PREPARATORY MEETING FOR THE
FOURTH MEETING OF THE PARTIES
TO THE MONTREAL PROTOCOL

Copenhagen, 19-21 November 1992

REPORT OF THE PREPARATORY MEETING FOR THE FOURTH
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I. INTRODUCTION

1. The Preparatory Meeting for the Fourth Meeting of the Parties to the
Montreal Protocol was held at the Bella Center, Copenhagen, from 19 to

II. ORGANIZATIONAL MATTERS

A. Opening of the Meeting

2. Mr. Per Stig Møller, Minister for the Environment of Denmark, welcomed
the participants.

3. He stated that the world was awaiting the outcome of the Meeting's
deliberations. The Protocol contained measures that would allow all countries
to meet their commitments, the findings of scientists underlined the need for
urgent action and the technology was available; it was now a matter of
political will.

4. The work accomplished by the Open-ended Working Group would
facilitate the task of the Fourth Meeting of the Parties and he welcomed
the consensus emerging on many important issues. One important issue that
remained, however, concerned the provision of financial support to developing
countries and he urged all countries not operating under Article 5,
paragraph 1, to fulfil their financial obligations without delay so as to
allow developing countries to meet their commitments without jeopardizing
their development. He concluded by encouraging all non-Parties to accede to
the Protocol.

5. Dr. Mostafa K. Tolba, Executive Director of the United Nations
Environment Programme, emphasized that the Fourth Meeting of the Parties would
be able to make constructive decisions in the short time available only if the
Preparatory Meeting gave them a foundation to build on. He noted with
satisfaction that there was a great convergence of views on many of the
important issues discussed in the Open-ended Working Group. Issues such as
non-compliance procedure, expediting the amendment procedure under Article 9
of the Vienna Convention and destruction technologies had not been discussed
by the Working Group, and the Preparatory Meeting had to consider them without
the benefit of the Group's recommendations.

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6. With regard to non-compliance, he was confident that the brackets around two provisions in the revised procedure suggested by the Ad Hoc Working Group of Legal Experts could be deleted, thus enabling the procedure to be approved. The Fourth Meeting of the Parties would also have to consider possible situations of non-compliance and whether an exhaustive or indicative list should be established. The Ad Hoc Working Group had developed an indicative list which would be considered by the Preparatory Meeting with a view to making a recommendation to the Parties.

7. Pursuant to a request by the Third Meeting of the Parties, the Working Group had considered the issue of expediting the amendment procedure under Article 9 of the Vienna Convention and recommended that the present procedure should be followed without any amendment.

8. In connection with destruction technologies, he urged the Meeting to give favourable consideration to the clear recommendations contained in the report of the Ad Hoc Technical Advisory Committee on Destruction Technologies concerning approval criteria for technologies, the six specific destruction technologies, the regulatory standards for destruction facilities and procedures for approval of additional technologies.

9. Turning to the question of the financial mechanism, the Executive Director emphasized that the response to the Interim Multilateral Fund, by countries operating under Article 5, paragraph 1, had been tremendous. Many developing countries had expressed their intention to phase out ozone-depleting substances much earlier than required under the Montreal Protocol, and due solely to their confidence in the Fund. Article 10 clearly set out the structure and functioning of the Fund and it was not permissible to delay its implementation. The Fund must be established during the Fourth Meeting of the Parties in accordance with the commitment made in London, since the London Amendment had entered into force. In his view, $500 million was needed as a minimum for the years 1994-1996 and agreement must be reached on the figure in order to allow Parties to plan their budgets and programmes. At the least, the allocations for 1993 and 1994 should be decided at the present Meeting. He also supported the need for a clear evaluation of the working of the Fund and its Executive Committee to date.

10. Concerning the assessment panels, he drew attention to the many important issues they would have to consider. Article 6 required the assessment of control measures at least every four years and, following the reports submitted in 1990 and 1992, he proposed that the next reports should be completed before the end of 1994 so that the Meeting of the Parties in 1995 could assess the control measures.

11. Regarding the need for controlled substances for the Parties operating under Article 5, paragraph 1, during the grace and phase-out period, he drew attention to the report submitted by the Executive Committee of the Interim Multilateral Fund. The report would help to lessen the concern of Parties operating under Article 5, paragraph 1, concerning availability, but they would probably need further assurance on the part of producing Parties.

