP-tonnes,
 - (c) Belize to change its baseline consumption data for Annex A, Group I substances from 16 to 24.4 ODP-tonnes;
 - (d) Paraguay to change its baseline consumption data for Annex A, Group I substances from 157.4 to 210.6 ODP-tonnes;
3. To accept these requests for changes in the respective baseline data.

Decision XIV/28. Non-compliance with consumption phase-out by Parties not operating under Article 5 in 2000

1. To note that Belarus and Latvia have reported data on consumption of substances in Annex A or B to the Montreal Protocol in 2000 that places them in non-compliance with the national plans negotiated with the Parties and stated in Decisions X/21 and X/24 respectively;
2. To strongly request these Parties to provide the Implementation Committee, through the Secretariat, with explanations for their non-compliance, based on the data reported under Article 7 of the Protocol, as a matter of urgency;
3. To request the Implementation Committee to review the situation with regard to the phase-out of ozone-depleting substances in these Parties at its next meeting, and report to the Fifteenth Meeting of the Parties.

Decision XIV/29. Non-compliance with the Montreal Protocol by Bangladesh

1. To note that, in accordance with Decision XIII/16 of the Thirteenth Meeting of the Parties, the Implementation Committee requested the Secretariat to write to Bangladesh since it had reported data on CFC consumption for either the year 1999 and/or 2000 that was above its baseline, and was therefore in a state of potential non-compliance;
2. To further note that Bangladesh's baseline for Annex A, Group I substances is 580 ODP-tonnes. It reported consumption of 805 ODP-tonnes of Annex A, Group I substances in 2000, and consumption of 740 ODP-tonnes of Annex A, Group I substances for the consumption freeze control period of 1 July 2000 to 30 June 2001. As a consequence, for the July 2000 to June 2001 control period, Bangladesh was in non-compliance with its obligations under Article 2A of the Montreal Protocol;

3. To note, however, that the information provided to the Implementation Committee by both Bangladesh and UNDP shows that Bangladesh is expected to return to compliance in the control period 1 July 2001-31 December 2002;

4. To closely monitor the progress of Bangladesh with regard to the phase-out of ozone-depleting substances. To the degree that Bangladesh is working towards and meeting the specific Protocol control measures, Bangladesh should continue to be treated in the same manner as a Party in good standing. In this regard, Bangladesh 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 Bangladesh, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/30. Non-compliance with the Montreal Protocol by Nigeria

1. To note that, in accordance with Decision XIII/16 of the Thirteenth Meeting of the Parties, the Implementation Committee requested the Secretariat to write to Nigeria since it had reported data on CFC consumption for either the year 1999 and/or 2000 that was above its baseline, and was therefore in a state of potential non-compliance;

2. Nigeria's baseline for Annex A, Group I substances is 3,650 ODP-tonnes. It reported consumption of 4,095 ODP-tonnes in 2000 and 3,666 ODP-tonnes in 2001, placing Nigeria clearly in non-compliance with its obligations under Article 2A of the Montreal Protocol;

3. To express concern about Nigeria's non-compliance but to note that it has submitted a plan of action with time-specific benchmarks to ensure a prompt return to compliance. It is with that understanding that the Parties note, after reviewing the plan of action submitted by Nigeria, that Nigeria specifically commits itself:

(a) To reduce Annex A consumption from the current level of 3,666 ODP tonnes in 2001 as follows:

- (i) To 3,400 ODP tonnes in 2003;
- (ii) To 3,200 ODP tonnes in 2004;
- (iii) To 1,800 ODP tonnes in 2005;
- (iv) To 1,100 ODP tonnes for 2006;
- (v) To 510 ODP tonnes in 2007;
- (vi) To 300 ODP tonnes in 2008;
- (vii) To 100 ODP tonnes in 2009; and
- (viii) To phase out CFC consumption by 1 January 2010 as provided under the Montreal Protocol save for essential uses that might be authorized by the Parties;

(b) To report periodically on the operation of the system for licensing imports and exports of ODS as required for all Parties under Article 4 B paragraph 4 of the Montreal Protocol;

(b) To ban, by 1 January 2008, imports of ODS-using equipment;

4. To note that the measures listed in paragraph 3 above should enable Nigeria to return to compliance by 2003. In this regard, the Parties urge Nigeria to work with relevant implementing agencies to phase out consumption of ozone-depleting substances in Annex A Group I;
5. To closely monitor the progress of Nigeria with regard to the phase-out of ozone-depleting substances. To the degree that Nigeria is working towards and meeting the specific commitments noted above in paragraph 3, Nigeria should continue to be treated in the same manner as a Party in good standing. In this regard, Nigeria 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 Nigeria, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/31. Non-compliance with the Montreal Protocol by Armenia

1. To note that Armenia has reported data on consumption of substances in Annex A to the Montreal Protocol in 2000 above control levels as provided in Article 2 of the Protocol, and therefore that Armenia is in non-compliance with the control measures under Article 2 of the Montreal Protocol in 2000;
2. To note that, in accordance with Decision XIII/18 of the Thirteenth Meeting of the Parties, Armenia was requested to ratify the London Amendment as a precondition for Global Environment Facility (GEF) funding, and that this has not occurred;
3. To further note that since Armenia has applied for reclassification as a developing country operating under Article 5 of the Montreal Protocol, the Implementation Committee should review the situation of Armenia after this matter is resolved.

Decision XIV/32. Non-compliance with the Montreal Protocol by Cameroon

1. To note that, in accordance with Decision XIII/23 of the Thirteenth Meeting of the Parties, Cameroon was requested to submit to the Implementation Committee a plan of action with time-specific benchmarks to ensure a prompt return to compliance;
2. To further note that Cameroon's baseline for Annex A, Group I substances is 257 ODP-tonnes. It reported consumption of 369 ODP-tonnes in 2000 and 364 ODP-tonnes in 2001, placing Cameroon clearly in non-compliance with its obligations under Article 2A of the Montreal Protocol;
3. To note with regret that Cameroon has not fulfilled the requirements of Decision XIII/23 and to request that it should provide a plan of action to the Secretariat as soon as possible, and in time for it to be considered by the Implementation Committee at its next meeting in July 2003, in order for the Committee to monitor its progress towards compliance;
4. To further request the United Nations Environment Programme to submit to the Implementation Committee a progress report on implementation of its policy and technical assistance project currently under way in Cameroon, and for the United Nations Industrial Development Organization to submit to the Implementation Committee confirmation of the completion of its two foam projects, which might have significantly reduced consumption of ozone-depleting substances in Annex A Group I;

5. To stress to the Government of Cameroon its obligations under the Montreal Protocol to phase out the consumption of ozone-depleting substances, and the accompanying need for it to establish and maintain an effective governmental policy and institutional framework for the purposes of implementing and monitoring the national phase-out strategy;

6. To closely monitor the progress of Cameroon with regard to the phase-out of ozone-depleting substances. To the degree that Cameroon is working towards and meeting the specific Protocol control measures, Cameroon should continue to be treated in the same manner as a Party in good standing. In this regard, Cameroon 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 Cameroon, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/33. Non-compliance with the Montreal Protocol by Belize

1. To note that, in accordance with Decision XIII/22 of the Thirteenth Meeting of the Parties, Belize was requested to submit to the Implementation Committee a plan of action with time-specific benchmarks to ensure a prompt return to compliance;

2. Belize's baseline for Annex A, Group I substances is 24.4 ODP-tonnes, having been modified in accordance with Decision XIV/27. It reported consumption of 16 ODP-tonnes in 2000 and 28 ODP-tonnes in 2001, and consumption of 40 ODP-tonnes for the control period 1 July 2000 to 30 June 2001, placing Belize clearly in non-compliance with its obligations under Article 2A of the Montreal Protocol;

