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

San José, 25-27 November 1996

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

1. The Eighth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer was held at the Herradura International Conference Centre, San José, from 25 to 27 November 1996.

I. OPENING OF THE MEETING

2. The meeting was opened at 10 a.m. on Monday, 25 November 1996, by His Excellency Mr. José Maria Figueres, President of the Republic of Costa Rica.

A. Statement by the President of Costa Rica

3. In his address to the Meeting, Mr. Figueres stressed the importance of the agreements under the Montreal Protocol. He said that a firm commitment by each Party was essential for the attainment of the common goal of sustainable development of the planet. In that connection, it was his hope that Costa Rica could, in a sense, be a pilot project at the national level.

4. He fully endorsed the "polluter pays" principle and

welcomed the fact that Parties not operating under Article 5 had committed themselves not only to paying the costs of their own phase-out of ODS but also to contributing, through the Multilateral Fund, to the costs of the Parties operating under Article 5.

5. Only by accepting binding principles, recognizing real responsibilities and providing the Montreal Protocol mechanism with an appropriate level of financial and technological resources, could the Parties ensure that the Montreal Protocol would be effectively implemented in the future. To ensure that the Governments met their obligations, non-governmental organizations should mobilize opinion and public awareness to exert the necessary pressure on them. Wishing the participants success in their deliberations, he said he was confident that the Eighth Meeting of the Parties would overcome the obstacles it faced and mark a further milestone in the protection of the ozone layer.

B. Statement by the Executive Director of the United Nations Environment Programme (UNEP) and Secretary-General to the Eighth Meeting of the Parties to the Montreal Protocol

6. Ms. Elizabeth Dowdeswell, Executive Director of UNEP, having thanked the Government and people of Costa Rica for their hospitality and welcomed the participants, said that, while future global environmental change was fraught with uncertainty, the Vienna Convention and Montreal Protocol were models of cooperative and adaptable action in that regard, based firmly on the advances in scientific evidence. Chlorofluorocarbons (CFCs) in the background atmosphere were decreasing, as was to be expected, but the abundance of hydrochlorofluorocarbons (HCFCs) was increasing rapidly. Research and monitoring activities were essential, but financial support was not currently available, and she urged the Parties to look creatively at the sources of such funding and Global Environment Fund (GEF) to provide assistance.

7. Although membership of the ozone agreements had reached record levels, the number of ratifications of the Amendments to the Montreal Protocol was still unsatisfactory. She urged all Parties to ratify those Amendments and the Parties with economies in transition, in particular, to ratify the London Amendment, since GEF had linked to such ratification the

provision of its financial support to those countries.

8. There were significant arrears in the trust funds for the Vienna Convention and Montreal Protocol and she urged all Parties to pay their dues promptly, since they were essential for the effective functioning of the agreements. To ensure as wide a participation as possible in the essential work of the various meetings, she appealed to those Parties able to do so to assist participants from the developing countries and countries with economies in transition to attend them. There were still arrears, also, in contributions to the Multilateral Fund. Replenishment of that Fund was one of the most important decisions to be taken at the current meeting, on the basis of the excellent report prepared by the Technology and Economic Assessment Panel (TEAP).

9. Data-reporting had substantially improved and indicated that only a few countries were not complying with the control measures of the Montreal Protocol. Those countries had asked for assistance and for an extension of time-limits up to the year 2000. The Implementation Committee had reviewed their cases individually and had recommended appropriate assistance. To date, GEF had authorized about US\$ 110 million to assist nine countries.

10. Illegal trade in ozone-depleting substances (ODS) could negate the international effort to phase out those substances. Noting that urgent steps were needed to curb that trade, she welcomed the draft decision on the subject that was before the Parties.

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

11. Mr. Martin Bartenstein, Federal Minister for the Environment, Youth and Family Affairs of Austria, President of the Seventh Meeting of the Parties, informed the Meeting that the Bureau of the Seventh Meeting had met once in the interim period to review the implementation of the decisions of that Meeting and the work of the Implementation Committee. The details were to be found in the report of the Executive Director (UNEP/OzL.Pro.8/2). It had also reviewed the documentation prepared for the current Meeting. He was pleased to report that the number of ratifications of the Montreal Protocol continued to increase and had reached a record number among environmental instruments. It was to be regretted, however, that 29 countries had still not ratified the Protocol, and he urged them to do so. The number of ratifications of the London and Copenhagen Amendments was disappointingly low, but he welcomed the entry into force of the Vienna adjustments on 7 August 1996.

12. The phase-out of the ODS in annexes A and B by the Parties not operating under Article 5 had been completed, and applications for essential-use exemptions related to fairly limited quantities. With advice from the Implementation Committee and assistance from GEF, the countries with economies in transition would, he was sure, phase out ODS in the fairly near future. The Parties operating under Article 5 had some notable phase-out achievements to their credit and, provided that the Multilateral Fund was adequately replenished, would undoubtedly meet their future commitments. The only disquieting feature of the last year had been the increase in the illicit trade in ODS.

II. ORGANIZATIONAL MATTERS

A. Attendance

13. The meeting was attended by representatives of the following Parties to the Montreal Protocol: Algeria, Antigua and Barbuda, Argentina, Australia, Austria, Bahamas, Belarus, Belgium, Benin, Botswana, Brazil, Bulgaria, Burkina Faso, Cameroon, Canada, Central African Republic, Chad, Chile, China, Colombia, Congo, Costa Rica, Cuba, Czech Republic, Denmark, Dominican Republic, Ecuador, Egypt, El Salvador, Estonia, Ethiopia, European Community, Finland, France, Gambia, Georgia,

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Germany, Ghana, Greece, Guatemala, Hungary, Iceland, India, Indonesia, Iran (Islamic Republic of), Ireland, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Kuwait, Latvia, Lesotho, Liechtenstein, Lithuania, Luxembourg, Malawi, Malaysia, Marshall Islands, Mauritius, Mexico, Micronesia (Federated States of), Mongolia, Morocco, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Panama, Paraguay, Peru, Philippines, Poland, Republic of Korea, Romania, Russian Federation, Saint Lucia, Samoa, Saudi Arabia, Senegal, Seychelles, Singapore, Slovakia, South Africa, Spain, Sri Lanka, Sudan, Swaziland, Sweden, Switzerland, Syrian Arab Republic, Thailand, Tunisia, Uganda, Ukraine, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, United States of America, Uruguay, Venezuela, Viet Nam, Zambia, Zimbabwe.

14. Representatives of the following United Nations bodies and specialized agencies also attended: United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Industrial Development Organization (UNIDO), United Nations Office for Project Services (UNOPS), World Meteorological Organization (WMO), World Bank.

15. The following intergovernmental and non-governmental bodies and agencies were also represented: Agricultural Research Consulting, Air Conditioning and Refrigeration Institute, Allergy and Asthma Network/Mothers of Asthmatics, Alliance for Responsible Atmospheric Policy, American WNG Association, Amigos de la Flora y Fauna Tropical S.A. (FFT), AREA, Asahi Research Centre Co., Association of Methyl Bromide Industry Japan (AMBIJ), Asthma and Allergy Foundation of America, Centre for Global Change (CGC), CODEFF, Crop Protection Coalition, Elf Atochem, E.M.C. Inc., Environmental Investigation Agency, European Chemical Industry Federation (CEFIC), European Federation of Asthma and Allergy, Federation of Pharmaceutical Manufacturers' Associations of Japan (FPMAJ), Friends of the Earth (FOE), GE Appliances, Glaxo Wellcome, Greenpeace, Hendrix and Dial Inc., Indian Chemical Manufacturers' Association (ICMA), International Access Corp., International Council for Environmental Law (ICEL), Industrial Technology Research Institute (ITRI), International Pharmaceutical Aerosol (IPAC), Japan Association for Hygiene of Chlorinated Solvents (JAHCS), Japan Environmental Sanitation Centre, Japan Fluorocarbon Manufacturers' Association, Japan Industrial Conference for Ozone Layer Protection (JICOP), Japan's Save the Ozone Network (JSON), Knowzone Solation, Medisol Labs, Methyl Bromide Working Group (MBWG), Pesticide Action Network (PAN), S.A. - Organic

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Agriculture, Programa de Plagicidas, Universidad de Costa Rica, REGMA, Rhone-Poulenc Rorer, Rowland Company, Schering-Plough Corporation (SPC), Standing Committee of European Directors, 3M Company, Trane Company, TRICAL, Ulsan Chemical Co. Ltd.

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

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

President: Mr. Sam K. Ongeru, Kenya  
(African Group)

Vice-Presidents: Mr. Gil Sou Shin, Republic of  
Korea  
(Asia and Pacific Group)

Mr. Armands Plate, Latvia  
(Eastern European Group)

Ms. Ianthe Smith, Jamaica  
(Latin American and Caribbean Group)

Rapporteur: Mr. Gregory Rose, Australia  
(Western European and Others Group)

17. Having thanked the Government of Costa Rica for its hospitality and the Parties for having elected him, Mr. Ongeru stressed the importance of moving ahead on the tasks of the Montreal Protocol and expressed his hope that the Parties would bear in mind their responsibility for achieving sustainable development. He also hoped that, with the cooperation of all participants, the new Bureau would be as successful as the last.

C. Adoption of the agenda

18. The following agenda was adopted on the basis of the revised provisional agenda in document UNEP/OzL.Pro.8/1:

1. Opening of the meeting:

- (a) Statement by the representative of the Government of Costa Rica;

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- (b) Statement by the Executive Director of the United Nations Environment Programme;
  - (c) Statement by the President of the Seventh Meeting of the Parties.
2. Organizational matters:
- (a) Election of the President, three Vice-Presidents and the Rapporteur;
  - (b) Adoption of the agenda;
  - (c) Organization of work;
  - (d) Credentials of representatives.
3. Statements by the heads of delegations.
4. Consideration of the recommendations of the Preparatory Meeting and decisions on replenishment of the Multilateral Fund for the Implementation of the Montreal Protocol, actions to improve the Financial Mechanism, report of the Executive Committee on technology transfer, essential-use nomination for ozone-depleting substances, control of trade in methyl bromide, critical agricultural uses of methyl bromide, proposed budgets for the Montreal Protocol Trust Fund, terms of reference for the Technology and Economic Assessment Panel, illegal trade in ozone-depleting substances and other issues.
5. Consideration of the report of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol.
6. Consideration of the report of the Chair of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol.
7. Date and venue of the Ninth Meeting of the Parties.
8. Other matters.
9. Adoption of the report.

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10. Closure of the meeting.

D. Organization of work

19. The Meeting decided that the contact group established by the Preparatory Meeting and presided over by the Co-Chairs of the Open-Ended Working Group should continue its work of considering draft decisions relating to replenishment of the Multilateral Fund (UNEP/OzL.Pro.8/7, draft decision VIII/4). It further decided that the open-ended contact group established by the Preparatory Meeting under the chairmanship of the representative of Canada should continue its work of considering draft decisions relating to compliance with the Montreal Protocol by the Russian Federation (UNEP/OzL.Pro.8/7, draft decision VIII/21). The Meeting also decided that the remaining draft decisions, as contained in documents UNEP/OzL.Pro.8/Prep/L.1, Add.1 and Add.2, would be taken up directly in plenary.

E. Credentials of Representatives

20. The President, speaking on behalf of the Bureau, reported that the Bureau of the Eighth Meeting of the Parties, acting jointly with the Bureau of the Conference of the Parties to the Vienna Convention, had approved the credentials of the representatives of 81 Parties to the Eighth Meeting of the Parties to the Montreal Protocol, out of 107 Parties represented at the Meeting. The Bureau had also approved provisionally the representation of 7 Parties, on the understanding that they would send the credentials to the Secretariat in due course.