B. Attendance

12. The Meeting was attended by delegations from the following Contracting Parties: Argentina, Australia, Austria, Bangladesh, Belarus, Belgium, Botswana, Brazil, Bulgaria, Burkina Faso, Cameroon, Canada, Chile, China, Costa Rica, Cuba, Denmark, Ecuador, Egypt, European Community, Finland, France, Gambia, Germany, Ghana, Greece, Guatemala, Guinea, Hungary, Iceland, India, Indonesia, Ireland, Israel, Italy, Japan, Jordan, Kenya, Libyan Arab Jamahiriya, Luxembourg, Malawi, Malaysia, Malta, Mauritius,
Mexico, Netherlands, New Zealand, Norway, Panama, Philippines, Poland, Portugal, Republic of Korea, Russian Federation, Singapore, South Africa, Spain, Sri Lanka, Sweden, Switzerland, Thailand, Togo, Tunisia, Turkey, Uganda, Ukraine, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Venezuela and Yugoslavia.

13. Delegations of the following countries, not Contracting Parties, also participated: Chad, Colombia, Congo, Dominican Republic, Guyana, Iraq, Kuwait, Laos, Mauritania, Morocco, Mozambique, Niger, Oman, Pakistan, Peru, Senegal, Solomon Islands, Sudan, Swaziland, United Republic of Tanzania, Yemen and Zimbabwe.


15. The following intergovernmental organizations were also represented: International Institute of Refrigeration (IIF-IIR) and the Nordic Council.


17. Three delegations made statements concerning attendance and these are annexed.

C. Organization of the Meeting

Election of officers

18. The Meeting decided that representatives of the countries composing the Bureau of the Third Meeting of the Parties should serve as the officers of the Preparatory Meeting. The delegate of Kenya was unable to preside and, at his request, the Vice-President from Venezuela presided. The officers were therefore as follows:
Adoption of the agenda

19. The Meeting adopted the following agenda on the basis of document UNEP/OzL.Pro.4/Prep/1:

1. Opening of the Meeting.
2. Organizational matters:
   (a) Election of officers;
   (b) Adoption of agenda.
3. Consideration of the report of the Executive Director:
   - Implementation of the Montreal Protocol and its adjustments and Amendment;
   - Establishment of the Financial Mechanism under Article 10 of the amended Protocol;
   - Reporting of data;
   - Report of the Third Meeting of the Ad Hoc Working Group of Legal Experts on Non-Compliance with the Montreal Protocol;
   - Assessment Panels and the terms of reference for 1993;
   - Proposals for further adjustments and amendment;
   - Other recommendations of the Open-ended Working Group.
7. Proposed date and venue for the Fifth Meeting of the Parties.
8. Other matters.
9. Adoption of the report.
10. Closure of the Meeting.

III. SUBSTANTIVE MATTERS

20. The substantive items contained in the Executive Director's report (UNEP/OzL.Pro.4/5) were taken up by the Meeting with particular reference to the relevant draft decisions contained in UNEP/OzL.Pro.4/L.1 to be recommended to the Parties for adoption.

Implementation of the Montreal Protocol and its adjustments and Amendment

21. The Secretariat drew the Meeting's attention to draft decision IV/1 and informed the Meeting of the latest status of ratification of the Montreal Protocol and the London Amendment. Many delegations indicated that their countries were in the process of ratifying, or had recently ratified, the Vienna Convention and the Montreal Protocol. In addition, several Parties to the Protocol announced that their authorities had ratified, or were in the process of ratifying, the London Amendment.
22. The Meeting decided to recommend that draft decision IV/1 be adopted by the Fourth Meeting of the Parties.

Establishment of the financial mechanism under Article 10 of the amended Protocol

23. The Chairman of the Executive Committee of the Interim Multilateral Fund for the Implementation of the Montreal Protocol introduced his report (UNEP/OzL.Pro.4/8/Rev.1). He emphasized that all the decisions taken by the Executive Committee had been reached by consensus.

