REPORT OF THE SEVENTH MEETING OF THE PARTIES TO THE
MONTREAL PROTOCOL ON SUBSTANCES THAT
DEPLETE THE OZONE LAYER
Vienna, 5-7 December 1995

I. OPENING OF THE MEETING

2. The Meeting was opened at 10 a.m. on Tuesday, 5 December 1995, by Mr. Luis Santos, representative of Juan Antonio Chiruchi, President of the Sixth Meeting of the Parties.

A. Statement by the representative of the Government of Austria

3. Mr. Martin Bartenstein, Federal Minister for the Environment of Austria, welcomed representatives to Vienna and to the Seventh Meeting of the Parties. Recalling the commemoration of the tenth anniversary of the signing of the Vienna Convention for the Protection of the Ozone Layer, held one day earlier, he noted the importance of reflecting on the many successes of the ozone regime. They included the virtual elimination of chlorofluorocarbons in Parties operating under Article 2, the elimination in Parties operating under Article 5 of 60,000 tonnes of production and consumption of ozone-depleting substances with the help of the Multilateral Fund, and declining rates of increase in atmospheric concentrations of several ozone-depleting substances.

4. Mr. Bartenstein cautioned, however, that much work remained to be done. Protecting and expanding upon those achievements required that the Parties' deliberations be characterized by five principles central to the success of the ozone regime: the delicate balance between environmental protection and sustainable development; the common but differentiated responsibilities of the Parties; the need for all Parties to accept fully
their responsibilities to help protect the ozone layer; the continued provision of financial and technological resources to assist developing countries to eliminate ozone-depleting substances; and important insights provided by the scientific and technical communities. He urged the representatives to be diligent in their efforts and to seize the opportunity to safeguard an ecologically safe planet for future generations.

B. Statement by Ms. Elizabeth Dowdeswell, Executive Director of the United Nations Environment Programme and Secretary-General to the Seventh Meeting of the Parties to the Montreal Protocol

5. Welcoming all the representatives to the Seventh Meeting of the Parties to the Montreal Protocol, Ms. Elizabeth Dowdeswell, the Executive Director of the United Nations Environment Programme and Secretary-General to the Meeting, thanked the Government of Austria for its generous hospitality. Recalling the diligent efforts of the many diplomats, scientists, industry leaders, environmentalists, and members of the media that had brought the ozone regime its success to date, the Executive Director observed that the tenth anniversary of the conclusion of the Vienna Convention for the Protection of the Ozone Layer was indeed a cause for celebration. Adherence to the Montreal Protocol's core principles remained strong, and most phase-out schedules remained on target.

6. Cautioning, however, that there was no time for complacency, the Executive Director observed several disturbing trends on the horizon. Small pockets of political backlash had begun attacking the protection effort, including the scientific consensus on ozone depletion. Countries with economies in transition continued to experience problems that would prevent them from fulfilling their commitments by the end of 1995. Rapid increases in the consumption of ozone-depleting substances had occurred in some developing countries. Efforts to continually educate the general public and policy makers unfamiliar with the importance of the issue had not been maintained.
7. Examining the specific issues before the Meeting, the Executive Director called for expanded efforts to promote effective implementation of current commitments as well as the negotiation of new targets and timetables. The most important accomplishment would be curbing the growth in hydrochlorofluorocarbons and methyl bromide in Parties operating under Article 2 and Article 5. The Technology and Economic Assessment Panel had provided sufficient information to enable conclusions to be reached in that regard. She called on Parties operating under Article 2 to finalize the phase-out schedule for methyl bromide and to reach a decision on advancing the phase-out of hydrochlorofluorocarbons. Developing countries, with seventy-five per cent of the world's population, should also agree to initial controls of their hydrofluorocarbon and methyl-bromide consumption. Parties operating under Article 5 could rely on the commitments on financial assistance and technology transfer found in Articles 5, 10 and 10A of the Protocol, and Parties operating under Article 2 should reinforce the strength of those commitments through prompt payment of contributions to the Multilateral Fund. Noting that the Council of the Global Environment Facility (GEF) had recently approved an operational strategy for tackling ozone depletion, the Executive Director called on the States of the former Union of Soviet Socialist Republics that had not yet done so to ratify the Montreal Protocol and its amendments quickly so as to be eligible for GEF assistance in phasing out ozone-depleting substances.

C. Statement by the President of the Sixth Meeting of the Parties

8. The representative of the President of the Sixth Meeting of the Parties said that the Montreal Protocol had many achievements to its credit: the atmospheric concentrations of various ozone-depleting substances were diminishing and the Multilateral Fund had already spent more than $450 million for the elimination of more than 60,000 tonnes of ozone-depleting substances, through more than 1,100 projects. The valuable information supplied by the Assessment Panels and the Technical Options Committees was being used by the Parties and their industries and institutions. However, the work must continue since the threat to the ozone layer remained, as exemplified by the still expanding ozone hole in the Antarctic, and the irresponsible and disturbing traffic in controlled substances. The decisions and adjustments of the Montreal Protocol would require the best efforts of all. On behalf of the Bureau of the Sixth Meeting of the Parties, he thanked all concerned for their past work and wished them every success in the future.
II. ORGANIZATIONAL MATTERS

A. Attendance

9. The Meeting was attended by representatives of the following Parties to the Montreal Protocol: Algeria, Antigua and Barbuda, Argentina, Australia, Austria, Bahamas, Bahrain, Bangladesh, Barbados, Belarus, Belgium, Benin, Bolivia, Bosnia and Herzegovina, Botswana, Brazil, Bulgaria, Burkina Faso, Cameroon, Canada, Chile, China, Colombia, Costa Rica, Côte d'Ivoire, Croatia, Cuba, Czech Republic, Democratic People's Republic of Korea, Denmark, Egypt, El Salvador, Ethiopia, European Community, Finland, France, Gambia, Germany, Ghana, Greece, Guatemala, Hungary, Iceland, India, Indonesia, Iran (Islamic Republic of), Ireland, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Kuwait, Latvia, Lebanon, Lesotho, Libyan Arab Jamahiriya, Liechtenstein, Lithuania, Luxembourg, Malawi, Malaysia, Maldives, Malta, Mauritania, Mauritius, Mexico, Mozambique, Nepal, Netherlands, New Zealand, Nicaragua, Nigeria, Norway, Panama, Paraguay, Peru, Philippines, Poland, Portugal, Republic of Korea, Romania, Russian Federation, Samoa, Saudi Arabia, Senegal, Seychelles, Slovakia, Slovenia, South Africa, Spain, Sri Lanka, Sudan, Sweden, Switzerland, Syrian Arab Republic, Thailand, Tunisia, Turkey, Uganda, Ukraine, United Arab Emirates, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Uruguay, Venezuela, Viet Nam, Zambia, Zimbabwe.

10. Representatives of the following States not party to the Protocol also attended: Azerbaijan, Georgia, Holy See, Mongolia, Morocco, Republic of Moldova, Rwanda.


12. The following intergovernmental and non-governmental bodies and agencies were also represented: 3M Company, Alliance for Responsible Atmospheric Policy, Airconditioning and Refrigeration European Association (AREA), Albermarle (USA), ANIMA-COAER (Italy), Association of Home Appliance Manufacture (AHAM), Association of Methyl Bromide Industry Japan (AMBIJ), BASF AG, Burger Union, Californians for Alternatives to Toxics (CAT), California Cherry Association (CCA), California Strawberry Commission (CS), European Chemical Industry Council (CEFIC), Center for Global Change (CGC), Center for Science and Environment (CSE), Center for Environment Technology & Development (CETD), Chamber of Mines of South Africa (CMSA), Climate Network Africa (CNA), Climate Network Europe (CNE), Comité Nacional Pro Defensa de la Fauna y Flora (CODEFF), Confagri Cultura, Crop Protection Coalition (CPA), EMBA, Environmental Defense Fund (EDF),...
Environmental Liaison Centre International (ELCI), Eurobrom, Friends of the Earth (FOE), Fumigation Service & Supply, Inc., Galco, Galex, Greenpeace, GERSULF, Halon Alternatives Research Corporation (HARC), Halozone Hankook Shinwha Co. Ltd., Indian Chemical Manufacturers Organisation (ICMO), Industrial Institute of Refrigeration (IIR), Industrial Technology Research Institute (ITRI), Infras Consultants Zurich (ICZ), International Association of Lions Clubs (LCI), International Council of Environmental Law (ICEL), International Institute for Applied Systems Analysis (IIASA), International Pharmaceutical Aerosol Consortium (IPAC), ISOVATOR Ltd., Israel Union for Environmental Defense (IUED), Japan's Save the Ozone Network (JSON), Japan Association for Hygiene of Chlorinate Solvents (JAHCS), Japan Electrical Manufacturers Association (JEMA), Japan Fluorocarbon Manufacture Assessment (JFMA), Japan Industrial Conference for Ozone Layer Protection (JICOP), Japan Refrigeration and Air Conditioning Industry Association (JRAIA), Korea Institute of Science and Technology (KIST), Korea Specialty Chemical Industry Association (KSCIA), League of Arab States (LAS), Medeva Americas Inc., Mediso, Methyl Bromide Global Coalition (MBHC), Methyl Bromide Working Group (MBWG), Oko Buro, Pesticide Action Network (PAN), Rap-Al, Regma, Royal Institute of International Affairs (RIIA), SAFE, Schering-Plough Corporation, Spradley & Associates, The Fridtjof Nansen Institute (TFNI), Tobacco Research Board, Ulsan Chemical Co. Ltd., Wuppertal Institute.

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

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

**President:**
Mr. Martin Bartenstein, Federal Minister for Environment, Austria (Western European and Others Group)

**Vice-Presidents:**
Mr. Besueri K.L. Mulondo, Minister of State, Natural Resources, Uganda (African Group)

Mr. Sarvono Kusumaatmadja, Minister of Environment, Indonesia (Asia and Pacific Group)

Mr. Stanislaw Zelichowski, Minister of Environment, Poland (Eastern European Group)

**Rapporteur:**
Mr. Carlos Noland Empty, Cuba (Latin American and the Caribbean Group)

C. Adoption of the agenda

14. The following agenda was adopted on the basis of the revised provisional agenda in document UNEP/OzL.Pro.7/1/Rev.1:

1. Opening of the Meeting:

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(a) Statement by the representative of the Government of Austria;

(b) Statement by the Executive Director of the United Nations Environment Programme (UNEP);

(c) Statement by the President of the Sixth Meeting of the Parties.

2. Organizational matters:

(a) Election of the President, three Vice-Presidents and the Rapporteur;

(b) Adoption of the agenda;

(c) Organization of work;

(d) Credentials of representatives.


5. Report of the President of the Implementation Committee on the report of the Secretariat on information provided by the Parties in accordance with Articles 4, 7 and 9 of the Montreal Protocol and on the functioning of the Implementation Committee.


7. General debate on the reports presented under items 3-6 and the report of the Executive Director.

8. Adoption of decisions.

9. Date and venue of the Eighth Meeting of the Parties.

10. Other matters.

11. Adoption of the report.

12. Closure of the Meeting.
D. Organization of work

15. The Meeting decided that the Contact Group established by the Preparatory Meeting under the chairmanship of Mr. John Whitelaw (Australia) should continue its work of considering the draft decisions relating to control measures forwarded by the Preparatory Meeting (UNEP/OzL.Pro.7/9/Rev.1, draft decisions VII/1, 2, 3, 4, 5, 5 bis, 6, 7, 20, 21, 21 bis, 23, 24 and 26 bis) and report to the group of the friends of the President, which would endeavour to settle any outstanding difficulties before the results were submitted to plenary. It further decided that the remaining draft decisions would be taken up directly in plenary.

E. Credentials of representatives

16. The President, speaking on behalf of the Bureau, reported that the Bureau of the Seventh Meeting of the Parties had approved the credentials of the representatives of 86 Parties to the Seventh Meeting of the Parties to the Protocol. The Bureau had also approved provisionally the representation of 25 Parties on the understanding that they would send the credentials to the Secretariat in due course.

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

18. Following the adoption of the report of the Bureau, the representative of the Islamic Republic of Iran said that the fact that his country had joined in the consensus on the adoption of the report of the Bureau on credentials of representatives should not be construed as a recognition of the regime occupying Quds.

III. REPORT OF THE ASSESSMENT PANELS

19. The report of the Scientific Assessment Panel was introduced by Dr. Daniel Albritton, Co-Chair of the Panel, who said that the report represented an update of current understanding of ozone depletion, as well as scientific input to options for further protection of the ozone layer. With regard to the current situation, he said that changes had been detected in the growth of stratospheric abundances of ozone-depleting gases: for example, the stratospheric abundance of CFC-11 had increased steadily at a rate of several percent a year through the 1970s and 1980s, but now its growth rate was slowing down, while a decline had already started in methyl chloroform concentrations. That showed that the control measures under the Montreal Protocol were indeed working.

20. At the same time, however, large ozone losses had been experienced in recent years, with the Antarctic ozone holes in 1992, 1993 and 1994 being the most severe on record, and downward trends continued in global ozone levels. Methyl bromide continued to be viewed as a significant ozone-depleting substance, with an ozone-depleting potential that was very unlikely to be less than 0.3 or greater than 0.9. Looking ahead, he said that the ozone layer would be at its most vulnerable over the coming decade...
or so. Peak ozone losses still lay ahead: around the year 2000, winter losses at northern mid-latitudes would amount to 12-13 per cent and ultraviolet radiation would be up by about 11 per cent. The timing and magnitude of peak losses could be influenced by a number of factors, for example, a major volcanic eruption around the year 2000 would yield larger losses for a few years, while a long, cold Arctic winter would result in larger losses in the northern latitudes.

21. Options for further protection were rather limited. There was little that could now be done to change either the magnitude or timing of peak chlorine loading, and the ozone hole would recur every year for a long time. There were, however, some illustrative scenarios for hastening the fall-off after peak-loading: if methyl bromide emissions were eliminated by the year 2001, there would be 13 per cent less integrated ozone loss over the next 50 years, as compared to the scenario of full global compliance with the Copenhagen Amendment; if no stored halons were used, the loss would be 10 per cent less over the same period; while the loss would be 5 per cent less if hydrochlorofluorocarbons were eliminated by the year 2004. On the other hand, the dangers of backsliding were large: for example, additional production of chlorofluorocarbons at 20 per cent of 1992 levels for each year through 2002 and ramped to zero by 2005 would result in predicted additional integrated ozone losses of some 9 per cent over the next 50 years. In addition, any extended significant annual increase in hydrochlorofluorocarbons and methyl bromide under the exempted status would, in the long term, negate earlier results.

22. Dr J.C. van der Leun, Co-Chair of the Environmental Effects Panel, focused on the question of what had been achieved by the Vienna Convention during the previous 10 years, and, more specifically, the effects avoided by the agreements specified in the Montreal Protocol and its Amendments. The best scientific data were available to calculate the effects avoided in the case of non-melanoma skin cancer. Three institutes, one in the United States of America and two in the Netherlands, had cooperated to perform such calculations, in the first instance for the incidence of non-melanoma skin cancer in north-west Europe. The calculations were made for three scenarios, "no action", the original Montreal Protocol and the Protocol as amended and adjusted at Copenhagen.

23. The results showed that the sharp increase of the incidence under the non-action scenario was only slightly mitigated by the Montreal Protocol. The Copenhagen adjustments and amendments gave a marked improvement, making the excess incidence ultimately return to zero. That, however, would take a long time: the excess incidence would peak around the year 2040 and more or less return zero in 2100. During the coming century, there would be a significantly increased incidence. Any deviation from the optimistic assumption of full compliance with the Copenhagen Amendments would prolong the impact, or even cause the incidence to increase again.

24. Dr. van der Leun expressed the hope that the calculations on that effect would also be representative for other, potentially more important effects. The results suggested that a marked improvement had been achieved under the Vienna Convention, but that it was necessary to actively complete...
the process of protecting the ozone layer. That would be in the interest of all the people of the world and their environment.

25. Dr. Lambert Kuijpers, Dr. Jonathan Banks and Dr. Robert van Slooten of the Technology and Economic Assessment Panel introduced the Panel's report, as requested by the Open-ended Working Group of the Parties at its twelfth meeting, on: (i) economic and financial implications of methyl bromide control scenarios for Parties operating under Article 5; (ii) economic and financial implications of hydrochlorofluorocarbon control scenarios for Parties operating under Article 5; (iii) economic and financial implications of chlorofluorocarbon, halon, carbon tetrachloride and 1,1,1-trichloroethane control scenarios for Parties operating under Article 5; and (iv) economic and financial implications of trade in Annex A and Annex B substances for Parties operating under Article 5 after 1995.

26. Dr. Kuijpers said that the Panel's report had been prepared by a special drafting group of the Panel and its Technical Options Committees, assisted by invited experts from several developing and developed countries, who served as advisers.