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

III. REPORTS OF THE ASSESSMENT PANELS

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22. Mr. Piet Aucamp and Mr. Robert Watson, Co-Chairs of the Scientific Assessment Panel, began their presentation by noting that the issue of stratospheric ozone depletion was one in which there had been close coordination between scientific research, the international assessment process and policy formulation. While the Vienna Convention had been based largely on the precautionary principle, as there had been no direct observational evidence of ozone depletion at the time of its adoption, the Montreal Protocol and its subsequent amendments and adjustments had been negotiated taking into account the latest laboratory studies, observations and theoretical calculations as evaluated through the assessment process. Indeed, new scientific findings had formed the basis for progressive sets of control measures. Such findings included the discovery of the Antarctic ozone hole, the observation and quantification of global ozone depletion, the measurement of increased levels of ground-level ultraviolet radiation (UV-B), and the linking of those observations to anthropogenic emissions of chlorine-containing and bromine-containing chemicals.

23. With regard to current findings, the Co-Chairs stated that tropospheric levels of chlorine were decreasing as a result of the Montreal Protocol and that, within a few years, the level of chlorine in the stratosphere would also start decreasing, on the assumption that all countries abided by the agreed control measures. Once stratospheric levels of chlorine and bromine started to decrease, the ozone layer would begin recovering, but complete recovery would not occur until the middle of the next century, even with full compliance with the Montreal Protocol.

24. The Co-Chairs said that the next scientific assessment, which would be completed during the summer of 1998, would cover source gases, observed ozone trends, model predictions of future ozone levels, UV-B radiation, the ozone-climate connection, and matters related to methyl bromide. In addition, they stated that there would be a special report on the environmental implications of exhaust emissions from subsonic and supersonic aircraft. That report, which would be completed by the autumn of 1998, would be produced in conjunction with the IPCC and ICAO. They suggested that, in order to recognize the significant research efforts being undertaken in Europe, an additional Co-Chair from that region should participate in the next scientific assessment. As in the past, the assessment would be based on rigorously reviewed research and represent the views of the majority of the world's scientists regarding issues surrounding the depletion of stratospheric ozone. The

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scientific assessments were not science or budget planning documents, however, and could not evaluate policy options or the economic implications of ozone depletion or control measures.

25. Mr. J.C. van der Leun, Co-Chair of the Panel on Environmental Effects of Ozone Depletion, gave an overview of the state of knowledge with regard to such effects. The Panel had made an executive summary in October 1996 on new scientific findings that addressed changes in UV radiation and the effects of increasing UV radiation on health, terrestrial and aquatic ecosystems, bio-geochemical cycles, air quality, and materials.

The executive summary, made available to all participants in the current Meeting, revealed how the available knowledge still related mainly to the direct effects of increasing UV radiation on organisms. Attempts were being made to extend that knowledge to more complicated systems, such as food production in agriculture and fisheries and biodiversity in ecosystems. Research into effects appeared to be increasing again, after a low during the past several years, caused by a lack of funding.

The recovery might be due to pleas for an expansion of the research, made by several international bodies such as the Scientific Committee on Problems of the Environment of the International Council of Scientific Unions, and by the Ozone Research Managers of the Parties to the Vienna Convention.

26. Before the next full assessment report on environmental effects of ozone depletion was finalized in 1998, the draft would be sent for comments to expert reviewers outside the Panel. In the past, there had been very few expert reviewers from developing countries. He asked the delegations of the developing Parties to look for scientists in their own countries who could serve as expert reviewers for the 1998 assessment, and to propose such persons to the Ozone Secretariat.

27. Mr Stephen Andersen, Co-Chair of the Technology and Economic Assessment Panel (TEAP), presented some specific issues related to the operation of the Panel, on behalf also of the two other Co-Chairs, Mr. Suely Carvalho, Brazil, and Mr. Lambert Kuijpers, Netherlands. He mentioned that TEAP currently had 22 members and that there were more than 250 members in TEAP itself, its technical options committees (TOCs) and task forces (TFs), who came from 43 countries in all regions of the world. The composition of TEAP had changed substantially, from 17 members from nine countries in 1995 to 22 members from 17 countries by November 1996. New nominations for TOC Co-Chairs were welcomed each year, since some vacancies regularly

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occurred. TEAP/TOC/TF meetings had been held in 15 countries during 1995-1996; TEAP members had organized workshops in 16 countries during the same period.

28. TEAP served the Parties in many ways, via (i) technical and economic options reports, (ii) specific economic reports such as that on CEIT aspects, (iii) the elaboration of technical strategies, (iv) support of technology transfers, (v) review of essential uses, and (vi) special reports such as that on the replenishment of the Multilateral Fund for the period 1997-1999.

TEAP was pleased to report that, while the phase-out was virtually complete in the developed countries, the phase-out in the developing countries was on an accelerated schedule, with examples of aerosols, solvents and household refrigerators in several Parties operating under Article 5.

29. Parties operating under Article 5 had access to information via TEAP and its TOCs, the Industry and Environment Centre (UNEP/IE) of the United Nations Environment Programme and the regional networks, information which had contributed to a wise and sophisticated selection of technologies, not only in the developed but also, to a considerable extent, in the developing countries.

30. He concluded his presentation by submitting to the Meeting a list of increasing challenges, and emphasized that TEAP was pleased to continue to serve the Parties in all the issues that they might decide, being strengthened in its operation by the kind words of confidence expressed in the opening presentation.

#### IV. STATEMENTS BY THE IMPLEMENTING AGENCIES

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31. Mr. R. Lenton, Director of the Sustainable Energy and Environment Division of UNDP, reported that UNDP had a dynamic portfolio of 490 projects in 49 countries that would eliminate 18,137 ozone-depleting potential (ODP)-weighted tonnes of ODS. He noted that 160 projects had already been completed, including 55 investment projects that had eliminated 2,678 ODP-weighted tonnes of ODS in 11 countries. He cited the excellent cooperation among the implementing agencies and with the Fund Secretariat. He also stressed the need for the Executive Committee to adopt appropriate measures to deal with sectoral phase-out of ODS and the definition of small and medium enterprises. In addition, he expressed concern at the funding limitations of the Multilateral Fund and the possibility that ODS phase-out schedules in Article 5 country programmes might not be met.

32. Ms. A. Tcheknavorian-Asenbauer, Managing Director of the Industrial Sectors and Environment Division, said that UNIDO currently had a programme of more than 175 activities in 48 countries, with a total value of US\$ 100,000,000. The programme had resulted in the completion of 28 non-investment projects and six large investment projects, resulting in an ODS phase-out of 784 ODP tonnes. Furthermore, by the end of 1996, UNIDO would have completed 6 new non-investment projects and 10 new investment projects, resulting in the phase-out of a further 1,138 ODP tonnes. In addition to those projects, UNIDO had expended considerable effort in providing assistance to low-consuming countries, mainly in Africa, and was pleased to report completion of a refrigeration project in Cameroon using hydrocarbons. In the future, UNIDO, in coordination with UNDP, UNEP and the World Bank, would also prepare demonstration projects in the methyl bromide sector.

#### V. STATEMENTS BY THE HEADS OF DELEGATIONS

33. During the general debate on the reports presented under agenda items 4-6 and the report of the Executive Director, statements were made by representatives of 48 States and of four non-governmental organizations.

34. All the representatives who took the floor expressed their appreciation to the Government of Costa Rica for hosting the Meeting of the Parties.

35. Many representatives expressed their appreciation of the

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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.

36. Several other representatives thanked the Executive Committee of the Multilateral Fund for earmarking US\$ 3 million for projects in low-volume consuming countries, but noted that the requirements for cost-effective and innovative approaches were difficult to satisfy. One representative thanked UNEP for its efforts to assist in devising such approaches. The need to reach consensus on the type of methyl bromide demonstration projects could, it was recommended by one representative, best be met through the regional network meetings, as a means of ensuring cost-effectiveness.

37. Many representatives took a positive view of the achievements of the Montreal Protocol, noting the reduction in the atmospheric accumulation of controlled substances and the increased number of Parties. The Protocol's success was attributed to several factors: it had consistently based its efforts on the findings of scientific, technological and economic assessments; it had established a partnership among all countries, with common but differentiated responsibilities: it had established strong binding controls; and it had set up a Fund to augment the efforts by developing countries to meet their commitments.

38. Several representatives expressed dismay, however, at the low level of ratification of the London and Copenhagen Amendments and urged all Parties that had not yet done so to ratify them without delay.

39. Many representatives noted that past successes should not give rise to complacency. The ultimate success of the Protocol still faced many challenges, including the illegal trade in controlled substances, the introduction of binding controls in Parties operating under Article 5, the implementation of controls on methyl bromide and HCFCs, mixed incentives and signals with regard to ODS alternatives and the maintenance of adequate levels of support for developing countries within the framework of the Multilateral Fund.

40. A number of representatives referred to the ozone hole over the Antarctic, and several of them mentioned the scientific evidence of serious ozone depletion in the Arctic region. One of them pointed out that increased UV radiation affected not

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only human beings but also the vast and complex ecosystems, with unpredictable consequences for food production.

41. Many representatives gave an account of their national achievements in implementing the Protocol, most 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. A number of them reported that their internal measures went beyond the control measures called for in the Protocol. One expressed the view that, while his country had always been committed to the Montreal Protocol, the Parties must ensure that environmental issues were not abused by certain sectors for their own interests. Several other representatives referred to the greater difficulties encountered by the Parties operating under Article 5 in meeting their obligations under the Protocol.

42. Some representatives expressed satisfaction with the proposed terms of reference of the TEAP and the code of conduct for its members and suggested that, with an increase in the number of members from Parties operating under Article 5, continuity should also be maintained.

43. Many representatives said that the ability of the Parties operating under Article 5 to fulfil their commitment to phase out ODS, not to mention the desire of many of them to accelerate the phase-out, was directly linked to the replenishment of the Multilateral Fund. Most of them said that the replenishment figure proposed by TEAP was insufficient, particularly in view of the need to maintain the momentum of their ODS phase-out. Several representatives said that the persistent lack of Fund resources was undoubtedly the reason for the increasingly restrictive requirements for the approval of projects. One representative said that his country's commitment to protect the ozone layer would be directly dependent on the replenishment level. Another representative said that the Eighth Meeting of the Parties was the continuation of the Seventh Meeting; the implementation of further measures adopted by the Seventh Meeting was closely linked to the level of replenishment of the Multilateral Fund, to be decided by the Eighth Meeting.

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44. Many representatives of Parties not operating under Article 5 pointed out that their contributions to the Fund were fully paid and up-to-date. Several of them said that they were in favour of a robust replenishment of the Multilateral Fund so that Parties operating under Article 5 could implement the freeze and achieve accelerated phase-out.

45. A number of representatives expressed concern at the arrears in contributions to the Multilateral Fund and urged the Parties concerned to rectify the situation. One of them commented that, if certain Parties that were in arrears had no intention of ever paying the sums in question, that should be taken into account when calculating the replenishment of the Multilateral Fund, which should be independent of fictitious contributions.

46. Several representatives said it was important that financing by the Multilateral Fund should respect the environmental and sustainable development objectives of the Rio Conference and that projects designed to protect the ozone layer should not have a negative impact on climate change, biodiversity or health. Care should be taken to evaluate the overall environmental compatibility of projects and to make comprehensive and neutral information available to the Parties operating under Article 5.

47. Several representatives suggested that particular attention should be paid to the special needs of the countries with economies in transition and that they should be granted special assistance to enable them to eliminate the use of ozone-depleting substances within the shortest possible time-frame. They welcomed the progress made by those countries and particularly the ratification by some of them of the amendments to the Montreal Protocol.

48. Several representatives said that the forthcoming period up to the phase-out date for the Parties operating under Article 5 would be critical for the success of the entire Protocol regime. One of them said that, in the circumstances, many Parties operating under Article 5 considered non-investment projects, such as training, education and other capacity-building, to be at least as important as investment ones. Another representative linked effective technology transfer to more non-investment projects. A number of representatives said that non-investment projects were just as important and cost-effective as investment ones. Money used for investment projects might be

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wasted if not combined with strategies to ensure efficient control of the overall use of ODS.