24. Many delegations expressed their appreciation of the work carried out by the Executive Committee and the Fund Secretariat. Several delegations expressed their concern that the pledged contributions to the Interim Multilateral Fund by Parties not operating under Article 5, paragraph 1, were being paid late or not paid at all by some Parties. One delegation stated that its country was required to pay a contribution to the Interim Fund - and had, in fact, paid it for 1992 - although its per capita gross national product was lower than that of many developing countries and its consumption of the controlled substances was very low.

25. In response to a question by one delegation, the Chief Officer of the Fund said that the projects implemented to date concerned technical assistance and demonstrations; agreements between the implementing agencies and the beneficiary Article 5 countries were being drawn up for the investment projects approved, but that was a lengthy process which depended on internal procedures both in the implementing agencies and the countries concerned.

26. The Secretariat introduced a draft decision by the Executive Director on the establishment of the Fund. Many delegations stated that, in accordance with the decision taken at the Second Meeting of the Parties (paragraph 14 of the terms of reference for the Interim Multilateral Fund (UNEP/OzL.Pro.2/3, annex IV, appendix IV)), the Fund should be established at the Fourth Meeting. One delegation questioned the figure of $113.34 million for 1993 and another delegation proposed some amendments to the draft decision and suggested that, as a minimum, the 1994 budget should be $113.34 million. A number of delegations supported the Executive Director's draft decision, including the aforementioned amendments. One delegation considered that proposal of a figure for the Fund's 1994 budget should be deferred until the Parties had more information on the needs of the Fund. Another delegation considered that the proposed 1994 budget should be increased to take into account any new commitments entered into at the Fourth Meeting.

27. The Meeting considered draft decisions submitted by France and Italy and by the Executive Director concerning the evaluation of the operations of the Multilateral Fund. Many delegations recognized the need for evaluation of the operation of the Fund, but several of them considered that the first step should be to establish the Fund.

28. Several delegations expressed the view that the draft decisions on the establishment of the Fund and the Interim Fund's evaluation should be combined.

29. Following extensive consultations, a revised draft decision (IV/17) on the financial mechanism was submitted to the Meeting. After further discussion, the Meeting decided to recommend that it be transmitted to the Parties, leaving the last sentence of paragraph (c) in square brackets. One delegation entered a reservation on paragraphs (a) and (b).
30. The Meeting then considered a proposal submitted to it in writing concerning the review and evaluation of the financial mechanism. It decided to recommend that draft decision (IV/17 bis) for adoption by the Fourth Meeting of the Parties.

31. During discussion of draft decision IV/19 on the Executive Committee of the Multilateral Fund, one delegation proposed the inclusion of a paragraph similar to paragraph (b) of draft decision IV/18. Another delegation called for a review of the scale of contributions, which did not reflect changes in the economic situations of a number of countries. One delegation said that the terms of reference of the Executive Committee should be revised to specify the term of office of the Committee's members.

32. The Meeting decided to recommend that draft decision IV/19, with the addition of a new paragraph similar to paragraph (b) of draft decision IV/18, be adopted by the Fourth Meeting of the Parties.

33. The Meeting then proceeded to consider in the order of their numbers the draft decisions contained in document UNEP/OzL.Pro.4/L.1 which had not previously been taken up.

Draft decision IV/2 and IV/3 ("Further adjustments and reductions")
Draft decision IV/4 ("Further Amendment of the Protocol")

34. The Meeting considered that draft decisions IV/2 and IV/3 on further adjustments and reductions and IV/4 on further Amendment of the Protocol were related to the work of the Legal Drafting Group and would have to await finalization of the adjustments and the Amendment.

Draft decision IV/5 ("Non-compliance procedure")

35. The Chairman of the Ad Hoc Working Group of Legal Experts on Non-Compliance with the Montreal Protocol introduced the non-compliance procedure prepared by the Ad Hoc Working Group. Referring to Annexes IV to VI mentioned in draft decision IV/5, he pointed out that there were square brackets in the recommendations of the Working Group of Legal Experts relating to the first two of them.

36. Removal of the square brackets in the recommendations of the Working Group on Non-Compliance Procedure was acceptable to the Preparatory Meeting, and there were no comments on Annex VI. As for the square brackets around two provisions in the text recommended by the Ad hoc Working Group regarding the indicative list of possible situations of non-compliance with the Protocol, several delegations were in favour of deleting the provisions within brackets and adopting the remainder of the text, but such action was opposed by many others which favoured deletion of the brackets. Several delegations stated that, rather than accept the deletion of those provisions, they would prefer to do away with the entire Annex.