27. Scenarios for methyl bromide were as follows: a freeze in 1998 at 1993-1995 average levels would cost from $9.5 million to $78.5 million; a 25 per cent reduction by 2005 at 1993-1995 average levels would cost from $48.6 million to $232.3 million; a 25 per cent reduction by 2005 and a phase-out by 2011 would cost from $86.6 million to $326.7 million through 2011; phase-out by 2001 was not technically and therefore not economically feasible.

28. Scenarios for hydrochlorofluorocarbons were as follows: a freeze by 2000 in consumption of hydrochlorofluorocarbons at 1999 ODP-weighted base-year level was estimated at $85-330 million, and costs were estimated at $205-500 million for a 50/50 refrigeration/air-conditioning and insulating foam phase-out; the Copenhagen schedule plus 10 years was estimated to cost between $115 million and $235 million; a freeze by 2011 in consumption of hydrochlorofluorocarbons at 2010 base-year level and phase-out by 2040 with a gradual decline over the period 2010-2040 was estimated to cost between $80 million and $160 million.

29. For chlorofluorocarbons, halon, carbon tetrachloride and 1,1,1-trichloroethane, the Panel considered the Report on the Review under Paragraph 8 of Article 5 of the Montreal Protocol to be the best source of the information for Parties on the economic consequences of accelerated schedules of control measures.

30. On the question of trade in Annex A and Annex B substances, the Panel's assessment was set in the context of the adequacy of supply during the grace- and phase-out periods. The total worldwide capacity to supply the Annex A and Annex B substances was very much greater than the estimated consumption of the Parties operating under Article 5. However, it remained possible that supply shortfalls could arise if capacity utilization was insufficient to meet current demand due to inadequate market incentives. Production of halon-1211 and halon-1301 had ceased in Parties not operating under Article 5, but recycled halons were available on the world market.
31. The Panel's assessment of trade scenarios emphasized that restraints on product sourcing tended to shortages in some substances and concern over product quality, and also reduced choice for users of those substances in the Parties operating under Article 5 and led to inefficient markets by reducing competition. In contrast, if no restraints were placed on supplies there would be more than ample production capacity to ensure adequate supply and open competition between suppliers could ensure cost-efficient supplies in adequate quantities and at acceptable quality.


32. Mr. John Carstensen (Denmark) and Mr. K.N. Krishnan (India), Co-Chairs of the Open-ended Working Group and the Preparatory Committee, reported that the Sixth Meeting of the Parties had requested the Working Group to review the chlorofluorocarbon control measures for Parties operating under Article 5. The Sixth Meeting had also requested the Technology and Economic Assessment Panel to evaluate the technical and economic feasibility and the environmental, scientific and economic implications of the alternatives to hydrochlorofluorocarbons and methyl bromide for consideration by the Open-ended Working Group. On the basis of the Panel's findings, Parties to the Montreal Protocol had presented many proposals for amendments and adjustments to the Protocol at the eleventh meeting of the Open-ended Working Group, and those proposals had been consolidated in a document circulated to all Parties more than six months prior to the Seventh Meeting of the Parties.

33. The Working Group, at its twelfth meeting, and the Preparatory Meeting had striven to reach agreed recommendations to the Seventh Meeting of the Parties. In the spirit of cooperation and compromise that had always been characteristic of negotiations under the Montreal Protocol, representatives had made significant progress. The guiding principle had been to ensure the protection of a still threatened ozone layer and, in doing so, to recognize the need for a common but differentiated response that took into account the needs of developing countries.

34. Drawing the attention of the Meeting to the draft decisions forwarded by the Preparatory Meeting for the consideration of the Seventh Meeting of the Parties (UNEP/OzL.Pro.7/9/Rev.1), the Co-Chairs noted that more than 20 technical and administrative draft decisions had been carried forward as unanimous recommendations. Some three or four draft decisions required further technical discussions. Regarding the draft decisions on control measures, the range of options had been narrowed considerably compared with the proposals formally circulated more than six months before. With respect to controls for Parties operating under Article 2, there were now two options in each case: namely, in respect of methyl
bromide, 100 per cent phase-out by the year 2001, or 25 per cent phase-out by the year 1998 and 50 per cent by the year 2005, both with exemptions for pre-shipment and quarantine applications, and, in the case of hydrochlorofluorocarbons, a reduced cap of 2.1 per cent and a 2015 phase-out, or retention of the 3.1 per cent cap with a 2030 phase-out. Control measures with respect to the Parties operating under Article 5 had also been narrowed to two options, namely, in the case of methyl bromide, no controls, or a freeze at some date to be determined; in the case of hydrochlorofluorocarbons, no controls, or the Copenhagen Amendment schedule plus 10 years; and, in the case of chlorofluorocarbons, retaining a 2010 phase-out, or a 2010 phase-out with a service tail.

V. REPORT OF THE PRESIDENT OF THE IMPLEMENTATION COMMITTEE ON THE REPORT OF THE SECRETARIAT ON INFORMATION PROVIDED BY THE PARTIES ON INFORMATION PROVIDED BY THE PARTIES IN ACCORDANCE WITH ARTICLES 4, 7 AND 9 OF THE MONTREAL PROTOCOL AND ON THE FUNCTIONING OF THE IMPLEMENTATION COMMITTEE

35. Mr. Hugo Schally (Austria), President of the Implementation Committee reported that the Committee had met three times in 1995, during which it had addressed four significant sets of issues. The President noted that although the issues before the Committee continued to grow in importance, its deliberations remained characterized by a spirit of constructive cooperation. It was evident that some Parties continued to suffer financial, structural and administrative difficulties in meeting their obligations under the Montreal Protocol. The Committee believed its role was to help facilitate measures that would assist such Parties meet their obligations while also remaining mindful that the central goal of the Protocol was to protect the ozone layer. He thanked the members of the Committee, the Secretariat, the Implementing Agencies, and the Technology and Economic Assessment Panel's Ad Hoc Working Group on CEIT Aspects for their efforts in that regard.

36. Concerning the review of data reporting by Parties, the Committee concluded that although data-reporting had improved, there were still significant problems, particularly with many low-volume-ODS-consuming Parties. In one specific case, and after taking into account repeated attempts by the Secretariat to obtain the required data, the Committee had recommended, in accordance with decision VI/5 of the Sixth Meeting of the Parties, that Mauritania be reclassified as a Party not operating under Article 5 until it reported the necessary data (UNEP/OzL.Pro.7/9/Rev.1, draft decision VII/17 bis).

37. Regarding possible reclassification of Slovenia and Kuwait as Parties operating under Article 5, the President reported that Slovenia was no longer seeking such status and that Kuwait had submitted the necessary data to the Secretariat. The Committee had therefore recommended that Kuwait be

* Draft decision VII/17 was subsequently withdrawn (see paragraph 0 below).
reclassified as a Party operating under paragraph 1 of Article 5 as of 1 January 1994.

38. Regarding potential discrepancies between data submitted by a Party and data available elsewhere, as was the case concerning the population figures for Lebanon, the Committee had agreed that the best available data should be used whenever possible and supported consultations by the Secretariat to that end. The Committee had also agreed, as the matter concerned sovereign States, that data submitted and supported by an individual country might be respected.

39. In its evaluation of issues concerning possible non-compliance with the Protocol, the Committee had operated in a cooperative, non-judicial and non-confrontational atmosphere. In his opinion, those issues were the most important that the Committee had yet considered. The Committee had had ample discussions with Belarus, Bulgaria, the Russian Federation, and Ukraine, Parties that had previously informed the Parties of their possible non-compliance with the Protocol in 1996. The Committee had also carefully considered the report of the Technology and Economic Assessment Panel’s Ad Hoc Working Group on CEIT Aspects when formulating its recommendations. Through those efforts and following extensive discussion and informal consultations, the Committee had concluded that each agreement with an individual Party concerning possible non-compliance should contain several elements including: clear statements regarding the situation by the Party and Implementation Committee; a strong political commitment by the Party regarding its intention to achieve compliance; a clear view of what steps would be taken to achieve compliance; and an agreement regarding what actions the Party and the Parties would take to help assist the implementation of those steps.

40. Consultations with Bulgaria during the eleventh and twelfth meetings of the Committee had determined that, although Bulgaria anticipated problems, all the required measures were being undertaken to assure compliance at the earliest possible moment. As Bulgaria was not a producer of controlled substances, the Committee reached consensus on draft decision VII/14 in document UNEP/OzL.Pro.7/9/Rev.1 without delay.

41. The Committee had determined that Poland was in compliance with its obligations under the Protocol in 1995 and was likely to be in compliance in 1996, although concerns remained as to the availability of substitutes. That situation, including possible requirements for additional reporting, was reflected in draft decision VII/13 in document UNEP/OzL.Pro.7/9/Rev.1.

42. The Committee had held extensive discussions with Belarus and Ukraine and reached agreement with both on a common framework. Important factors shaping these discussions had included: both countries had been part of the former Union of Soviet Socialist Republics and were firmly integrated in the economic and political structure of the region; both were in compliance in 1995 but would not be in compliance in 1996; neither Belarus nor Ukraine produced controlled substances, although both were consumers; neither had capacities for recovery or recycling of controlled substances; both had made significant advances in developing the rules and

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administrative capacity to reach compliance, but their efforts had been retarded by significant economic difficulties; Belarus had pledged to fulfil its financial commitments to the Multilateral Fund; and both Parties had recognized the need to reach cooperative solutions with the Committee on a draft decision containing three main elements: a full commitment to a phase-out schedule; a tight system of consultations; and a limit on trade in controlled substances with Article 2 Parties not members of the Commonwealth of Independent States. On that basis, the Committee had recommended draft decisions VII/15 and VII/17 in document UNEP/OzL.Pro.7/9/Rev.1.

43. The Committee had held several frank, open and productive discussions with representatives of the Russian Federation. Based on those discussions, it was clear to the Committee that a package similar to those developed with Belarus and Ukraine would also be appropriate in the case of the Russian Federation. The Committee believed that that structure was especially important because of the Russian Federation's significant production capacity, recycling facilities and patterns of exports of controlled substances to its economic partners within the Commonwealth of Independent States as well as to other countries. Therefore, the Committee believed it essential to come to an agreement on both monitoring and limiting trade in order to assist the Russian Federation given the current economic incentives that were driving exports in controlled substances, impeding efforts to phase them out as required by the Protocol, and threatening the provision of financial assistance.

44. The Committee had been able to reach agreement with the Russian Federation on most of the points in draft decision VII/16 as contained in UNEP/OzL.Pro/7/9/Rev.1. However, representatives of the Russian Federation had expressed clear reservations concerning the content of the two paragraphs in the draft decision that concerned monitoring and trade restrictions.

VI. REPORT OF THE CHAIRMAN OF THE EXECUTIVE COMMITTEE OF THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

45. Mr. John Whitelaw (Australia), Chairman of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol, introduced the report of the Executive Committee on financial planning in the Multilateral Fund (UNEP/OzL.Pro.7/8), an interim progress report from the Executive Committee on technology transfer under the Multilateral Fund (UNEP/OzL.Pro.7/10), which had been requested by the Open-ended Working Group of the Parties at its twelfth meeting, and the report of the Executive Committee to the Seventh Meeting of the Parties, (UNEP/OzL.Pro.7/7), which had been prepared in accordance with paragraph 10 (j) of the Committee's terms of reference (UNEP/OzL.Pro.4/15, annex X).

46. The Chairman reported that the Executive Committee had met four times in 1995 and had been able to make considerable progress due to the diligent efforts of previous Executive Committees, the Secretariat of the
Multilateral Fund, and the Implementing Agencies. During 1995, the Executive Committee had approved $211 million worth of projects, 511 individual projects and activities, including 289 investment projects, which, when completed, would eliminate 24,000 tonnes of ozone-depleting substances.

47. He noted that the Committee had worked to put the operations of the Multilateral Fund on a permanent, stable and transparent basis. To that end, the Executive Committee had changed the internal processes of the Executive Committee and Multilateral Fund Secretariat to deal with the increasing number of project proposals and to take advantage of growing expertise in the Fund Secretariat, the Implementing Agencies, and the relevant Parties. It had changed the format for meeting reports to emphasize the decisions taken at each meeting. Two subcommittees, one on project review and one on finance, had been created, and other initiatives had been taken to streamline the process of project review and approval. A three-year rolling plan and a detailed business plan had been developed and were before the Seventh Meeting of the Parties for its consideration. When coupled with the monitoring and evaluation guidelines to be developed at the nineteenth meeting of the Executive Committee, those efforts would allow the Committee and the Parties to judge better the overall process. To continue improving its efforts, the Chairman noted that the Executive Committee required guidelines from the Parties on matters concerning production phase-out and how to address low- and very-low-volume-ODS-consuming countries.

48. The Executive Committee had developed a framework to ensure orderly consideration of projects when requests for funds exceeded the funds available at a given time. Those situations were due in part to the timing of contributions, which could be paid at any time up to 31 December of a given year. The Chairman noted that about 85 per cent of assessed contributions had been paid to the Fund - a very high percentage for any United Nations fund. However, arrears remained a matter of significant concern for the Executive Committee, especially the 22 per cent of arrears from countries members of the Organisation for Economic Cooperation and Development (OECD).

VII. GENERAL DEBATE ON THE REPORTS PRESENTED UNDER ITEMS 3-6 AND THE REPORT OF THE EXECUTIVE DIRECTOR

49. The general debate under agenda item 7 was preceded by statements by representatives of the four Implementing Agencies for the Multilateral Fund, the Global Environment Facility (GEF) and the United Nations Office for Project Services (UNOPS).

50. In his statement, the Director-General of the United Nations Industrial Development Organization (UNIDO), Mr. Mauricio de Maria y Campos, expressed his Organization's appreciation of its role in the programme to phase out ozone-depleting substances, linked as it was to sustainable development. UNIDO's environment and energy programme was one of its priority areas. He added that, as an Implementing Agency for the Multilateral Fund, UNIDO was active in 46 developing countries, involving
45 phase-out projects. The expected phase-out under those projects for 1996 was 3,700 ODP tonnes and, with a further 103 projects formulated or being formulated, the expected phase-out for the years ahead was 9,600 ODP tonnes. Such achievements were possible because of the high degree of cooperation between Implementing Agencies in the preparation of joint policy. The introduction of the required new technologies would further strengthen UNIDO’s role in the industrial reform of developing countries and serve at the same time environmental protection through energy-efficient and cleaner industrial production. He expressed his gratitude to the Secretariat of the Multilateral Fund and to UNEP and the World Bank for their cooperation in the process.

51. Mr. Mohamed T. El-Ashry, Chief Executive Officer and Chairman, Global Environment Facility (GEF), said that GEF had recently approved a strategic operational framework to cover urgent ODS phase-out measures in GEF-eligible countries not covered by the Multilateral Fund of the Montreal Protocol. In so doing, GEF would avoid duplication of effort and act to complement ongoing programmes, using a least-cost synergistic approach in close cooperation with the Secretariat of the Multilateral Fund. Assistance would be limited to those countries party to the Montreal Protocol that had ratified the London Amendment. Funding in the region of $40 million was to be provided. Five projects had so far been approved, three of which concerned Bulgaria, Hungary and Slovenia, with the aim of a complete phase-out of ozone-depleting substances. He expected that, with full cooperation, a total phase-out of fully halogenated ozone-depleting substances in the majority of countries with economies in transition would be possible within three to four years. He stressed that the technology was available and that adequate financing and the political will were now required to crown their efforts with success.

52. Mr. Anders Wijkman, Assistant Administrator, United Nations Development Programme (UNDP), said that, as one of the four Implementing Agencies under the Multilateral Fund, UNDP had given high priority to protecting the global ozone layer. There were 398 ongoing projects in 41 countries, 14 in Africa and the Middle East, 10 in Asia and the Pacific and 17 in Latin America and the Caribbean. Total funding received was $110 million, of which $31 million had been disbursed. Fifty-eight technical assistance and 30 investment projects had been completed, under which 1,722 ODP tonnes of chlorofluorocarbons had been eliminated in six countries - China, Egypt, Malaysia, Mexico, Philippines and Thailand. Sectoral activities covered foam and refrigeration (40 per cent each), solvents (4.4 per cent), aerosols (2.5 per cent) and halons (2.1 per cent).

Because of the high ozone-depleting potential of halons, he believed that more halons-sector projects should be approved. UNDP had 20 ongoing institutional-strengthening projects, since long-term sustainability of effort could only be achieved through capacity-building. UNDP efforts with regard to methyl-bromide phase-out covered some 30 countries, and surveys had shown that, although it could be replaced in several uses, alternatives were difficult to find for the treatment of perishables, where applications testing would be required. UNDP also hoped that mechanisms would be developed to assist the phase-out of ozone-depleting substances in small-scale enterprises.
53. Ms. Jacqueline Aloisi de Larderel, Director, Industry and Environment Programme Activity Centre (IE/PAC) of the United Nations Environment Programme, said that the IE/PAC OzonAction programme was funded under the Multilateral Fund and contained three main elements: an information exchange service to help countries identify, select and implement alternative technologies and policies; a training and networking component; and country programmes and institutional-strengthening projects for low-volume-ODS-consuming countries. IE/PAC believed that it was important to maintain networking between national ozone units and to foster institutional strengthening. Particular support would be provided to low-volume-ODS-consuming countries and small and medium-sized enterprises. Subsequent to the adoption of the GEF operational strategy, UNEP, jointly with UNDP, would also assist countries with economies in transition. In conclusion, she expressed her particular gratitude to the Government of Sweden, for its financial support for the South-east Asia regional network, the Government of Finland, for its technical assistance to non-Parties, and to the members of the Assessment Panels and various committees for their continued cooperation.