3. To express concern about Belize's non-compliance but to note that it has submitted a plan of action with time-specific benchmarks to ensure a prompt return to compliance. It is with that understanding that the Parties note, after reviewing the plan of action submitted by Belize, that Belize specifically commits itself:

(a) To reduce CFC consumption from the current level of 28 ODP tonnes in 2001 as follows:

(i) To 24.4 ODP tonnes in 2003;

(ii) To 20 ODP tonnes in 2004;

(iii) To 12.2 ODP tonnes in 2005;

(iv) To 10 ODP tonnes in 2006;

(v) To 3.66 ODP tonnes in 2007; and

(vi) To phase out CFC consumption by 1 January 2008 as provided under the Montreal Protocol save for essential uses that might be authorized by the Parties;

(b) To establish, by 1 January 2003, a system for licensing imports and exports of ODS;

(c) To ban, by 1 January 2004, imports of ODS-using equipment;

4. To note that the measures listed in paragraph 3 above should enable Belize to return to compliance by 2003. In this regard, the Parties urge Belize to work with relevant implementing agencies to phase out consumption of ozone-depleting substances in Annex A Group I;

5. To closely monitor the progress of Belize with regard to the phase-out of ozone-depleting substances. To the degree that Belize is working towards and meeting the specific commitments noted above in paragraph 3, Belize should continue to be treated in the same manner as a Party in good standing. In this regard, Belize 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 Belize, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/34. Non-compliance with the Montreal Protocol by Ethiopia

1. To note that, in accordance with Decision XIII/24 of the 13th Meeting of the Parties, Ethiopia was requested to submit to the Implementation Committee a plan of action with time-specific benchmarks to ensure a prompt return to compliance;
2. Ethiopia's baseline for Annex A, Group I substances is 34 ODP-tonnes. It reported consumption of 39 ODP-tonnes in 2000 and 35 ODP-tonnes for the control period 1 July 2000 to 30 June 2001, placing Ethiopia clearly in non-compliance with its obligations under Article 2A of the Montreal Protocol;
3. To express concern about Ethiopia's non-compliance but to note that it has submitted a plan of action with time-specific benchmarks to ensure a prompt return to compliance. It is with that understanding that the Parties note, after reviewing the plan of action submitted by Ethiopia, that Ethiopia specifically commits itself to reduce CFC consumption from the current level of 35 ODP tonnes in 2001 as follows:
 - (a) To 34 ODP tonnes in 2003;
 - (c) To 17 ODP tonnes in 2005;
 - (c) To 5 ODP tonnes in 2007; and
 - (d) To phase out CFC consumption by 1 January 2010 as required under the Montreal Protocol save for essential uses that might be authorized by the Parties;
4. To note that the measures listed in paragraph 3 above should enable Ethiopia to return to compliance by 2003. In this regard, the Parties urge Ethiopia to work with relevant implementing agencies to phase out consumption of ozone-depleting substances in Annex A Group I;
5. To closely monitor the progress of Ethiopia with regard to the phase-out of ozone-depleting substances. To the degree that Ethiopia is working towards and meeting the specific commitments noted above in paragraph 3, Ethiopia should continue to be treated in the same manner as a Party in good standing. In this regard, Ethiopia 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 Ethiopia, in accordance with item B of the indicative list of measures, that in the event that it fails to return to compliance in a timely manner, the Parties shall consider measures, consistent with item C of the indicative list of measures. These measures may include the possibility of actions available under Article 4, such as ensuring that the supply of CFCs (that is the subject of non-compliance) is ceased and that exporting parties are not contributing to a continuing situation of non-compliance.

Decision XIV/35. Compliance with the Montreal Protocol by the Russian Federation

1. To note that the Russian Federation was in non-compliance with the phase-out benchmarks for 1999 and 2000 for the production and consumption of ozone-depleting substances in Annex A to the Montreal Protocol;
2. To note with appreciation that the data reported by the Russian Federation for 2001 confirms the complete phase-out of production and consumption of ozone-depleting substances in Annexes A and B, as noted by the Thirteenth Meeting of the Parties in Decision XIII/17;
3. To commend the efforts made by the Russian Federation to comply with the control measures of the Montreal Protocol;
4. To recognise the support and assistance rendered by the Parties to the Montreal Protocol to enable compliance by the Russian Federation.

Decision XIV/36. Report on the establishment of licensing systems under Article 4B of the Montreal Protocol

1. To note with appreciation that 59 Parties to the Montreal Amendment to the Montreal Protocol have established import and export licensing systems, as required under the terms of the Amendment;
2. To further note with appreciation that 56 Parties to the Montreal Protocol that have not yet ratified the Montreal Amendment have also established import and export licensing systems;
3. To urge all the remaining 25 Parties to the Montreal Amendment to provide information to the Secretariat on the establishment of import and export licensing systems, and for those that have not yet established such systems to do so as a matter of urgency;
4. To encourage all the remaining Parties to the Montreal Protocol that have not yet ratified the Montreal Amendment to ratify it and to establish import and export licensing systems if they have not yet done so;
5. To review periodically the status of the establishment of licensing systems by all parties to the Montreal Protocol, as called for in Article 4B of the Protocol.

Decision XIV/37. Interaction between the Executive Committee and the Implementation Committee

Noting that the Multilateral Fund has an important responsibility for enabling compliance, but that without national action, there can be no compliance,

Acknowledging that the Executive Committee, pursuant to the Multilateral Fund's mandate "to enable compliance" has a responsibility to consider both the current and forecasted compliance status of a country when it reviews submissions connected with funding proposals and that, therefore, the Committee should work with the Party to eliminate the duration of any possible non-compliance,

Mindful of the fact that the Executive Committee's decisions to approve funding cannot be construed to condone a Party's non-compliance and that each Party continues to bear the responsibility to meet its obligations,

1. To request the Executive Committee to therefore make it clear that its funding decisions are always without prejudice to a Party's duty to meet its obligations under the Protocol, and are also without prejudice to the operation of the mechanisms in the Protocol that exist for the treatment of Parties in non-compliance. Accordingly, the Executive Committee should include language to this effect in its funding decisions where non-compliance is potentially at issue;

2. To note that while the Implementation Committee may take into account information from the Executive Committee consistent with paragraph 7(f) of the non-compliance procedure, the Executive Committee has no formal role in the crafting of Implementation Committee recommendations;
3. To further note that in no case should any Implementation Committee action be construed as directly requiring the Executive Committee to take any specific action regarding the funding of any specific project;
4. To note that the Executive Committee and Implementation Committee are independent of each other. However, pursuant to Article 10, the Multilateral Fund operates under the authority of the Parties and, pursuant to the non-compliance procedure of the Montreal Protocol, the Implementation Committee reports its recommendations to the Parties for possible decision.

Decision XIV/38. 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 2002;
2. To endorse the selection of Austria, Belgium, Canada, France, Hungary, Japan and the United States of America as members of the Executive Committee representing non-Article 5 Parties to the Protocol and the selection of Bolivia, Burundi, El Salvador, India, Jordan, Mauritius and Saint Lucia as members representing Article 5 Parties, for one year effective 1 January 2003;
3. To note the selection of Mr. Tadanori Inomata (Japan) to serve as Chair and Mr. Roberto Rivas (El Salvador) to serve as Vice-Chair of the Executive Committee for one year effective 1 January 2003.

Decision XIV/39. The 2003-2005 replenishment of the Multilateral Fund

1. To adopt a budget for 2003-2005 of \$573,000,000 on the understanding that \$76,000,000 of that sum will be provided by funds not allocated during 2000-2002, and that \$23,000,000 of the same sum will be provided from interest accruing to the Fund and other sources during the 2003-2005 triennium. The Parties noted that outstanding contributions from some Parties with economies in transition in the period 2000-2002 stood at \$10,585,046;
2. To adopt the scale of contributions for the Multilateral Fund based on a replenishment of \$ 474,000,000, of \$158,000,000 for 2003, \$158,000,000 for 2004, and \$158,000,000 for 2005 as it appears in Annex II to the report of the Fourteenth Meeting of the Parties;
3. That the Executive Committee should take action to ensure, as far as possible, that the whole of the budget for 2003-2005 is committed by the end of 2005, and that Parties not operating under Article 5 should make timely payments in accordance with paragraph 7 of Decision XI/6.