37. After some discussion, the Meeting decided to recommend the draft decision, together with Annexes IV and VI, to the Fourth Meeting of the Parties for their adoption and to place the entire Annex V in square brackets.

Draft decision IV/6 ("Implementation Committee")

38. The Meeting then considered draft decision IV/6 on the subject of the Implementation Committee. It decided to delete paragraph (b) and to recommend the remainder of the draft decision to the Fourth Meeting of the Parties for adoption.
Draft decision IV/7 ("Definition of developing countries")
Draft decision IV/8 ("Participation of developing countries")

39. The Meeting decided to recommend that draft decisions IV/7 and IV/8 be adopted by the Fourth Meeting of the Parties.

Draft decision IV/9 ("Data reporting")

40. The Secretariat introduced document UNEP/OzL.Pro.4/6 and Add.1 and draft decision IV/9 on the reporting of data. With respect to document UNEP/OzL.Pro.4/6, one delegation of a developing country requested the Secretariat to classify its country, temporarily, as operating under Article 5, paragraph 1, of the Protocol. The Secretariat took note of that request. In connection with the draft decision, one delegation said that, due to the current situation, his country found it difficult to fulfill the reporting requirement. Other delegations requested the Secretariat to correct the data shown for their respective countries. Several amendments were proposed: deletion of paragraph (c); the addition of a new paragraph (c) accepting the recommendations of the Secretariat concerning the Harmonized System, and noting that all Parties which had reported had met or exceeded their obligations under Article 2.

41. The Meeting decided to recommend that draft decision IV/9, as amended, be adopted by the Fourth Meeting of the Parties.

Draft Decision IV/10 ("Trade names of controlled substances")

42. The Meeting decided to recommend that draft decision IV/10 be adopted by the Fourth Meeting of the Parties.

Draft decision IV/11 ("Destruction technologies")

43. The Meeting considered a draft decision submitted by Canada to replace draft decision IV/11. One delegation stated that, although a destruction efficiency of 99.99 per cent was desirable, lower levels should be acceptable. It also queried the need to provide the Secretariat with a list of destruction facilities when there was no requirement to provide a list of production facilities for controlled substances. One delegation pointed out that the transport of controlled substances from one country for the purpose of destruction in another meant that there was a link between the Montreal Protocol and the Basel Convention on the Transboundary Movement of Hazardous Wastes and their Disposal. Another delegation suggested that there should be a provision on assisting developing countries to destroy controlled substances. Following further comments, the Meeting established a small working group to consider the matter. A number of amendments were proposed to the draft text submitted by the group and the Meeting decided to recommend that draft decision IV/11, as amended, be adopted by the Fourth Meeting of the Parties.

Draft decision IV/12 ("Assessment Panels")

44. A delegation having suggested that, in the proposed amended text of draft decision IV/12, the words "and the use of alternatives such as HFCs" should be added at the end of paragraph (b), another delegation objected that, since HFCs were not controlled substances, the Technology and Economic Assessment Panel could not be requested to report on them to the Open-ended Working Group.

45. After some discussion, it was decided to replace the proposed addition by the words "and assess the use of alternatives, particularly their direct and indirect global warming effects". The Meeting then recommended the draft decision, as amended, to the Fourth Meeting of the Parties for adoption.
Draft decision IV/13 ("Transshipment of controlled substances")
Draft decision IV/14 ("Situation whereby Parties operating under Article 5, paragraph 1, exceed the consumption limit set in that Article")

46. The Meeting accepted minor amendments to draft decisions IV/13 and IV/14 and decided to recommend that they be adopted by the Fourth Meeting of the Parties.

Draft decision IV/15 ("Annex D to the Montreal Protocol")

47. After examination of the conclusions of a small working group, set up to consider draft decision IV/15, the following text was approved for transmission to the Fourth Meeting of the Parties:

"(a) To take note of the entry into force of Annex D to the Protocol on 27 May 1992;

(b) To note that Singapore intends to remove its objection with respect to the products classified under items 1, 2 (with regard to refrigerators and freezers), 4, 5 and 6 of Annex D;

(c) To adopt the conclusions of the note regarding the Harmonized System code numbers for the products listed in Annex D of the amended Montreal Protocol, as contained in document UNEP/OzL.Pro.4/3."

