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IMPLEMENTATION COMMITTEE UNDER THE
NON-COMPLIANCE PROCEDURE FOR
THE MONTREAL PROTOCOL
Twelfth meeting
27 and 29 November and 1 December 1995

REPORT OF THE IMPLEMENTATION COMMITTEE UNDER THE NON-
COMPLIANCE PROCEDURE FOR THE MONTREAL PROTOCOL
ON THE WORK OF ITS TWELFTH MEETING

I. INTRODUCTION

1. The twelfth meeting of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol was held at the Austria Center Vienna on 27 November 1995. Resumed sessions of the meeting were held on 29 November and 1 December.

II. ORGANIZATIONAL MATTERS

A. Opening of the meeting

2. The meeting was opened at 10.30 a.m. on Monday, 27 November 1995, by Mr. Hugo Schally (Austria), President of the Committee.

B. Attendance

3. The meeting was attended by Committee members from Austria, Bulgaria, Burkina Faso, Chile, Jordan, Netherlands, Peru, Philippines, the Russian Federation and the United Republic of Tanzania. At the invitation of the Committee, representatives of Belarus, Lithuania, and Ukraine also attended. The meeting was also attended by the Chair and Co-Chair of the Ad Hoc Working Group of the Technology and Economic Assessment Panel on CEIT Aspects. Representatives of the Implementing Agencies for the Financial Mechanism under the Montreal Protocol and of the secretariats of the Multilateral Fund and the Global Environment Facility (GEF) were also present. The full list of participants is contained in annex I to the present report.

C. Adoption of the agenda and organization of work

4. The Committee adopted the following agenda, based on the provisional agenda circulated as document UNEP/OzL.Pro/ImpCom/12/1:

1. Opening of the meeting.
2. Adoption of the agenda and organization of work.
3. Consideration of the note by the Secretariat on:
 - (a) Destination of exports of ozone-depleting substances by Kuwait and Slovenia;
 - (b) The status of Mauritania vis-à-vis decision VI/5 of the Sixth Meeting of the Parties;
 - (c) Information submitted by the Russian Federation, Belarus and Ukraine on recycling facilities, statistical data and measures on the phase out of ozone-depleting substances.
4. Data-reporting:
 - (a) Update by the Secretariat on data-reporting since the eleventh meeting of the Implementation Committee;
 - (b) Presentations by the Implementing Agencies regarding data-reporting for the countries in which they are undertaking country programmes.
5. Other matters.
6. Adoption of the report.
7. Closure of the meeting.

III. CONSIDERATION OF THE NOTE BY THE SECRETARIAT

A. Destination of exports of ozone-depleting substances by Kuwait and Slovenia

5. The President informed the Committee that Slovenia was not seeking reclassification. In the case of Kuwait, some further information had been provided but the Committee might wish to ask for further clarification, since Kuwait appeared to be importing and re-exporting CFCs.

6. After some discussion, during which members of the Secretariat pointed out that countries had always been classified on the basis of their reported data and that Kuwait had undertaken to pay its contributions for 1993, the Committee decided to recommend that Kuwait be classified as an Article 5 country as from 1 January 1994.

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B. The status of Mauritania vis-à-vis decision VI/5 of the Sixth Meeting of the Parties

7. The President said that Mauritania appeared to be ineligible for funding from the Multilateral Fund since, despite the existence of a country programme, it had not submitted the necessary data. In response to questions from the floor, he said that repeated communications had been sent to the Government of Mauritania, both directly and through the Government of France, which was implementing Mauritania's country programme as part of its bilateral cooperation programme under the Multilateral Fund, but to no avail.

8. One representative, while not objecting to the draft decision, expressed concern that not all Parties were aware of, or able to, fulfil all their obligations under the Protocol. He requested that the Secretariat and interested Parties expand their efforts to provide the informational, financial and technical support needed in such cases.

9. The Committee then decided to recommend to the Seventh Meeting of the Parties that Mauritania should be deemed ineligible for assistance from the Multilateral Fund until it submitted the necessary data.

C. Information submitted by the Russian Federation, Belarus and Ukraine on recycling facilities, statistical data and measures on the phase-out of ozone-depleting substances

10. The President of the Committee introduced this item, emphasizing its importance to the proper functioning of the Protocol. In order to facilitate the most helpful exchange, he proposed and the Committee agreed, that each country have the opportunity to make a statement, outlining its submission and then to respond to issues raised by the Secretariat, the Co-Chair of the Ad Hoc Working Group on CEIT Aspects of the Technology and Economic and Assessment Panel and members of the Implementation Committee.