Decision XIV/40. Fixed-Exchange-Rate Mechanism for the replenishment of the Multilateral Fund

Having considered the final report by the Treasurer and the Secretariat of the Multilateral Fund on the implementation of the fixed-exchange-rate mechanism and its impact on the operations of the Fund prepared in response to Decision XIII/4,

Reaffirming the purpose and objective of the fixed-exchange-rate mechanism as set out in paragraph 2, Decision XI/6 to promote the timely payment of contributions, and to ensure that there is no adverse impact on the level of available resources of the Multilateral Fund,

Mindful of the conclusions contained in the revised report prepared at the request of the twenty-second Meeting of the Open-ended Working Group,

Recalling that Decision XI/6 established the fixed-exchange-rate mechanism on a trial basis for the 2000-2002 replenishment period,

1. To direct the Treasurer to extend the fixed-exchange-rate mechanism for a further trial period of three years;
2. That Parties choosing to pay in national currencies will calculate their contributions based on an average United Nations exchange rate for the twelve-months preceding the replenishment period. This average will be based on the twelve-month period immediately preceding the first day of the meeting of the Parties during which the replenishment level will be decided. Subject to paragraph 3 below, Parties not choosing to pay in national currencies, pursuant to the fixed-exchange-rate mechanism, will continue to pay in United States dollars;
3. That no party should change the currency selected for its contribution in the course of the triennium period;
4. That only Parties with inflation rate fluctuations of less than 10 per cent, as per published figures of the International Monetary Fund, for the preceding triennium will be eligible to utilize the mechanism;
5. To urge Parties to pay their contributions to the Multilateral Fund in full and as early as possible in accordance with paragraph 7 of Decision XI/6;
6. To agree, if the fixed-exchange-rate mechanism is to be used for the next replenishment period, that Parties choosing to pay in national currencies will calculate their contributions based on an average United Nations exchange rate for the six-month period commencing 1 July 2004;

Decision XIV/41. Financial matters: Financial reports and budgets

1. To welcome the continuing excellent management by the Secretariat of the finances of the Montreal Protocol Trust Fund and the very good quality documentation on it furnished to the meeting;
2. To take note with appreciation of the financial statements of the Trust Fund for the biennium 2000-2001 and the report on the actual expenditures for 2001 as compared to the approvals for that year, as contained in document UNEP/OzL.Pro.14/4;
3. To approve the budget for the Trust Fund in the amount of \$3,855,220 for 2003 and take note of the proposed budget of \$3,921,664 for 2004, as set out in Annex III of the report of the fourteenth Meeting of the Parties;
4. To firstly draw down an amount of \$675,000 in years 2003 and 2004 from the Fund balance for the purpose of reducing that balance in accordance with Decision XI/21, paragraphs 5 and 6;
5. To secondly draw down further from the unspent balance from year 2000, an amount of \$250,869 in 2003;
6. To thirdly draw down further from the unspent balance from year 2001, an amount of \$400,000 in 2003; \$686,000 in 2004 and \$100,869 in year 2005;
7. To fourthly draw down further from the annually accruing interest income, an amount of \$250,000 in 2003 and another \$250,000 in 2004;
8. To ensure, as a consequence of the draw-downs referred to in paragraphs 4 and 5 above, that the contributions to be paid by the Parties amount to \$2,279,351 for 2003 and \$2,310,664 for 2004, as set out in Annex III of the report of the Fourteenth Meeting of the Parties. The contributions of the individual Parties shall be as listed in Annex IV;

9. To urge all Parties to pay their outstanding contributions, as well as their future contributions promptly and in full;
10. To encourage non-Article 5 Parties to continue offering assistance to their members in the three assessment panels and their subsidiary bodies for their continued participation in the assessment activities under the Protocol;
11. To note the provision of assistance for the participation of Article 5 experts in the assessment panels and the subsidiary bodies;
12. To amend paragraph 4 of the terms of reference for the administration of the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer by substituting 25 per cent by 22 per cent in accordance with the United Nations General Assembly resolution through its decision A/RES/55/5 B-F of 23 December 2000;
13. To request the Executive Director to extend the Montreal Protocol Trust Fund until 31 December 2010; and
14. To invite the Parties to provide comments to the document UNEP/OzL.Pro/14/INF.3 and ask the Secretariat to keep the information current.

Decision XIV/42. Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol

To endorse the selection of Khaled Klaly (Syrian Arab Republic) and Maria Nolan (United Kingdom of Great Britain and Northern Ireland) as Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol in 2003.

Decision XIV/43. Fifteenth Meeting of the Parties to the Montreal Protocol

To convene the Fifteenth Meeting of the Parties to the Montreal Protocol at the seat of the Secretariat, in Nairobi, and at a date to be decided by the Parties unless other appropriate arrangements are made by the Secretariat in consultation with the Parties.

B. Comments made at the time of adoption of decisions

300. On the consideration of the adoption of the draft decision relating to provision of information on critical-use exemptions for methyl bromide, the delegation of the Dominican Republic expressed the wish that the following statement should be included in extenso in the report of the meeting:

“A number of Article 5 countries have received approval to implement projects with accelerated methyl bromide phase-out schedules in advance of the 2015 100 per cent phase-out target. For many, the decision to move in an accelerated manner has been influenced not only by the fact that viable and cost-effective alternatives are available, but also by trade and competitiveness considerations related to the fact that Article 5 exports still produced using methyl bromide may face trade barriers in non-Article 5 countries that fully eliminate methyl bromide by the 2005 phase-out target. Accelerated reductions allow for the establishment of a more level playing field between growers in Article 5 and non-Article 5 countries.

There is much information circulating that critical-use exemptions for methyl bromide will begin to be considered for growers in Article 5 countries as of 2005. Rather than working towards creation of a level playing field, such exemptions will only serve to exacerbate concerns for Article 5 Parties that have adopted accelerated phase-out regimes.

The Parties may wish to consider the implications that the allocation of such critical use exemptions may have in regard to the continued protection of the ozone layer, particularly since viable alternatives exist, to regional agricultural competitiveness and to interregional trade between Article 5 and non-Article 5 countries.

In order to address these issues, the Parties may wish to request the Technology and Economic Assessment Panel, through its Methyl Bromide Technical Options Committee to consider an analysis of the potential implications that critical use exemptions may have on the sustainability of phase-out efforts in both Article 5 and non-Article 5 countries, as well as to initiate dialogue with WTO and relevant regional trade associations on trade related issues that may result from such exemptions.”

301. On the adoption of decision XIV/39, relating to the replenishment of the Multilateral Fund, the Austrian delegation expressed the wish that the following statement should be included in extenso in the report of the meeting:

“Austria acknowledges the result reached in the deliberations on the important question of the replenishment of the Multilateral Fund as a good compromise for the achievement of the objectives of the Protocol. Therefore, Austria does not want to stand in the way of reaching a consensus.

At the same time, Austria has to put on record that due to budgetary restraints she is not in a position to secure the full and timely payment of her share in the replenishment. However, Austria will do her utmost to comply with the decision on the replenishment of the Multilateral Fund.”

302. On the adoption of decision XIV/41, relating to financial matters, financial reports and budgets, the delegation of Brazil expressed the wish that the following statement should be included in extenso in the report of the meeting:

“In light of United Nations General Assembly resolution A/RES/55/5 B-F, Part C, paragraph 3, which stresses that the reduction of the maximum assessment rate referred to in paragraph 1 of resolution B above shall apply to the apportionment of the expenses of the United Nations and should have no automatic implication for the apportionment of the expenses of the specialized agencies or the International Atomic Energy Agency, the delegation of Brazil recorded a reservation to the decision on the Trust Funds of the Vienna Convention and of the Montreal Protocol, which alter the scale of contributions for both Trust Funds.”