54. Mr. R. Helmke, Executive Director, United Nations Office for Project Services (UNOPS), said that, as an United Nations entity entirely dedicated to management and implementation services for multilateral development programmes, UNOPS was concerned with the implementation of UNDP investment projects under the Multilateral Fund that assisted factories to phase out ozone-depleting substances. UNOPS association in implementing Montreal Protocol projects had produced good results to date, with 29 investment projects completed, including the first investment project completed under the Multilateral Fund. UNOPS looked forward to similar results in the future.

55. Mr. Andrew Steer, Director of the Environment Department of the World Bank, said that the Bank was the Multilateral Fund's largest Implementing Agency with a portfolio of some $200 million. It had also initiated ozone-related activities under the Global Environment Facility (GEF) to assist the countries with economies in transition to meet their Protocol obligations. The Bank's investment projects in 20 countries, with 200 enterprise-level activities, would phase out 40,000 tonnes of ozone-depleting substances, or 20 per cent of the developing world's consumption in 1993. In addition, efforts under GEF would complete the phase-out in five Eastern European countries in the next four months. Project preparation for GEF assistance was under way for four other Eastern European countries - including the Russian Federation - and project identification in parallel with the preparation of their country programmes would soon be initiated in Central Asian countries. The available resources being limited, it was vital to maximize efficiency and leverage and move beyond the project-by-project approach. Hence, with the support of the Executive Committee, the Bank had devised its 1996 business plan. The closure of chlorofluorocarbon production facilities in the Russian Federation was one of the most cost-effective ozone-depleting-substance phase-out opportunities in the world but, unless the financing gaps were closed, the Russian Federation would be tied to chlorofluorocarbons. It
was thus urgent that the funds should be found to implement the Russian phase-out programme.

56. During the general debate on the reports presented under agenda items 3-6 and the report of the Executive Director, statements were made by representatives of 57 States and the European Community and by 8 non-governmental organizations.

57. All representatives who took the floor expressed their appreciation to the Government of Austria for hosting the Meeting of the Parties on the tenth anniversary of the signing of the Vienna Convention.

58. Many representatives expressed their appreciation of the excellent work of the Ozone Secretariat, the secretariats of UNEP and the Multilateral Fund, the Assessment Panels and the Implementing Agencies of the Multilateral Fund. Some representatives noted in particular the excellent work that had been done by UNDP and UNEP in the field of capacity-building.

59. Many representatives took a positive view of the achievements of the Montreal Protocol, noting that no other international environmental regime compared to it. Its success was attributed to two factors: it had consistently based its efforts on the findings of scientific, technological and economic assessments, and it had remained true to the partnership, with common but differentiated responsibilities, that it had established between developing and developed countries.

60. However, many representatives also cautioned against complacency, some noting the conclusions of the Scientific Assessment Panel, which clearly demonstrated that stratospheric chlorine and bromide levels were still rising and that the "ozone hole" was becoming consistently larger. There remained an urgent need for more action. A number of representatives said that the precautionary principle, which had been a cornerstone of the ozone regime from the outset, should continue to be applied as Parties addressed ongoing threats to the ozone layer. One of those representatives said that the Parties operating under Article 2 must give positive leadership in that regard. Another representative said that there must be responsible negotiations to strike a balance between controlling the consumption of ozone-depleting substances and the efforts of the Parties operating under Article 5 to develop their economies.

61. Many representatives gave an account of their national achievements in implementing the Protocol, a number of them mentioning the approval or imminent completion of their country programmes and the state of ratification of the amendments to the Montreal Protocol in their respective countries. Several representatives referred, however, to the greater difficulties encountered by the Parties operating under Article 5 in meeting their obligations under the Protocol.

62. Several representatives expressed the view that everything possible should be done to reduce the recovery period for stratospheric ozone in terms of the adoption of more stringent decisions on the production and...
consumption of ozone-depleting substances. Many called for reducing to 2 per cent the percentage in the hydrochlorofluorocarbon cap formula for Parties operating under Article 2 and to move the date for phase-out of hydrochlorofluorocarbons to 2015. Others expressed support for retaining the Copenhagen Amendment, citing the need to maintain clear incentives to industry and to focus on efforts with more environmental impact. One representative called upon Parties to seek to avoid, to the extent possible, the use of hydrochlorofluorocarbons as an alternative for chlorofluorocarbons. That was a realistic goal in view of the recent rapid development of alternatives to hydrochlorofluorocarbons.

63. A number of representatives supported reaching an agreement at the current Meeting on the full phase-out of production and consumption of methyl bromide by the year 2001 in Parties operating under Article 2, thus sending a clear signal to both the chemical and agricultural industries that any further investment in methyl-bromide technology would be a losing proposition. Several representatives proposed that production and consumption of methyl bromide could be reduced in two stages: reduction by 25 per cent by 1998 and by 50 per cent by 2005. Another representative proposed a 25 per cent cut in 2003-2005 and a phase-out in 2005-2010, with pre-shipment and quarantine exemptions. Yet another representative cautioned that any agreements to render control measures more stringent should seek to reflect the concerns of all interested parties to the degree possible, including the environment, agriculture and the public in general. One representative added that it was premature to set a phase-out date for methyl bromide. A number of representatives felt there was some merit in a proposal that the Technology and Economic Assessment Panel should consider the proposal to examine the feasibility of a critical agricultural use exemption for the period following the phase-out of methyl bromide.

64. Several representatives expressed their appreciation of the ongoing efforts being made by Parties operating under Article 5 to implement existing control measures and noted in particular that many of those Parties were in fact ahead of the Protocol schedule. A number of representatives supported the establishment of restrictions on methyl bromide and hydrochlorofluorocarbons in Parties operating under Article 5, one of them supporting a freeze such as existed in Parties operating under Article 2. Some representatives urged Parties operating under Article 5 to subscribe to a significant reduction in the production and consumption of the substances in question, starting with an immediate freeze. A number of representatives expressed concern that uncontrolled growth in some parts of the world would offset the reduction successes of the industrialized countries. One of those representatives said that even an agreement in principle, dependent upon the availability of funds, would be welcome. One representative of a country not operating under Article 5 said that, notwithstanding the need for clear targets and schedules, a phase-out schedule for hydrochlorofluorocarbons that would apply to Parties operating under Article 5 should enable those Parties to take advantage of their existing hydrochlorofluorocarbon-based equipment and technologies.

65. Many other representatives opposed the establishment of controls on methyl bromide and hydrochlorofluorocarbons in countries operating under
Article 5. A number of representatives said it was neither wise nor beneficial to establish control measures on hydrochlorofluorocarbons and methyl bromide before first testing the alternatives to ensure that they were viable and cost-effective, one of them stating that even a freeze would be too risky. One representative said that the establishment of controls on those substances must provide for a long phase-out period to allow for proper transition. Many representatives emphasized that the reservations of many Parties operating under Article 5 regarding controls on methyl bromide were concerned with the issues of food security, socio-political and economic stability, and survival itself. Others expressed concern that further controls on hydrochlorofluorocarbons could unduly hinder economic development in some Article 5 countries, and one of those representatives thought that new controls might have an adverse effect on current phase-out efforts.

66. One representative noted that the final date for the phase-out of methyl bromide in Parties operating under Article 2 would depend on parallel action being taken by developing countries, as the establishment of controls on methyl bromide was an issue which would seriously affect the competitiveness of farmers. The representatives of two Parties operating under Article 5 said that they were, in fact, phasing out the use of methyl bromide.

67. Concern was voiced by several representatives regarding the weakening of the provisions of commitments under the Protocol. They noted that in 1990 Parties had agreed to a phase-out of chlorofluorocarbons in developing countries in 2010, yet now, only five years later, it had been suggested that the agreement be weakened. The importance of honouring previous commitments was emphasized, if the Protocol was to be effective and taken seriously. One representative cautioned in particular about tampering with treaties through the establishment of "tails". The Vienna Convention and Montreal Protocol were more than treaties in and of themselves: they were viewed as models of cooperation on a global scale. If the ozone regime were to lose momentum, it would set a negative precedent for other, less prominent, conventions.

68. One representative suggested that any decision by the Meeting on the phase-out schedule for ozone-depleting substances should take into account the number and ratio of Parties that were able to carry out and implement stricter adjustments. Another said that frequent mid-course corrections and proposed corrections to phase-out schedules were bad for industry and national economies.

69. A number of representatives pointed to regrettable evidence of illegal trade in controlled substances. That was a serious threat to the achievements already gained and required a concerted, coordinated response, through a continuous exchange of information and a tightening of control systems. Existing arrangements should be strengthened and, if necessary, new arrangements adopted.

70. Many representatives pointed out that technical support and the state of the Multilateral Fund were directly linked to the ability of developing
countries to fulfil their commitment to phase out ozone-depleting substances and that funds currently available were insufficient to achieve phase-out objectives in developing countries. Several representatives noted that the expectations and requirements of the phase-out schedule for Parties operating under Article 5 had continued to increase, while the levels of commitment in terms of actual disbursements of funds had remained below expected levels. They stressed that a stronger commitment to Fund must evolve as the control regimes evolved. Another representative recalled that the commitments of Parties operating under Article 5 were contingent upon the Parties operating under Article 2 respecting their own commitments, including financial ones. Moreover, some representatives felt there was a moral onus on industrialized countries to contribute actively to the Fund because they had inflicted the greatest harm on the ozone layer.

71. Other representatives emphasized that a strengthening of the Multilateral Fund would have to be coupled with a clear demonstration of commitment by the developing countries. On the other hand, a clear demonstration of commitment by developing countries should be matched by contributing countries when considering the level of funding in the future. They recalled that the partnership at the heart of the ozone regime was based on a balanced and equitable sharing of efforts and commitments between developed and developing countries. One representative said that a replenishment of the Fund with additional resources should be a central element of the debate. Another representative said that it was too early to speak seriously of the replenishment of the Multilateral Fund but that the major contributors could commit themselves to keeping up their efforts. A number of representatives made such a commitment, emphasizing that the Fund's resources must be adequate to facilitate the phase-out schedules.

72. One representative objected to the cost-effectiveness criteria applied within the Fund, which, he felt, led to an imbalance in the distribution of resources. He favoured the application of additional criteria, such as geographical balance.

73. Noting with concern that some Parties not operating under Article 5 were in arrears in their contributions to the Multilateral Fund, one representative said that, while he understood that some countries were experiencing serious economic difficulties that reduced their ability to contribute to the Fund, the conscious decision by a Party not to fulfil its obligation to contribute should be subject to the non-compliance procedure, as was the case with failure to satisfy data-reporting requirements. He urged non-governmental organizations to monitor those countries that had failed in that respect and suggested that the terms of reference of the Implementation Committee be reviewed for the sake of fairness. Another representative opposed any amendments to the criteria for receiving assistance from the Multilateral Fund.

74. One representative said that the effective operation of the Fund should be secured by implementing the recommendations of the recent study of the Financial Mechanism as soon as possible.
75. Several representatives suggested that particular attention should be paid to the special interests and needs of those countries with economies in transition and urged that they be granted special assistance so that they might be able to eliminate the use of ozone-depleting substances within the shortest possible time-frame. Another representative concurred to some extent but urged such countries that had not yet achieved compliance to heed the recommendations of the Implementation Committee.

76. The representative of the Russian Federation said that, despite all the difficulties it faced, his country remained committed to the principles of the Vienna Convention and Montreal Protocol. The only way out of the contradictory situation that had arisen was to grant the Russian Federation a postponement of the time-limits for fulfilment of its obligations under the Protocol, as well as assistance through GEF. He suggested that the countries with economies in transition should be given a special status under the Protocol, as was the case with other environmental conventions. Parties should always refrain from applying discriminatory measures against countries that, while committed to the aims and purposes of the Vienna Convention and Montreal Protocol, were, from an objective point of view, not in a position to adhere strictly to the time-frame established for the fulfilment of their obligations. Nor should pressure be exerted on countries whose industries had delayed modernization and transition to ozone-friendly substances as a result of a lack of resources occasioned by economic crisis. The proposed decision before the Meeting, with its ban on exports of recycled and recovered halons from the Russian Federation ran counter not only to the Copenhagen additions but also to economic, technological and environmental wisdom. The most appropriate solution could be to mandate the Ad Hoc Working Group on CEIT Aspects to complete, in a minimum of six months, the necessary work on the outstanding issues.

77. One representative felt that more awareness-building seemed to be needed to secure the commitment of the consumer and private sectors and to provide industry with the needed know-how with respect to the use of new technologies. To that end, a cooperative effort by Governments, non-governmental organizations and the media should be mounted. Several other representatives also stressed public-awareness campaigns that had been carried out in their countries. One representative commented that in countries where public awareness was aroused, it took more courage to face public outrage than to take stringent action.

78. The representatives of Sweden and the Netherlands informed the Meeting that their Governments were prepared to increase their contributions to the Multilateral Fund to meet new commitments by Parties operating under Article 5 and to provide extra financial assistance for participation by those Parties in the Technology and Economic Assessment Panel.

79. One representative suggested that the Executive Committee should undertake an in-depth review to identify impediments to the transfer of technology affecting the implementation process. He further suggested that Parties operating under Article 5 should be involved in defining the problem and in suggesting ways to overcome the real obstacles to the...
transfer of technology. Another representative commented that the Parties operating under Article 5 must be able to rely on adequate levels of transfer of good-quality technology.

80. Another representative expressed the hope that, in the interest of geopolitical balance in the membership of the Technology and Economic Assessment Panel, serious consideration should be given to a request made during the eleventh meeting of the Open-ended Working Group, held in Nairobi in May 1995, to increase the number of members from Parties operating under Article 5.

81. One representative highlighted the need for competent and independent technical panels that would enable the Parties to take informed and appropriate decisions. To that end, he welcomed the proposal to restructure the Technology and Economic Assessment Panel and its Technical Options Committees.

82. On the question of process agents, one representative said he was opposed to the application to process agents of the essential-use procedure, which was cumbersome and unsuitable.

83. One representative said that mechanisms for regional cooperation should be enhanced, as they could be particularly effective in addressing specific regional problems.

84. One representative noted that the requirements for assistance of low-volume-ODS-consuming countries were quite modest, but such assistance could be very effective in helping such countries quickly to phase out the use of ozone-depleting substances. Another representative said that the issue of technology transfer was of particular importance in the context of low-volume-ODS-consuming countries.

85. One representative noted with concern that efforts to transfer ozone-benign technologies to Parties operating under Article 5 were being increasingly undermined by the movement of used and redundant equipment using or containing ozone-depleting substances to such countries. He called for the identification of measures to regulate and impose controls on the trade in used equipment. Such controls should be instituted in the countries of origin. Another representative stressed the need to make all producers more responsible for their products, not only during the production stage but also in relation to their harmful effects when being used and disposed of. She called for the development of sustainable production and consumption systems based on the ecocycle principle.

86. One representative said that the need, mentioned in the Vienna Convention, to intensify research and systematic observations to obtain a better and fuller scientific knowledge of the phenomenon of change in the ozone layer was nowhere more acute than in the southern and Antarctic region where the so-called "ozone hole" was to be found. Some representatives called for the establishment of more stations under the regional and global networks of the World Meteorological Organization Global Ozone Observing System to close existing data gaps. In that...
connection, one representative expressed gratitude to those Parties that had provided support for the establishment of ozone-monitoring stations in the Article 5 countries.

87. Some representatives of non-governmental organizations congratulated delegates at the Meeting on what they believed to be courageous positions on some very difficult issues. Other representatives of non-governmental organizations, however, expressed disappointment at the positions adopted by many Parties on different issues, in particular on control measures for hydrochlorofluorocarbons and methyl bromide. One representative of a non-governmental organization expressed concern that many of those positions represented a retreat from commitments made at London and Copenhagen. Another representative of a non-governmental organization expressed regret that many industrialized countries were not assuming a leadership role on the issue of the phase-out of methyl bromide. She said that, in view of the fact that the phase-out of that substance was the single most important step that could be taken to protect the ozone layer, it was not acceptable to wait until 2010 for its phase-out. She warned the Parties of the potential for public outrage if they were unable to reach a meaningful agreement on the issue.

88. Some other representatives of non-governmental organizations voiced their disappointment that much of the deliberations seemed to have been guided by economic concerns rather than a genuine concern for human life and urged the Parties not to bow to vested industrial interests. A representative of yet another non-governmental organization reminded representatives of the power of the Montreal Protocol to propel new technologies and developments in industry, and challenged them to push ahead to strengthen the ozone regime. A representative of one non-governmental organization noted that experience with chlorofluorocarbons and halons had proved that, in countries that had set early phase-out dates, industry had been encouraged to develop alternatives and had been able to lead the field internationally.