Russian Federation

11. The Secretariat drew attention to paragraph 2 of its note on issues before the Committee at its twelfth meeting (UNEP/OzL.Pro/ImpCom/12/2) and a report entitled "Technically feasible and organizationally valid timetable for phasing out ozone-depleting substances" and the accompanying letter from the Russian Federation (see annex II below). The Secretariat noted that the report by the Russian Federation contained data on production but lacked specific and required information on levels of consumption, recovery and recycling, and exports. For example, it was unclear how much of the projected production of ozone-depleting substances in the years 1996-2000 was intended to meet the Russian Federation's domestic needs and how much was for export. The Secretariat considered the information on exports of special importance because many countries of the former USSR were not Parties and therefore exports to those States would place the Russian Federation in non-compliance with the Protocol. The report also lacked sufficient and specific information on how the Russian Federation intended to meet the Protocol's production and consumption targets and how much, and in what manner,

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financial assistance was required. Finally, the phase-out schedule contained in the report stated clearly that the Russian Federation intended to be in non-compliance with the Protocol in the near future.

12. The Co-Chair of TEAP Ad Hoc Working Group on CEIT Aspects informed the Committee that in his view the report lacked sufficient information on how the indicated reductions in the production and consumption of ozone-depleting substances could be achieved, what commitments would be required of the Government of the Russian Federation and affected firms, what level of financial resources was required, and how financial resources would be supplied. He requested clarification from the Russian Federation regarding these points and regarding several instances of possible inconsistencies concerning data.

13. The President of the Committee noted that the report provided by the Russian Federation was a helpful and factual statement containing important data on the production of ozone-depleting substances. However, he believed that it lacked sufficient information on the political commitment necessary for ozone-depleting substances phase-out, on the link between the sectoral approach in the document and the specific financial and administrative requirements, on enforcement mechanisms, and on how specific control measures would be implemented. He requested clarification concerning these items as well as the request for assistance by the Russian Federation in meeting its obligations under the Protocol. He asked if the delegation had specific information on recycling and reclamation facilities and on trade with members of the Commonwealth of Independent States (CIS). He also asked if the control schedule, including production levels in excess of those allowed under the Protocol, reflected purely domestic needs or if the anticipated levels included production for export, and if so for whom. He also clarified that neither the Implementation Committee nor the Meeting of the Parties could grant "formal grace-periods" for individual Parties. However, the Implementation Committee could recommend and the Parties could take decisions on a Party's non-compliance with the Protocol in a particular year as well as on how financial institutions should address such situations. He noted further that one function of the Implementation Committee was to work with Parties in a spirit of cooperation in order to ensure that obligations under the Protocol could be fulfilled.

14. Introducing his country's report to the Committee and in the subsequent discussion, the representative of the Russian Federation outlined relevant past, present and planned efforts to phase-out ozone-depleting substances, reviewed the financial and administrative challenges the country faced, and highlighted his country's request for a four-year grace-period in meeting its obligations under the Montreal Protocol.

15. He stated that the Russian Federation had submitted all available data in its report, including corrections of some data previously submitted, and expected to be able to provide more data during the Seventh Meeting of the Parties. Complete data should come early in 1996. He noted that the baseline year for the Russian Federation was 1990 and that the large drops in production/consumption levels between 1989 and 1991 and between 1990 and 1992 were the result of the dissolution of the Soviet Union.

16. He noted that the Russian Federation had already significantly reduced

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ODS production and consumption, particularly in the aerosol sector. The country hoped to phase-out production and consumption of all non-essential uses by the year 2000 and eliminate all production and consumption by 2015. Recycling facilities were present in all production facilities. A new law established export control systems and prohibited trade to non-Parties, although administrative and enforcement problems remained, and past and projected production figures did include requirements for export. He stated that most exports were shipped to other members of the Commonwealth of Independent States, who had long depended on Russia for such materials and with whom the Russian Federation shared close economic ties. The Russian Federation recognized that a decision of the Parties was necessary to allow exports to CIS States that were not Parties to the Protocol or were not operating under Article 5.

17. He reminded the Committee that the Russian Federation was a very large country experiencing severe financial and administrative problems. That made it difficult for the Government to regulate production and consumption of controlled substances or to assist the transition to alternatives. The Russian Federation possessed sufficient technical expertise and production facilities to produce the necessary alternatives but lacked the resources to do so. In addition, regulating exports, especially to the CIS members was very difficult due to lack of border and customs controls. Similarly, as enterprises in the Russian Federation were now free to pursue individual economic interests, they had naturally developed lucrative ODS production both for internal use as well as for export. Companies had found it more profitable to export recycled substances than to sell them within the Russian Federation, and demand for new ozone-depleting substances had not declined as quickly as expected. Administrative and financial difficulties also made regulation of this industry difficult. The regulatory apparatus, which had operated effectively before 1991, no longer existed. The transition to alternatives had been further slowed by concerns for the reliability, toxicity and effect on the labour markets of various alternatives. Finally, the Government believed it important not to move too quickly so as to avoid creating social disruption from inadequate access to refrigerants and other essential uses of ozone-depleting substances.