XVI. DATES AND VENUES OF THE FIFTEENTH MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL AND THE SEVENTH MEETING OF THE CONFERENCE OF THE PARTIES TO THE VIENNA CONVENTION

303. In accordance with rule 3 of the rules of procedure, it was agreed that the Fifteenth Meeting of the Parties would take place at the seat of the Secretariat, in Nairobi, and at a date to be decided by the Parties, unless other appropriate arrangements were made by the Secretariat in consultation with the Parties (decision XIV/43). The seventh meeting of the Conference of the Parties to the Vienna Convention would be held in conjunction with the Seventeenth Meeting of the Meeting of the Parties to the Montreal Protocol.

XVII. OTHER MATTERS

Replenishment of the Multilateral Fund

304. Several representatives heralded the record level of replenishment of the Fund which had been achieved after extensive consultations among the Parties. One representative noted that the consent of his delegation was contingent on the approval by the budget committee of his country’s parliament.

Tribute

305. At the opening session of the high-level segment, the newly elected President of the Conference of the Parties to the Vienna Convention, Mr. Paul Horwitz, noted the success of the ozone regime and its reliance upon very committed people. In that regard, he expressed gratitude, on behalf of the Parties, for the work of Mr. Milton Catelin who was now moving on to different responsibilities. Mr. Catelin had served the Parties well in important executive capacities, including as Co-Chair of the Open-ended Working Group since 2000. The President also noted the tireless efforts of Mr. Rajendra Shende from UNEP, who, for the first time in nearly a decade, was not attending the meeting of the Parties to the Montreal Protocol, due to illness. Finally, he noted the contribution of Mr. Omar El-Arini, who, in his capacity as Chief Officer of the Multilateral Fund Secretariat, had provided outstanding services to enable global protection of the ozone layer throughout the history of the Protocol.

XVIII. ADOPTION OF THE REPORT OF THE COMBINED SIXTH MEETING OF THE
CONFERENCE OF THE PARTIES TO THE VIENNA CONVENTION AND THE
FOURTEENTH MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL

306. The present report was adopted on Friday, 29 November 2002 on the basis of the draft report submitted to the Meeting.

XIX. CLOSURE OF THE MEETING

Tribute to the host country

307. On behalf of the meeting, the President of the Bureau of the sixth meeting of the Parties to the Vienna Convention expressed gratitude to the Government of Italy for its generosity in hosting both the sixth meeting of the Conference of the Parties to the Vienna Convention and the Fourteenth Meeting of the Parties to the Montreal Protocol, and to the people of Italy for their warm hospitality, both of which had contributed so much to the Meeting's success.

308. After the customary exchange of courtesies, the Meeting rose at 8 p.m. on Friday, 29 November 2002.

Annex IEssential-use nominations for 2003-2004 authorized by the Fourteenth Meeting of the Parties
(Metric tonnes)

Party	2003	2004
	CFC-11, 12, 114	CFC-11, 12, 114
Australia	11.0	11.0
European Community	-	1,885.0
Japan	40.0	30.0
Poland	240.0	236.0
Russian Federation	396.0	-
Ukraine	103.8	-
U.S.A.	-	2,975.0
Total	687.0	5,137.0

Annex II

Contributions by Parties to the fifth replenishment of the Multilateral Fund (2003, 2004 and 2005)

{ the replenishment at US\$573.00 million of which US\$474 million is from new contributions }

No.	Country	United Nations scale of assessment for the year 2002	Adjusted United Nations scale of assessment with no Party contributing more than 22%	Annual Contributions (in United States dollars) for years 2003, 2004 and 2005	Average Inflation Rate for the period 2000 - 2002	Qualifying FERM Use YES=1 NO=0	FERM User's Currencies Rates of Exchanges	FERM User's National Currencies	FERM User's Payments in National Currencies
1	AUSTRALIA	1.640	1.994180744	3,150,805.58	3.90%	1	1.8641	Australian Dollar	5,873,416.67
2	AUSTRIA	0.954	1.160029531	1,832,846.66	2.03%	1	1.0831	Euro	1,985,156.22
3	AZERBAIJAN	0.004	0.004863855	7,684.89	1.90%	1	4841.0833	Azerbaijan Manat	37,203,200.62
4	BELARUS	0.019	0.023103314	36,503.24	91.10%	0			
5	BELGIUM	1.138	1.383766882	2,186,351.67	2.23%	1	1.0831	Euro	2,368,037.50
6	BULGARIA	0.013	0.015807530	24,975.90	8.10%	1	2.1038	Lev	52,544.29
7	CANADA	2.579	3.135970817	4,954,833.89	2.33%	1	1.5683	Canadian Dollar	7,770,665.99
8	CZECH REPUBLIC	0.172	0.209145785	330,450.34	3.77%	1	33.5683	Czech Koruna	11,092,656.18
9	DENMARK	0.755	0.918052721	1,450,523.30	2.43%	1	8.0258	Danish Krone	11,641,609.89
10	ESTONIA	0.010	0.012159639	19,212.23	14.47%	0			
11	FINLAND	0.526	0.639596995	1,010,563.25	2.63%	1	1.0831	Euro	1,094,541.06
12	FRANCE	6.516	7.923220567	12,518,688.50	1.80%	1	1.0831	Euro	13,558,991.51
13	GERMANY	9.845	11.971164285	18,914,439.57	1.97%	1	1.0831	Euro	20,486,229.50
14	GREECE	0.543	0.660268381	1,043,224.04	3.47%	1	1.0831	Euro	1,129,915.96
15	HUNGARY	0.121	0.147131628	232,467.97	8.17%	1	264.4167	Forint	61,468,414.11
16	ICELAND	0.033	0.040126808	63,400.36	5.63%	1	94.9917	Icelandic Krona	6,022,507.61
17	IRELAND	0.297	0.361141269	570,603.20	4.57%	1	1.0831	Euro	618,020.33
18	ISRAEL	0.418	0.508272897	803,071.18	2.80%	1	4.6267	Shekel	3,715,569.42
19	ITALY	5.104	6.206279585	9,805,921.74	2.57%	1	1.0831	Euro	10,620,793.84
20	JAPAN	19.669	22.000000000	34,760,000.00	-0.83%	1	125.4167	Yen	4,359,484,492.00
21	LATVIA	0.010	0.012159639	19,212.23	2.70%	1	0.6168	Lats	11,850.10
22	LIECHTENSTEIN	0.006	0.007295783	11,527.34	1.10%	1	1.5883	Swiss Franc	18,308.87
23	LITHUANIA	0.017	0.020671386	32,660.79	1.13%	1	3.7517	Litas	122,533.48
24	LUXEMBOURG	0.080	0.097277109	153,697.83	2.63%	1	1.0831	Euro	166,470.12
25	MONACO	0.004	0.004863855	7,684.89	1.80%	1	1.0831	Euro	8,323.51
26	NETHERLANDS	1.751	2.129152734	3,364,061.32	3.73%	1	1.0831	Euro	3,643,614.81
27	NEW ZEALAND	0.243	0.295479220	466,857.17	2.67%	1	2.2321	New Zealand Dollar	1,042,071.88