89. A representative of a non-governmental organization questioned the views set out in the report of the Technology and Economic Assessment Panel on the existence of economically viable alternatives to methyl bromide and said that there needed to be serious and adequate attention given to the legitimate concerns of the agricultural community regarding the availability of alternatives and substitutes to methyl bromide. Another representative of a non-governmental organization suggested that experts from non-governmental organizations be involved in the Methyl Bromide Technical Options Committee as they had direct contact with farmers at the grassroots level.

VIII. ADOPTION OF DECISIONS

90. The Seventh Meeting of the Parties adopted a number of decisions at its 5th and 7th (closing) sessions, on 6 and 7 December 1995, on the basis of the draft decisions submitted by the Preparatory Meeting (UNEP/OzL.Pro.7/9/Rev.1 and Add.1) and the report of the Chairman of the Contact Group established to discuss the draft decisions relating to
control measures, which was presented to the Meeting at its closing session, on 7 December. The text of the decisions as adopted is contained in paragraph 0 below. All the draft decisions were adopted by consensus, with the comments and amendments reflected in paragraphs 0 to 0 below.

91. The Adjustments to the Montreal Protocol (see annexes I-III below) were adopted on the basis of the report of the Legal Drafting Group (UNEP/OzL.Pro.7/2/Rev.1), which was presented by Mr. Patrick Széll (United Kingdom), the Chairman of the Group, at the 7th (closing) session of the Meeting on 7 December.

92. In addition to the draft decisions adopted, the Meeting also had before it a draft decision on the status of Mauritania vis-à-vis decision VI/5 of the Sixth Meeting of the Parties submitted by the Preparatory Meeting (UNEP/OzL.Pro.7/9/Rev.1, draft decision VII/17 bis). Having been informed by the President of the Implementation Committee that Mauritania had now submitted the required data, the Meeting decided that the draft decision should be withdrawn.

93. On the proposal of the Chairman of the Contact Group, the Meeting also agreed that draft decisions VII/2, on Further Amendment of the Protocol, and VII/22, on authorization of the Executive Committee of the Multilateral Fund to provide funding for methyl bromide projects for the purpose of evaluating alternatives, need not be taken up given the overall package agreed with regard to control measures.

A. Decisions adopted by the Seventh Meeting of the Parties

94. The Seventh Meeting of the Parties decided:

Decision VII/1. Further adjustments and reductions: controlled substances listed in Annex A to the Protocol

- To adopt, in accordance with the procedure laid down in paragraph 9 of Article 2 of the Montreal Protocol, the adjustments and reductions of production and consumption of the controlled substances listed in Annex A to the Protocol, as set out in Annex I to the report of the Seventh Meeting of the Parties;

Decision VII/2. Further adjustments and reductions: controlled substances listed in Annex B to the Protocol

- To adopt, in accordance with the procedure laid down in paragraph 9 of Article 2 of the Montreal Protocol, the adjustments and reductions of production and consumption of the controlled substances listed in Annex B to the Protocol, as set out in Annex II to the report of the Seventh Meeting of the Parties;
Decision VII/3. Further adjustments and reductions: controlled substances listed in Annexes C and E to the Protocol

1. To adopt, in accordance with the procedure laid down in paragraph 9 of Article 2 of the Montreal Protocol, the adjustments and reductions of production and consumption of the controlled substances listed in Annexes C and E to the Protocol, as set out in Annex III to the report of the Seventh Meeting of the Parties;

2. To adopt, in accordance with the procedure laid down in paragraph 9 of Article 2 of the Montreal Protocol, the adjustment to the ozone-depleting potential specified in Annex E as set out in Annex III to the report of the Seventh Meeting of the Parties and that this adjustment shall enter into force on 1 January 1997;

3. That the Meeting of the Parties by 2000 will consider the need for further adjustments to the phase-out schedule for hydrochlorofluorocarbons for Parties operating under paragraph 1 of Article 5;

Decision VII/4. Provision of financial support and technology transfer

1. To emphasize the importance of the effective implementation of financial cooperation, including provision of adequate funding under Article 10 and technology transfer under Article 10 A of the Montreal Protocol, in assisting Parties operating under paragraph 1 of Article 5 in complying with the existing control measures under the Protocol;

2. To stress that the adoption of any new control measures by the Seventh Meeting of the Parties for Parties operating under paragraph 1 of Article 5 will require additional funding which will need to be reflected in the replenishment of the Multilateral Fund in 1996 and beyond and in the implementation of technology transfer;

3. To underline that the implementation of control measures by Parties operating under paragraph 1 of Article 5 will, as provided in Article 5, paragraph 5, depend upon the effective implementation of the financial cooperation as provided by Article 10 and the transfer of technology as provided by Article 10 A;

4. To urge Parties when taking decisions on the replenishment of the Multilateral Fund in 1996 and beyond, to allocate the necessary funds in order to ensure that countries operating under paragraph 1 of Article 5 can comply with their agreed control measure commitments;

Decision VII/5. Definition of "quarantine" and "pre-shipment applications"

- That:

(a) "Quarantine applications", with respect to methyl bromide, are
treatments to prevent the introduction, establishment and/or spread of quarantine pests (including diseases), or to ensure their official control, where:

(i) Official control is that performed by, or authorized by, a national plant, animal or environmental protection or health authority;

(ii) Quarantine pests are pests of potential importance to the areas endangered thereby and not yet present there, or present but not widely distributed and being officially controlled;

(b) "Pre-shipment applications" are those treatments applied directly preceding and in relation to export, to meet the phytosanitary or sanitary requirements of the importing country or existing phytosanitary or sanitary requirements of the exporting country;

(c) In applying these definitions, all countries are urged to refrain from use of methyl bromide and to use non-ozone-depleting technologies wherever possible. Where methyl bromide is used, Parties are urged to minimize emissions and use of methyl bromide through containment and recovery and recycling methodologies to the extent possible;

**Decision VII/6. Reduction of methyl bromide emissions**

- That Parties should endeavour to reduce methyl bromide emissions by encouraging producers and users to take appropriate measures to implement, inter alia, good agricultural practices and improved application techniques;

**Decision VII/7. Trade in methyl bromide**

1. To recall paragraph 10 of Article 4 of the Protocol, which provides, inter alia, that Parties shall consider by 1 January 1996 whether to amend the Protocol in order to extend the measures in Article 4 to trade in methyl bromide with States not party to the Protocol;

2. Recognizing the importance of Article 4 trade controls in promoting the environmental objectives of the Protocol, to consider at the Eighth Meeting of the Parties whether to amend the Protocol to control trade in the controlled substance in Annex E, and in products containing the controlled substance in Annex E, with States not party to the Protocol;

3. To this end, to request the Technology and Economic Assessment Panel to clarify, before the Eighth Meeting of the Parties, what products, if any, should be considered products containing the controlled substance in Annex E;
Decision VII/8. Review of methyl bromide controls

1. To request the Technology and Economic Assessment Panel to prepare a report to the Ninth Meeting of the Parties to enable the Parties to consider further adjustments to control measures, on methyl bromide. In undertaking this task, the Panel should address, inter alia, the availability of viable alternatives of methyl bromide for specific applications;

2. That, in considering the viability of possible substitutes and alternatives to methyl bromide, the Technology and Economic Assessment Panel shall examine and be guided by the extent to which technologies and chemicals identified as alternatives and/or substitutes have been tested under full laboratory and field conditions, including field tests in Article 5 countries and have been fully assessed, inter alia, as to their efficacy, ease of application, relevance to climatic conditions, soils and cropping patterns, commercial availability, economic viability and efficacy with respect to specific target pests;

Decision VII/9. Basic domestic needs

Recognizing that the Montreal Protocol requires each Party operating under Article 5 to freeze its production and consumption of chlorofluorocarbons by 1 July 1999 and of other Annex A and B substances thereafter,

Recognizing the needs of Parties operating under Article 5 for adequate and quality supplies of ozone-depleting substances at fair and equitable prices,

Recognizing the need to take steps to avoid any monopoly of supplies of ozone-depleting substances to Parties operating under Article 5,

Recognizing that the needs above could be met by calculating the production baselines of Parties operating under Article 5 separately from the consumption baseline and that paragraph 3 of Article 5 of the Protocol should be amended to reflect this,

1. That until the first control measure for each controlled substance in Annex A and B becomes effective for them (e.g., for chlorofluorocarbons, until 1 July 1999), Parties operating under Article 5 may supply such substance to meet the basic domestic needs of Parties operating under Article 5;

2. That after the first control measure for each controlled substance in Annex A and B becomes effective for them (e.g., for chlorofluorocarbons, after 1 July 1999), Parties operating under Article 5 may supply such substance to meet the basic domestic needs of Parties operating under Article 5, within the production limits required by the Protocol;
3. That in order to prevent oversupply and dumping of ozone-depleting substances, all Parties importing and exporting ozone-depleting substances should monitor and regulate this trade by means of import and export licences;

4. That in addition to the reporting required under Article 7 of the Protocol, exporting Parties should report to the Ozone Secretariat by 30 September each year on the types, quantities and destinations of their exports of ozone-depleting substances during the previous year;

5. That the determination of the eligible incremental costs for phase-out projects in the production sector should be consistent with paragraph 2 (a) of the indicative list of incremental costs and based on the conclusions of the Executive Committee's guidelines on phase-out of the production sector;

6. That the Executive Committee should as a priority agree on modalities to calculate and verify production capacity in Parties operating under Article 5;

7. That from 7 December 1995, no Party should install or commission any new capacity for the production of controlled substances listed in Annex A or Annex B of the Montreal Protocol;

8. To incorporate appropriately into the Protocol by the Ninth Meeting of the Parties:

(a) A licensing system, including a ban on unlicensed imports and exports; and

(b) The establishment of a production sector baseline for Parties operating under Article 5 calculated:

(i) For Annex A substances, as the average of the annual calculated level of production during the period of 1995 to 1997 inclusive or the calculated level of consumption of 0.3 kg per capita, whichever is lower; and

(ii) For Annex B substances, as the average of the annual calculated level of production for 1998 to 2000 inclusive or a calculated level of consumption of 0.2 kg per capita, whichever is lower;

At the same time, the Parties should consider introducing a mechanism to ensure that imports and exports of controlled substances should only be permitted between Parties to the Montreal Protocol which have reported data and demonstrated their compliance with all relevant provisions of the Protocol. The Parties should also consider whether to extend the terms of the present decision to all other controlled substances covered under the Montreal Protocol;
Decision VII/10. Continued uses of controlled substances as chemical process agents after 1996

Recognizing the need to restrict emissions of ozone-depleting substances from process-agent applications,

1. To continue to treat process agents in a manner similar to feedstocks only for 1996 and 1997;

2. To decide in 1997, following recommendations by the Technology and Economic Assessment Panel and its relevant subgroups, on modalities and criteria for a continued use of controlled substances as process agents, and on restricting their emissions, for 1998 and beyond;

Decision VII/11. Laboratory and analytical uses

1. To note with appreciation the work done by the Laboratory and Analytical Uses Working Group of the Technology and Economic Assessment Panel;

2. To urge Parties to organize National Consultative Committees to review and identify alternatives to laboratory and analytical uses and to encourage the sharing of information concerning alternatives and their wider use;

3. To encourage national standards organizations to identify and review those standards which mandate the use of ozone-depleting substances in order to adopt where possible ODS-free solvents and technologies;

4. To urge Parties to develop an international labelling scheme and encourage its voluntary adoption to stimulate awareness of the issue;

5. To adopt an illustrative list of laboratory uses as specified in Annex IV of the report of the Seventh Meeting of the Parties to facilitate reporting as required by decision VI/9 of the Sixth Meeting of the Parties;

6. To exclude the following uses from the global essential-use exemption, as they are not exclusive to laboratory and analytical uses and/or alternatives are available:

   (a) Refrigeration and air-conditioning equipment used in laboratories, including refrigerated laboratory equipment such as ultra-centrifuges;

   (b) Cleaning, reworking, repair, or rebuilding of electronic components or assemblies;

   (c) Preservation of publications and archives; and

   (d) Sterilization of materials in a laboratory;

/...
7. To request the Technology and Economic Assessment Panel to evaluate the current status of use of controlled substances and alternatives and report progress on the availability of alternatives to the Ninth Meeting of the Parties and later meetings;

8. To urge Parties operating under Article 2 to provide funding within their countries and on a bilateral basis for Parties operating under Article 5 to undertake research and development and activities aimed at ODS alternatives for laboratory and analytical uses;

9. To agree that controlled substances used for laboratory and analytical purposes shall meet the standards for purity as specified in decision VI/9;

Decision VII/12. Control measures for Parties not operating under Article 5 concerning halons and other agents used for fire-suppression and explosion-inertion purposes

1. To recommend that all Parties not operating under Article 5 should endeavour, on a voluntary basis, to limit the emissions of halon to a minimum by:
   
   (a) Accepting as critical those applications meeting the essential-use criteria as defined in decision IV/25, paragraph 1 (a);

   (b) Limiting the use of halons in new installations to critical applications;

   (c) Accepting that existing installations for critical applications may continue to use halon in the future;

   (d) Considering the decommissioning of halon systems in existing installations, which are not critical applications, as quickly as technically and economically feasible;

   (e) Ensuring that halons are effectively recovered;

   (f) Preventing, whenever feasible, the use of halon in equipment testing and for training of personnel;

   (g) Evaluating and taking into account only those substitutes and replacements of halon, for which no other more environmentally suitable ones are available;

   (h) Promoting the environmentally safe destruction of halons, when they are not needed in halon banks (existing or to be created);

2. To request the Technology and Economic Assessment Panel and its Halons Technical Options Committee to prepare a report to the Eighth Meeting of the Parties to provide guidance on the above;
Decision VII/13. Ratification, approval or accession to the Vienna Convention for the Protection of the Ozone Layer, the Montreal Protocol on Substances that Deplete the Ozone Layer and the Amendments to the Montreal Protocol

1. To note with satisfaction the large number of countries that have ratified the Vienna Convention for the Protection of the Ozone Layer, the Montreal Protocol on Substances that Deplete the Ozone Layer and the Amendments to the Montreal Protocol;

2. To urge all States that have not yet done so to ratify, approve or accede to the Vienna Convention, the Montreal Protocol and the Amendments to the Montreal Protocol, taking into account that universal participation is necessary to ensure the protection of the ozone layer;

Decision VII/14. Implementation of the Protocol by the Parties

1. To note that the implementation of the Protocol by those Parties that have reported data is satisfactory;

2. To note with regret that only 82 Parties out of 126 that should have reported data for 1993 have reported and that only 60 Parties have reported data for 1994;

3. To note that the timely reporting of data and any other required information is a legal obligation for each Party and to request all Parties to comply with the provisions of Articles 7 and 9 of the Protocol;

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

1. To note that the Implementation Committee took cognizance of the joint statement made by Belarus, Bulgaria, Poland, the Russian Federation and Ukraine at the eleventh meeting of the Open-ended Working Group of the Parties to the Montreal Protocol regarding possible non-fulfilment of their obligations under the Montreal Protocol, as a submission under paragraph 4 of the non-compliance procedure of Article 8 of the Protocol;

2. To note the consultations of the Implementation Committee with the representatives of Poland regarding possible non-fulfilment of that Party's obligations under the Montreal Protocol;

3. To accept the assurance given by the representatives of Poland that their country is in compliance with its obligations under the Montreal Protocol for the year 1995 and is likely to be in compliance with its obligations under the Montreal Protocol in 1996, even though there are still some doubts concerning the availability of substitutes;

/...
4. To note that, should Poland have doubts about its compliance with its obligations under the Montreal Protocol in the year 1996, it should submit the information to the Secretariat as soon as possible so that the necessary action can be initiated;

Decision VII/16. Compliance with the Montreal Protocol by Bulgaria

1. To note that the Implementation Committee took cognizance of the joint statement made by Belarus, Bulgaria, Poland, the Russian Federation and Ukraine at the eleventh meeting of the Open-ended Working Group of the Parties to the Montreal Protocol regarding possible non-fulfilment of their obligations under the Montreal Protocol, as a submission under paragraph 4 of the non-compliance procedure of Article 8 of the Protocol;

2. To note the consultations of the Implementation Committee with the representative of Bulgaria regarding possible non-fulfilment of that Party's obligations under the Montreal Protocol;

3. To note that Bulgaria was in compliance with its obligations under the Montreal Protocol in 1995 and that there is a possibility of non-compliance in 1996 so that the Implementation Committee might have to revert to that question that year;

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

1. To note that the Implementation Committee took cognizance of the joint statement made by Belarus, Bulgaria, Poland, the Russian Federation and Ukraine regarding possible non-fulfilment of their obligations under the Montreal Protocol, as a submission under paragraph 4 of the non-compliance procedure of Article 8 of the Protocol, and the statement made by the Russian Federation on its behalf and on behalf of Belarus, Bulgaria and Ukraine at the twelfth meeting of the Open-ended Working Group;