18. He called on the international community, the Parties to the Protocol and the Implementation Committee to take the foregoing factors into account and to provide the Russian Federation with financial assistance and a four-year grace-period in meeting its obligations under the Protocol. The grace-period would provide enough time to stop ODS production for non-essential uses and to create a fully functioning reclamation and recycling system, including halon banking. The financial assistance would make this schedule possible. If it was not received, the Russian Federation believed it would be difficult to realize the goals of the national programme within the foreseen grace-period.

19. The representative of the World Bank noted that there were significant obstacles to rapid phase-out of ozone-depleting chemicals in the Russian Federation. In the Bank's view, the effort invested by the Russian Federation in providing the required information had been significant and should be viewed as a sign of good will. The Russian Federation had also prepared with the assistance of Denmark and the World Bank a detailed programme for phasing out ozone-depleting substances. He noted that the

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Implementation Committee might yet not have had the opportunity to review that report. In his view, the Committee should focus not only on the information provided by the Russian Federation but also on the overall process adopted as it would set a precedent for the future. He expressed the view that the primary concern was no longer domestic consumption, which was declining, but export markets, and that control of export markets could only be achieved when there was control of production. World Bank and GEF projects were being developed to convert several production facilities within the Russian Federation. He suggested that the Russian Federation be requested to provide, on an annual basis, a progress report on its efforts to reduce production, consumption and export of controlled substances. He believed such an arrangement could provide a needed incentive as support from both the World Bank and GEF was clearly contingent upon such progress. He further suggested that if the Committee was not satisfied with the information it had received from the Russian Federation, it should reiterate exactly what further information it needed, and establish a deadline. However, he feared that precipitous action could have a negative impact on the phase-out of ozone-depleting substances in the current and future cases.

20. The representative of the GEF secretariat reminded the Committee that, although it was not formally linked to the Montreal Protocol, GEF did provide assistance, outside the Financial Mechanism of the Montreal Protocol, to enable compliance of eligible Parties. Such assistance would be consistent with the Protocol and complementary to the Multilateral Fund. To be eligible for GEF funding, countries must be Parties to the Montreal Protocol, have ratified the London Amendment and have fulfilled their obligations to report on the production/consumption of ozone-depleting substances and trade according to the requirements of the Protocol. Modest technical assistance to enable country programme preparation might be provided after Montreal Protocol ratification, even if the process of ratifying the London Amendment had not been completed.

21. In the case of non-compliance with the obligations of the Montreal Protocol, any GEF funding was subject to the formal processes of the Montreal Protocol for non-compliance. Such processes would include notification of causes of non-compliance, assessments of expected delays in the implementation of control measures and a revised schedule of commitments. Further GEF assistance would be consistent with the indicative list of measures that might be taken by a Meeting of the Parties to the Montreal Protocol in respect of non-compliance with the Protocol and with related decisions of the Parties.

22. Because its future operations would be fully in line with those policies, GEF was awaiting the advice of the Implementation Committee as to the quality of the Russian Federation's submissions (date/revised schedule of commitments, etc.) before proceeding with a project for the Russian Federation.

23. In response to the statement by the Russian Federation, two members of the Committee stated that there were still several outstanding issues which appeared to make it difficult for the Committee to reach a decision. These included the Russian Federation's compliance with the Protocol's requirements on data-reporting and controls on ozone-depleting substances; exports from the Russian Federation, including those to CIS members and its programme for

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meeting future obligations.

24. The Co-Chair of the Assessment Panel clarified that the Parties had decided on what constituted as essential-use exemption under the Protocol.

25. The Secretariat noted that if all production facilities in the Russian Federation also included recycling facilities, which was not the case in all countries, then it would be possible for the Russian Federation to accelerate its phase-out of ozone-depleting substances production and concentrate on meeting domestic needs through reclamation and recycling.

26. Following a discussion on these points and in accordance with paragraph 11 of the non-compliance procedure, the Committee members from Austria, Bulgaria, Burkina Faso, Chile, Jordan, Netherlands, Peru, the Philippines and the United Republic of Tanzania met in closed session to discuss how to proceed with the draft recommendations to the Seventh Meeting of the Parties.

27. Following further discussion and informal consultations, the Committee considered a set of possible amendments to draft decision VII/16 on compliance with the Montreal Protocol by the Russian Federation, in document UNEP/OzL.Pro.7/9.

28. The representative of the Russian Federation stated that his delegation could support the first seven paragraphs in the draft decision but not the paragraphs that addressed trade restrictions or conditions for receiving multilateral assistance to meet its obligations under the Montreal Protocol.

He stated that the draft decision still did not take into account the difficulties of countries with economies in transition and asked the Committee if they had considered the severe impact such a decision could have on his country.