49. Several representatives stressed the importance of the transfer of technology and suggested that Parties not operating under Article 5 should treat compliance with their obligations in that respect as seriously as compliance with the financial obligations. Another representative commented that, in actual fact, some 60 per cent of conversion costs were defrayed by the private sector, and that economic instruments, such as an ozone seal of approval, were being used.

50. Many 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.

51. 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 ODS 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 said that, if trade measures were deemed necessary for the fulfilment of the Protocol's objectives, such provisions must be specified in the Protocol itself, which would have to be amended accordingly. 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.

52. One representative expressed particular concern at the fact that some Parties were exporting recycled and reused ODS at the same time as they were exporting newly produced substances. Another representative described strengthening of enforcement as the new agenda for the Protocol, while yet another suggested the use of licensing and labelling systems as a way forward. One representative noted that the matter would be considered at the next meeting of the Open-ended Working Group and that amendments to the Protocol might be required.

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53. Several representatives expressed concern at the increase in ODS consumption in certain Parties operating under Article 5 which might well counteract the phase-out in the Parties not operating under Article 5. Several other representatives pointed out that the increase in ODS consumption was due to economic growth and a rise in the standard of living. One of them added that, while the resources supplied by the Multilateral Fund for projects in his country were inadequate, there was also the problem that the Fund did not finance the building of new facilities for the production of ODS substitutes. He commented that the developed countries had used ODS for the longest period of time and in the largest quantities and thus, despite their recent phase-out, their historical role in contributing to the Multilateral Fund and to the transfer of technology for ODS substitutes was not yet over.

54. One representative said that it was essential to accelerate the phase-out of transitional substances such as HCFCs and replace them by more environmentally-friendly substances. The whole cost of phasing out CFCs and subsequently replacing the transitional substances should be taken into account when assessing cost-effectiveness. Another representative said he was pleased that the decision regarding the phasing out of HCFCs taken at the Seventh Meeting did not envisage too rapid a process. A number of representatives noted that the cost-effectiveness criterion was disadvantageous to countries consuming small quantities of controlled substances.

55. Other representatives praised the work accomplished by the UNEP OzonAction network. They suggested that UNEP should increase its activities connected with capacity-building at the national level, with particular emphasis on legislation and policy-making to support the implementation of investment projects.

56. Some other representatives, while expressing their appreciation of the implementing agencies, thought that the time-lag between project approval and project implementation was too long and should be shortened.

57. Several representatives said that a prudent approach should be adopted to the transition from CFC-based metered-dose inhalers (MDIs). Only one substitute was available as yet and the potential consequences of a hasty phase-out for the developing countries could be very significant. One of them

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commented that essential-use applications connected with health should be given priority. Other representatives agreed that the transition must be a seamless one, for the benefit of the patients concerned, but thought that alternatives were already available, though little used in the developing countries as yet. Another Party said that the transition to non-CFC-based MDIs should be accelerated at the Ninth Meeting of the Parties.

58. Several representatives said that, since the question of small and medium-sized enterprises (SMEs) was crucial for the implementation of the Montreal Protocol, it should be borne in mind in connection with the replenishment of the Multilateral Fund. As large projects were completed, ODS consumption would become concentrated and project approvals might also be impeded by application of the cost-effectiveness threshold. Some representatives noted the difficulty of designing phase-out projects for SMEs which could be approved by the Executive Committee.

59. One representative suggested that the Executive Committee should, through the implementing agencies, simplify the project-monitoring process so as to accelerate the transfer of technology to and implementation of projects in the Parties operating under Article 5.

60. One representative referred to the disparity that existed in the projects for industrial conversion between the costs of the alternatives for ODS as assessed by the implementing agencies and the real cost of such alternatives in the markets. He suggested that research into the real prices of the technologies would need to be undertaken so as to prevent further delays in the implementation of the projects and to overcome the problem of unrealistic estimates.

61. Several representatives expressed their support for the decision adopted by the Seventh Meeting of the Parties concerning the control of methyl bromide and appealed for an additional provision, under the Multilateral Fund, for supporting research into alternatives to methyl bromide in Parties operating under Article 5. One representative said that the Parties operating under Article 5 should be strongly encouraged to develop programmes to limit their consumption and production of ODS, particularly methyl bromide. The representative of one Party operating under Article 5 said that, by the year 2006, his country, after an initial freeze in 2000,

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would have phased out methyl bromide completely.

62. Several other representatives pointed out that methyl bromide was currently essential to developing countries producing food or cash crops and must be retained for some time to come. One of them said that no phase-out of methyl bromide was possible unless and until technically and economically feasible alternatives were available that were acceptable from the standpoint of both environment and health. Another of them said that producers of methyl bromide should refrain from advancing their own interests by providing inaccurate information to users.

63. One representative invited GEF to develop further activities that would integrate actions related to climate change and ozone depletion. Several other representatives also called on GEF to provide the necessary assistance to research and monitoring of ozone depletion in Parties operating under Article 5.

64. The representative of Georgia appealed to the Parties to support his country's application for classification as a Party operating under Article 5. Its annual per capita consumption of ODS did not exceed 0.3 kg, it was not an ODS producer and it was in a particularly difficult economic situation. Another Party not operating under Article 5 notified its intention to seek reclassification and undertook, following reclassification, not to call upon the Multilateral Fund for assistance or fall back from its current achievements under the Protocol.

65. The representative of a non-governmental organization compared the funds spent for weapons procurement and testing by particular countries to the far smaller amounts being discussed in relation to replenishment of the Multilateral Fund. He urged the Parties to accelerate radically the phase-out of all ODS and to set the size of the Multilateral Fund at appropriately high levels, in order to allow Parties operating under Article 5 to meet such a schedule. He suggested drawing contributions from multinational chemical companies which had profited from ODS. He expressed concern regarding the use of HFCs in general and HFC 134a in particular, noting its potential contribution to climate change, and encouraged the exclusive use of non-ODS and non-global warming alternatives to CFCs.

66. The representative of another non-governmental organization

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drew special attention to the negotiations on replenishment issues, noting that the economic, environmental, health and social costs of ozone-depletion appeared absent from those deliberations. He called on the Parties to pledge replenishment levels far above US\$ 500,000,000, to provide additional funding for replacing halons, to focus more of the Fund's resources on replacing methyl bromide, and better to address institutional strengthening and the needs of low-volume ODS consuming countries and small and medium enterprises.

67. The representative of another non-governmental organization recalled an international conference held in Japan in September 1996 which had led to the creation of the Save the Ozone Network and the adoption of the Osaka Declaration, which he introduced to the Meeting.

68. The representative of another non-governmental organization drew attention to the problem of ODS smuggling, noting that it could threaten the optimistic scenarios which suggested that the destruction of the ozone layer would peak before beginning a slow process of recovery in the first half of the following century. Unfortunately, illegal trade in CFCs had become a highly lucrative activity and little was being done outside the United States of America to combat it. His organization called on the Parties: (a) to take all possible steps to accelerate the complete phase-out of production and consumption of CFCs and other ODS, since without supply or demand there would be no illegal trade; and (b) to establish an independent observer scheme to cover all CFC production facilities.

69. His organization further called on the European Union: (a) to coordinate enforcement efforts, including the gathering and exchange of intelligence and the establishment of a central enforcement database; (b) to provide "cradle to grave" documentation for all CFCs and examine the potential for using chemical signature as an identification tool; (c) to implement a procedure to register and monitor all stockpiles of CFCs over a minimum amount; (d) to establish a limited number of ports for the entry and exit of all CFCs and appoint a limited number of licensed carriers; and (e) to abolish Inward Processing Relief for such substances.

VI. CONSIDERATION OF THE REPORT OF THE IMPLEMENTATION COMMITTEE  
UNDER THE NON-COMPLIANCE PROCEDURE FOR THE MONTREAL  
PROTOCOL

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70. Speaking on behalf of the President of the Implementation Committee, the Vice-President and Rapporteur reported that the Implementation Committee had met four times in 1996 to consider various issues related to non-compliance with the Montreal Protocol. He thanked the Secretariat, the implementing agencies and the Technology and Economic Assessment Panel's Ad Hoc Working Group on CEIT Aspects for their valuable contribution to the work of the Committee.

71. The Committee had considered the report from the TEAP Ad Hoc Working Group on the aspects related to countries with economies in transition and had taken several actions, including requesting the Secretariat to seek clarification from the Legal Counsel of the United Nations on the status of the countries of the former Soviet Union with regard to succession to the Vienna Convention and the Montreal Protocol, and sending letters to the competent authorities of non-Parties stressing the need for speedy ratification. On Lithuania and Latvia, each of which had submitted a letter under paragraph 4 of the non-compliance procedure, the Committee had considered the written and oral submissions of both and recommended two draft decisions to the Meeting of the Parties. The Committee welcomed Poland's ratification of both the London and Copenhagen Amendments to the Montreal Protocol and had also considered the question of the Czech Republic's non-compliance with the phase-out schedule of halons by 1994, recommending a decision to the Meeting of the Parties.

72. In response to the information provided by Belarus pursuant to decision VII/17 of the Seventh Meeting of the Parties, the Committee had:

(a) noted that, while the information available showed a situation of non-compliance for 1996, Belarus had by its actions taken important steps towards complying with decision VII/17 and towards achieving full compliance with the Protocol's control measures;

(b) noted the approval of the national programme for the phase-out of ODS in Belarus;

(c) recommended that the GEF Council should consider funding for the projects to be submitted; and

(d) called upon Belarus to expedite the process of

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ratification of the London Amendment and, in accordance with paragraph 7 of decision VII/17, to continue to provide the Committee with reports on progress made in phasing out ODS.

73. In response to the information provided by Ukraine pursuant to decision VII/19 of the Seventh Meeting of the Parties, the Committee had:

(a) noted that, while the information available showed a situation of non-compliance for 1996, Ukraine had by its actions taken important steps towards complying with decision VII/19 and towards achieving full compliance with the control measures of the Protocol;

(b) requested that the national programme for the phase-out of ODS in Ukraine be submitted as soon as completed;

(c) called upon Ukraine to expedite its ratification of the London Amendment;

(d) requested Ukraine to continue to provide the Committee with reports on progress made in phasing out ODS; and

(e) recommended international assistance to Ukraine from GEF and other international funding agencies.

74. In response to the information provided by the Russian Federation pursuant to Decision VII/18 of the Seventh Meeting of the Parties, the Committee at its thirteenth and fourteenth meetings had recommended that the GEF Council and other funding agencies should consider favourably additional steps to expedite financial assistance for ODS phase-out projects within their work programmes, but that such assistance should remain contingent on further developments with regard to non-compliance and the settlement with the Committee of any problems relating to the reporting requirements and the actions of the Russian Federation.

75. At its sixteenth meeting, the representatives of the Russian Federation had provided the Committee with preliminary additional information on the destination of ODS exports and had informed the Committee that the detailed information requested would be available by February 1997 and would include complete data for the year 1996. After deliberation, the Committee decided to recommend to the Parties an amended version of draft decision VIII/21 whereby they would, among other things, caution the Russian Federation to maximize the use of its recycling facilities to meet its internal needs and therefore diminish the production of new CFCs accordingly.

76. With respect to the status of data-reporting, the Committee had taken note of the reports of the Secretariat and the additional information provided at its meetings. A considerable improvement had been reflected in the number of Parties that had fulfilled their reporting requirements, but baseline data was still outstanding from a number of Parties, many of which stood to lose their temporary Article 5 status unless they either reported data or sought assistance from the Executive Committee and the Implementation Committee. The Committee urged all Parties to report their data promptly. The Committee also recommended that the Secretariat be entrusted with the preparation of a data report showing global trends, in order to give an overall perspective of the implementation of the Protocol.

77. The representative of Ukraine informed the Meeting that his Government had recently approved its national programme by decree and that ratification of the London Amendment had been approved the previous week.