2. To note the consultations of the Implementation Committee with the representatives of Belarus regarding possible non-fulfilment of that Party's obligations under the Montreal Protocol;

3. To note that Belarus was in compliance with its obligations under the Montreal Protocol in 1995 and that there is a possibility of non-compliance in 1996 so that the Implementation Committee might have to revert to that question that year;

4. To note that Belarus agreed to submit its country programme for the phase-out of ozone-depleting substances in Belarus to the Secretariat by 31 December 1995;

5. To note that Belarus promised to provide information on the political commitment on the phase-out programme for ozone-depleting substances by Belarus and that the Implementation Committee after evaluation of the information might wish to request additional information on
certain elements, such as:

(a) The political commitment on the phase-out plan for ozone-depleting substances by Belarus;
(b) The necessary linkages between the sectoral approach outlined by Belarus in its submission and the specific requirements for the financial, institutional and administrative arrangements towards the implementation of such measures;
(c) The gradual achievement of the proposed phase-out plan;
(d) The proposed measures for the enforcement of the measures - in particular the enforcement of the trade regulations;

6. To note that Belarus has agreed not to export any virgin, recycled or recovered substance controlled under the Montreal Protocol to any Party operating under Article 2 of the Protocol not member of the Commonwealth of Independent States and that such Parties shall not import such controlled substances from Belarus;

7. To recommend international assistance to enable compliance of Belarus with the Montreal Protocol in line with the following provisions:

(a) Such support should be provided in consultation with the relevant Montreal Protocol Secretariats and the Implementation Committee to ensure consistency of ODS phase-out measures with relevant decisions of the Parties to the Montreal Protocol and subsequent recommendations of the Implementation Committee;
(b) Belarus shall submit annual reports on ODS phase-out progress in line with the schedule included in the country programme for the phase-out of ozone-depleting substances in Belarus;
(c) The reports shall be submitted in due time to enable the Ozone Secretariat - together with the Implementation Committee - to review them;
(d) In case of any questions related to the reporting requirements and the actions of Belarus, the disbursement of the international assistance should be contingent on the settlement of those problems with the Implementation Committee;

8. To note that despite the economic difficulties of the period of transition, Belarus will endeavour to settle its financial contributions to the Multilateral Fund of the Montreal Protocol in the near future;

Decision VII/18. Compliance with the Montreal Protocol by the Russian Federation

1. To note that the Implementation Committee took cognizance of the
joint statement made by Belarus, Bulgaria, Poland, the Russian Federation and Ukraine regarding possible non-fulfilment of their obligations under the Montreal Protocol, as a submission under paragraph 4 of the non-compliance procedure of Article 8 of the Protocol, and the statement made by the Russian Federation on its behalf and on behalf of Belarus, Bulgaria and Ukraine at the twelfth meeting of the Open-ended Working Group, as well as the official message of the Chairman of the Government of the Russian Federation dated 26 May 1995;

2. To note the consultations of the Implementation Committee with the representatives of the Russian Federation regarding possible non-fulfilment of that Party's obligations under the Montreal Protocol;

3. To note that the Russian Federation was in compliance with its obligations under the Montreal Protocol in 1995 and that it is expected that there will be a situation of non-compliance in the Russian Federation in 1996 so that the Implementation Committee will have to revert to that question that year;

4. To acknowledge the major efforts of the Russian Federation to provide data in response to the request by the Implementation Committee;

5. To underline the urgency of further action to phase out ozone-depleting substances in production and consumption;

6. To note that the Russian Federation has promised to provide additional information on:

   (a) The political commitment on the phase-out plan for ozone-depleting substances by the Russian Federation;

   (b) The necessary linkages between the sectoral approach outlined by the Russian Federation in its submission and the specific requirements for the financial, institutional and administrative arrangements towards the implementation of such measures;

   (c) The gradual achievement of the proposed phase-out plan;

   (d) The proposed measures for the enforcement of the measures - in particular the enforcement of the trade regulations;

7. To note that the Russian Federation will submit more detailed information to the Ozone Secretariat by the end of January 1996 for consideration of the Implementation Committee at an inter-sessional meeting in the first quarter of 1996;

8. To allow, in order to take into account the economic and social problems in countries with economies in transition, the Russian Federation to export substances controlled under the Montreal Protocol to Parties operating under Article 2 of the Protocol that
are members of the Commonwealth of Independent States, including Belarus and Ukraine. In doing so, the Russian Federation will undertake the necessary action to secure that no re-exports will be made from the Commonwealth of Independent States, including Belarus and Ukraine, to any Party to the Montreal Protocol;

9. To recommend that international assistance to enable compliance of the Russian Federation with the Montreal Protocol in line with the following provisions should be considered:

(a) Such support should be provided in consultation with the relevant Montreal Protocol Secretariats and the Implementation Committee to ensure consistency of ODS phase-out measures with relevant decisions of the Parties to the Montreal Protocol and subsequent recommendations of the Implementation Committee. The Secretariat of the Multilateral Fund will periodically inform the Executive Committee on any progress made in relation to such international assistance to enable compliance given to the Russian Federation;

(b) The Russian Federation shall submit annual reports on progress in phasing out ODS in line with the schedule included in the submission of the Russian Federation to the Parties;

(c) The reports should include - in addition to the data to be reported under Articles 7 and 4 of the Montreal Protocol and on recovering and recycling facilities - updated information on the elements mentioned in paragraph 6 of the present decision, including information on trade in substances controlled under the Montreal Protocol with Parties members of the Commonwealth of Independent States and Parties operating under paragraph 1 of Article 5, to monitor whether the levels of production allowed under the Montreal Protocol to satisfy the basic domestic needs of Parties operating under paragraph 1 of Article 5 are not exceeded;

(d) The reports should be submitted in due time to enable the Ozone Secretariat - together with the Implementation Committee - to review them;

(e) In case of any questions related to the reporting requirements and the actions of the Russian Federation, the disbursement of the international assistance should be contingent on the settlement of those problems with the Implementation Committee;

Decision VII/19. Compliance with the Montreal Protocol by Ukraine

1. To note that the Implementation Committee took cognizance of the joint statement made by Belarus, Bulgaria, Poland, the Russian Federation, and Ukraine regarding possible non-fulfilment of their obligations under the Montreal Protocol, as a submission under paragraph 4 of the non-compliance procedure of Article 8 of the
Protocol, and the statement made by the Russian Federation on its behalf and on behalf of Belarus, Bulgaria and Ukraine at the twelfth meeting of the Open-ended Working Group;

2. To note the consultations of the Implementation Committee with the representatives of Ukraine regarding possible non-fulfilment of that Party's obligations under the Montreal Protocol;

3. To note that Ukraine was in compliance with its obligations under the Montreal Protocol in 1995 and that there is a possibility of non-compliance in 1996 so that the Implementation Committee might have to revert to that question that year;

4. To note that Ukraine submitted its draft country programme for the phase-out of ozone-depleting substances in Ukraine to the Implementation Committee;

5. To note that Ukraine promised to provide additional information on the political commitment on the phase-out programme for ozone-depleting substances by Ukraine and that the Implementation Committee after evaluation of the information provided might wish to request additional information on certain elements, such as:

   (a) The political commitment on the phase-out plan for ozone-depleting substances by Ukraine;

   (b) The necessary linkages between the sectoral approach outlined by Ukraine in its submission and the specific requirements for the financial, institutional and administrative arrangements towards the implementation of such measures;

   (c) The gradual achievement of the proposed phase-out plan;

   (d) The proposed measures for the enforcement of the measures - in particular the enforcement of the trade regulations;

6. To note that Ukraine has agreed not to export any virgin, recycled or recovered substance controlled under the Montreal Protocol to any Party operating under Article 2 of the Protocol not member of the Commonwealth of Independent States and that such Parties shall not import such controlled substances from Ukraine;

7. To recommend international assistance to enable compliance of Ukraine with the Montreal Protocol in line with the following provisions:

   (a) Such support should be provided in consultation with the relevant Montreal Protocol Secretariats and the Implementation Committee to ensure consistency of ODS phase-out measures with relevant decisions of the Parties to the Montreal Protocol and subsequent recommendations of the Implementation Committee;

   (b) Ukraine shall submit annual reports on ODS phase-out progress
in line with the schedule included in the country programme for the phase-out of ozone-depleting substances in Ukraine;

(c) The reports shall be submitted in due time to enable the Ozone Secretariat - together with the Implementation Committee - to review them;

(d) In case of any questions related to the reporting requirements and the actions of Ukraine, the disbursement of the international assistance should be contingent on the settlement of those problems with the Implementation Committee;

Decision VII/20. Discrepancy between the data reported by a Party to the Ozone Secretariat and the data presented by that Party to the Executive Committee of the Multilateral Fund

- To accept the recommendations of the Implementation Committee:

(a) That the Secretariat should be entitled to seek clarification on data reported under Article 7 if there is a discrepancy with the data in the country programme of the country concerned;

(b) That it should be established through these clarifications, which are the best available and most accurate data. Should the clarification not result in an agreement, the data provided by the Party to the Secretariat should be used;

Decision VII/21. Membership of the Implementation Committee

1. To note with appreciation the work done by the Implementation Committee;

2. To confirm the positions of Austria, Bulgaria, Peru, Philippines and the United Republic of Tanzania as members of the Committee for one further year, and to select Canada, Sri Lanka, Ukraine, Uruguay and Zambia as members of the Committee for a two-year period;

Decision VII/22. Review of the Financial Mechanism

1. To request the Executive Committee to consider innovative mobilization of existing and additional resources in support of Protocol objectives and any further action by the end of 1996 and to report thereon to the Eighth Meeting of the Parties;

2. That the actions set out in Annex V to the report of the Seventh Meeting of the Parties should be taken to improve the functioning of the Financial Mechanism;

Decision VII/23. Financial planning in the Multilateral Fund

1. To note with appreciation the report and the outline and framework
for a three-year rolling business plan prepared by the Executive Committee;

2. To request the Executive Committee to provide to the Parties at their Eighth Meeting a full three-year rolling business plan based on the outline and framework approved by the Parties at their Seventh Meeting;

3. To note that the three-year rolling business plan must reflect the purpose of the Multilateral Fund, which is to enable Parties operating under paragraph 1 of Article 5 to meet their Protocol obligations. The plan would be based on the level of replenishment decided by the Parties and should be used as a basis for projecting beyond the period of the current replenishment. The plan should be based on, inter alia, the intersectoral priorities and strategies contained in the country programmes and should be consistent with agreed commitments under the Montreal Protocol;

Decision VII/24. 1997-1999 replenishment of the Multilateral Fund

- To request the Technology and Economic Assessment Panel to prepare a report for submission to the Eighth Meeting of the Parties, and present it through the Thirteenth Meeting of the Open-ended Working Group, to enable the Parties to take a decision on the appropriate level of the 1997-1999 replenishment, taking into account amongst other things:

(a) All control measures agreed by the Parties to the Montreal Protocol;

(b) The Report on the Review under Paragraph 8 of Article 5 of the Montreal Protocol;

(c) Historical experience, including limitations and successes, of the phase-out of ozone-depleting substances achieved with resources already allocated, as well as the performance of the Multilateral Fund and its Implementing Agencies;

(d) Special circumstances of low-volume-ODS-consuming countries and small and medium-size enterprises;

(e) Projections included in the 1996 business plan for the Multilateral Fund;

(f) Calculating annual requirements with and without assuming a constant, flat rate of demand (for example, increased demand in some years);

(g) The November 1995 report of the Technology and Economic Assessment Panel on the economic and financial implications of possible methyl bromide and hydrochlorofluorocarbon control scenarios for Parties operating under Article 5;

/...
(h) Relevant decisions of the Seventh Meeting of Parties;

(i) Approved country programmes;

In undertaking this task, the Technology and Economic Assessment Panel should consult with the Executive Committee of the Multilateral Fund and other relevant sources of information;

Decision VII/25. Provision by the Executive Committee of the Multilateral Fund of specific financial support for projects in low-volume-ODS-consuming countries (LVCs)

- To request the Executive Committee of the Multilateral Fund to provide specific support to low-volume-ODS-consuming countries (LVCs) by:

  (a) Allocating sufficient funds for projects in low-volume-ODS-consuming countries to further strengthen and expand awareness and training programmes, especially in the area of refrigerant management;

  (b) Supporting specialized assistance such as a workshop to establish regulatory and legislative measures required to facilitate the phase-out of ozone-depleting substances;

  (c) Allowing financing of eligible retrofitting projects, in sectors vital to LVC economies on a case-by-case basis where this can be shown to be the best approach;

  (d) Requesting the United Nations Environment Programme, due to its extensive experience with low-volume-ODS-consuming countries (LVCs), to take the lead in preparing an overall approach in addressing these needs;

  (e) Providing funds to low-volume-ODS-consuming countries, on a regional basis, to organize training workshops for their customs and other officers on the harmonized system and other systems to control and monitor consumption of ozone-depleting substances;

Approval of projects in low-volume-ODS-consuming countries and very low-volume-ODS-consuming countries should be based upon a more appropriate project-appraisal approach reflecting the particular circumstances encountered by the countries referred to above;

Decision VII/26. Technology transfer

1. To recognize the role of technology transfer in enabling Parties to meet their obligations under the Protocol;
2. To note with appreciation the interim report of the Executive Committee of the Multilateral Fund (UNEP/OzL.Pro.7/10) on measures taken so far in the context of Article 10 of the Protocol, to establish a mechanism specifically for the transfer of technology and the technical know-how at fair and most favourable conditions necessary to phase-out ozone-depleting substances;

3. To request the Executive Committee to re-examine its interim conclusions contained in paragraphs 11 and 13 of that report in the light of issues raised in paragraph 45 of the report of the Eighteenth Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom.18/75), the Report on the Review under Paragraph 8 of Article 5, and the Study on the Financial Mechanism of the Montreal Protocol, and other issues including equity, limited resources, conditions attached to project approvals and payment of technology transfer fees as negotiated by enterprises in Parties operating under Article 5;

4. To request the Executive Committee to provide a final report on this issue to the Eighth Meeting of the Parties. In particular, in preparing its report to the Eighth Meeting of the Parties, the Executive Committee is requested to seek input from Article 5 Parties on their experience with impediments to technology transfer and to identify solutions to overcome such impediments. The Executive Committee is authorized to provide appropriate funding, if necessary, for this purpose;

Decision VII/27. Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol

1. To endorse the selection of Australia, Austria, Denmark, Japan, the Russian Federation, the United Kingdom, and the United States of America as members of the Executive Committee representing Parties not operating under paragraph 1 of Article 5 of the Protocol, and the selection of Chile, Colombia, India, Egypt, Kenya, the Philippines, and Senegal as members representing Parties operating under paragraph 1 of Article 5, for one year;

2. To endorse the selection of Kenya to act as Chair and of the United Kingdom to act as Vice-Chair of the Executive Committee for one year;

Decision VII/28. Essential-use nominations for controlled substances for 1996 and beyond

1. To note with appreciation the work done by the Technology and Economic Assessment Panel and its Technical Options Committees pursuant to decision IV/25 of the Fourth Meeting of the Parties;

2. That, for 1996, 1997, 1998, 1999, 2000 and 2001 for Parties not operating under paragraph 1 of Article 5 of the Protocol, levels of production and consumption necessary to satisfy essential uses of...
CFC-11, CFC-12, CFC-113, CFC-114 and methyl chloroform are authorized as specified in Annex VI to the report of the Seventh Meeting of the Parties, for metered-dose inhalers (MDIs) for asthma and chronic obstructive pulmonary disease, nasal dexamethasone, and specific cleaning, bonding and surface activation applications in rocket motor manufacturing for the United States Space Shuttle and Titan, subject to the following conditions:

(a) The Technology and Economic Assessment Panel will review, annually, the quantity of controlled substances authorized and submit a report to the Meeting of the Parties in that year;

(b) The Technology and Economic Assessment Panel will review, biennially, whether the applications for which exemption was granted still meets the essential-use criteria and submit a report, through the Secretariat, to the Meeting of the Parties in the year in which the review is made;

(c) The Parties granted essential use exemptions will reallocate, as decided by the Parties, to other uses the exemptions granted or destroy any surplus ozone-depleting substances authorized for essential use but subsequently rendered unnecessary as a result of technical progress and market adjustments;

3. To urge the Parties to collate, coordinate and evaluate the individual company nominations for future years before submitting these nominations to the Secretariat;

Decision VII/29. Assessment of the possible need for and modalities and criteria for a critical agricultural use exemption for methyl bromide

1. To note that the latest Montreal Protocol Scientific Assessment underscores the need for a phase-out of methyl bromide because of its significant role in depleting the ozone layer;

2. To recognize, however, the concerns regarding the applicability of the existing essential-use criteria and process for evaluating the use of methyl bromide in the agricultural sector, and the availability of alternatives for important agricultural uses of this compound;

3. To request the Technology and Economic Assessment Panel to examine need for and the modalities (including the essential-use process) and criteria that could be used to facilitate review, approval and implementation of requests for critical agricultural use exemptions. In recommending suitable modalities and criteria, the Technology and Economic Assessment Panel may take into consideration:

(a) Whether alternative practices or substitutes exist that are commercially available and efficacious;

/...
(b) The relative costs and benefit of alternative practices and substitutes to allow the Parties to assess their economic viability, taking into account the scale of application and the individual circumstances of particular uses;

(c) Whether a Party has demonstrated that all economically feasible actions are being taken to minimize use and any associated emissions from the approved exemption, and that continued efforts are being made to evaluate and develop alternatives to the use of methyl bromide for this application;

(d) The feasibility of placing a cap on the total percentage of baseline production and consumption permitted under an essential use for any particular country; and

(e) A range of alternative decision-making and implementation processes;

4. To request the Technology and Economic Assessment Panel to prepare a study of the possible uses of market-based measures to allow for greater flexibility in implementing the requirements for limitations on methyl bromide;

5. That the Technology and Economic Assessment Panel's analysis should be presented for consideration to the Open-ended Working Group at its thirteenth meeting to facilitate a decision by the Eighth Meeting of the Parties;

Decision VII/30. Export and import of controlled substances
to be used as feedstock

1. That the amount of controlled substances produced and exported for the purpose of being entirely used as feedstock in the manufacture of other chemicals in importing countries should not be the subject of the calculation of "production" or "consumption" in exporting countries. Importers shall, prior to export, provide exporters with a commitment that the controlled substances imported shall be used for this purpose. In addition, importing countries shall report to the Secretariat on the volumes of controlled substances imported for these purposes;

2. That the amount of controlled substances entirely used as feedstock in the manufacture of other chemicals should not be the subject of calculation of "consumption" in importing countries;

Decision VII/31. Status of recycled CFCs and halons under the Basel Convention on the Control of Transboundary Movements of Hazardous
Wastes and their Disposal

- That the international transfers of controlled substances of the Montreal Protocol which are recovered but not purified to usable purity specifications prescribed by appropriate international and/or national organizations, including International Standards Organization (ISO), should only occur if the recipient country has recycling facilities that can process the received controlled substances to these specifications or has destruction facilities incorporating technologies approved for that purpose;

Decision VII/32. Control of export and import of products and equipment containing substances listed in Annexes A and B of the Montreal Protocol

1. To recommend that each Party adopt legislative and administrative measures, including labelling of products and equipment, to regulate the export and import, as appropriate, of products and equipment containing substances listed in Annexes A and B of the Montreal Protocol and of technology used in the manufacturing of such products and equipment, in order to avert any adverse impact associated with the export of such products and equipment using technologies that are or will soon be obsolete because of their reliance on Annex A or Annex B substances and which would be inconsistent with the spirit of the Protocol, including decision I/12C of the First Meeting of the Parties to the Protocol, held in Helsinki in 1989;

2. To recommend that Parties report on action taken to implement the present decision at future Meetings of the Parties;

Decision VII/33. Illegal imports and exports of controlled substances

- To request that the Secretariat examine information available to it, and request further information from the Parties regarding dumping, illegal imports and exports, and uncontrolled production of Annex A and B substances and products containing them that could undermine the effectiveness of the Protocol, and report to the Eighth Meeting of the Parties, taking into account the non-compliance procedure under the Montreal Protocol;

Decision VII/34. Assessment Panels


2. To request the three Assessment Panels to update their reports of November 1994 and submit them to the Secretariat by 31 October 1998 for consideration by the Open-ended Working Group and by the Eleventh Meeting of the Parties to the Montreal Protocol in 1999;
3. That the Scientific Assessment Panel should keep the Parties to the Montreal Protocol informed of any important new scientific developments on a year-to-year basis. The major emphasis of the 1998 assessment should be twofold:

(a) An evaluation of the updated understanding of the impact of halocarbons on the ozone layer, including: observed and expected trends in controlled substances, ozone, and ultraviolet radiation; an improved understanding of the ozone-depleting role of methyl bromide; consequences to the ozone layer of non-compliance with the Montreal Protocol; a continuing evaluation of the ozone-depleting potentials of the substitutes for the phased-out substances; and the prediction of future halogen atmospheric abundances and ozone levels; and

(b) An assessment of other aspects of ozone changes, such as the impacts of aircraft emissions, and the role of ozone changes in the alteration of the global climate system, with particular attention to the need for adequate information in the southern hemisphere. The Panel is requested to work as appropriate with the International Civil Aviation Organization and the Intergovernmental Panel on Climate Change;

4. That the Environmental Effects Panel should keep the Parties to the Montreal Protocol informed on any important new scientific developments on a year-to-year basis. It should consider:

(a) In consultation with the Scientific Assessment Panel, observed and predicted changes in ultraviolet radiation;

(b) Environmental effects of changing ultraviolet radiation; and

(c) Direct environmental effects of chemicals involved in the problem of depletion of the ozone layer;

5. That the Technology and Economic Assessment Panel should keep the Parties to the Montreal Protocol informed of any important new technical and economic developments on a year-to-year basis. It should furthermore:

(a) Complete by 31 March of each year the evaluation of essential-use nominations submitted for 1997 and beyond;

(b) With regard to metered-dose inhalers:

(i) Recommend an accounting framework for reporting quantities and uses of ozone-depleting substances produced and consumed for metered-dose inhalers under terms of essential-use exemptions;

(ii) Report progress in commercial availability and acceptance
of emerging non-ODS alternatives and substitutes;

(iii) Describe educational and training approaches to speed and the successful transition to non-ODS therapy, mindful of the needs of patients and the special circumstances of Parties operating under Article 5 and countries with economies in transition; and

(iv) By 31 March 1996, consider options for a transitional strategy for metered-dose inhalers, taking into consideration the rate of commercialization, manufacturing rationalization, the progress on national approval, the special circumstances of Parties operating under Article 5 and countries with economies in transition, and the importance of drug access by patients, including those who face particularly challenging therapy;

(c) Report progress and developments in the control of substances by 31 March of each year;

(d) Update or supplement its report on the status of implementation of the Protocol in the countries with economies in transition by 31 March 1996;

(e) With regard to its organization and functioning:

   (i) Proceed with efforts to increase participation of Article 5 country experts, subject to budgetary constraints, and to improve geographical and expertise balance;

   (ii) Present procedures and criteria for the nomination and selection of members of the Technology and Economic Assessment Panel;

   (iii) Request the Secretariat to appoint a small informal advisory group from both Article 5 and non-Article 5 Parties to meet with the Technology and Economic Assessment Panel and to report back to the Parties on the progress made; and

   (iv) Report to the Parties at the thirteenth meeting of the Open-ended Working Group, in 1996, including:

      a. A description of member expertise highlighting relevance, affiliation, country of residence and period of service to the Technology and Economic Assessment Panel;

      b. Its methods of operation, including appointment of new members to subsidiary bodies, promotion to
chair and other matters; and

c. Options proposed for restructuring the Technology and Economic Assessment Panel and its Technical Options Committees and Working Groups, including the financial and chairing issues in compliance with the terms of reference as set out in various decisions, including decision I/3, and propose adjustments, if deemed necessary, to those terms of reference;

(f) Prepare a document listing the uses and possible applications of ozone-depleting substances listed in Annex C to the Protocol, enabling Parties to collect information on their consumption levels for the purpose of compliance with reporting requirements;

(g) Collaborate with the Industry and Environment Programme Activity Centre of the United Nations Environment Programme to prepare, in accordance with the provisions of decision VII/22, the report on inventory and assessment of technologies and know-how to phase out ozone-depleting substances, including an elaboration of the terms under which transfers of such technology and know-how take place;

6. That the enhanced participation of the Parties operating under Article 5 and countries with economies in transition should be funded by the Secretariat with an adequate budget allocation or could be also provided by additional voluntary contributions which all Parties are encouraged to offer;

7. To offer the assistance of the Scientific, Environmental Effects, and Technology and Economic Assessment Panels to the subsidiary body on science and technology under the United Nations Framework Convention on Climate Change, as necessary;

8. To request the Technology and Economic Assessment Panel to present the annual schedules of its meetings and workshops to the Secretariat;

**Decision VII/35. Destruction technology**

1. To note that the Technology and Economic Assessment Panel examined the results of testing and verified that the "radio frequency plasma destruction" technology of Japan meets the suggested minimum emission standards that were approved by the Parties at their Fourth Meeting for destruction technologies;

2. To approve, for the purposes of paragraph 5 of Article 1 of the Protocol, the radio frequency plasma destruction technology and to add it to the list of destruction technologies already approved by the Parties;
Decision VII/36. Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol

- To endorse the selection of Mr. S. Seebaluck (Mauritius) and Ms. C. Fearnley (New Zealand) as Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol for 1996;

Decision VII/37. Financial matters: financial report and budgets

1. To take note of the financial report on the Trust Fund for the Montreal Protocol for biennium 1994-1995 and expenditures for 1994 (UNEP/OzL.Pro.7/4);

2. To urge all Parties to pay their outstanding contributions promptly and also to pay their future contributions promptly and in full, in accordance with the formula for contributions by Parties as set out in Annex VII to the report of the Seventh Meeting of the Parties;

3. To confirm the budget for the Trust Fund for the Montreal Protocol of $2,818,215 for 1996 as approved by the Sixth Meeting of the Parties and to approve the budget of $3,301,290 for 1997, as set out in Annex VIII to the report of the Seventh Meeting of the Parties;

4. (a) To approve the adoption of the new United Nations scale of assessments, which came into effect through the General Assembly resolution 49/19 B of 3 March 1995 for Members of the United Nations and through administrative circular ST/ADM/SER.B/451 of 4 January 1995 for non-Members of the United Nations, as the basis for calculating individual Parties' levels of contributions to the Montreal Protocol and the Multilateral Fund trust funds in 1996 and beyond;

(b) To authorize the Treasurer to recalculate the future individual Parties' levels of contributions to the Montreal Protocol and the Multilateral Fund trust funds, using the scale of assessments as updated and adopted within the United Nations system;

5. To encourage Parties not operating under Article 5 to continue offering financial assistance to their members in the Assessment Panels for their continued participation in the assessment activities under the Protocol;

6. To request additional voluntary contributions from Parties in support of:

(a) Increased participation of Assessment Panel members from developing countries in Assessment Panels and Technical Options Committees;

(b) Information materials for the celebration of the International Day for the Preservation of the Ozone Layer;
7. To request:

(a) Countries having Junior Programme Officer (JPO) programmes to consider funding the post of Programme Officer (Information Systems) (post 1105) through their JPO programmes;

(b) The United Nations Environment Programme to fund the post of Programme Officer (Information Systems) from the programme support costs given to it by the Montreal Protocol Trust Fund;

Decision VII/38. Eighth, Ninth and Tenth Meetings of the Parties to the Montreal Protocol

1. That the Eighth Meeting of the Parties to the Montreal Protocol will be held in Costa Rica in 1996;

2. That the Ninth Meeting of the Parties to the Montreal Protocol will be held in Montreal, Canada in 1997;

3. That the Tenth Meeting of the Parties to the Montreal Protocol will be held in Egypt in 1998.

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

Further reductions and adjustments: controlled substances listed in Annexes C and E to the Protocol (decision VII/3)

95. The representative of South Africa recalled a very strong statement that he had made during the Preparatory Meeting to the effect that South Africa wished to retain the phase-out schedule for hydrochlorofluorocarbons as adopted at Copenhagen. That position had been reiterated by the Minister of Environment of South Africa during the Meeting of the Parties. However, if the Meeting could reach consensus on the retention of the Copenhagen phase-out schedule for hydrochlorofluorocarbons with the exception of the "cap", which would be reduced from 3.1 to 2.8 per cent, South Africa would accept that viewpoint on the condition that:

(a) The phase-out schedule of 35 per cent by 2004, 65 per cent by 2010, 99.5 per cent by 2020, and 100 per cent by 2030 remained as it was; and

(b) It became part of the decision that that phase-out schedule should remain unchanged until after 2005. In that way at least industry would know where it stood for the next ten years and would not have the threat of shifting goalposts hanging over it for the foreseeable future.

96. With respect to methyl bromide, the same representative said that a 25 per cent reduction in consumption by 2001 should be achievable through sheer better management. South Africa was also prepared to accept a further cut to 50 per cent by 2005 and might even be in a position to achieve that cut through better management of methyl bromide usage.
However, it did have a problem when it came to total phase-out in 2010, as it had no proven, registered products to replace methyl bromide for all its uses in agriculture. While being loath to accept the carrot of "exemption for critical agricultural uses", South Africa might be willing to do so if it knew that the definition of the term would also take into consideration the fact that so-called replacement products for methyl bromide had to have a proven record that target pests did not develop a resistance to them. He therefore requested the Technology and Economic Assessment Panel to take that concern into consideration when defining the term "critical agricultural uses".

97. The representative of Australia said that his country had had concerns regarding the phase-out schedule for Parties operating under Article 2 but had always met its obligations under the Montreal Protocol. It supported the spirit of the negotiations, which had been conducted in an atmosphere of cooperation and openness. It was in that spirit that Australia was pleased to support the consensus that had been achieved regarding methyl bromide.

Provision of financial support and technology transfer (decision VII/4)

98. In an interpretative declaration regarding paragraph 2 of decision VII/4, the representative of France said that France understood that only measures resulting in agreed incremental costs for the period 1997-1999 would benefit from the provisions of that paragraph. The same interpretation applied for future replenishments.

Reduction of methyl bromide emissions (decision VII/6)

99. In the light of the agreement on the control measures for methyl bromide, it was decided that paragraphs 2-6 of draft decision VII/5 should be deleted and the remaining paragraph retained, in accordance with the wish of Kenya, the original sponsor, as decision VII/6.

100. Paragraph 3 of draft decision VII/5 was subsequently incorporated in a revised form into decision VII/8 (see paras. 101 to 112 below).

Review of methyl bromide controls (decision VII/8)

101. At the closing session of the Meeting, the Chairman of the Contact Group introduced a new draft decision on the above subject that had been prepared, first, to give the Technology and Economic Assessment Panel the go-ahead to conduct the review provided for in the agreed control measures for methyl bromide and, secondly, to accommodate paragraph 3 of draft decision VII/5, which Kenya, the original sponsor of the draft wished to see retained.

102. The representative of Kenya introduced a number of drafting changes to paragraph 2 of the draft decision, which were accepted by the Meeting.

103. The representative of Egypt proposed that the words "if necessary"
should be added after the phrase "to consider further adjustments to control measures on methyl bromide" in paragraph 1 of the draft. He said that the change was a logical one and that the wording of the draft implicitly directed the Parties to consider adjustments.

104. The representative of Denmark, supported by the representatives of the United States of America, the European Community, Canada and the United Kingdom, proposed that the phrase "including a phase-out" should be added after the words "adjustments to control measures" in paragraph 1 of the draft decision.

105. The representative of Mauritius said that, while he had no problem with the intent behind the amendment by the representative of Denmark, he would question the necessity for an explicit mention of "phase-out", particularly in light of the need to be consistent with the Protocol.

106. The representative of Malaysia said that he could not recall any explicit agreement to the use of the term "phase-out" during the informal consultations. He suggested that the question should be left open and dealt with in 1997.

107. The representative of Australia, supported by the representatives of Mauritius and the United Kingdom, suggested that the current wording should be retained on the understanding that the term "control measures" included the issue of phase-out as one of those control measures.

108. The representative of the United States of America said that it should be understood that a phase-out would be considered in 1997.

109. The representative of Kenya said that it had been the clearly stated position of his delegation that it would agree to a freeze on methyl bromide in 2002 on the condition that the rest of the package that it had demanded remained intact, and one part of that package was that there should be no phase-out.

110. The representative of Egypt said that he believed that the representative of Australia had put forward a good solution. The Egyptian delegation could go along with the understanding that phase-out was neither implicitly excluded nor explicitly included in the wording of the draft decision.

111. Following an intervention by the representative of Brazil, who cautioned the Parties against introducing an element of distrust in the proceedings at such a late stage, the Meeting adopted the draft decision, with the amendments to paragraph 2 introduced by the representative of Kenya, as decision VII/8.

112. The representative of Denmark stressed that the report of the Meeting should reflect the understanding that the text of the decision as adopted implicitly included a phase-out of methyl bromide.

Basic domestic needs (decision VII/9)
113. Decision VII/9 was adopted on the basis of a text introduced by the Chairman of the Contact Group, with an amendment by Indonesia, to replace draft decisions VII/6 and VII/7 contained in document UNEP/OzL.Pro.7/9/Rev.1.

Continued use of controlled substances as process agents after 1996 (decision VII/10)

114. The Preparatory Meeting had made provision for a decision on the continued use of controlled substances as process agents after 1996 but forwarded no text to the Seventh Meeting of the Parties (see UNEP/OzL.Pro.7/9/Rev.1, draft decision VII/8).

115. At the closing session of the Meeting, the representative of Canada introduced a new draft decision on the subject, sponsored by Australia, Austria, Belgium, Canada, Denmark, France, Germany, Hungary, Ireland, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom and the United States of America. In her introduction, the representative of Canada said that under the new draft the Parties would continue to treat process agents in a manner similar to feedstocks for 1996 and 1997, in order to allow time for data collection and analysis before the next steps were taken.