29. The President of the Committee noted that the general agreement on paragraphs 1 through 7 represented a significant and positive step. He noted that the paragraph concerning trade was in fact granting an exemption to the Russian Federation in order to allow it to export controlled substances to other CIS members while also assisting the Russian Federation in altering the economic incentives that were currently retarding phase-out efforts in that country.

30. After further discussion, the Implementation Committee took note of the positive steps that had been made and approved a recommendation on compliance with the Montreal Protocol by the Russian Federation for the consideration of the Seventh Meeting of the Parties.

Belarus

31. The Secretariat informed the Committee that data supplied by Belarus showed no recycling facilities and lacked details on how the country intended to meet the Protocol's control schedule.

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32. The representative of Belarus stated that his country was committed to fulfilling all its obligations under the Montreal Protocol and would be supplying the necessary information in the form of a draft country programme by 31 December 1995. However, he could state with certainty that Belarus did not produce controlled substances nor did it possess reclamation and recycling facilities. He subsequently submitted a memorandum to the Committee requesting it to consider possible amendments to draft decision VII/15 on compliance with the Montreal Protocol by Belarus, in document UNEP/OzL.Pro.7/9.

33. The Committee expressed its appreciation for the cooperative approach shown by Belarus, including its willingness to accept and help the Committee develop a common approach to improving the compliance with the Montreal Protocol by countries in its region.

34. After further discussion the Implementation Committee approved a recommendation on compliance with the Montreal Protocol by Belarus for the consideration of the Seventh Meeting of the Parties.

Ukraine

35. The Secretariat informed the Committee that Ukraine had supplied none of the requested information despite several written messages from the Secretariat urging compliance with the Implementation Committee's request.

36. The President noted that the situation of Ukraine was different and less difficult than that of the Russian Federation as Ukraine produced only one controlled substance.

37. The representative of Ukraine said that he could not agree with the comment of the President to the effect that Ukraine was a producer of controlled substances. Ukraine did indeed produce carbon tetrachloride but since the quantity produced was entirely used as feedstock, its production level as defined in Article 1, paragraph 5, of the Protocol was zero, and Ukraine could therefore be considered only as a consumer. He also wished to stress Ukraine's very low level of consumption, which stood at less than 0.05 kg per capita. Ukraine had its own scientific and technical capacity to implement a phase-out programme, but faced economic difficulties in doing so. Ukraine was, however, strongly committed to meeting its obligations under the Montreal Protocol and would therefore appreciate it if the Implementation Committee could develop some recommendations for it along the lines of those proposed for the Russian Federation. The representative of Ukraine then distributed to the members of the Committee copies of the draft country programme for the phase-out of ozone-depleting substances in Ukraine.

38. Speaking with reference to the draft country programme for Ukraine, the President said that it was not practical at the current meeting to reach any conclusions on the substance of the draft country programme that had just been circulated by the representative of Ukraine. He was sure that it contained many elements but could lack information on the political commitment of Ukraine to its implementation. That, however, was something best heard from the representatives of Ukraine rather than read in a document.

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39. The delegation of Ukraine subsequently submitted a memorandum to the Committee requesting it to consider possible amendments to draft decision VII/17, on compliance with the Montreal Protocol by Ukraine, in document UNEP/OzL.Pro.7/9.

40. Its representative, who was briefly joined by Ukraine's Minister of the Environment during the final session of the Meeting, stated that his Government was fully committed to meeting its obligations under the Montreal Protocol. The Committee expressed its appreciation for the cooperative approach shown by Ukraine and with the progress made in its relationship with the Committee over a short time.

41. After further discussion and informal consultations, the Implementation Committee approved a recommendation on compliance with the Montreal Protocol by Ukraine for the consideration of the Seventh Meeting of the Parties.

IV. DATA-REPORTING

A. Update by the Secretariat on data-reporting since the eleventh meeting of the Implementation Committee

42. The representative of the Secretariat introduced its report on the reporting of data by the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer (UNEP/OzL.Pro.7/6 and Corr.1). He pointed out that on pages 2 and 3 of the report, the Russian Federation should be deleted and that in the penultimate sentence of paragraph 20, the figure "33" should read "44". He also stated that complementary information on data-reporting was contained in paragraphs 11-12 of the note by the Secretariat on issues before the Implementation Committee (UNEP/OzL.Pro/ImpCom/12/2), and that Japan should be included after Italy in the list in paragraph 11, its year for which data had been reported being 1994.

43. The Secretariat suggested that, when informed by countries in which they were developing country programmes or investment projects that data had been forwarded directly to the Secretariat, Implementing Agencies should request copies of such submissions.

44. The Committee noted that the reports of a number of countries were overdue by more than two years and that it should be made clear to the Meeting of the Parties that the trend of late reporting should end, particularly in respect of those countries in which institutional-strengthening projects have been carried out under the Multilateral Fund.