78. The representative of the Russian Federation expressed his delegation's appreciation of the work done by the Implementation Committee. He expressed support for draft decision VIII/21, as contained in the report of the Preparatory Meeting, noting that it offered his country valuable guidelines and assistance in meeting its obligations under the Protocol.

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

79. The Chairman of the Executive Committee, introducing its report to the Eighth Meeting (UNEP/OzL.Pro.8/4), said that, at

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its two meetings, the Executive Committee had considered an extensive programme and approved approximately US\$ 103,000,000 for investment projects and other activities, which would phaseout about 11,000 ODP tonnes when implemented. In 1996, 4,249 ODP tonnes had already been phased out from projects completed in the first half of the year, and a total of 12,611 ODP tonnes had been phased out, since the commencement of the Multilateral Fund.

80. Turning to the status of the Multilateral Fund, he reported that, for the years 1991-1995, contributions deposited totalled some US\$ 471,000,000. That figure corresponded to 88 per cent of pledged contributions, with the arrears relating to countries with economies in transition and to one developing country not operating under paragraph 1 of Article 5. For 1996, additional contributions of some US\$ 63 million had been received up to 18 October. Thus, the Multilateral Fund had received, and the Executive Committee had allocated, more than half a billion dollars. He was pleased to say that, using the business-planning approach, the Executive Committee had succeeded in approving a programme which closely matched the in-flow of contributions, with the current balance of funds remaining at only some US\$ 3,500,000.

81. Drawing on the guidance provided by the Parties at their Seventh Meeting, the Executive Committee had continued to develop policies to improve the Fund's operation. New approaches for the preparation of country programmes and for institutional strengthening in low-volume and very-low-volume consuming countries had been adopted and initial steps had been taken to address the special needs of small and medium-sized enterprises. Interim guidelines were in place to support the introduction of demonstration projects for alternatives to methyl bromide and substantial progress had been made in developing guidelines for monitoring and evaluation. The Committee had also decided that the initial work on completing guidelines for the production sector should cover projects for the closure of ODS production facilities and that those projects could proceed in advance of a country's plans for the entire sector. To that end, it had agreed on modalities for preliminary data collection and technical audits - both essential for the determination of incremental costs.

82. The Executive Committee had also taken note of the views expressed at the Seventh Meeting of the Parties concerning the use of HCFCs. Implementing agencies had been requested to

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ensure that adequate information on all technologies was provided to enterprises contemplating conversion, and projects coming before the Executive Committee were required to include a full explanation of why a conversion to HCFCs was recommended.

83. The Chairman thanked his fellow members of the Executive Committee, the Chief Officer and staff of the Fund Secretariat and the implementing agencies for their hard work and unflagging efforts to facilitate the effective functioning of the Executive Committee and the Multilateral Fund.

#### VIII. ADOPTION OF DECISIONS

84. The Eighth Meeting of the Parties adopted a number of decisions, on the basis of the draft decisions submitted by the Preparatory Meeting (UNEP/OzL.Pro.8/Prep/L.1, Add.1, Add.2 and Add.3) and the reports of the Co-Chairs of the Contact Group established to discuss the draft decisions relating to replenishment. The text of the decisions as adopted is contained in paragraph 85 below. All the draft decisions were adopted by consensus, with the comments and amendments reflected in paragraphs 86 to 92 below.

##### A. Decisions

85. The Eighth Meeting of the Parties to the Montreal Protocol decides:

Decision VIII/1. Ratification of the Vienna Convention, the Montreal Protocol and its Amendments

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

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

1. To note that the implementation of the Protocol by those Parties that have reported data is satisfactory;
2. To note with regret that only 104 Parties out of 141 that should have reported data for 1994 have reported to date and that only 61 Parties have to date reported data for 1995;
3. To remind all Parties of the requirement to comply with the provisions of Articles 7 and 9 of the Protocol;

Decision VIII/3. Membership of the Implementation Committee

1. To note with appreciation the work done by the Implementation Committee;
2. To confirm the positions of Canada, Sri Lanka, Ukraine, Uruguay and Zambia for one further year, and to select Dominican Republic, Germany, Ghana, Indonesia, and Lithuania as members of the Committee for a two-year period;

Decision VIII/4. Replenishment of the Multilateral Fund and three-year rolling business plan for 1997-1999

1. To note with appreciation the report of the Executive Committee on the three-year rolling business plan and the report of the TEAP on replenishment;
2. To adopt a budget for 1997-1999 of US\$ 540,000,000 with the understanding that US\$ 74,000,000 of that sum will be provided by funds unallocated during 1994-1996: this US\$ 74,000,000 figure does not include sums listed as disputed in document UNEP/OzL.Pro.8/L.2, which appears as annex VIII to this report;
3. The agreed budget figure includes a sum of US\$ 10 million to enable Parties operating under Article 5 to apply the measures contained in paragraph 2 of decision VII/8 of the Seventh Meeting of the Parties and to assist those Parties to start the implementation of any recommendations that

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might arise from the Ninth Meeting of the Parties on this matter;

4. To adopt the scale of contributions for the Multilateral Fund based on a replenishment of US\$ 466,000,000 as set out in Annex I to this report of US\$ 155,333,333 for 1997, US\$ 155,333,333 for 1998 and US\$ 155,333,333 for 1999;
5. That the Executive Committee should take action to ensure as far as possible that the whole of the budget for 1997-1999 is committed by the end of 1999, and that Parties not operating under Article 5 should accordingly make timely payments;
6. That the Executive Committee should, over the next three years, work toward the goal of reducing agency support costs from their current level of 13 per cent to an average of below 10 per cent to make more funds available for other activities. The Executive Committee should report to the Parties annually on their progress, and the Parties may adjust the goal accordingly;
7. To agree that adjustments to the United Nations scale of assessment should not affect the rates of contributions of individual Parties during a replenishment period;
8. To agree that contributions of Parties not operating under Article 5 which ratify the London Amendment during a replenishment cycle should be calculated on a pro-rata basis for the balance of the replenishment cycle, starting with the date on which the London Amendment entered into force for it. Contributions of such countries should be considered as additional resources during the replenishment cycle; such Parties should be formally added to the list of contributors and taken into account in the distribution of assessments during the next replenishment;

Decision VIII/5. Actions to improve the functioning of the  
Financial Mechanism

To request the Executive Committee to move forward as expeditiously as possible on decision VII/22, and in particular Actions 5, 6, 10, 11, 14 and 21, and to report back to the Ninth Meeting of the Parties;

Decision VIII/6. Contributions to the Multilateral Fund

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That, with effect from 1997, contributions to the Multilateral Fund concern only Parties not operating under Article 5 that are Parties to the London Amendment to the Montreal Protocol;

Decision VIII/7. Measures taken to improve the Financial Mechanism  
and technology transfer

1. To note with appreciation the measures taken by the Executive Committee to improve the Financial Mechanism;
2. To request the Executive Committee to continue with further actions to implement decision VII/22 to improve the Financial Mechanism and report to the Meetings of the Parties annually;
3. To note the status of preparation of the report on transfer of technology required by Action 21 of decision VII/22;
4. To set up an Informal Group consisting of four representatives of Parties not operating under Article 5 (1) (Australia, Italy, Netherlands, United States of America) and four representatives of Parties operating under Article 5 (1) (China, Colombia, Ghana, India) to assist the Executive Committee in identifying what steps can practically be taken to eliminate potential impediments to the transfer of ozone-friendly technologies to Parties operating under Article 5 under fair and most favourable conditions;
5. The Group may meet as necessary and shall submit its reports, if any, to the Executive Committee;
6. To review this matter at its Ninth Meeting;

Decision VIII/8. Membership of the Executive Committee of the Multilateral Fund

1. To endorse the selection of Australia, Belgium, Bulgaria, Japan, Switzerland, United Kingdom and United States of America as members of the Executive Committee representing Parties not operating under Article 5 of the Protocol, and the selection of Antigua and Barbuda, China, Costa Rica, India, Peru, Senegal and Zimbabwe as members representing

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Parties operating under Article 5, for one year;

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

Decision VIII/9. Essential-use nominations for Parties not operating under Article 5 for controlled substances for 1997 through 2002

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 and decisions VII/28 and VII/34 of the Seventh Meeting of the Parties;
2. That the levels of production and consumption necessary to satisfy essential uses of CFC-11, CFC-12, CFC-113 and CFC-114, for metered-dose inhalers (MDIs) for asthma and chronic obstructive pulmonary diseases and nasal dexamethasone, and halon 2402 for fire protection are authorized as specified in annex II to this report, subject to the conditions established by the Seventh Meeting of the Parties in paragraph 2 of its decision VII/28;
3. To correct the errors introduced by the reports of the Technology and Economic Assessment Panel and its Technical Options Committees in the United States MDI nomination of CFC-12 and CFC-114 for the production year 1997 and its nomination of methyl chloroform for the production years 1996, 1997, 1998, 1999, 2000 and 2001 and to adjust the total amounts exempted to take into account the withdrawal of the New Zealand MDI nomination of CFC-11 and CFC-12 for production years 1996 and 1997, as specified in annex III to this report;
4. That for 1998, for Parties not operating under Article 5 of the Protocol, production and consumption necessary to satisfy essential uses of controlled substances in Annexes A and B of the Protocol only for laboratory and analytical uses, as listed in annex IV to the report of the Seventh Meeting of the Parties, are authorized, subject to the conditions applied to exemption for laboratory and analytical uses as contained in annex II to the report of the Sixth Meeting of the Parties;

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5. To permit the transfer of essential-use authorizations for MDIs for 1997 between New Zealand and Australia on a one-time basis only;
6. To request the Technology and Economic Assessment Panel and its relevant Technical Options Committee to investigate the implications of allowing greater flexibility in the transfer of essential-use authorizations between Parties;
7. To request the Technology and Economic Assessment Panel and its relevant Technical Options Committee to review and report, by 30 April 1997, on the implications of allowing the production of CFCs for medical applications on a periodic "campaign basis" to satisfy estimated future needs, rather than producing small quantities in each year. Consideration should be given in particular to the economic implications of such an allowance;
8. To revise the timetables in decision IV/25, as modified by decision V/18, for nominations for production and consumption exemptions for 1998 and subsequent years, as follows: to set 31 January of each year as the last date for nominations for decisions to be taken in that year for production or consumption in any subsequent year; and to request the Technology and Economic Assessment Panel and its relevant Technical Options Committees to develop recommendations on the nominations and submit their report through the Secretariat by 30 April of that year; however, for 1997 the report will be submitted by 1 April 1997;
9. To approve the format for reporting quantities and uses of ozone-depleting substances produced and consumed for essential uses as set out in annex IV to this report and beginning in 1998 to request each of the Parties that have had essential-use exemptions granted for previous years, to submit their report in the approved format by 31 January of each year;
10. To allow the Secretariat, in consultation with the Technology and Economic Assessment Panel, to authorize, in an emergency situation, if possible by transfer of essential-use exemptions, consumption of quantities not exceeding 20 tonnes of ODS for essential uses on application by a Party prior to the next scheduled Meeting of the Parties. The Secretariat should present this information to the next Meeting of the Parties for review

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and appropriate action by the Parties;

Decision VIII/10. Actions by Parties not operating under Article 5 to

and  
promote industry's participation on a smooth  
efficient transition away from CFC-based MDIs

1. That Parties not operating under Article 5 will request companies applying for MDI essential-use exemptions to demonstrate ongoing research and development of alternatives to CFC MDIs with all due diligence and/or collaborate with other companies in such efforts and, with each future request, to report in confidence to the nominating Party whether and to what extent resources are deployed to this end and progress is being made on such research and development, and what licence applications if any have been submitted to health authorities for non-CFC alternatives;
2. That Parties not operating under Article 5 will request companies applying for MDI essential-use exemptions to demonstrate that they are undertaking individual or collaborative industry efforts, in consultation with the medical community, to educate health-care professionals and patients about other treatment options and the transition to non-CFC alternatives;
3. That Parties not operating under Article 5 will request companies applying for MDI essential-use exemptions to demonstrate that they, or companies distributing or selling their product, are differentiating the packaging of the company's non-CFC MDIs from its CFC MDIs and are applying other appropriate marketing strategies, in consultation with the medical community, to encourage doctor and patient acceptance of the company's non-CFC alternatives subject to health and product-safety considerations;
4. That Parties not operating under Article 5 will request companies manufacturing, distributing or selling CFC MDIs and non-CFC alternatives not to engage in false or misleading advertising targeted at non-CFC alternatives or CFC MDIs;
5. That Parties not operating under Article 5 will request companies applying for MDI essential-use exemptions to