28	NORWAY	0.652	0.792808442	1,252,637.34	2.53%	1	8.2308	Norwegian Krone	10,310,207.41
29	POLAND	0.319	0.387892474	612,870.11	5.90%	1	3.9908	Zloty	2,445,842.03
30	PORTUGAL	0.466	0.566639163	895,289.88	3.63%	1	1.0831	Euro	969,688.47
31	RUSSIAN FEDERATION	1.200	1.459156642	2,305,467.49	19.10%	0			
32	SLOVAK REPUBLIC	0.043	0.052286446	82,612.59	7.83%	1	45.8458	Slovak Koruna	3,787,440.06
33	SLOVENIA	0.081	0.098493073	155,619.06	8.33%	1	242.75	Tolar	37,776,525.82
34	SPAIN	2.539	3.087332262	4,877,984.97	3.17%	1	1.0831	Euro	5,283,345.53
35	SWEDEN	1.035	1.258522604	1,988,465.71	1.97%	1	9.9275	Swedish Krona	19,740,493.38
36	SWITZERLAND	1.274	1.549137968	2,447,637.99	1.10%	1	1.5883	Swiss Franc	3,887,583.42
37	TAJKISTAN	0.001	0.001215964	1,921.22	27.40%	0			
38	TURKMENISTAN	0.003	0.003647892	5,763.67	11.30%	0			
39	UKRAINE	0.053	0.064446085	101,824.81	15.10%	0			
40	UNITED KINGDOM	5.579	6.783862422	10,718,502.63	2.03%	1	0.6758	Pound Sterling	7,243,564.08
41	UNITED STATES OF AMERICA	22.000	22.000000000	34,760,000.00	2.57%	1	1	United States Dollar	34,760,000.00
42	UZBEKISTAN	0.011	0.013375603	21,133.45	25.13%	0			
42	T O T A L	87.723	100.000000000	158,000,000.00					

Annex III

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

APPROVED 2002 AND PROPOSED 2003 AND 2004 BUDGETS

		w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)
10	PROJECT PERSONNEL COMPONENT						
<i>1100</i>	<i>Project personnel</i>						
1101	Executive Secretary (D-2) (shared with the Vienna Convention, VC)	6	104,726	6	105,000	6	105,000
1102	Deputy Executive Secretary (D-1)	12	150,000	12	150,000	12	150,000
1103	Senior Legal Officer (P-5)	12	120,000	12	120,000	12	120,000
1104	Senior Scientific Affairs Officer (P-5) (shared with VC)	6	91,000	6	82,500	6	82,500
1105	Administrative Officer (P-4) (paid by UNEP)		0		0		0
1106	Programme Officer (Database Management) P3	12	100,000	12	103,000	12	112,000
1107	Programme Officer (Communication & Information) P3 (to be paid from VC)		0	6	0	12	0
1108	Programme Officer (Monitoring and Compliance) - P3		0	6	60,000	12	112,000
<i>1199</i>	<i>Sub-total</i>		<i>565,726</i>		<i>620,500</i>		<i>681,500</i>
<i>1200</i>	<i>Consultants</i>						
1201	Assistance in data-reporting, analysis and promotion of the implementation of the Protocol		135,000		50,000		50,000
<i>1299</i>	<i>Sub-total</i>		<i>135,000</i>		<i>50,000</i>		<i>50,000</i>

		w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)
<i>1300</i>	<i>Administrative Support</i>						
1301	Administrative Assistant (G-7) (shared with VC)	6	11,279	6	10,500	6	10,500
1302	Personal Assistant (G-6)	12	18,996	12	20,000	12	20,500
1303	Programme Assistant (G-6) (paid by VC)		0		0		0
1304	Information Assistant (G-6) (shared with VC)	6	10,092	6	10,500	6	11,000
1305	Programme Assistant (G-6) (shared with VC)	6	10,092	6	10,500	6	11,000
1306	Documents Clerk (G-4)	12	9,490	12	10,000	12	10,500
1307	Data Assistant (G-6)	12	20,171	12	20,200	12	20,500
1308	Programme Assistant - Fund (G-6) (paid by UNEP)		0		0		0
1309	Logistics Assistant (G-3) (paid by UNEP)		0		0		0
1310	Bilingual Senior Secretary (G-6) (to be paid from VC)		0		0		0
1320	Temporary Assistance		10,172		15,000		15,000
1321	Open-ended Working Group Meetings		390,000		350,000		350,000
1322	Preparatory and Parties Meetings (shared with VC every three years, it applies to 2002 & 2005)		320,000		430,000		430,000
1323	Assessment Panel Meetings		76,887		75,000		75,000
1324	Bureau Meetings		30,000		20,000		20,000
1325	Implementation Committee Meetings		30,000		40,000		40,000
1326	MP informal consultation meetings to promote ratification and compliance		10,000		12,000		12,000
<i>1399</i>	<i>Sub-total</i>		<i>947,179</i>		<i>1,023,700</i>		<i>1,026,000</i>

	w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)
<i>1600 Travel on Official Business</i>						
1601 Staff travel on official business		130,000		150,000		150,000
1602 Travel on official business (Conference Services staff and UN Information Officer)		15,000		15,000		15,000
<i>1699 Sub-total</i>		<i>145,000</i>		<i>165,000</i>		<i>165,000</i>
1999 COMPONENT TOTAL		1,792,905		1,859,200		1,922,500
30 MEETING/PARTICIPATION COMPONENT						
<i>3300 Support for Participation</i>						
3301 Assessment Panel Meetings		450,000		400,000		400,000
3302 Preparatory and Parties Meetings		350,000		350,000		350,000
3303 Open-ended Working Group Meetings		300,000		300,000		300,000
3304 Bureau Meetings		35,000		40,000		40,000
3305 Implementation Committee Meetings		75,000		115,000		115,000
3306 Consultations in an informal meeting		100,000		50,000		50,000
<i>3399 Sub-total</i>		<i>1,310,000</i>		<i>1,255,000</i>		<i>1,255,000</i>
3999 COMPONENT TOTAL		1,310,000		1,255,000		1,255,000
40 EQUIPMENT AND PREMISES COMPONENT						

	w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)
<i>4100 Expendable Equipment (items under \$1,500)</i>						
4101 Miscellaneous expendables (shared with VC)		23,890		17,000		17,000
<i>4199 Sub-total</i>		<i>23,890</i>		<i>17,000</i>		<i>17,000</i>
<i>4200 Non-Expendable Equipment</i>						
4201 Personal computers and accessories		5,000		10,000		5,000
4202 Portable computers		5,000		4,500		0
4203 Other office machines (server, fax, scanner, etc.)		5,000		5,000		5,000
4204 Photocopiers		0		0		10,000
<i>4299 Sub-total</i>		<i>15,000</i>		<i>19,500</i>		<i>20,000</i>
<i>4300 Premises</i>						
4301 Rental of office premises (shared with VC)		25,000		26,000		26,000
<i>4399 Sub-total</i>		<i>25,000</i>		<i>26,000</i>		<i>26,000</i>
4999 COMPONENT TOTAL		63,890		62,500		63,000
50 MISCELLANEOUS COMPONENT						
<i>5100 Operation and Maintenance of Equipment</i>						
5101 Maintenance of equipment and others (shared with VC)		14,200		14,500		14,500
<i>5199 Sub-total</i>		<i>14,200</i>		<i>14,500</i>		<i>14,500</i>

	w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)
<i>5200 Reporting Costs</i>						
5201 Reporting		64,600		54,000		54,000
5202 Reporting (Assessment Panels)		66,000		15,000		10,000
5203 Reporting (Protocol Awareness)		10,000		10,000		10,000
<i>5299 Sub-total</i>		<i>140,600</i>		<i>79,000</i>		<i>74,000</i>
<i>5300 Sundry</i>						
5301 Communications		40,000		45,000		45,000
5302 Freight charges (documents)		70,000		60,000		60,000
5303 Training		12,500		12,500		12,500
5304 Others (International Ozone Day)		5,000		12,000		12,000
<i>5399 Sub-total</i>		<i>127,500</i>		<i>129,500</i>		<i>129,500</i>
<i>5400 Hospitality</i>						
5401 Hospitality		9,000		12,000		12,000
<i>5499 Sub-total</i>		<i>9000.00</i>		<i>12,000</i>		<i>12,000</i>
5999 COMPONENT TOTAL		291,300		235,000		230,000
99 TOTAL DIRECT PROJECT COST		3,458,095		3,411,700		3,470,500
<i>Programme support costs (13%)</i>		<i>449,551</i>		<i>443,520</i>		<i>451,164</i>

	w/m	2002 (US\$)	w/m	2003 (US\$)	w/m	2004 (US\$)
GRAND TOTAL (inclusive of programme support costs)		3,907,646		3,855,220		3,921,664
A. Draw down from Montreal Protocol Trust Fund balance*		675,000		675,000		675,000
B. Draw down resulting from Secretariat's 2000 unspent balance* *		740,000		250,869		0
C. Additional draw down resulting from 2001 unspent balance***		0		400,000		686,000
D. Draw down from interest income ****		0		250,000		250,000
Sub-total contributions		1,415,000		1,575,869		1,611,000
Contribution from the Parties		2,492,646		2,279,351		2,310,664

* The draw down of \$675,000 per year for 2003 and 2004 from the Trust Fund's unspent balance was based on Decision XI/21, paragraphs 5 and 6 of the 11th Meeting of the Parties to the Montreal Protocol.