B. Presentations by the Implementing Agencies regarding data-reporting for the countries in which they are undertaking country programmes

45. The representative of UNEP introduced a report entitled "UNEP's efforts to assist data-reporting by Article 5 countries", which covered countries with which UNEP was undertaking country programmes, institutional-strengthening and/or networking activities. That report indicated that the trend shown in the report by the Secretariat was not as clear cut as it would appear. In some countries, country programmes had not been completed, while in others the completion of country programmes had been

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too recent for reports to have been prepared. The same could be said for those countries providing baseline data. UNEP's paper provided a full review of the problems of data-reporting, which should allay the fears of the Committee regarding non-compliance by the countries concerned.

46. He also pointed out that among those countries that had failed to report, many had acceded to the Montreal Protocol at a later date and had therefore missed the awareness campaign. Training on data-monitoring and reporting could go a long way toward resolving reporting problems.

47. The representative of UNDP reported that of the countries with which it was working, Trinidad and Tobago had failed to provide any baseline data, but had reported for 1994. Turkmenistan and Uzbekistan had failed to report.

48. The Committee welcomed the information provided by UNEP and decided that it be attached as an annex to the Committee's report (see annex III below). The Secretariat of the Multilateral Fund submitted written comments on the information provided by UNEP (see annex IV below).

49. The Committee also agreed that there was still the need to focus on the commitment of Governments to fulfil their obligations.

50. One member of the Committee drew attention to the need for the training of customs officers as an essential part of institutional strengthening.

V. OTHER MATTERS

Population data from Lebanon

51. The representative of UNIDO asked why the Secretariat had not used the population data provided by Lebanon in calculating that country's per capita level of consumption of controlled substances.

52. In response the Secretariat explained that when it had originally submitted its data report, Lebanon had provided no population data. In accordance with established practice in such cases, the Secretariat had calculated Lebanon's per capita consumption on the basis of the population figures for that country provided by the United Nations Statistical Division. Subsequently, however, the Government of Lebanon had disputed those figures and had submitted population data obtained from the World Bank, which differed substantially from those supplied by the Statistical Division. The matter was still under review.

53. Several members of the Committee stated that data supplied by a Government must be considered authoritative. One member suggested that it was important to determine a policy should such large discrepancies in data reporting arise again. The President of the Committee summarized the discussion and the Committee agreed that its guidance to the Secretariat was that the best data should be used whenever possible but that ultimately it was the Party supplying the data which had the final word.

Implementation of the Montreal Protocol by Lithuania

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54. At the meeting, the Committee had before it a letter dated 22 November 1995 from the Prime Minister of Lithuania addressed to the Secretariat requesting consideration of the issues concerning the peculiarities of the implementation of the Montreal Protocol provisions under Lithuanian conditions and a delay in the terms of ODS phase-out for Lithuania compared to those estimated by the London and Copenhagen adjustments by five years.

55. The Committee:

(a) While welcoming the approach made by Lithuania, expressed the view that the information contained in the letter from the Prime Minister of Lithuania was not adequate;

(b) Decided to request the Secretariat to seek more detailed information from Lithuania so that the Implementation Committee could revert to the matter;

(c) Decided to request the Secretariat to alert Lithuania to the fact that major project funding from international financial institutions for ODS phase-out is subject to ratification of the London Amendment by the country concerned.

Project preparation in low-volume-ODS-consuming countries

56. The representative of UNIDO requested guidance from the Implementation Committee concerning how to proceed with regard to instructions given to the Implementing Agencies by the Executive Committee that there be no project preparation work in low-volume-ODS-consuming countries for which a country programme had not been approved. He stated that UNIDO had received numerous requests from this category of countries for project preparation.

57. The Committee decided to take up this matter at its thirteenth meeting.

Interpretation for meetings of the Implementation Committee

58. The Committee took note of a suggestion by one member that the Secretariat arrange for interpretation on an as-needed basis to ensure that Parties were able to make the best possible presentations to the Committee.

VI. ADOPTION OF THE REPORT

59. In accordance with past practice, the Committee entrusted the President and Rapporteur with the finalization of its report.

VII. CLOSURE OF THE MEETING

60. After the customary exchange of courtesies, the meeting was closed at 2 p.m. on 1 December 1995.

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Annex I

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Annex II

RUSSIAN FEDERATION

[Original: Russian]

MINISTRY OF PROTECTION OF THE ENVIRONMENT
AND NATURAL RESOURCES

In accordance with the recommendations of the Tenth Meeting of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol and the Twelfth Meeting of the Open-ended Working Group of the Parties to the Montreal Protocol (Geneva, Switzerland, 25 August - 1 September 1995) and as a complement of the Statement of the Russian Federation Government of 26 May 1995 to the Parties of the Vienna Convention for the Protection of the Ozone Layer and the Montreal Protocol on Substances that Deplete the Ozone Layer and also in accordance with the obligations of Article 7 of the Montreal Protocol, the Ministry of Protection of the Environment and Natural Resources is sending information on measures taken by the Russian Federation at national level for the protection of the ozone layer.