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- ensure that participation in regulatory proceedings is conducted with a view toward legitimate environmental, health and safety concerns;
6. That Parties not operating under Article 5 will request companies manufacturing CFC MDIs to take all economically feasible steps to minimize CFC emissions during the manufacture of MDIs;
  7. That Parties not operating under Article 5 will request companies manufacturing, distributing or selling CFC MDIs to dispose of expired, defective, and returned MDIs containing CFCs in a manner that minimizes CFC emissions;
  8. That Parties not operating under Article 5 will request companies manufacturing CFC MDIs to review annually CFC requirements and current MDI market forecasts, and notify national regulatory authorities if such forecasts will result in surplus CFCs obtained under essential-use exemptions;
  9. That Parties not operating under Article 5 will request companies applying for MDI essential-use exemptions to provide information on the steps that are being taken to provide a continuity of supply of asthma and chronic obstructive pulmonary disease (COPD) treatments (including CFC MDIs) to importing countries;
  10. That Parties not operating under Article 5 will request companies applying for MDI essential-use exemptions to provide information that demonstrates the steps being taken to assist the company's MDI manufacturing facilities in Parties operating under Article 5 and countries with economies in transition in upgrading the technology and capital equipment needed for manufacturing non-CFC asthma and chronic obstructive pulmonary disease (COPD) treatments;
  11. To request the Technology and Economic Assessment Panel to reflect paragraphs 1 through 10 above in a revised version of the Handbook on Essential-Use Nominations;

Decision VIII/11. Measures to facilitate a transition by a Party not operating under Article 5 from CFC-based MDIs

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The Parties note that a transition is occurring from the use of CFC-based MDIs to non-CFC treatments for asthma and chronic obstructive pulmonary disease. In order to ensure a smooth and efficient transition, and protect the health and safety of patients, Parties not operating under Article 5 are encouraged:

1. To promote coordination between national environmental and health authorities on the environmental, health and safety implications of any proposed decisions on essential-use nominations and MDI transition policies;
2. To request their national authorities to expedite review of marketing/licensing/pricing applications of non-CFC treatments of asthma and chronic obstructive pulmonary disease, provided that such expedited review does not compromise patient health and safety;
3. To request their national authorities to review the terms for public MDI procurement and reimbursement, so that purchasing policies do not discriminate against non-CFC alternatives;

Decision VIII/12. Information gathering on a transition to non-CFC treatments for asthma and chronic obstructive pulmonary disease for Parties not operating under Article 5

1. To note with appreciation the work done by the Technology and Economic Assessment Panel and its Technical Options Committee pursuant to decision IV/25 of the Fourth Meeting of the Parties and decision VII/28 of the Seventh Meeting of the Parties;
2. To note with appreciation that one new non-CFC-based MDI for one active ingredient has now entered the market in some countries, and that others are anticipated over the next one to three years. Other non-CFC treatments and devices already provide a suitable alternative for many patients in some Parties not operating under Article 5;
3. To request Parties not operating under Article 5 that have developed a national transition strategy to report to the Panel and its relevant Technical Options Committee on the

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details of that national transition strategy for non-CFC treatments of asthma and chronic obstructive pulmonary disease in time for meetings of the Technical Options Committee, beginning in 1997;

4. To request the Technology and Economic Assessment Panel and its relevant Technical Options Committee to provide an interim report on progress in the development and implementation of national transition strategies in Parties not operating under Article 5 for non-CFC treatments of asthma and chronic obstructive pulmonary disease (COPD) and report to the Open-Ended Working Group in preparation for the Ninth Meeting of the Parties;
  
5. To request the Technology and Economic Assessment Panel to further examine and provide a progress report to the Ninth Meeting of the Parties and a final report to the Tenth Meeting of the Parties on issues surrounding a transition to non-CFC treatments of asthma and chronic obstructive pulmonary disease in Parties not operating under Article 5 that is fully protective of public health. In so doing, the Technology and Economic Assessment Panel should consult with international bodies, such as the World Health Organization and other institutions representing health-care professionals, patient-advocacy groups and private industry, and with national bodies and Governments. The Technology and Economic Assessment Panel should consider:
  - (a) In the context of a transition phase, how decisions taken within the Montreal Protocol framework and national strategies might complement each other;
  
  - (b) The impact on the right and ability of patients in Parties operating under Article 5, in countries with economies in transition, in Parties not operating under Article 5 with large disadvantaged communities and in importing countries to receive CFC-based MDIs where medically acceptable and affordable alternatives are not available due to reductions in essential-use exemptions in Parties not operating under Article 5 for CFC-based MDIs;
  
  - (c) The influence of potential transferable essential use exemptions as well as existing and potential trade restrictions by individual countries on a smooth transition and access to affordable treatment options;

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(d) The international markets and fluidity of trade in CFC-based MDIs as well as alternative treatments for asthma and chronic obstructive pulmonary disease;

(e) The implications for patient subgroups which may have continuing compelling medical needs after a virtual phase-out;

(f) The range of regulatory and non-regulatory incentives for, and impediments to, research and development of alternative treatments for asthma and chronic obstructive pulmonary disease and market penetration of alternative treatments for asthma and chronic obstructive pulmonary disease;

(g) The degree to which dry powder inhalers (DPIs) and other treatment options may be considered medically acceptable and affordable alternatives for CFC-based MDIs in consultation with the above bodies, and as a result, the factors which may influence their ability to act as substitutes in different countries;

(h) The relative implications for the phase-out of ozone-depleting substances of different policy options that facilitate the transition to non-CFC treatments;

(i) Steps that could be taken to facilitate access to affordable non-CFC treatment options and technology.

Decision VIII/13. Uses and possible applications of hydrochlorofluorocarbons (HCFCs)

1. That UNEP distribute to the Parties of the Montreal Protocol a list containing the HCFCs applications which have been identified by the Technology and Economic Assessment Panel, after having taken into account the following:

(a) The heading should read "Possible Applications of HCFCs";

(b) The list should include a chapeau stating that the list is intended to facilitate collection of data on HCFC consumption, and does not imply that HCFCs are needed for the listed applications;

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(c) The use as fire extinguishers should be added to the list;

(d) The use as aerosols, as propellant, solvent or main component, should be included, following the same structure as for other applications;

2. That the Technology and Economic Assessment Panel and its Technical Options Committee be requested to prepare, for the Ninth Meeting of the Parties, a list of available alternatives to each of the HCFC applications which are mentioned in the now available list;

Decision VIII/14. Further clarification of the definition of "Bulk substances" under decision I/12A

1. To note with appreciation the work done by the Technology and Economic Assessment Panel and its Methyl Bromide Technical Options Committee pursuant to decision VII/7 of the Seventh Meeting of the Parties;
2. To clarify decision I/12A of the First Meeting of the Parties as follows: trade and supply of methyl bromide in cylinders or any other container will be regarded as trade in bulk in methyl bromide;

Decision VIII/15. Control of trade in methyl bromide with non-Parties

To consider the issue of control of trade in methyl bromide with non-Parties at the Ninth Meeting of the Parties to the Montreal Protocol in 1997;

Decision VIII/16. Critical agricultural uses of methyl bromide

1. To note with appreciation the work done by the Technology and Economic Assessment Panel and its Methyl Bromide Technical Options Committee pursuant to decision VII/29 of the Seventh Meeting of the Parties;
2. To request the Technology and Economic Assessment Panel to further examine and report to the Ninth Meeting of the Parties on the different options on the issue of critical use of methyl bromide, as presented to the thirteenth meeting of the Open-ended Working Group in the June 1996 TEAP Report;

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Decision VIII/17. Availability of halons for critical uses

1. To note with appreciation the work done by the Technology and Economic Assessment Panel and its Halons Technical Options Committee pursuant to decision VII/12 of the Seventh Meeting of the Parties;
2. To request the Technology and Economic Assessment Panel and its Halons Technical Options Committee to carry out, on the basis of existing information, further studies on the future availability of halons to meet the demands for use in applications that are deemed critical by Parties not operating under Article 5, and to report to the Ninth meeting of the Parties;
3. To request Parties not operating under Article 5 to estimate the approximate surplus or deficit relative to their assessment of their critical needs and to submit this information, together with an explanation of how it was determined, to the Industry and Environment Programme Activity Centre of the United Nations Environment Programme by 31 December 1997;
4. To request the Technology and Economic Assessment Panel and its Halons Technical Options Committee to evaluate the information received from Parties, and to make an assessment, if possible, for the Tenth Meeting of the Parties of whether there will be adequate quantities of halon to meet future needs for critical applications of Parties not operating under Article 5, and;

(a) If there is a shortfall, either overall or in individual Parties, to propose action which may be taken to enable that shortfall to be overcome; or

(b) If there is a surplus, either overall or in individual Parties, to provide guidance on appropriate policies for disposal or redeployment, bearing in mind the needs of other Parties not operating under Article 5, as well as the needs of Parties operating under Article 5, and to identify any potential barriers to such disposal and what steps may be needed to overcome them;

Decision VIII/18. List of products containing controlled substances

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in Group II of Annex C  
(Hydrobromofluorocarbons)  
of the Protocol

1. To note the conclusion of the Technology and Economic Assessment Panel on the elaboration of a list of products containing controlled substances in Group II of Annex C of the Protocol;
2. To decide not to elaborate the lists referred to in Article 4, paragraphs 3 ter and 4 ter of the Montreal Protocol;

Decision VIII/19. Organization and functioning of the  
Technology  
and Economic Assessment Panel

1. To note with appreciation the work done by the Technology and Economic Assessment Panel and its Technical Options Committee and Working Groups in preparing their reports;
2. To note with appreciation the report of the Informal Advisory Group on the organization and functioning of the Technology and Economic Assessment Panel;
3. To confirm the current membership of the Technology and Economic Assessment Panel as set out in Appendix I to its June 1996 report, and also to confirm Mr. R. Agarwal as Co-Chair of the Refrigeration Technical Options Committee;
4. To confirm the current list of Technical Options Committees, as set out in Appendix II to that report, whilst noting that this list may be added to or amended according to mandates set by any Meeting of the Parties;
5. To approve terms of reference and the Code of Conduct for the Technology and Economic Assessment Panel, the technical options committees, and any temporary subsidiary bodies set up by those bodies, as contained in annex V to this report;
6. That the nomination and appointment process for the Technology and Economic Assessment Panel, as set out in the new Terms of Reference, should apply to all appointments commencing with those made at the Ninth Meeting of the Parties;

Decision VIII/20. Illegal imports and exports of controlled

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substances

1. To note with appreciation the report prepared by the Secretariat on illegal imports and exports of ozone-depleting substances;
2. To urge each Party not operating under Article 5 that has not already done so to establish a system requiring validation and approval of imports of any used, recycled or reclaimed ozone-depleting substances before they are imported. Importers should sufficiently demonstrate to approving authorities that the ozone-depleting substances have indeed been previously used;
3. To request each Party not operating under Article 5 to report to the Secretariat by the Ninth Meeting of the Parties on the establishment of the system described in paragraph 2 above;
4. That the exception in decision IV/24 (which provides that the import and export of recycled and used controlled substances not be taken into account in the calculation of the Party's consumption level) shall not apply to any Party not operating under Article 5 that has not established by 1 January 1998 a system such as that described in paragraph 2 above;
5. To request the Ninth Meeting of the Parties to consider instituting a system to require validation and approval of exports of used and recycled ozone-depleting substances from all Parties;