** To cover the additional requirements arising from decisions of the Meetings of the Parties, i.e. study on illegal trade - Dec.XII/10, as well as work related to the 2002 assessment reports being prepared by TEAP, SAP and EEAP, the Secretariat proposed at the 13th MOP a draw down resulting from savings in 2000.

*** As a result of unexpected savings in 2001, the Secretariat proposes an additional draw down of \$1,186,868 as follows: \$400,000 for 2003, \$686,000 for 2004 and \$100,868 for 2005. The 2005 budget proposal will be presented at the 15th Meeting of the Parties.

**** To further reduce the contribution of the Parties for 2003 and 2004, a draw down of \$250,000 will be made from the interest income annually accruing to the Fund, and continuing thereafter until further review

Explanatory notes for the proposed 2003 and 2004 budgets for the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer

<u>Budget line</u>	<u>Comment</u>
1101-1108	The Parties have decided that, in future, proposals for the establishment and classification of all posts must be presented to them for consideration and approval before they are presented for processing by the United Nations system. The Parties approve the number and type of posts, and make financial provisions for them when they make budget decisions.
1101-1104, 1106 and 1108	Standard professional salary costs applicable to the Nairobi duty station for 2003 have been used for 2003 and 2004 budget proposals. Unspent commitments normally revert to the Trust Fund.
1105	The post of the Administrative Officer continues to be paid from the 13 per cent programme support costs based on actual expenditures.
1107 and 1108	<p>At the second Meeting of the Parties, in 1990, the ozone secretariat's present staff –Executive Secretary, Deputy Executive Secretary, Senior Scientific Affairs Officer, Senior Legal Officer and Administrative Officer – were approved. The number of Parties to the Vienna Convention and the Montreal Protocol at that time (mid-1990) was 66 and 59 respectively, and the number of controlled substances listed in annex A was eight. In 1996, a sixth post, Programme Officer (Data Management), was approved in response to the urgent requirement to compile and analyse data on ozone-depleting substances (ODS) and to coordinate the computer systems of the secretariat. To date, there are 185 and 184 Parties to the Vienna Convention and Montreal Protocol respectively, and the number of controlled substances has increased to 96, yet the number of staff has remained the same.</p> <p>The rise in the number of Parties and the adoption of four Amendments to the Montreal Protocol has resulted in an equivalent increase in the workload. The worldwide interest in the Montreal Protocol has grown steadily, and Governments, research scholars, industries, trade organizations, and non-governmental organizations continuously seek information from the secretariat. Moreover, the introduction of Internet and e-mail communications has increased the workload of the secretariat exponentially.</p> <p>In addition, there has been a need for increased monitoring of compliance issues under the Montreal Protocol, especially after developing countries began implementation of compliance measures to phase out ODS; increased interaction with Governments through the Implementation Committee on compliance issues; monitoring of illegal trade in ODS; monitoring implementation of licensing systems by Parties; and increased interaction with the Executive Committee of the Multilateral Fund, as well as with the implementing agencies of the Fund and ozone officers in developing countries and countries with economies</p>

Budget lineComment

in transition on compliance issues.

To respond effectively and efficiently to the requirements of the Parties and other stakeholders, the secretariat has reviewed its staffing levels and requires the strengthening of its capacity to deliver the work by increasing its human resources. Two posts are being presented for approval by the Parties: one Programme Officer (Communication and Information) to be funded from the Vienna Convention Trust Fund, who will be responsible for handling communication and information services, and another Officer (Monitoring and Compliance) to be funded from the Montreal Protocol Trust Fund, who will assist in the monitoring and follow-up of issues relating to compliance with the implementation of the Montreal Protocol.

Budget provision for 6 months only to cover the second half of 2003 has been proposed, as the post (1108) to be funded under the Trust Fund for the Montreal Protocol will need to be established and classified before recruitment can commence.

1201	Assistance in data reporting and analysis, as well as in the development of a fully interlinked, digital system at the secretariat will be required. Funds under this line can be transferred to line 1100 to create short-term Professional posts if necessary.
1301 to 1307	Standard General Service salary costs applicable to the Nairobi duty station for 2003 have been used for 2003 and 2004 budget proposals.
1308-1309	The posts of Programme Assistant (Fund) and Logistics Assistant continue to be paid from the 13 per cent programme support costs based on actual expenditures.
1310	<p>The establishment of a bilingual senior secretarial post at the G-6 level to be funded from the Vienna Convention Trust Fund is presented for approval by the Parties. It is envisaged that the bilingual general support staff will increase the secretariat's capacity to deliver work promptly and efficiently in two languages without having to send the correspondence for translation every time.</p> <p>Budget provision for 6 months only in 2003 has been proposed as the post will have to be established and classified before recruitment can commence.</p>
1320	The secretariat continues to convert archives into electronic files for ease of retrieval and for posting on the web site. To assist the secretariat in this, as well as in other work related to servicing the requirements of 183 Parties, particularly in the area of document preparation and organization of participants' travel, the secretariat requires funding allocation for temporary support staff.
1321-1326	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

<u>Budget line</u>	<u>Comment</u>
	<p>of organizing the meetings should not, however, exceed the amounts agreed in this budget.</p> <p>The current conference servicing costs have been based on the following assumptions:</p> <p>(a) 1321: One meeting of the Open-ended Working Group to be held each year during 2003 and 2004, in Nairobi, using six languages;</p> <p>(b) 1322: The Meeting of the Parties and its preparatory meeting will be held in Nairobi in both years, in six languages. When meetings are not held in Nairobi, the incremental cost will be borne by the host Government;</p> <p>(c) 1323: The budget allocation in 2003 and 2004 for the Technology and Economic Assessment Panel, the Scientific Assessment Panel and the Environmental Effects Assessment Panel will cover the costs of their annual meetings, as well as communication and other sundry costs related to the work of panel members from developing countries and countries with economies in transition;</p> <p>(d) 1324: Two bureau meetings are scheduled for each of the years 2003 and 2004, in two languages;</p> <p>(e) 1325: At least two Implementation Committee meetings are scheduled for each of the years 2003 and 2004 with interpretation as required. From 2003, an intersessional meeting of the Implementation Committee will be held prior to the Meeting of the Parties;</p> <p>(f) 1326: At least one informal consultation meeting per year is envisaged for 2003 and 2004 on the promotion of the ratification of and compliance with the Montreal Protocol and its Amendments. It is expected to take place in Nairobi.</p>
1601	Staff travel is undertaken in the context of the activities of the secretariat. Some missions will be undertaken in 2003 and 2004 to promote compliance and the ratification of the Montreal Protocol Amendments.
3300	<p>Participation of developing countries:</p> <p>The participation of representatives from article 5 Parties in the various Protocol meetings is assumed at \$5,000 per participation taking into account not more than one person's travel costs per country, using the most appropriate and advantageous economy-class fare and United Nations per diem allowances.</p>
3301	Travel of around 80 article 5 members in the Assessment Panel meetings (Scientific Assessment Panel, Environmental Effects Assessment Panel and Technology and Economic Assessment Panel and its Technical Options Committees) has been allocated for 2003 and 2004 respectively.
3302 and 3303	Participation costs for some 70 representatives attending the meeting of the Parties and 60 attending the Open-ended Working Group Meeting for 2003 and 2004.