We consider that the attached National programme on First Priority Measures to compliance of obligations of the Russian Federation for the Protection of the Ozone Layer during 1995-1996, statistical information on production, export, import and use as raw material of ozone-depleting substances during the period 1986-1993 and a diagram of step by step reduction of production in Russian up to the total phaseout in 2000 with the corresponding explanations, will help the Parties to the Vienna Convention and the Montreal Protocol duly assess the economical and social situation in the Russian Federation to satisfy the request on the grace period for Russian of 4 years term of total stop of production and consumption of chlorofluorocarbons, carbon-tetrachloride and methyl chloroform and 3 years term for the phaseout of production and consumption of halons, based on the principles of mutual assistance, goodwill spirit and constructive cooperation for the solution of global ecological problems. That is, the Ministry of Protection of the Environment and National Resources was forced to inform that the Russian Federation does not have full statistical data on exports, imports, utilization in raw materials and destruction of ozone depleting substances (ODS) controlled by the Montreal Protocol. This was conditioned by the absence of adequate Protocol requirement of control system of transfer and utilization of ODS contained its production and transparent borders between former states USSR, as well as difficulties of the transition period to a market economy.

Authentic information is data on production of ODS for 1990, the base year for the Russian Federation and the following years. The remainder are preliminary assessment character data and they will be presented to the Secretariat of the Vienna Convention and the Montreal Protocol according to its accuracy and reception by the Ministry of Protection of the Environment and Natural Resources of the Russian Federation.

V.I. Danilov-Danilyan
Minister of Protection of the
Environment and Natural Resources
Russian Federation

Secretariat Vienna Convention
and Montreal Protocol

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Annex III

UNEP'S EFFORTS TO ASSIST DATA REPORTING
BY ARTICLE 5 COUNTRIES:

Countries with which UNEP is undertaking Country Programmes,
Institutional Strengthening and/or Networking Activities

I. INTRODUCTION:

As outlined in its report to the 6th Meeting of the Implementation Committee in Geneva, in 1993, UNEP has been collecting experience and reviewing possible solutions to data collection systems in view of enabling Article 5 countries to comply with the reporting requirements under Article 7 of the Montreal Protocol:

UNEP, through its OzonAction Programme, is now using the following of its activities, to investigate perceived problems and initiate solutions in this regard:

- 1) Country Programmes and Institutional Strengthening;
- 2) Training and
- 3) ODS Officers Networks

II. COUNTRY PROGRAMMES AND INSTITUTIONAL STRENGTHENING:

(i) Support to Intiate Data Reporting:

UNEP has assisted 64 Party countries in formulating Country Programmes, of which 34 are currently on-going. The methodology used by UNEP in formulating Country Programmes ensures the development of institutional capacity within the country, through the establishment of a National Team which works in close collaboration with the Government focal point and the UNEP consultant.

In addition to technical expertise provided by the consultant on data collection, data analysis and forecasting, the consultant also advises the Government on its annual data reporting obligations to the Ozone Secretariat. UNEP recommends that the National Team works closely with relevant departments like Customs to fulfill these data reporting obligations.

(ii) Documentation:

Prior to commencing the activities within the Country Programme formulation exercise, UNEP provides the Governments with relevant support documents, which include information on methods of quick data collection, data reporting requirements and guidelines.

(iii) Institutional Strengthening:

Institutional Strengthening projects focus on the development of a national institutional mechanism to coordinate and facilitate the expeditious phase-out of controlled substances. These projects have stringent reporting

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requirements, which include informing UNEP on the status of reporting as per Article 7 of the Montreal Protocol. The reporting criteria are strictly adhered to and payments are not released until the countries have satisfactorily met their reporting obligations.

III. TRAINING:

In 1994, Cameroon, Burkina Faso and Senegal were assisted in hosting 'Workshops on Monitoring and Control of ODS Consumption', as part of the action plan contained within their Country Programmes. Four neighbouring countries were also invited to each of the three workshops while experts from France, Belgium and Mauritius shared their experiences with African countries.

Such workshops were oriented to examine the existing control systems and legislations for chemical substances in each country, with the objective to design the most cost effective way to include ODSs in such systems. The new design would include changes in the existing legal and operational framework, with two main objectives in mind:

- i) to monitor ODS consumption on a yearly basis in order to ascertain the effectiveness of the phase-out activities;
- ii) to comply with the reporting requirements as per Article 7 of the Montreal Protocol.

All three countries hosting the workshops have reported progress in enacting legislations which will include ODSs within the nationally controlled substances which require import permits. They have also fulfilled their data reporting obligations for 1994.

Other training activities are also being used to remind participating countries of their reporting obligations and to discuss specific problems they might have in this respect.