Decision VIII/21. Revised formats for reporting data  
under Article 7 of the Protocol

1. To request the Secretariat to prepare a report which delineates all of the reporting mandates required by the Protocol and all of the reporting requests made in the decisions of the Parties. In preparing this report, the Secretariat should seek the views of Parties on which reporting provisions are essential for assessing compliance and which may no longer be necessary;
2. To request the Implementation Committee to review the report referred to above, consider which reporting provisions are essential for assessing compliance and which

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may no longer be necessary, and make recommendations to the Ninth Meeting of the Parties on potential ways to streamline the reporting requirements of the Montreal Protocol. In carrying out its work, the Implementation Committee should also consider proposals for streamlining that may be submitted by the Parties;

Decision VIII/22. Compliance with the Montreal Protocol by Latvia

1. To note that, according to the information provided by Latvia and the statement made by its representative at the fourteenth meeting of the Implementation Committee, Latvia would be in a situation of non-compliance with the Montreal Protocol in 1996;
2. To note also that there is a possibility of non-compliance by Latvia in 1997 so that the Implementation Committee might have to revert to that question that year;
3. To note also that major efforts are being made by Latvia to meet its obligations under the Protocol, even in the absence of external financial assistance for investment projects;
4. To urge Latvia to ratify the London Amendment to the Montreal Protocol and provide immediately a timetable for the ratification process;
5. To recommend that international funding agencies should consider favourably the provision of financial assistance to Latvia for projects to phase out ozone-depleting substances in the country;
6. To keep under review the situation with regard to ODS phase-out in Latvia;

Decision VIII/23. Compliance with the Montreal Protocol by Lithuania

1. To note that, according to the information provided by Lithuania and the statement made by its representative at the fourteenth meeting of the Implementation Committee, Lithuania would be in a situation of non-compliance with the Montreal Protocol in 1996;

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2. To note also that there is a possibility of non-compliance by Lithuania in 1997 so that the Implementation Committee might have to revert to that question that year;
3. To note also that major efforts are being made by Lithuania to meet its obligations under the Protocol, even in the absence of external financial assistance for investment projects;
4. To urge Lithuania to ratify the London Amendment to the Montreal Protocol and provide immediately a timetable for the ratification process;
5. To recommend that international funding agencies should consider favourably the provision of financial assistance to Lithuania for projects to phase out ozone-depleting substances in the country;
6. To keep under review the situation with regard to ODS phase-out in Lithuania;

Decision VIII/24. Non-compliance by the Czech Republic with the halon phase-out by 1994

1. To note the Czech Republic's non-compliance in the year 1994 with the halon phase-out, due to the indispensable operation of special industrial cooling equipment for the chemical industry;
2. To note further that, if continued halon use was indispensable, the Czech Republic should have applied to the Parties through the essential-use nomination process for allocation of a specific quantity of halon for that year;
3. To note, however, that the Czech Republic was in compliance in 1995 with the halon phase-out;
4. That no further action is necessary in view of the Czech Republic's complete phase-out of halon consumption according to the data submitted to the Secretariat pursuant to Article 7 of the Montreal Protocol for 1995;

Decision VIII/25. Compliance with the Montreal Protocol by Russian Federation

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1. To recall decision VII/18 of the Seventh Meeting of the Parties by which the Russian Federation was, inter alia, requested to provide to the Implementation Committee, in 1996, additional information relative to the implementation of the Montreal Protocol;
2. To note that, according to its written submissions and the statements of the representative of the Russian Federation at the thirteenth, fourteenth, fifteenth and sixteenth meetings of the Implementation Committee, the Russian Federation was in a situation of non-compliance with the Montreal Protocol in 1996;
3. To note also the considerable progress made by the Russian Federation in addressing non-compliance issues raised by the Seventh Meeting of the Parties;
4. That the situation regarding the phase-out of ozone-depleting substances should be kept under review, specifically with regard to the additional information requested from the Russian Federation in paragraph 9 (c) of decision VII/18 of the Seventh Meeting of the Parties and, in particular, the detailed information on trade in ozone-depleting substances;
5. That the disbursement of financial assistance for ODS-phase-out in the Russian Federation should continue to be contingent on further developments with regard to non-compliance and the settlement with the Implementation Committee of any problems related to the reporting requirements and the actions of the Russian Federation;
6. That the Russian Federation should maximize the use of its recycling facilities to meet its internal needs and therefore diminish the production of new CFCs accordingly;
7. To note that the Russian Federation has undertaken to report detailed information, including quantities, on imports and exports of ODS and products containing such substances; data on the type of ODS (freshly produced, recovered, recycled, reclaimed, re-used, used in feedstock); and details of the supplier, recipient and conditions of delivery of the substances for 1996 not later than February 1997;
8. To keep under review the situation regarding the phase-out

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of ozone-depleting substances in the Russian Federation;

Decision VIII/26. Exports of ozone-depleting substances and products containing ozone-depleting substances

1. To note that the links among exports of ozone-depleting substances and products containing such substances under the Montreal Protocol, illegal trade, and compliance with the Montreal Protocol were discussed at the Seventh Meeting of the Parties to the Montreal Protocol; and also to note that some aspects of this issue were briefly discussed again at the Eighth Meeting of the Parties to the Montreal Protocol in the context of document UNEP/OzL.Pro.8/CRP.1;
2. To note that the debate at the Seventh Meeting of the Parties to the Montreal Protocol and a brief discussion at the Eighth Meeting of the Parties to the Montreal Protocol have demonstrated the importance, complexity and sensitivity of this issue; and also to note that, in addition, the debate and brief discussion revealed important aspects that require further deliberation including, inter alia, the need for controlling exports of ODS from Parties not operating under Article 5 found to be in non-compliance with their obligations under the Protocol to Parties operating under Article 5;
3. To recognize that this issue ultimately has a direct impact on progress towards the elimination of ozone-depleting substances and the protection of the ozone layer;
4. To decide to include this issue on the agenda of the Fifteenth Meeting of the Open-ended Working Group of the Parties to the Montreal Protocol;
5. To encourage interested Parties to submit their views to the Secretariat by March 1997, for compilation and forwarding to Parties prior to the Fifteenth Meeting of the Open-ended Working Group of the Parties to the Montreal Protocol;

Decision VIII/27. Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol

To endorse the selection of Ms. Catalina Mosler-Garcia (Mexico) and Ms. Claire Fearnley (New Zealand) as Co-Chairs

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of the Open-ended Working Group of the Parties to the Montreal Protocol for 1997;

Decision VIII/28. Financial Matters: financial report and budgets

1. To take note of the financial report on the Trust Fund for the Montreal Protocol for 1995 as contained in document UNEP/OzL.Pro.8/4;
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 VI to this report;
3. To approve the revised budgets for the Trust Fund for the Montreal Protocol of US\$ 2,818,215 for 1996 and US\$ 3,542,263 for 1997 and the proposed budget of US\$ 3,679,704 for 1998, as set out in annex VII to this report;
4. 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;
5. To request additional voluntary contributions from Parties in support of:
  - (a) Increased participation of Assessment Panel members from developing countries and countries with economies in transition in Assessment Panels and Technical Options Committees;
  - (b) Information materials for the celebration of the International Day for the Preservation of the Ozone Layer;
6. To request the Secretariat to report to the Ninth Meeting of the Parties on the utilization of the funds for the participation of experts from developing countries and countries with economies in transition in the meetings of the Assessment Panels and the Technical Options Committees;
7. Request the Executive Director of UNEP to ensure that the 13 per cent programme support costs charged to the Trust Fund for the Montreal Protocol are used fully in support of the

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Protocol and its Secretariat, and to report to the next Meeting of the Parties on the ways in which the 13 per cent has been used for the benefit of the Convention and its Secretariat;

8. To request the Executive Director of UNEP to extend the duration of the Trust Fund for the Montreal Protocol until 31 December 2000, subject to the approval of the UNEP Governing Council;

Decision VIII/29. Application of Georgia for developing country status under the Montreal Protocol

To accept the application of Georgia to be listed as a developing country for the purposes of the Montreal Protocol, taking into account that Georgia is classified as a developing country by the World Bank and the Organisation for Economic Cooperation and Development and as a net recipient country by the United Nations Development Programme;

Decision VIII/30. Ninth Meeting of the Parties to the Montreal Protocol

1. To reaffirm decision VII/38 of the Seventh Meeting of the Parties, by which the Parties decided to hold the Ninth Meeting of the Parties in Montreal, Canada, in September 1997;
2. To convene the Ninth Meeting of the Parties to the Montreal Protocol in Montreal in September 1997.

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

Replenishment of the Multilateral Fund and three-year rolling business plan for 1997-1999 (decision VIII/4)

86. The representative of the Russian Federation speaking on behalf of three Parties with economies in transition, said that they were dissatisfied with paragraph 7 of that decision, considering as they did that the level of contributions to the Multilateral Fund by individual Parties should be adjusted annually on the basis of the updated United Nations scale of assessments;

Contributions to the Multilateral Fund (decision VIII/6)

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87. The representative of Lithuania, speaking on behalf of three Parties that had ratified the Montreal Protocol but not the London Amendment, said that the main obstacle to their ratification of the latter was the financial obligation to contribute to the Multilateral Fund, which their current economic situation would not permit. They requested, therefore, that a decision be taken by the Parties that their payments to the Fund be temporarily postponed, mentioning, in that connection, that they had not been independent States at the time that the Protocol and the London Amendment were being negotiated and had thus been unable to participate in those negotiations. If the obligation to contribute could be postponed until the year 2001, the Parties in question would be able to ratify the London Amendment in the near future.

88. The representative of Poland stated that the decision did not address the problem of alleged arrears in contributions to the Multilateral Fund by Parties which had not ratified the London Amendment prior to 1997. It was the understanding of his delegation - which the Secretariat confirmed - that the consensus of the Meeting was that the issue would be taken up at the next meeting of the Open-ended Working Group.

Membership of the Executive Committee of the Multilateral Fund (decision VIII/8)

89. The Secretariat informed the Meeting that some of the Parties selected as members of the Executive Committee had agreed to co-opt other Parties, namely, Senegal to co-opt Burkina Faso and Tunisia, Zimbabwe to co-opt Seychelles and Uganda, China to co-opt Philippines and Malaysia, India to co-opt the Islamic Republic of Iran and the Syrian Arab Republic, Bulgaria to co-opt Poland and Peru to co-opt Colombia and Mexico.

Illegal imports and exports of controlled substances (decision VIII/20)

90. The representative of a regional economic integration organization said that it attached great importance to an effective control of trade in ODS, particularly illegal trade. Since 1995, it had had a quota and licencing system for imports of all such substances, whether virgin, recovered or reclaimed, and urged other Parties to adopt similar regime. In 1996, it had further tightened the application of its system. Mindful of

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the need to increase its efforts to prevent illegal trade, it was currently examining possibilities of further improving the system.

Application of Georgia for developing country status under the Montreal Protocol (decision VIII/29)

90. It was the consensus view of the Meeting that document UNEP/OzL.Pro.8/8/Add.1 was not acceptable. The Meeting noted that Georgia was fully aware that it would cease to be eligible for GEF funds for ODS phase-out as soon as it was classified as a Party operating under Article 5 of the Montreal Protocol.

91. The Meeting also considered the question of reclassification of existing Parties to the Montreal Protocol as developing countries. It felt that the Meeting of the Parties, in considering such applications in future, should take into account the potential implications for the Multilateral Fund of the Montreal Protocol.

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

92. In accordance with the decision taken at the Seventh Meeting of the Parties (decision VII/8), it was decided (decision VIII/30) that the Ninth Meeting of the Parties would be held at Montreal, Canada, in September 1997.

X. OTHER MATTERS

93. Referring to the suggestion made by the Co-Chairs of the Scientific Assessment Panel (paragraph 24 above), the representative of a regional economic integration organization proposed that Mr. Gérard Mégie of France should become the fourth Co-Chair of that Panel. The proposal was accepted.