<u>Budget line</u>	<u>Comment</u>
3304	Participation costs are based on two bureau meetings a year for four participants from developing countries or countries with economies in transition at each meeting.
3305	The participation costs for the two Implementation Committee meetings a year are based on eight members from developing countries and countries with economies in transition at each meeting and two country representatives invited by the Implementation Committee at each meeting. Provision has also been made for the travel of the Implementation Committee President or Vice-President from an article 5 country to attend three Executive Committee meetings a year.
3306	Funds have been allocated to finance the participation of 10 participants from developing countries and countries with economies in transition as part of informal consultations on non-compliance with the Montreal Protocol, assumed to be held in Nairobi.
4101	The cost of miscellaneous expendables has been reduced in 2003 from \$25,084 as proposed at the thirteenth Meeting of the Parties to \$17,000 based on actual expenditures during 2000 and 2001. Stringent monitoring and careful use of resources account for the reduction in expenditure during 2000 and 2001.
4200	The secretariat is maintaining its electronic data processing systems in order to make the documentation of the Protocol and the Convention available electronically to the Parties. This requires procurement of necessary peripherals and software licenses and updating of the existing computer equipment. A minimum provision has been made to enable the secretariat to replace some equipment each year.
4300	The actual expenditure for 2001 has been used as the basis for the 2003 and 2004 provision in this line.
5202	The year 2002 is assessment year and provision for printing of at least 9 reports has been made in 2002. The next assessment will be in 2006. The printing costs for 2003 and 2004 therefore have been reduced from the \$66,000 in 2002 to \$15,000 and \$10,000 in 2003 and 2004 respectively.
5301	Careful monitoring of telecommunications resources and the continuous resort to the use of electronic mail instead of facsimile communications enable the secretariat to maintain a relatively low budget provision in this line.
5303	The training line is being maintained at the same level. The staff continues to avail of the training and development programme.
5304	The ozone secretariat will provide a subsidy to three countries per year during 2003 and 2004 to assist in the preparations for the celebration of the International Day for the Preservation of the Ozone Layer.

Annex IVTrust Fund for the Montreal Protocol on the Substances that Deplete the Ozone Layer

Scale of Contributions by the Parties for the year 2003 and 2004 based on the United Nations scale of assessments (General Assembly Resolution A/RES/55/5 B-F of 23 December 2000 with no Party paying more than 22 per cent)

(In United States dollars)

NAME OF PARTY	UN SCALE OF ASSESSMENT FOR YEAR 2003	ADJUSTED UN SCALE TO EXCLUDE NON-CONTRIBUTORS	ADJUSTED UN SCALE WITH 22% PERCENTAGE CEILING CONSIDERED	YEAR 2003 CONTRIBUTIONS BY PARTIES	YEAR 2004 CONTRIBUTIONS BY PARTIES
Albania	0.003	0.000	0.000	0	0
Algeria	0.070	0.000	0.000	0	0
Angola	0.002	0.000	0.000	0	0
Antigua and Barbuda	0.002	0.000	0.000	0	0
Argentina	1.149	1.149	1.132	25,813	26,167
Armenia	0.002	0.000	0.000	0	0
Australia	1.627	1.627	1.604	36,551	37,053
Austria	0.947	0.947	0.933	21,275	21,567
Azerbaijan	0.004	0.000	0.000	0	0
Bahamas	0.012	0.000	0.000	0	0
Bahrain	0.018	0.000	0.000	0	0
Bangladesh	0.010	0.000	0.000	0	0
Barbados	0.009	0.000	0.000	0	0
Belarus	0.019	0.000	0.000	0	0
Belgium	1.129	1.129	1.113	25,363	25,712
Belize	0.001	0.000	0.000	0	0
Benin	0.002	0.000	0.000	0	0
Bolivia	0.008	0.000	0.000	0	0
Bosnia and Herzegovina	0.004	0.000	0.000	0	0
Botswana	0.010	0.000	0.000	0	0
Brazil	2.390	2.390	2.356	53,692	54,430
Brunei Darussalam	0.033	0.000	0.000	0	0
Bulgaria	0.013	0.000	0.000	0	0
Burkina Faso	0.002	0.000	0.000	0	0
Burundi	0.001	0.000	0.000	0	0
Cambodia	0.002	0.000	0.000	0	0
Cameroon	0.009	0.000	0.000	0	0
Canada	2.558	2.558	2.521	57,466	58,256
Cape Verde	0.001	0.000	0.000	0	0
Central African Republic	0.001	0.000	0.000	0	0
Chad	0.001	0.000	0.000	0	0
Chile	0.212	0.212	0.209	4,763	4,828

NAME OF PARTY	UN SCALE OF ASSESSMENT FOR YEAR 2003	ADJUSTED UN SCALE TO EXCLUDE NON-CONTRIBUTORS	ADJUSTED UN SCALE WITH 22% PERCENTAGE CEILING CONSIDERED	YEAR 2003 CONTRIBUTIONS BY PARTIES	YEAR 2004 CONTRIBUTIONS BY PARTIES
China	1.532	1.532	1.510	34,417	34,890
Colombia	0.201	0.201	0.198	4,516	4,578
Comoros	0.001	0.000	0.000	0	0
Congo	0.001	0.000	0.000	0	0
Costa Rica	0.020	0.000	0.000	0	0
Cote d' Ivoire	0.009	0.000	0.000	0	0
Croatia	0.039	0.000	0.000	0	0
Cuba	0.030	0.000	0.000	0	0
Cyprus	0.038	0.000	0.000	0	0
Czech Republic	0.203	0.203	0.200	4,560	4,623
Democratic People's Republic of Korea	0.009	0.000	0.000	0	0
Democratic Republic of Congo	0.004	0.000	0.000	0	0
Denmark	0.749	0.749	0.738	16,826	17,058
Djibouti	0.001	0.000	0.000	0	0
Dominica	0.001	0.000	0.000	0	0
Dominican Republic	0.023	0.000	0.000	0	0
Ecuador	0.025	0.000	0.000	0	0
Egypt	0.081	0.000	0.000	0	0
El Salvador	0.018	0.000	0.000	0	0
Estonia	0.010	0.000	0.000	0	0
Ethiopia	0.004	0.000	0.000	0	0
European Community	2.500	2.500	2.500	56,984	57,767
Fiji	0.004	0.000	0.000	0	0
Finland	0.522	0.522	0.514	11,727	11,888
France	6.466	6.466	6.373	145,260	147,256
Gabon	0.014	0.000	0.000	0	0
Gambia	0.001	0.000	0.000	0	0
Georgia	0.005	0.000	0.000	0	0
Germany	9.769	9.769	9.628	219,463	222,478
Ghana	0.005	0.000	0.000	0	0
Greece	0.539	0.539	0.531	12,109	12,275
Grenada	0.001	0.000	0.000	0	0
Guatemala	0.027	0.000	0.000	0	0
Guinea	0.003	0.000	0.000	0	0
Guinea-Bissau	0.001	0.000	0.000	0	0
Guyana	0.001	0.000	0.000	0	0
Haiti	0.002	0.000	0.000	0	0
Honduras	0.005	0.000	0.000	0	0
Hungary	0.120	0.120	0.118	2,696	2,733
Iceland	0.033	0.000	0.000	0	0
India	0.341	0.341	0.336	7,661	7,766