116. The representative of Sweden said that Sweden was not entirely satisfied with the new draft but did not wish to create problems at such a late stage in the Meeting. Sweden believed that the issue of process agents was important because it was essential not to create new loopholes in the Montreal Protocol. It was also important to note that continued use of controlled substances as process agents meant limited use, as was clear from the words "restricting their emissions" in the draft decision. Since the most widely used controlled substance for such purposes was carbon tetrachloride, which had a high ozone-depleting potential, the reduction of emissions was especially important. For the moment, Sweden was ready to accept that many Parties wanted additional information so that they could take a decision at a later stage. Any further measures should, however, be based on the valuable input of the Technology and Economic Assessment Panel and its Process Agents Working Group. It was also Sweden's intention to return the question of the definition of "feedstock" at a future Meeting of the Parties.

117. The representative of Poland sought clarification on the use of the word "similar" in the draft decision and, in particular, as to whether the wording would mean that decision VII/30, on export and import of controlled substances to be used as feedstock, would also apply to controlled substances used as process agents.

118. In response, the representative of the Secretariat said that decision VII/30 should be interpreted as applying temporarily to process agents.

119. The representative of India said that the use of controlled substances as process agents should be distinguished from their use as feedstock. His delegation would have been more comfortable if the report of the Technology and Economic Assessment Panel could have been made available in 1996 rather than in 1997.

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120. In reply to the representative of India, Dr. Kuijpers, Co-Chair of the Technology and Economic Assessment Panel, said that the Panel had been assigned numerous tasks that would require its full attention in 1996. In addition, a considerable amount of time was needed to collect the necessary information and to review methods for eliminating emissions of ozone-depleting substances from process-agent applications. He therefore suggested that the report should issued in March 1997.

Control measures for non-Article 5 Parties concerning halons and other agents used for fire-suppression and explosion-inertion purposes (decision VII/12)

121. One representative stated that his delegation's reservations concerning the decision had been resolved through informal consultations and he could thus support the removal of the square brackets that had surrounded draft decision VII/10 in document UNEP/OzL.Pro.7/9/Rev.1.

122. The draft decision was then adopted as decision VII/12.

Compliance with the Montreal Protocol by the Russian Federation (decision VII/18)

123. At the closing session of the Meeting, on 7 December 1995, the representative of the Philippines, speaking on behalf of the Group of 77 and China, introduced amendments to paragraphs 8 and 9 of the draft decision on the above subject that had been recommended by the Implementation Committee (UNEP/OzL.Pro.7/9/Rev.1, draft decision VII/16). The amendments would also apply, mutatis mutandis, to the corresponding draft decisions regarding Belarus and Ukraine (UNEP/OzL.Pro.7/9/Rev.1, draft decisions VII/15 and VII/17).

124. The representatives of Mauritius, Malaysia, Colombia, the United States of America, and Venezuela expressed support for the amendments introduced by the representative of the Philippines.

125. After a procedural discussion, during which several representatives said that, as their delegations were small and they were of necessity absent from the plenary sessions in order to attend the various groups that had been meeting to discuss other draft decisions, they reserved their right to return to decisions adopted in plenary in their absence, the President of the Meeting ruled that, since draft decisions VII/15 and VII/17 had been adopted by the Meeting the previous day (see decisions VII/17 and VII/19 in paragraph 0 above), the draft decision on compliance by the Russian Federation was the only one of the three still open for discussion.

126. The representative of Malaysia said that the concern of the Group of 77 and China was to stop re-exports of controlled substances produced for export in the Russian Federation. He asked whether it would be possible to include a reference to Belarus and Ukraine in draft decision VII/16 without re-opening the discussion on the decisions specifically concerning those countries.

127. The representative of Mauritius proposed that the words "including Belarus and Ukraine" should be added after the words "Commonwealth of Independent States"
in the amendment proposed by the Philippines.

128. The representative of the Russian Federation said that his delegation could not agree with paragraphs 8 and 9 of the draft decision. Those paragraphs essentially meant that the Meeting of the Parties would adopt discriminatory measures and sanctions against a Party to the Protocol. The Russian Federation was a State that for five years had fulfilled its obligations in accordance with the provisions of the Montreal Protocol, and therefore any punitive measures were unacceptable. He drew attention to the fact that the first measure that a Meeting of the Parties could apply in accordance with the indicative list of measures that might be taken in respect of non-compliance, as adopted by the Parties in their decision IV/5, was appropriate assistance to the State concerned. The Russian Federation had sought such assistance from the Global Environment Facility, the World Bank and other international financial organizations. The Russian Federation hoped that such assistance would eventually be provided. A sterner measure provided for in the indicative list of measures was the issuance of a caution to the country in breach of its obligations. That was not mentioned at all in the Implementation Committee's recommendations. Instead, the idea was immediately to take measures under item C of the indicative list, i.e., to apply sanctions that would harm the Russian Federation's commercial and economic interests and undermine the efforts of the Government aimed at compliance with the Protocol.

129. He regretted that no account had been taken of his Government's arguments as contained in the statements of its delegation at the meetings of the Implementation Committee and the Preparatory Meeting, the statement of the Minister of the Environment of the Russian Federation at the Seventh Meeting of the Parties (see para. 0 above) and the appeal of the Chairman of the Government of the Russian Federation to the Parties to the Vienna Convention and the Montreal Protocol. His delegation's draft recommendations on paragraph 8 had not been taken up, and its proposal for the continuation of the work of the Ad Hoc Working Group on CEIT Aspects had not been supported. He therefore proposed, pursuant to rules 33 and 34 of the rules of procedure, that paragraph 8 of the draft decision should be deleted and replaced with the wording acceptable to the Russian Federation and that paragraph 9 should also be deleted from the draft decision. He requested that his delegation's proposal should be put to a vote. Since paragraphs 8 and 9 as they stood were unacceptable to the Russian Federation, his delegation would vote against them. If, however, they were adopted, the Russian Federation reserved the right to study the consequences of such a decision and to draw the appropriate conclusions for the conduct of its policy with regard to the further implementation of the Montreal Protocol by the Russian Federation.

130. In response to a question from the representative of Brazil, the Secretariat clarified that the practice followed in Meetings of the Parties to the Montreal Protocol was that, when only one Party objected to a draft decision, that decision would be carried by consensus and the position of the dissenting Party would be clearly reflected in the report of the Meeting.

131. The representative of Australia expressed strong support for the procedure outlined by the Secretariat.
132. Draft decision VII/16, with the amendments introduced by the representative of the Philippines and revised by the representative of Mauritius, was then adopted by consensus as decision VII/18.

133. The representative of the Russian Federation expressed regret that the Parties had not agreed with his delegation's position that the draft decision was unacceptable. The decision in question was tantamount to a revision of the Montreal Protocol and could lead to further non-compliance with its provisions.

134. The President noted that the Russian Federation had agreed to continue its cooperation with the bodies established under the Montreal Protocol and he regretted that it had not been able to accept the draft decision in its entirety. He wished to assure the Russian Federation that the Parties were fully aware of the difficulties it faced. He also expressed the hope that the Russian Federation would continue to work with the relevant bodies both inside and outside the framework of the Montreal Protocol in order to achieve compliance. He trusted that it would soon be possible for the necessary financial assistance to be provided in order to enable the Russian Federation to meet its obligations under the Protocol.

Discrepancy between the data reported by a Party to the Ozone Secretariat and the data presented by that Party to the Executive Committee of the Multilateral Fund (decision VII/20)

135. The representative of Lebanon proposed an amendment to draft decision VII/18 as contained in document UNEP/OzL.Pro.7/9/Rev.1, together with a new draft decision for consideration by the Parties. The President of the Implementation Committee said that the point at issue had been covered in the Committee's report. The situation was, he said, that the Secretariat had to make use of the best data available while finalizing the figures of a country. If the Party in question, after consultations with the Secretariat, insisted on the data it supplied then, as a matter of principle, those data should be accepted. The representative of Lebanon said that, if the principle enunciated by the President of the Implementation Committee were incorporated in draft decision VII/18, then his own draft decision could be withdrawn.

136. The President of the Meeting suggested that the representative of Lebanon and the President of the Implementation Committee should consult informally to devise an appropriate wording for the addition to the draft decision.

137. Following consultations between the representative of Lebanon and the President of the Implementation Committee, the Meeting adopted a revised draft decision on the above subject as decision VII/20.

138. The representative of Lebanon said that he was satisfied with the adoption of the decision as agreed between Lebanon and the Implementation Committee. Stressing the importance of the principle of using the data provided by the country concerned, he said that he expected that the Secretariat would employ that principle as soon as possible since Lebanon was in dire need of assistance as an Article 5 Party.

/...
Review of the Financial Mechanism (decision VII/22)

139. At the closing session of the Meeting, the Chairman of the Contact Group announced that the sponsors of paragraphs 3 and 4 of draft decision VII/20 on the above subject had agreed to withdraw those paragraphs.

140. Draft decision VII/20 was then adopted as revised as decision VII/22 on the understanding that the actions set out in annex V to the present report had the same force as a decision.

Provision by the Executive Committee of the Multilateral Fund of specific financial support for projects in low-volume-ODS-consuming countries (LVCs) (decision VII/25)

141. At the closing session of the Meeting, the Chairman of the Contact Group introduced a revised text of draft decision VII/23 on the above subject.

142. The revised text was adopted as decision VII/25.

Essential-use nominations for controlled substances for 1996 and beyond (decision VII/28)

143. At the 5th session of the Meeting, the President said that draft decision VII/26, regarding essential-use exemptions, had been recommended by the Preparatory Meeting and invited comments.

144. The representative of Poland asked the Meeting of the Parties to accept his country's essential-use nomination (100 tonnes of CFC-12) as it appeared in the annex to the draft decision VII/26. He gave the background to that nomination saying that its rejection would result, for technical and economic reasons which he recounted, in many thousands of persons in his country having to discard their refrigerators with no immediate prospect of replacing them.

145. The representative of the United States said that the matter had been considered first of all in the Technology and Economic Assessment Panel, then in the Open-ended Working Group and, lastly, in the Preparatory Meeting, all of which had heard the Polish arguments. His own delegation was still unable to support the nomination, since it thought that technical options existed.

146. At the 7th (closing) session of the Meeting, the representative of Poland introduced an amendment to draft decision VII/26, whereby the Meeting of the Parties would accept the Polish essential-use nomination but at the same time note that it was for 1996 only and that Poland would not apply for such an exemption at any time after 1996.

147. The representative of Canada said that acceptance of the nomination would set a bad precedent. His delegation could not therefore agree to the text proposed by the representative of Poland.

148. The President then asked whether there was any objection to adopting the draft decision as it stood, with the deletion of the nominations in square
brackets.

149. Since there was no objection, the draft decision was adopted, with the nominations of Poland and the Russian Federation deleted from the annex, as decision VII/28.

Assessment of the possible need for and modalities and criteria for a critical agricultural use exemption for methyl bromide (decision VII/29)

150. On the proposal of the Chairman of the Contact Group, decision VII/29 was adopted on the basis of draft decision VII/26 bis, with the word "essential" deleted from the title.

Control of export and import of products and equipment containing substances listed in Annexes A and B to the Montreal Protocol (decision VII/32)

151. Decision VII/32 was adopted on the basis of draft decision VII/29 in document UNEP/OzL.Pro.7/9/Rev.1, with amendments introduced by the representative of Senegal.

Eighth, Ninth and Tenth Meetings of the Parties to the Montreal Protocol (decision VII/38)

152. The background to the adoption of decision VII/38, the subject-matter of which had been left open by the Preparatory Meeting, is reflected in paragraphs 0 to 0 below.

IX. DATE AND VENUE OF THE EIGHTH MEETING OF THE PARTIES

153. Ms. Dowdeswell, Executive Director of UNEP said that the Parties had had the good fortune to receive several invitations to host their Eighth Meeting. After amicable consultations among the representatives of the inviting countries with the participation of the Secretariat, it was decided that the invitation of Costa Rica should be accepted, that the invitation of Canada should be accepted for the following year (1997) and that the invitation by Egypt should be accepted for 1998.

154. The representative of Egypt thanked the Executive Director for her good offices, which had made it possible to achieve such a satisfactory solution. He stated that Egypt agreed to the solution, in the spirit of the Vienna Convention and the Montreal Protocol.

X. OTHER MATTERS

Declaration on hydrochlorofluorocarbons

155. At the closing session of the Meeting, on 7 December, the representative of Switzerland read out a declaration on hydrochlorofluorocarbons by Argentina, Austria, Belgium, Botswana, Chile, Costa Rica, Denmark, El Salvador, Finland, Germany, Iceland, Liechtenstein, Luxembourg, Malawi, Mexico, Netherlands, Norway, Paraguay, Peru, Portugal, Sweden, Switzerland, the United Kingdom and Uruguay.
156. The representative of the United States said that, while appreciating that some Parties wished to go further, the United States considered that the phase-out schedule for hydrochlorofluorocarbons in the Montreal Protocol should be retained.

157. As agreed by the Meeting, the text of the declaration is attached to the present report (see annex IX below).

**Declaration on methyl bromide**

158. Also at the closing session of the Meeting, the representative of the United Kingdom read out a declaration on methyl bromide by Botswana, Canada, Mauritius, Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom, the United States of America, and Venezuela.

159. The representatives of Australia and of Iceland said that their Governments also wished to be associated with the declaration.

160. As agreed by the Meeting, the text of the declaration is attached to the present report (see annex X below).

**XI. ADOPTION OF THE REPORT**

161. The present report was adopted on the basis of the draft report contained in document UNEP/OzL.Pro.7/L.1 and Add.1 and 2.

**XII. CLOSURE OF THE MEETING**

162. After the customary exchange of courtesies, the President declared the Seventh Meeting of the Parties closed at 11.59 p.m. on 7 December 1995.
Annex I

ADJUSTMENTS TO THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEPLETE THE OZONE LAYER RELATING TO CONTROLLED SUBSTANCES IN ANNEX A

The Seventh Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer decides, on the basis of the assessments made pursuant to Article 6 of the Protocol, to adopt adjustments and reductions of production and consumption of the controlled substances in Annex A to the Protocol as follows:

Article 5: Special situation of developing countries

The following paragraph 8 bis shall be inserted after paragraph 8 of Article 5 of the Protocol:

8 bis. Based on the conclusions of the review referred to in paragraph 8 above:

(a) With respect to the controlled substances in Annex A, a Party operating under paragraph 1 of this Article shall, in order to meet its basic domestic needs, be entitled to delay for ten years its compliance with the control measures adopted by the Second Meeting of the Parties in London, 29 June 1990, and reference by the Protocol to Articles 2A and 2B shall be read accordingly;

...
Annex II

ADJUSTMENTS TO THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete
THE OZONE LAYER RELATING TO CONTROLLED SUBSTANCES IN ANNEX B

The Seventh Meeting of the Parties to the Montreal Protocol on Substances
that Deplete the Ozone Layer decides, on the basis of the assessments made
pursuant to Article 6 of the Protocol, to adopt adjustments and reductions of
production and consumption of the controlled substances in Annex B to the
Protocol as follows:

Article 5: Special situation of developing countries

The following subparagraph shall be inserted after subparagraph (a) of
paragraph 8 bis of Article 5 of the Protocol:

(b) With respect to the controlled substances in Annex B, a Party
operating under paragraph 1 of this Article shall, in order to meet its basic
domestic needs, be entitled to delay for ten years its compliance with the
control measures adopted by the Second Meeting of the Parties in London, 29 June
1990, and reference by this Protocol to Articles 2C to 2E shall be read
accordingly.
Annex III

ADJUSTMENTS TO THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEPLETE THE OZONE LAYER RELATING TO CONTROLLED SUBSTANCES IN ANNEXES C AND E

The Seventh Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer decides, on the basis of the assessments made pursuant to Article 6 of the Protocol, to adopt adjustments and reductions of production and consumption of the controlled substances in Annexes C and E to the Protocol as follows:

**Article 2F, paragraph 1 (a): Hydrochlorofluorocarbons**

In paragraph 1(a) of Article 2F, for the words:

Three point one

there shall be substituted:

Two point eight

**Article 2F, paragraph 5: Hydrochlorofluorocarbons**

The following sentence shall be added to the end of paragraph 5 of Article 2F of the Protocol:

Such consumption shall, however, be restricted to the servicing of refrigeration and air conditioning equipment existing at that date.

**Article 2H: Methyl bromide**

Article 2H of the Protocol shall read as follows:

Article 2H: Methyl bromide

1. Each Party shall ensure that for the twelve-month period commencing on 1 January 1995, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substance in Annex E does not exceed, annually, its calculated level of consumption in 1991. Each Party producing the substance shall, for the same periods, ensure that its calculated level of production of the substance does not exceed, annually, its calculated level of production in 1991. However, in order to satisfy the basic domestic needs of the Parties operating under paragraph 1 of Article 5, its calculated level of production may exceed that limit by up to ten per cent of its calculated level of production in 1991.