IV. ODS OFFICERS NETWORK:

There are currently 5 regional ODS Officers Networks, covering more than 70 countries. These Networks provide an excellent opportunity for ODS officers to share experiences and resolve data collection difficulties of Network member Article 5 countries.

These Networks have discussed means of improving data collection methods and reporting of data. In this regard, expert presentations have been made on successful data collection systems in various developed and developing countries, customs systems (including the Harmonized System (HS) and other specific tools for data collection such as permit systems and appropriate legislations.

It has been confirmed that the HS for customs declarations works reasonably well to meet the needs of data collection, although it is not conducive for data monitoring of mixtures/blends and is liable to serious inaccuracies. As of 1 January 1996, the HS will be amended to better allow the further break down of halogenated compounds. The new HS, designed to facilitate

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'customizing', is likely to be adopted subsequently.

In order to supplement the HS, the following systems have also been found to be useful:

- i) Permit systems: Options such as 'intended use' can be included in the permits and mandatory reporting can be linked to import permits.
- ii) Importation clearances: This could be a mandatory requirement before banks can issue funds.
- iii) Export licenses: The exporting country could notify the National Ozone Unit (NOU) in the importing country. Such a system is under consideration.

Network meetings are used to examine the status of data reporting from member countries. Peer pressure from other Network countries has been a means of inducing those Network countries not complying with their reporting obligations to be more diligent.

UNEP is currently updating a list of trade names (which will include blends) to help with ODS monitoring.

IV. STATUS OF DATA REPORTING:

Of the 64 countries where Country Programmes and Institutional Strengthening projects have been assisted by UNEP, 19 countries have submitted annual 1993 data. 35 countries ratified the Montreal Protocol in 1993 and after and therefore were not required to submit annual data for 1993. Of the balance 10 countries which did not report 1993 data, 6 countries are currently in the process of formulating their Country Programmes. (Annexes I and II)

Additionally, there are 19 countries which have not been assisted by UNEP in their CP/IS exercises but are Network member countries (Annex II). Of these countries, 13 reported annual 1993 data, 4 are not required to submit annual data for 1993 and 2 did not fulfill their reporting requirements.

V. KEY PROBLEMS:

At present, key problems for ODS reporting include difficulties in ODS monitoring due to:

- i) lack of awareness of Montreal Protocol objectives and guidelines by customs officials and other relevant authorities;
- ii) difficulty in identifying ODS use in some sectors, especially in the small and medium scales enterprises;
- iii) lack of appropriate legislations and regulations;
- iv) lack of complete list of trade names;
- v) lack of monitoring capacity resulting in illegal imports and exports;
- vi) lack of Government commitment in some countries.

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UNEP is utilizing its Country Programme, Institutional Strengthening, Training and Networking activities to address these problems.

VI. FURTHER ACTION BY UNEP IE:

- 1) Reporting as per Article 7 will be enforced under Institutional Strengthening projects and further payments will depend upon whether countries have fulfilled all their data reporting requirements. The Network meetings will be used as a fora to monitor the progress of these projects and to follow-up on reporting requirements.
- 2) One of the key findings from the earlier training workshops was that countries are bound by regional commercial agreements which make it necessary for them to develop regional approaches for the regulation of trade. The English-speaking African countries have been discussing the need to hold a 'Regional Workshop on Monitoring and Control of ODS Consumption', to develop such a regional approach.
- 3) Both the Central American and South East Asian Networks have requested UNEP to conduct regional training workshops for customs officers, which will include training on the new Harmonized System and facilitate discussions on amending the system to best represent regional requirements.
- 4) Network meetings will continue to focus on improving the capacity of member countries to collect data. A new emphasis will be given to ensuring that countries report the data they have collected. Network meetings will have special training sessions on data collection and reporting requirements, guidelines and obligations and importance of compliance. These training sessions will be targeted towards the focal points responsible for the Country Programme exercise.

Appendix I

NON-COMPLYING NETWORK COUNTRIES

The following Article 5 network countries were identified as not complying with reporting requirements.

AS OF JUNE 1995 (1993 data)	AS OF OCTOBER 1995 (1994 data)
<u>South-east Asia and Pacific</u>	<u>South-east Asia and Pacific</u>
<u>None</u>	Fiji Vietnam
<u>South Latin America</u>	<u>South Latin America</u>
Ecuador	Argentina Chile Ecuador Guatemala Nicaragua Paraguay Peru Venezuela
<u>Central Latin America</u>	<u>Central Latin America</u>
El Salvador Panama	Costa Rica Dominican Republic El Salvador Honduras Mexico Panama
<u>English-speaking Africa</u>	<u>English-speaking Africa</u>
Gambia Nigeria Zambia	Botswana Lesotho Malawi Mozambique Namibia Nigeria Sudan Uganda United Republic of Tanzania Zambia Zimbabwe
<u>French-speaking Africa</u>	<u>French-speaking Africa</u>
Guinea Togo	Benin Central African Republic Cote d'Ivoire Chad Gabon Guinea Mali Mauritania Niger Tunisia Togo

Note. The first English-speaking African Network workshop was held in May 1995. The first French-speaking African Network workshop was held in September 1995.