XI. ADOPTION OF THE REPORT

94. The report was adopted on the basis of the draft report contained in document UNEP/OzL.Pro.8/L.1 and Add.1 and Add 2, L.2 and L.3.

XII. CLOSURE OF THE MEETING

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95. After the customary exchange of courtesies, the President declared the Eighth Meeting of the Parties closed at 6.30 p.m. on 27 November 1996.

Annex I

SCALE OF 1997-1999 CONTRIBUTIONS BASED ON THE CURRENT UNITED NATIONS SCALE  
OF ASSESSMENTS FOR 1996 WITH NO PARTY PAYING MORE THAN 25 PER CENT

Annex II

RECOMMENDED NOMINATIONS FOR ESSENTIAL USE EXEMPTIONS  
(in metric tonnes)

Party	CFC-11			CFC-12			CFC-113			CFC-114			HALON-2402	
	1997	1998	1999	1997	1998	1999	1997	1998	1999	1997	1998	1999	1996	1997
1. Australia	8.0	--	--	22.0	--	--	--	--	--	--	--	--	--	--
2. Canada	--	128.0	--	--	320.0	--	--	--	--	--	65.0	--	--	--
3. European Union	--	1,778.0	--	--	3,307.0	--	--	16.0	--	--	509.0	--	--	--
4. Japan	--	53.0	37.0	--	105.0	75.0	--	0.5	0.5	--	23.0	24.0	--	--
5. Poland	130.0	130.0	--	220.0	220.0	--	--	--	--	30.0	30.0	--	--	--
6. Russian Federation	266.0	--	--	266.0	--	--	--	--	--	--	--	--	352.0	300.0
7. South Africa	--	62.0	--	--	156.0	--	--	--	--	--	5.0	--	--	--
8. Switzerland	2.0	2.0	--	4.0	4.0	--	--	--	--	2.0	2.0	--	--	--
9. United States	149.3	1,204.3	--	415.8	2,814.7	--	--	--	--	131.5	369.0	--	--	--
TOTAL	555.3	3,357.3	37.0	927.8	6,926.7	75.0	--	16.5	0.5	163.5	1,003.0	24.0	352.0	300.0

Annex III

RECOMMENDED ADJUSTMENTS TO QUANTITIES APPROVED EARLIER FOR ESSENTIAL USES  
(in metric tonnes)

Country	Use	Chemical	Production year	Nominated amount	Approved amount	Recommended adjustment	Total approved and recommended
United States	MDI	CFC-12	1997	431	437.2	-6.20	431
United States	MDI	CFC-114	1997	19	43.7	-24.7	19
United States	Shuttle/rockets	MCF	1996	2.9	.29	2.61	2.9
United States	Shuttle/rockets	MCF	1997	3.7	.37	3.33	3.7
United States	Shuttle/rockets	MCF	1998	60.1	57.00	3.10	60.10
United States	Shuttle/rockets	MCF	1999	59.6	56.99	2.61	59.60
United States	Shuttle/rockets	MCF	2000	58.4	56.87	1.53	58.4
United States	Shuttle/rockets	MCF	2001	58.4	56.87	1.53	58.4
New Zealand	MDI	CFC-11	1996	9.00	9.00	-9.00	0.00
New Zealand	MDI	CFC-12	1996	23.50	23.50	-23.50	0.00
New Zealand	MDI	CFC-11	1997	8.00	8.00	-8.00	0.00
New Zealand	MDI	CFC-12	1997	22.00	22.00	-22.00	0.00

Annex IV

REPORTING ACCOUNTING FRAMEWORK FOR  
ESSENTIAL USES OTHER THAN LABORATORY AND ANALYTICAL APPLICATIONS

A	B	C	D	E		F (D + E)	G (C - F)	H <sup>1</sup>	I (H + F)	J	K	L	M <sup>2</sup> (I - J - L)
Year of essential use	Ozone-depleting substance	Amount exempted for year of essential use <sup>3</sup>	Amount acquired by production	Amount acquired for essential uses by import and countries of manufacture		Total acquired for essential use	Authorized but not acquired	On hand start of year <sup>1</sup>	Available for use in current year	Used for essential use	Quantity contained in exported products	Destroyed	On hand end of year <sup>2</sup>
				Amount	Country (s)								

All quantities expressed in metric tonnes.

<sup>1</sup>National Governments may not be able to estimate quantities on hand as at 1 January 1996 but can track the subsequent inventory of ODS produced for essential uses (Column M).

<sup>2</sup>Carried forward as  on hand start of the year  for next year.

<sup>3</sup>Note that essential use for a particular year may be the sum of quantities authorized by decision in more than one year.



Annex V

TERMS OF REFERENCE OF THE TECHNOLOGY AND ECONOMIC ASSESSMENT PANEL  
(TEAP)

Parties have requested that the Technology and Economic Assessment Panel (TEAP) annually update the status of technical feasibility and the phase-out progress.

1. Scope of Work

The tasks undertaken by the TEAP are those specified in Article 6 of the Montreal Protocol in addition to those requested from time to time at Meetings of the Parties. The TEAP analyses and presents technical information. It does not evaluate policy issues and does not recommend policy. The TEAP presents technical and economic information relevant to policy. Furthermore, the TEAP does not judge the merit or success of national plans, strategies, or regulations.

2. Organization of Technology and Economic Assessment Panel (TEAP), Technical Options Committees (TOCs) and Temporary Subsidiary Bodies (TSBs)

2.1 Size and Balance

The membership size of the TEAP should be about 18-22 to allow it to function effectively. It should consist of the Co-Chairs of the TEAP, the Co-Chairs of all the TOCs and 4-6 Senior Experts for specific expertise or geographical balance not covered by the TEAP Co-Chairs or TOC Co-Chairs. Each TOC should have two or, if appropriate, three Co-Chairs. The positions of TOC Co-Chairs as well as of the Senior Experts must be filled to promote a geographical and expertise balance. The overall goal is to achieve a representation of about 50 per cent for Article 5(1) Parties in the TEAP and TOCs.

2.2 Nominations

Nominations of members to the TEAP and TOCs may be made by individual Parties to the Secretariat through their relevant government organization. Such a nomination will be forwarded to the TEAP for consideration and, in the case of nominations of the TEAP for recommendation to the Meeting of the Parties. Any nominations made by the TEAP will be communicated to the relevant Party for consultation before recommendations for appointment are made.

2.3 Appointment of Members of TEAP

In keeping with the intent of the Parties for a periodic review of the composition of the assessment panel, the Meeting of the Parties shall appoint the members of the TEAP for a period to be determined by the Parties, subject to re-endorsement by the Parties. In appointing or re-endorsing members of the TEAP, the

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Parties should ensure continuity as well as a reasonable turnover.

#### 2.4 TOC Co-Chairs

The Co-Chairs of a TOC should not normally act as Co-Chairs of another TOC.

#### 2.5 Appointment of Members of TOCs

Each TOC should have about 20-35 members. The TOC members are appointed by the TOC Co-Chairs in consultation with the TEAP.

#### 2.6 Termination of Appointment

TEAP/TOC Co-Chairs can dismiss a member by a two-thirds majority vote. A dismissed member has the right to request a vote of its relevant Panel, Committee or TSB and will be restored if supported by one-third of the members of that body. A dismissed member of the TEAP has the right to appeal to the next Meeting of the Parties through the Secretariat. A dismissed member of a TOC can appeal to TEAP, which can decide on such issues with a two-thirds majority vote, and can appeal to the next Meeting of the Parties.

#### 2.7 Replacement

If a TOC Co-Chair/Senior Expert relinquishes or is unable to function, the TEAP after consultation with the nominating Party can temporarily appoint a replacement from amongst its bodies for the time up to the next Meeting of the Parties, if necessary to complete its work. For the appointment of a new member at the Meeting of the Parties, the procedure set out in paragraph 2.2 should be followed.

#### 2.8 Subsidiary Bodies

Temporary Subsidiary Technical Bodies (TSBs) can be appointed by the TEAP/TOCs to report on specific issues of limited duration. The TEAP/TOCs may appoint and dissolve, subject to review by the Parties, such subsidiary bodies of technical experts when they are no longer necessary. The Code of Conduct must be followed by the members of TSBs to avoid conflict of interests in the performance of their duties. For issues which cannot be handled by the existing TOCs and are of substantial and continuing nature TEAP should request the establishment by the Parties of a new TOC.

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2.9 Guidelines for Nominations

The TEAP/TOCs will draw up guidelines for nominating experts by the Parties. The TEAP/TOCs will publicize a matrix of expertise available and the expertise gap in the TEAP/TOCs so as to facilitate submission of appropriate nominations by the Parties.

3. Functioning of TEAP/TOCs/TSBs

3.1 Language

The TEAP/TOCs/TSBs meetings will be held and reports and other documents will be produced only in English.

3.2 Scheduling of Meetings

The place and time of the TEAP/TOCs/TSBs meetings will be fixed by the Co-chairs.

3.3 Rules of Procedure

The rules of procedure of the Montreal Protocol will be followed in conducting the meetings of the TEAP/TOCs/TSBs, unless otherwise stated in the terms of reference for TEAP/TOCs/TSBs approved by a Meeting of the Parties.

3.4 Observers

No observers will be permitted at the TEAP, TOC or TSB meetings. However, anyone can present information to the TEAP/TOCs with prior notice and can be heard personally if the TEAP/TOCs consider it necessary.

3.5 Functioning by Members

The TEAP/TOCs/TSBs members function on a personal basis as experts, irrespective of the source of their nominations and accept no instruction from, nor function as representatives of Governments, industries, NGOs or others.

4. Report of TEAP/TOCs/TSBs

4.1 Procedures

The TEAP/TOCs/TSBs will be developed through a consensus process. The reports must reflect any minority views appropriately.

4.2 Access

Access to materials and drafts considered by the TEAP/TOCs/TSBs will be available only to TEAP/TOCs members or others designated by TEAP/TOCs/TSBs.

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4.3 Review by TEAP

The final reports of TOCs and TSBs will be reviewed by the TEAP and will be forwarded, without modification (other than editorial or factual corrections which have been agreed with the Co-Chairs of the relevant TOC or TSB) by the TEAP to the Meeting of the Parties, together with any comments the TEAP may wish to provide. Any factual errors in the reports may be rectified through a corrigendum following publication, upon receipt by TEAP or the TOC of supporting documentation.

4.4 Comment by Public

Any member of the public can comment to the Co-Chairs of TOCs and TSBs with regard to their reports and they must respond as early as possible. If there is no response, these comments can be sent to the TEAP Co-Chairs for consideration by TEAP.

5. CODE OF CONDUCT BY MEMBERS OF THE TECHNOLOGY AND ECONOMIC ASSESSMENT PANEL

Code of Conduct

Members of the TEAP, TOCs and the TSBs have been asked by the Parties to undertake important responsibilities. As such, a high standard of conduct is expected of Members in discharging their duties. In order to assist Members, the following guidelines have been developed as a Code of Conduct.