Draft decision IV/16 ("Trade issues")

48. The sponsors of a proposed new draft decision on the application of Article 4 to Parties that had not ratified the London Amendment expressed the need to clarify the situation facing such Parties. The representative of a regional economic grouping said that the difficulty was apparently caused by tardy ratification.

49. The sponsors of the draft decision, supported by several delegations, explained that the difficulty was not caused by tardy ratification of the London Amendment. Rather, the difficulty had arisen from the plan of the regional economic grouping in question to ban, with effect from 1 January 1993, export of Annex A and Annex B substances to Parties that had not ratified the London Amendment. That plan would not be consistent with Article 4, paragraph 2, and Article 4, paragraph 2 bis, of the amended Protocol.

50. After some discussion, the Meeting decided to incorporate the new draft decision in draft decision IV/16 and to recommend the combined draft decision to the Fourth Meeting of the Parties for its adoption.

Draft decision IV/18 ("Budgets and financial matters")

51. The spokesman for a small working group, set up to examine the revised budgets for 1992 and 1993 and the proposed budget for 1994, reported that the group had examined all the budget items and had obtained clarification from the Secretariat regarding the reasons for increased estimates for 1993 and for the provisions in general. It recommended adoption of the draft decision.

52. Having commented that it was essential that it be mandatory upon the Parties to pay their assessed contributions, he said that the group would like further clarification regarding the treatment of the surplus from 1991. One delegation said that, in United Nations practice, any surplus on one year's budget was credited against the next year's contributions. The Secretariat offered further clarification in that regard. There was a
consensus in the Meeting that the Secretariat should be asked to produce a report on its policy with respect to surpluses. It was also felt that a different format should be adopted for presentation of the budget to facilitate easy comparison of the figures for different years.

53. The Meeting decided to recommend that draft decision IV/18 be adopted by the Fourth Meeting of the Parties.

Draft decision IV/20 ("Temporary financial relief for Hungary")

54. Several delegations said that the crux of the problem was, in fact, the situation of aggregate contributions, which was not addressed by either of the alternatives contained in draft decision IV/20. Several other delegations pointed out that contributions to the Interim Multilateral Fund could be made in kind as well as in cash, a possibility that might open the door to a solution.

55. A small working group set up for the purpose produced a text for the draft decision which, after amendment, was recommended by the Preparatory Meeting for adoption by the Fourth Meeting of the Parties.

Draft decision IV/22 ("Methyl bromide")

56. The Meeting considered draft decision IV/22 concerning methyl bromide. Several amendments were proposed to the draft decision in order to make it consistent with the proposal to be put before the Parties concerning methyl bromide. The Meeting also accepted three further amendments and decided to recommend that draft decision IV/22, as amended, be adopted by the Fourth Meeting of the Parties.

Draft decision IV/23 ("Recovery, reclamation and recycling of controlled substances")

57. One delegation, which had previously submitted an alternative text in writing, orally proposed an amalgamation of the two texts. The proposal met with general approval. A number of delegations then proposed additions to the combined text, all of which were accepted by its sponsor.

58. The Meeting decided to recommend that draft decision IV/23, as amended, be adopted by the Fourth Meeting of the Parties.

Draft decision IV/24 ("Essential uses")

59. Several delegations proposed changes to the dates mentioned in draft decision IV/24, in particular to provide for an earlier date for reports on halons. One delegation also proposed that consumption should be included in paragraph (b). Another delegation proposed that the reference to regulatory regimes in paragraph (a) should be deleted. A number of delegations expressed views on the need to include the notion of well-being in the first subparagraph and one delegation stated that the draft decision should state that the provisions would not apply to countries operating under Article 5, paragraph 1, until the control measures came into force for them. Some other delegations proposed drafting changes.