2. Each Party shall ensure that for the twelve-month period commencing on 1 January 2001, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substance in Annex E does not exceed, annually, seventy-five per cent of its calculated level of consumption in 1991. Each Party producing the substance shall, for the same periods, ensure that its calculated level of production of the substance does not exceed, annually, seventy-five per...
3. Each Party shall ensure that for the twelve-month period commencing on 1 January 2005, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substance in Annex E does not exceed, annually, fifty per cent of its calculated level of consumption in 1991. Each Party producing the substance shall, for the same periods, ensure that its calculated level of production of the substance does not exceed, annually, fifty per cent of its calculated level of production in 1991. However, in order to satisfy the basic domestic needs of the Parties operating under paragraph 1 of Article 5, its calculated level of production may exceed that limit by up to ten per cent of its calculated level of production in 1991.

4. Each Party shall ensure that for the twelve-month period commencing on 1 January 2010, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substance in Annex E does not exceed zero. Each Party producing the substance shall, for the same periods, ensure that its calculated level of production of the substance does not exceed zero. However, in order to satisfy the basic domestic needs of the Parties operating under paragraph 1 of Article 5, its calculated level of production may exceed that limit by up to fifteen per cent of its calculated level of production in 1991. This paragraph will apply save to the extent that the Parties decide to permit the level of production or consumption that is necessary to satisfy uses agreed by them to be critical agricultural uses.

5. The calculated levels of consumption and production under this Article shall not include the amounts used by the Party for quarantine and pre-shipment applications.

Article 5, paragraph 8 ter: Special situation of developing countries

The following paragraph 8 ter shall be inserted after paragraph 8 bis of Article 5 of the Protocol:

8 ter. Pursuant to paragraph 1 bis above:

(a) Each Party operating under paragraph 1 of this Article shall ensure that for the twelve-month period commencing on 1 January 2016, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed, annually, its calculated level of consumption in 2015;

(b) Each Party operating under paragraph 1 of this Article shall ensure that for the twelve-month period commencing on 1 January 2040, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed zero;

(c) Each Party operating under paragraph 1 of this Article shall comply with Article 2G;
(d) With regard to the controlled substance contained in Annex E:

(i) As of 1 January 2002 each Party operating under paragraph 1 of this Article shall comply with the control measures set out in paragraph 1 of Article 2H and, as the basis for its compliance with these control measures, it shall use the average of its annual calculated level of consumption and production, respectively, for the period of 1995 to 1998 inclusive;

(ii) The calculated levels of consumption and production under this subparagraph shall not include the amounts used by the Party for quarantine and pre-shipment applications.

Annex E: Methyl bromide

For "0.7" in the third column of Annex E substitute "0.6".

/...
Annex IV

CATEGORIES AND EXAMPLES OF LABORATORY USES (this list is not exhaustive)

1. Research and development (e.g. pharmaceutical, pesticide, CFC and HCFC substitutes)
   1.1 Reaction solvent or reaction feedstock (e.g. Diels-Alder and Friedel-Craft Reactions, RuO₃ oxidation, allelic side bromination, etc.)

2. Analytical uses and regulated applications (including quality control)
   2.1 Reference
      - Chemical (ODS monitoring, volatile organic compound (VOC) Detection, Equipment Calibration)
      - Toxicant
      - Product (adhesive bond strength, breathing filter test)
   2.2 Extraction
      - Pesticide and heavy metal detection (e.g. in food)
      - Oil mist analysis
      - Colour and food additive detection
      - Oil detection in water and soil
   2.3 Diluent
      - Zinc, copper, cadmium detection in plants and food
      - Microchemical methods to determine molecular weight or oxygen
      - Measuring drug purity and residual determination
      - Sterilization of lab equipment
   2.4 Carrier (Inert)
      - Forensic methods (e.g. fingerprinting)
      - Titration (cholesterol in eggs, drug chemical characteristics, "Iodine value", e.g. in oils and chemical products)
      - Analytical equipment (Spectroscopy (Infra-red, Ultra-violet, Nuclear Magnetic Resonance, fluorescence), chromatography (High-pressure liquid chromatography, gas chromatography, thin-layer chromatography)
   2.5 Tracer
      - Sanitary engineering

/...
2.6 Miscellaneous (including testing)
- Ingredient in material for testing (e.g. asphalt, metal fatigue and fracturing)
- Separation media (separation of extraneous materials such as filth and insect excreta from stored food products)

3. Miscellaneous (including biochemical)
3.1 Laboratory method development
3.2 Sample preparation using solvent
3.3 Heat transfer medium
Annex V

ACTIONS TO IMPROVE THE FINANCIAL MECHANISM FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Action 1

(a) Completion of the development by the Executive Committee of (i) a systematic approach to policy development, (ii) monitoring and evaluation guidelines, bearing in mind that operational responsibility remains with Governments, financial intermediaries or the Implementing Agencies, (iii) project templates for all sectors, with a view to having a project evaluation system in place by the end of 1995.

(b) The Executive Committee to examine the integration of Agencies and Secretariat's project review activities no later than six months after it has concluded that the preconditions for increased delegation set out in the recommendations in paragraphs 90 and 91 have been met.

(c) Further delegation by the Executive Committee in due course, with a view to achieving appropriate delegation on over time.

(d) Evaluation of the Small Project Approval Process (SPAP) by the Executive Committee on completion of the current project group.

Action 2

(a) The Executive Committee to develop and take decisions on policy issues already identified, so that a satisfactory number of such issues have been clearly addressed by late 1996. New policy issues are likely to continue to emerge, but would be dealt with more expeditiously with refined administrative processes.

(b) A list of foreseeable policy issues to be drafted by the Executive Committee with the help of the Implementing Agencies and the Fund Secretariat over the next two meetings.

(c) The Fund Secretariat and designated consortia of Implementing Agencies to produce consensus options for consideration by the Executive Committee.

(d) Decisions proposed for the consideration of the Executive Committee should clearly indicate the implications for project proposals if the decisions were to be adopted.

Action 3

The Committee members should normally refrain from speaking on projects in which they have a direct interest. However, this should not apply to projects which present policy issues, on which the Chair may invite all members to speak, in order to expedite consideration of such projects. It should be evident from records of Meetings of the Executive Committee that all projects are given equal treatment by the Committee.
Action 4

The Executive Committee should oversee the completion by the Implementing Agencies and the Secretariat, jointly, by the end of 1995 of a comprehensive, integrated database common to all agencies and the Secretariat, in conjunction with the completion of standard project outlines (templates), with a view to achieving a decrease in the number of projects undergoing substantial revision or reduction in proposed project costs due to the project review process and review the database in mid-1996.

Action 5

(a) The Executive Committee should examine the effectiveness of its policy dissemination procedures in early 1996. The procedures should include the provision of practical examples of the application of policy decisions, with a view to reducing the extent of project revision during the review process, and also examine the degree to which national ozone protection units and consultants consider they have sufficient information to guide project development.

(b) The Executive Committee should develop operational guidelines for agencies and their consultants.

(c) The Executive Committee should consider a report on incremental costs for the production of CFC-substitutes and establish firm compensation policies with a view to completing incremental cost guidelines for the production of CFC-substitutes by mid-1996.

Action 6

The Executive Committee should evaluate the regime adopted for 1995, taking into account the study's recommendations, including the recommendation that: "Cost-effectiveness norms should be prepared based on model projects of different capacities under standard conditions. Thereafter, projects should be assessed on their own merits." Nonetheless, all eligible projects shall continue to be funded overtime irrespective of their relative cost-effectiveness. In case of delayed funding, however, lump-sum payments could be considered.

Action 7

(a) Relevant Implementing Agencies should review institutional strengthening experiences and present a combined paper to the Executive Committee, which will include guidelines on the possible proportionate commitment of Article 5 countries in such areas as financial, organizational and human resource support, with a view to enhancing the effectiveness of ODS phase-out strategies.

(b) Institutional strengthening could include, at the request of Article 5 countries, assistance to meet their country programme goals relative to laws and regulations.
Action 8

The Executive Committee should select a lead Agency to prepare the framework for a policy dialogue with Article 5 countries by the end of 1996, with a view to enhancing regulatory support to ODS phase-out in Article 5 countries.

Action 9

The Executive Committee should request a lead Implementing Agency, with the other Agencies and the Secretariat, to further develop, as appropriate, the guidelines for country programmes, taking into account these recommendations, with a view to the adoption by the Executive Committee of revised guidelines. The Executive Committee will consider these guidelines in the light of its experience to date taking into account, as appropriate, the sectoral approach to technology transfer. However, approval of eligible projects should not be made contingent upon revision of country programmes. Any revision of the country programme would be at the request of the Party concerned.

Action 10

The study by the World Bank on the establishment of a concessional loan mechanism, requested by the Executive Committee at its Sixteenth Meeting, should be completed as soon as possible, and analysed and discussed by the Executive Committee at its Nineteenth Meeting, and a decision on suitable future steps be taken by the Executive Committee by its Twentieth Meeting or by the Meeting of the Parties in 1996, as appropriate, with a view to starting the use of concessional loans by the end of 1996, to the extent that the need and demand exist.

Action 11

The Executive Committee should examine the issue of industrial consolidation, taking into account national industrial strategies of Article 5 countries, with a view to achieving more effective approaches to ODS phase-out.

Action 12

Noting that the Executive Committee approved funding for Latin American and African Networks, the Executive Committee should review the existing similar networks and establish new networks, as appropriate.

Action 13

The Implementing Agencies should report to the Executive Committee on measures to include ODS phase-out issues into their ongoing dialogue on development programming and on measures they could to take to mobilize non-Fund resources in support of Montreal Protocol objectives, with a view to achieving an increase in the number of ozone-protection projects.
Action 14

The Executive Committee should consider the need for new Implementing Agencies for loan programmes in the light of emerging sectoral strategy policies and for methyl bromide after the Seventh Meeting of the Parties.

Action 15

The Executive Committee should urge the Article 5 countries concerned to select Implementing Agencies and mode of implementation keeping in mind the need to implement projects without delay.

Action 16

The World Bank should report on the training and incentive structure and, at its Nineteenth Meeting, the Executive Committee should consider this report and the relationship of the costs of training to total overhead costs, in order to ensure that the Executive Committee is fully informed about the role, resourcing and effectiveness of Financial Intermediaries.

Action 17

The Executive Committee should request each Implementing Agency to report, as and when the issue arises, on legal and institutional impediments to project implementation and measures taken to address them as soon as possible.

Action 18

(a) The World Bank and all other institutions associated with the Financial Mechanism should propose measures to assist UNEP in collecting contributions in arrears.

(b) The World Bank should review with UNEP the processes for acceptance of promissory notes.

Action 19

The Executive Committee should monitor the extent to which the available bilateral component is utilized.

Action 20

The Executive Committee should pay attention to training directly related to investment projects and consider training of technical experts from Article 5 countries, especially when addressing the needs of small-ODS users. Where the Fund supports eligible projects of research to adapt technology to local circumstances, it should encourage the involvement of Article 5 country technical experts in the discussions of technical options, and the effective involvement of local experts in field missions.

Action 21

(a) The Executive Committee should prepare an itemized progress report on measures taken so far, in the context of Article 10 of the Protocol, to establish a mechanism specifically for the transfer of technology and the technical know-how at fair and most favourable conditions necessary to phase out ozone-depleting substances; and at the same time...
time.

(b) The Executive Committee should request UNEP to intensify its efforts to collect information from relevant sources, and to prepare an inventory and assessment of environmentally sound and economically viable technologies and know-how conducive to phase out of ozone-depleting substances. This inventory should also include an elaboration of terms under which transfers of such technologies and know-how could take place.

(c) The Executive Committee should consider what steps can practicably be taken to eliminate any impediments in the international flow of technology.

(d) The Executive Committee should further elaborate the issue of the eligible incremental costs of technology transfer, including costs of patents and designs and the incremental costs of royalties as negotiated by the recipient enterprises.

The actions in subparagraphs (a), (b) and (c) should be completed by its Nineteenth Meeting and updated periodically, and the action in subparagraph (d) should be taken immediately.
Annex VI

ESSENTIAL USE EXEMPTIONS
(In Tonnes)

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/...
Annex VII
Annex VIII
Explanatory notes for the budgets

1. The 1995 and 1996 budgets are as approved by the Sixth Meeting of the Parties to the Montreal Protocol (see UNEP/OzL.Pro.6/7, para.84, decision VI/19, and annex IV).

2. The guidelines for the 1997 budget are as follows:

a/ 1100 Classification of the posts in UNEP is currently taking place in accordance with the guidelines of the United Nations. Provision is made for upgrading, if approved by the Executive Director, after review. Salaries are updated to reflect the actual salary levels in Nairobi.

b/ 1106 A new post for a Programme Officer/Information Systems is needed for taking care of the data reported by the 149 Parties, its analysis as well as to coordinate the information systems of the Secretariat (bulletin boards, WWW (the "World-Wide Web"), etc.). Funding for this post to be requested from UNEP or countries providing Junior Professional Officers (JPOs).

c/ 1300 See note a/ above.

d/ 1320 The Secretariat needs temporary assistance during the meetings due to the peaks in the workload.

e/ 1321-1326 The conference-servicing costs have been based on the following assumptions:

One Open-ended Working Group meeting will be held during 1997 in Nairobi, using six languages and lasting five days.

The Preparatory and Parties meeting for the Montreal Protocol in six languages will be held in Nairobi.

The two Bureau meetings are scheduled for 1997, using three languages.

The two Implementation Committee meetings, in English only, are assumed to take place in Nairobi.

The one informal consultation, in English only, is assumed to take place in Nairobi.

f/ 3301-3305 The participation of representatives of developing country Parties in various Protocol meetings is assumed to cost an average of $5,000 per participant taking into account not more than one person's travel cost per country using the most appropriate economical fare and per diem allowances for one week during 1997.

The participation in the Assessment Panel meetings (three Panels and seven Technical Option Committees) for some 66 participants is $330,000.

The Preparatory and Parties Meetings participation costs for 50 participants is $250,000.
The Open-ended Working Group meeting participation costs for 50 participants is $250,000.

The participation costs for the two Bureau meetings are based on three developing country participants in each meeting.

The participation costs for the two Committee meetings are based on six participants from developing countries in each meeting.

\[ g/ \quad 4101 \quad \text{The cost of expendable equipment has been increased marginally to cover the price increases.} \]

\[ h/ \quad 4201-4204 \quad \text{The cost of non-expendable equipment is to allow the replacement of obsolete equipment.} \]

\[ i/ \quad 5201-5203 \quad \text{The reporting costs are increased to reflect the current cost of printing.} \]

Printing of reports includes Panel reports for an assessment under Article 6 in 1997.

In view of the success of the Protocol, many requests are made to the Secretariat to participate in publications of other agencies, and for the activities related to the International Day for the Preservation of the Ozone Layer. provision is also made for information dissemination for the tenth anniversary of the Montreal Protocol.

\[ j/ \quad 5301-5303 \quad \text{The communication and freight charges have been increased as a result of the growth in the number of Parties to the Montreal Protocol and the rise in local and international telephone and postal charges.} \]
Annex IX

DECLARATION ON HYDROCHLOROFUOROCARBONS (HCFCs)

Declaration by Argentina, Austria, Belgium, Botswana, Chile, Costa Rica, Denmark, El Salvador, Finland, Germany, Iceland, Liechtenstein, Luxembourg, Malawi, Mexico, Netherlands, Norway, Paraguay, Peru, Portugal, Sweden, Switzerland, United Kingdom and Uruguay

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

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

Being aware that further significant reductions in the emissions of hydrochlorofluorocarbons would have a beneficial effect on the ozone layer, especially in the coming ten years where chlorine concentrations in the atmosphere will reach a critical maximum,

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

1. Emphasize the fact that a complete substitution of chlorofluorocarbons need not rely on the use of hydrochlorofluorocarbons;

2. Stress the need to strengthen further the control measures decided at the Seventh Meeting of the Parties to the Protocol in countries operating under Articles 2 and 5;

3. Will take all appropriate measures to limit the use of hydrochlorofluorocarbons as soon as possible.

Vienna
7 December 1995
Annex X

DECLARATION ON METHYL BROMIDE

Declaration by Australia, Botswana, Canada, Iceland, Mauritius, Netherlands, New Zealand, Norway, Sweden, Switzerland, United Kingdom, United States of America, and Venezuela

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

Commend the international community for taking constructive steps in strengthening controls on methyl bromide,

Being aware that faster movement towards phasing out methyl bromide would reduce the human and environmental impacts of ozone depletion,

Being aware that some Parties are able to adopt alternatives at an earlier stage, and that several Parties have adopted domestic policies to largely phase out methyl bromide in the next few years,

Declare their firm determination, at the national level:

(a) To encourage the widespread adoption of alternatives;

(b) To take all appropriate measures to limit the consumption of methyl bromide to those applications that are strictly necessary, and to phase out the consumption of methyl bromide as soon as possible.

Vienna
7 December 1995