1. This Code of Conduct is intended to protect Members of the TEAP, TOCs and TSBs from conflicts of interest in their participation. Compliance with the measures detailed in these guidelines is a condition for serving as a Member of the TEAP, the TOCs or the TSBs.
2. The Code is to enhance public confidence in the integrity of the process while encouraging experienced and competent persons to accept TEAP, TOC and/or TSB membership by:
  - . establishing clear rules of conduct with respect to conflict of interest while and after serving as a Member, and
  - . by minimizing the possibility of conflicts arising between the private interest and public duties of Members, and by providing for the resolution of such conflicts, in the public interest, should they arise.
3. In carrying out their duties, Members shall:
  - . perform their official duties and arrange their private affairs in such a manner that public confidence and trust in the integrity, objectivity and impartiality of the TEAP, TOCs and TSBs are conserved and enhanced;

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- . act in a manner that will bear the closest public scrutiny, an obligation that is not fully discharged by simply acting within the law of any country;
  - . act in good faith for the best interest of the process;
  - . exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
  - . not give preferential treatment to anyone or any interest in any official manner related to the TEAP, TOCs or TSBs;
  - . not solicit or accept significant gifts, hospitality, or other benefits from persons, groups or organizations having or likely to have dealings with the TEAP, TOCs or TSBs;
  - . not accept transfers of economic benefit, other than incidental gifts, customary hospitality, or other benefits of nominal value, unless the transfer is pursuant to an enforceable contract or property right of the Member;
  - . not step out of their role as a Member to assist other entities or persons in their dealings with the TEAP, TOCs or TSBs where this act would result in preferential treatment to any person or group;
  - . not knowingly take advantage of, or benefit from, information that is obtained in the course of their duties and responsibilities as a Member of the TEAP, TOCs and TSBs, and that is not generally available to the public; and
  - . not act, after their term of office as a Member of the TEAP, TOCs or TSBs in such a manner as to take improper advantage of their previous office.
4. To avoid the possibility or appearance that Members of the TEAP, TOCs or TSBs might receive preferential treatment, Members shall not seek preferential treatment for themselves or third parties or act as paid intermediaries for third parties in dealings with the TEAP, TOCs or TSBs.
  5. TEAP, TOC and TSB Members shall disclose activities including business or financial interest in production of ozone-depleting substances, their alternatives, and products containing ozone depleting substances and alternatives which might call into question their ability to discharge their duties and responsibilities objectively. TEAP, TOC and TSB members must annually disclose such activities. They must also disclose any financing from a company engaged in commercial activities, for their participation in the TEAP, TOC or TSB.
  6. TEAP is responsible for the interpretation and TEAP/TOC/TSB

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Members for the application of this Code of Conduct.

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Annex VI

SCALE OF 1997-1998 CONTRIBUTIONS BASED ON THE UNITED NATIONS SCALE  
OF ASSESSMENTS WITH NO PARTY PAYING MORE THAN 25 PER CENT

SCALE OF 1997-1998 CONTRIBUTIONS (continued)



Annex VII

TRUST FUND FOR THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER:  
BUDGETS FOR 1996, 1997 AND 1998

	1996		1997		1998	
	w/m	(\$)	w/m	(\$)	w/m	(\$)
10 PROJECT PERSONNEL COMPONENT						
1100 Project personnel						
1101 Executive Secretary (D-2) (a) (shared with the Vienna Convention (VC))	6	60,000	6	68,000	6	69,700
1102 Deputy Executive Secretary (P-5)	12	102,000	12	130,000	12	113,250
1103 Programme Officer (Law) (P-4)	12	83,000	12	98,000	12	100,000
1104 Programme Officer (Science) (P-4) (shared with VC)	6	43,000	6	66,000	6	67,650
1105 Administrative and Programme Management Officer (P-3) (a) (shared with VC)	6	36,000	6	48,000	6	49,000
1106 Programme Officer (Information Systems) (P-3) (shared with VC) (a), (b)		0	0	0	12	98,400
1199 Subtotal		324,000		410,000		498,650
1200 Consultants						
1201 Assistance in data reporting, analysis and promotion of the Protocol		25,000		26,250		48,750
1299 Subtotal		25,000		26,250		48,750

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## 1300 Administrative support costs

1301 Administrative Assistant (shared with VC) (G-6) (a) (shared with VC)	6	9,000	6	9,500	6	9,738
1302 Senior Secretary (G-6) (a)	12	15,500	12	16,000	12	16,400
1304 Secretary (shared with VC) (G-5) (a)	6	8,000	6	8,500	6	8,713
1305 Secretary (shared with VC) (G-5) (a)	6	8,000	6	8,500	6	8,713
1306 Documents Clerk (G-3)	12	7,500	12	8,000	12	8,200
1320 Temporary assistance		5,500		6,000		6,150
Subtotal support staff costs		53,500		56,500		57,913

## Conference-servicing costs (CSC) (e)

1321 Open-ended Working Group Meetings		390,000		400,000		410,000
1322 Meetings of the Parties and Preparatory meetings		280,000		405,000		415,000
1323 Meetings of the Assessment Panels		31,000		68,000		69,700
1324 Meetings of the Bureau		39,000		41,000		42,025
1325 Meetings of the Committees		26,000		27,000		27,675
1326 Informal Consultation Meetings		11,000		11,000		11,275
Subtotal conference-servicing costs		777,000		952,000		975,800
1399 Subtotal		830,500		1,008,500		1,033,713

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1600 Travel on official business			
1601 Secretariat staff	100,000	102,000	104,550
1602 UNEP conference-servicing staff	20,000	20,000	20,500
1699 Subtotal	120,000	122,000	125,050
1999 Component total	1,299,500	1,566,750	1,706,163
30 TRAINING/PARTICIPATION COMPONENT			
3300 Participation costs of developing countries (g)			
3301 Assessment Panel meetings	300,000	500,000	550,000
3302 Preparatory and Parties Meetings	220,000	250,000	256,250
3303 Open-ended Working Group Meetings	200,000	250,000	256,000
3304 Bureau Meetings	30,000	30,000	30,750
3305 Committee Meetings	60,000	60,000	61,500
3399 Subtotal	810,000	1,090,000	1,154,750
3999 Component total	810,000	1,090,000	1,154,750
40 EQUIPMENT AND PREMISES COMPONENT			
4100 Expendable Equipment (items under \$1,500) (h)			
4101 Miscellaneous Expendables (shared with VC)	24,000	25,000	25,625
4199 Subtotal	24,000	25,000	25,625
4200 Non-expendable equipment (i)			
4201 Personal Computers and Accessories (shared with VC)	10,000	5,000	5,125
4202 Portable Computers (shared with VC)	3,000	3,000	3,075
4203 E-mail/Bulletin Board and other information systems (shared with VC)	5,000	5,500	5,638

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4204 Photocopier	0	28,000	0
4299 Subtotal	18,000	41,500	13,838
4300 Rental of office premises (shared)			
4301 Rental of Office premises (shared with VC)	15,000	30,000	30,750
4399 Subtotal	15,000	30,000	30,750
4999 Component total	57,000	96,500	70,213
50 MISCELLANEOUS COMPONENT			
5100 Operation and maintenance of equipment (shared with VC)			
5101 Maintenance of equipment (shared with VC)	11,000	12,000	12,300
5199 Subtotal	11,000	12,000	12,300
5200 Reporting costs (j)			
5201 Reporting (general)	55,000	60,000	61,500
5202 Reporting (Assessment Panel reports)	27,500	30,000	61,425
5299 Subtotal	82,500	90,000	122,925
5300 Sundry (k)			
5301 Communications	50,000	75,000	76,875
5302 Freight charges (documents shipment)	73,000	73,000	74,825
5303 Training	0	25,000	15,000
5304 Others	5,000	0	4,875
5399 Subtotal	128,000	172,000	171,575
5400 Hospitality			
5401 Hospitality	17,500	18,000	18,450
5499 Subtotal	17,500	18,000	18,450

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5999 Component total	239,000	293,000	325,240
99 GRAND TOTAL	2,405,500	3,046,250	3,256,375
Programme support costs (13%)	312,715	396,013	423,329
Contingency	100,000	100,000	0
OVERALL GRAND TOTAL	2,818,215	3,542,263	3,679,704

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Explanatory notes for the budget for the Montreal ProtocolNotes for the 1997 and 1998 budgets:

The inflation is assumed to be 2.5 per cent.

Budget line

- |     |                  |   |
|-----|------------------|---|
| (a) | 1100 and<br>1300 | 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 found necessary in the classification and if approved by the Executive Director, after review. Salaries are updated to reflect the current and estimated future salary levels in Nairobi.  |
| (b) | 1106             | A new post for a Programme Officer (Information Systems) has been requested to take care of and analyse the data on ozone-depleting substances (ODS) reported by the large number of Parties and to coordinate the computer systems of the Secretariat (bulletinboards, WWW (the "World Wide Web"), etc.). The post will be requested from Parties as a JPO (Junior Professional Officer). The post may be funded from the Trust Fund only if JPO funding is not available. |
| (c) | 1321 - 1326      | The conference-servicing costs have been based on the following assumptions:  |
|     | 1321             | One Open-ended Working Group meeting will be held during 1998, in Nairobi, using six languages.   |
|     | 1322             | The Preparatory and Parties meeting for the Montreal Protocol will be held in Nairobi, in six languages. When meetings are not held in Nairobi, the incremental cost will be paid by the host Government.   |
|     | 1323             | In response to the request by the Informal Advisory Group for restructuring the TEAP, \$37,000 has been included in the 1997 budget to cover the communications costs and sundries related to the work of TEAP members from developing countries and countries with economies in transition.  |
|     | 1324             | Two Bureau meetings are scheduled for 1998.   |
|     | 1325             | Two Implementation Committee meetings, in English only, are assumed to take place in Nairobi.   |
|     | 1326             | One Informal Consultation, in English only, is assumed to take place in Nairobi.  |

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- (d) 3300 The average cost of participation is assumed to be \$5,000 per participant in 1997, with no more than one person's travel cost being covered for each country and using the most appropriate economical fare and United Nations per diem allowances.
- 3301 This budget item includes financial assistance to Dr. Aucamp of South Africa as a Co-Chair of the Scientific Assessment Panel to attend meetings of that Panel, as recommended by the Open-ended Working Group of the Parties to the Montreal Protocol at its thirteenth meeting (see UNEP/OzL.Pro/WG.1/13/6, para. 197).
- 3302 The participation costs for 50 participants in the 1997 Meeting of the Parties and its Preparatory Meeting amount to \$250,000.
- 3303 The participation costs for 50 participants in the meeting of the Open-ended Working Group in 1997 amount to \$250,000.
- 3304 The participation costs for the two Bureau meetings are based on four participants from developing countries and countries with economies in transition in each meeting.
- 3305 The participation costs for the two Committee meetings are based on eight participants from developing countries with economies in transition in each meeting.
- (e) 4100 The cost of expendable equipment has been increased marginally to cover inflation.
- (f) 4200 The cost of non-expendable equipment has been increased marginally to cover inflation.
- (g) 4301 The level of rent has been increased to current existing levels in 1997 and 1998.
- (h) 5202 The next Assessment has been rescheduled for mid-1998 from 1997, reducing the printing cost in 1997.
- (i) 5300 The communication and freight charges reflect the increased number of Parties to the Protocol.
- (j) Contingency If the need arises, the Secretariat will request the Ninth Meeting of the Parties to review the contingency.

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Annex VIII

NOTE ON THE STATUS OF THE MULTILATERAL FUND

96. Subsequent to the approvals of the twentieth meeting of the Executive Committee, funds remaining unallocated and at the disposal of the Executive Committee stand at US\$ 6,747,808.

97. Outstanding agreed contributions are as follows:

YEAR	AMOUNT (US\$)	TOTAL	PERCENTAGE OUTSTANDING
1991	7 261 886		
1992	9 779 082		
1993	12 414 750	29 455 718	12.3
1994	17 555 744		
1995	17 710 983	35 266 727	11.9
1996	86 400 221		56.8
1994-96	121 666 948		27.1
1991-96	151 122 666		22.0

98. Payment expectations for 1991-96, outstanding contributions:

1991-92	0
1993	286 549
1994	478 417
1995	633 656
Sub-total	1 398 622
1996	66 708 465
TOTAL	68 107 087

99. Balance available from 1994-96 cycle:

Available now	6 747 808	
Expected	68 107 087	(not all by 31.12.96)
TOTAL	74 854 895	

100. Analysis of 1996 payment expectations:

Total outstanding	86 400 221
Less disputed	8 098 267*
Less countries in transition	11 593 489
TOTAL	66 708 465

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\*France, Germany, Japan, Italy, United Kingdom.

Annex VIII (continued)

STATUS OF CONTRIBUTIONS TO THE TRUST FUND FOR THE MULTILATERAL FUND  
AS OF 22 NOVEMBER 1996

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