60. The Meeting decided to place the entire draft decision, along with the suggestions made for change, in square brackets and transmit it to the Fourth Meeting of the Parties.
Draft decision IV/28 ("Meeting the needs of Parties operating under Article 5, paragraph 1")

61. After discussing amendments proposed to paragraphs (c) and (d), the Meeting decided to recommend that paragraphs (a) and (b) of draft decision IV/28 be adopted by the Fourth Meeting of the Parties.

62. The draft decisions and relevant annexes, as approved by the Preparatory Meeting, are to be found in document UNEP/OzL.Pro.4/L.1/Rev.1.

IV. OTHER MATTERS

63. The Meeting discussed a proposal by Venezuela regarding application to Colombia of Article 4, paragraph 8, of the amended Montreal Protocol. After amendment, it decided to recommend that the proposal should be adopted by the Fourth Meeting of the Parties.

V. ADOPTION OF THE REPORT

64. The Preparatory Meeting adopted the present report, on the basis of the draft report contained in UNEP/OzL.Pro.4/Prep/L.1/Rev.1 and Add.1.

VI. CLOSURE OF THE MEETING

65. After an exchange of courtesies, the Chairman declared the Meeting closed on 21 November 1992.
Annex

QUESTION OF YUGOSLAVIA

Statement by the representative of the United Kingdom on behalf of the European Community

"As we have already made clear on a number of occasions, the European Community and its member States do not accept that the Federal Republic of Yugoslavia is the automatic continuation of the Socialist Federal Republic of Yugoslavia.

"In this context, we take note of General Assembly resolution 47/1, adopted on 22 September 1992, in which the Assembly considered that the Federal Republic of Yugoslavia (Serbia and Montenegro) cannot continue automatically the membership of the former Socialist Federal Republic of Yugoslavia in the United Nations, and decided that the Federal Republic of Yugoslavia (Serbia and Montenegro) should therefore apply to join the United Nations and shall not participate in the work of the General Assembly.

"The European Community and its member States have also noted the United Nations Legal Counsel's advice on the applicability of the General Assembly resolution to other United Nations bodies. We regard General Assembly resolution 47/1 as a model for action in the specialized agencies and other United Nations bodies in due course, as appropriate."

Statement by the representative of Austria

"The Austrian Government has repeatedly voiced its opinion in different international fora that there is no legal basis for an automatic continuation of the legal existence of the former Socialist Federal Republic of Yugoslavia by the so-called Federal Republic of Yugoslavia, which therefore cannot be considered to continue the Yugoslav membership of the former Yugoslavia in the United Nations. Austria therefore fully supported the resolutions adopted by the Security Council on 19 September and the General Assembly on 22 September which, inter alia, decided that the Federal Republic of Yugoslavia (Serbia and Montenegro) should apply for membership of the United Nations and that the Federal Republic of Yugoslavia should not participate in the work of the General Assembly. Resolution 47/1, according to the legal interpretation of the United Nations Legal Counsel, also applies to entities directly under the auspices of the United Nations General Assembly such as UNEP.

"As this is a meeting under the auspices of UNEP, we do not recognize the participation of the delegation of the Federal Republic of Yugoslavia in the Preparatory Meeting as valid. We would also like to emphasize that the participation of a representative of the so-called Federal Republic of Yugoslavia (Serbia and Montenegro) in this meeting or any future meeting of this committee does not constitute in any way a form of recognition by Austria or a prejudice to any future decision or action the Austrian Government or any international organization may take in the future."

* This statement was supported by the delegations of Australia, Hungary, Malaysia, Norway, Switzerland, Turkey and the United States of America.
Statement by the representative of Yugoslavia

"We are sorry about the statements of some countries raising the question of the status of the Federal Republic of Yugoslavia. We would like to stress that this approach as well as the imposed sanctions against Yugoslavia are essentially contrary to the basic premises of both the Vienna Convention and the Montreal Protocol.

"This conference is devoted to the protection of the ozone layer, a question of global character, and raising political issues does not help in reaching the goals of this meeting.

"Yugoslavia respects the resolutions of the United Nations. Yugoslavia does not participate, we hope temporarily, in the meetings of the General Assembly, but Yugoslavia is not expelled from the United Nations and its bodies and works intensively to fulfil their goals.

"At the same time we would like to give our positive contribution to the work of this conference, aware of the fact that it is of global interest and in our own interest."