NAME OF PARTY	UN SCALE OF ASSESSMENT FOR YEAR 2003	ADJUSTED UN SCALE TO EXCLUDE NON-CONTRIBUTORS	ADJUSTED UN SCALE WITH 22% PERCENTAGE CEILING CONSIDERED	YEAR 2003 CONTRIBUTIONS BY PARTIES	YEAR 2004 CONTRIBUTIONS BY PARTIES
Indonesia	0.200	0.200	0.197	4,493	4,555
Iran (Islamic Republic of)	0.272	0.272	0.268	6,111	6,194
Ireland	0.294	0.294	0.290	6,605	6,696
Israel	0.415	0.415	0.409	9,323	9,451
Italy	5.065	5.065	4.992	113,781	115,344
Jamaica	0.004	0.000	0.000	0	0
Japan	19.516	19.516	19.235	438,426	444,449
Jordan	0.008	0.000	0.000	0	0
Kazakhstan	0.028	0.000	0.000	0	0
Kenya	0.008	0.000	0.000	0	0
Kiribati	0.001	0.000	0.000	0	0
Kuwait	0.147	0.147	0.145	3,302	3,348
Kyrgyzstan	0.001	0.000	0.000	0	0
Lao People's Democratic Republic	0.001	0.000	0.000	0	0
Latvia	0.010	0.000	0.000	0	0
Lebanon	0.012	0.000	0.000	0	0
Lesotho	0.001	0.000	0.000	0	0
Liberia	0.001	0.000	0.000	0	0
Libyan Arab Jamahiriya	0.067	0.000	0.000	0	0
Liechtenstein	0.006	0.000	0.000	0	0
Lithuania	0.017	0.000	0.000	0	0
Luxembourg	0.080	0.000	0.000	0	0
Madagascar	0.003	0.000	0.000	0	0
Malawi	0.002	0.000	0.000	0	0
Malaysia	0.235	0.235	0.232	5,279	5,352
Maldives	0.001	0.000	0.000	0	0
Mali	0.002	0.000	0.000	0	0
Malta	0.015	0.000	0.000	0	0
Marshall Islands	0.001	0.000	0.000	0	0
Mauritania	0.001	0.000	0.000	0	0
Mauritius	0.011	0.000	0.000	0	0
Mexico	1.086	1.086	1.070	24,397	24,732
Micronesia (Federated State of)	0.001	0.000	0.000	0	0
Monaco	0.004	0.000	0.000	0	0
Mongolia	0.001	0.000	0.000	0	0
Morocco	0.044	0.000	0.000	0	0
Mozambique	0.001	0.000	0.000	0	0
Myanmar	0.010	0.000	0.000	0	0
Namibia	0.007	0.000	0.000	0	0
Nauru	0.001	0.000	0.000	0	0
Nepal	0.004	0.000	0.000	0	0
Netherlands	1.738	1.738	1.713	39,045	39,581

NAME OF PARTY	UN SCALE OF ASSESSMENT FOR YEAR 2003	ADJUSTED UN SCALE TO EXCLUDE NON-CONTRIBUTORS	ADJUSTED UN SCALE WITH 22% PERCENTAGE CEILING CONSIDERED	YEAR 2003 CONTRIBUTIONS BY PARTIES	YEAR 2004 CONTRIBUTIONS BY PARTIES
New Zealand	0.241	0.241	0.238	5,414	5,488
Nicaragua	0.001	0.000	0.000	0	0
Niger	0.001	0.000	0.000	0	0
Nigeria	0.068	0.000	0.000	0	0
Norway	0.646	0.646	0.637	14,513	14,712
Oman	0.061	0.000	0.000	0	0
Pakistan	0.061	0.000	0.000	0	0
Palau	0.001	0.000	0.000	0	0
Panama	0.018	0.000	0.000	0	0
Papua New Guinea	0.006	0.000	0.000	0	0
Paraguay	0.016	0.000	0.000	0	0
Peru	0.118	0.118	0.116	2,651	2,687
Philippines	0.100	0.000	0.000	0	0
Poland	0.378	0.378	0.373	8,492	8,609
Portugal	0.462	0.462	0.455	10,379	10,522
Qatar	0.034	0.000	0.000	0	0
Republic of Korea	1.851	1.851	1.824	41,583	42,154
Republic of Moldova	0.002	0.000	0.000	0	0
Romania	0.058	0.000	0.000	0	0
Russian Federation	1.200	1.200	1.183	26,958	27,329
Rwanda	0.001	0.000	0.000	0	0
Saint Kitts and Nevis	0.001	0.000	0.000	0	0
Saint Lucia	0.002	0.000	0.000	0	0
Saint Vincent and the Grenadines	0.001	0.000	0.000	0	0
Samoa	0.001	0.000	0.000	0	0
Sao Tome and Principe	0.001	0.000	0.000	0	0
Saudi Arabia	0.554	0.554	0.546	12,446	12,617
Senegal	0.005	0.000	0.000	0	0
Seychelles	0.002	0.000	0.000	0	0
Sierra Leone	0.001	0.000	0.000	0	0
Singapore	0.393	0.393	0.387	8,829	8,950
Slovakia	0.043	0.000	0.000	0	0
Slovenia	0.081	0.000	0.000	0	0
Solomon Islands	0.001	0.000	0.000	0	0
Somalia	0.001	0.000	0.000	0	0
South Africa	0.408	0.408	0.402	9,166	9,292
Spain	2.519	2.519	2.482	56,584	57,362
Sri Lanka	0.016	0.000	0.000	0	0
Sudan	0.006	0.000	0.000	0	0
Suriname	0.002	0.000	0.000	0	0
Swaziland	0.002	0.000	0.000	0	0
Sweden	1.027	1.027	1.012	23,066	23,383

NAME OF PARTY	UN SCALE OF ASSESSMENT FOR YEAR 2003	ADJUSTED UN SCALE TO EXCLUDE NON-CONTRIBUTORS	ADJUSTED UN SCALE WITH 22% PERCENTAGE CEILING CONSIDERED	YEAR 2003 CONTRIBUTIONS BY PARTIES	YEAR 2004 CONTRIBUTIONS BY PARTIES
Switzerland	1.027	1.027	1.012	23,066	23,383
Syrian Arab Republic	0.080	0.000	0.000	0	0
Tajikistan	0.001	0.000	0.000	0	0
Thailand	0.294	0.294	0.290	6,605	6,696
The Former Yugoslav Republic of Macedonia	0.006	0.000	0.000	0	0
Togo	0.001	0.000	0.000	0	0
Tonga	0.001	0.000	0.000	0	0
Trinidad and Tobago	0.016	0.000	0.000	0	0
Tunisia	0.030	0.000	0.000	0	0
Turkey	0.440	0.440	0.434	9,885	10,020
Turkmenistan	0.003	0.000	0.000	0	0
Tuvalu	0.001	0.000	0.000	0	0
Uganda	0.005	0.000	0.000	0	0
Ukraine	0.053	0.000	0.000	0	0
United Arab Emirates	0.202	0.202	0.199	4,538	4,600
United Kingdom	5.536	5.536	5.456	124,368	126,076
United Republic of Tanzania	0.004	0.000	0.000	0	0
United States of America	22.000	22.000	21.683	494,235	501,025
Uruguay	0.080	0.000	0.000	0	0
Uzbekistan	0.011	0.000	0.000	0	0
Vanuatu	0.001	0.000	0.000	0	0
Venezuela	0.208	0.208	0.205	4,673	4,737
Vietnam	0.016	0.000	0.000	0	0
Yemen	0.006	0.000	0.000	0	0
Yugoslavia	0.020	0.000	0.000	0	0
Zambia	0.002	0.000	0.000	0	0
Zimbabwe	0.008	0.000	0.000	0	0
Total	103.373	101.425	100.000	2,279,351	2,310,664