Appendix II

STATUS OF REPORTING BY NETWORKING ARTICLE 5 COUNTRIES
 AS PER ARTICLE 7 OF THE MONTREAL PROTOCOL

Legend: †: Reported
 NR: Not Reported
 -: Not Required

COUNTRY	DATE OF RATIFICATION	STATUS OF REPORTING					
		BASELINE DATA			ANNUAL DATA		
		Annx A	Annx B	Annx C	1992	1993	1994
Algeria (AFF)	Jan 1993	†	†	†	-	NR	†
Antigua and Barbuda	Mar 1993	NR	NR	NR	-	NR	NR
Argentina (LAS)	Dec 1990	†	†	†	†	†	NR
Bahamas	Aug 1993	†	†	†	†	NR	NR
Bahrain	July 1990	†	NR	NR	NR	NR	NR
Barbados	Jan 1993	†	†	†	-	†	NR
Benin (AFF)	Sept 1993	NR	NR	NR	†	†	NR
Belize (LAC)	Not yet	-	-	-	-	-	-
Bolivia (LAS)	Jan 1995	NR	NR	NR	-	-	-
Botswana (AFE)	Mar 1992	†	†	NR	†	†	NR
Brazil (LAS)	June 1990	†	†	Nr	†	†	NR

COUNTRY	DATE OF RATIFICATION	STATUS OF REPORTING					
		BASELINE DATA			ANNUAL DATA		
		Annx A	Annx B	Annx C	1992	1993	1994
Brunei (SEAP)	Aug 1993	†	†	†	†	†	†
Burkina Faso (AFF)	Oct 1989	†	†	†	†	†	†
Cameroon (AFF)	Nov 1989	†	†	†	†	†	†
Central African Republic (AFF)	June 1993	NR	NR	NR	-	-	NR
Colombia (LAS)	Mar 1994	†	†	NR	-	-	†
Congo (AFF)	Feb 1995	†	†	†	-	-	†
Comoros (AFF)	Jan 1995	NR	NR	NR	-	-	-
Cote D'Ivoire (AFF)	July 1993	†	NR	NR	-	-	NR
Costa Rica (LAC)	Oct 1991	†	†	†	†	†	NR
Croatia	Oct 1991	†	†	†	†	†	†
Chad (AFF)	Sept 1994	NR	NR	NR	-	-	-
Cuba (LAC)	Oct 1992	†	†	NR	†	†	†
Chile (LAS)	June 1990	†	†	†	†	†	NR
DPR of Korea	April 1994	NR	NR	NR	-	-	-
Dominican Republic (LAC)	Aug 1993	NR	NR	NR	†	-	-
El Salvador (LAC)	Dec 1992	NR	NR	NR	NR	NR	NR

COUNTRY	DATE OF RATIFICATION	STATUS OF REPORTING					
		BASELINE DATA			ANNUAL DATA		
		Annx A	Annx B	Annx C	1992	1993	1994
Ecuador (LAS)	July 1990	†	†	†	NR	NR	NR
Egypt (AFE)	Jan 1989	†	NR	†	†	†	†
Ethiopia (AFE)	Jan 1995	NR	NR	NR	-	-	-
Fiji (SEAP)	June 1993	NR	NR	NR	NR	-	NR
Gabon (AFF)	May 1994	NR	NR	NR	-	-	-
Gambia (AFE)	Oct 1990	†	†	NR	†	NR	†
Ghana (AFE)	Oct 1989	†	†	†	†	†	†
Guatemala (LAC)	June 1993	†	†	†	-	NR	NR
Guinea (AFF)	Sept 1992	NR	NR	NR	NR	NR	NR
Guyana	Nov 1993	NR	NR	NR	†	-	NR
Honduras (LAC)	Jan 1994	NR	NR	NR	-	-	-
Indonesia (SEAP)	Sept 1992	†	NR	†	†	†	†
Jamaica	June 1993	†	NR	NR	†	-	NR
Kiribati	Jan 1993	NR	NR	NR	NR	-	NR
Lao PDR (SEAP)	Not yet	-	-	-	-	-	-
Lebanon	June 1993	†	†	†	-	†	NR

COUNTRY	DATE OF RATIFICATION	STATUS OF REPORTING					
		BASELINE DATA			ANNUAL DATA		
		Annx A	Annx B	Annx C	1992	1993	1994
Lesotho (AFE)	Mar 1994	NR	NR	NR	NR	-	-
Maldives	June 1993	†	†	†	†	†	NR
Mali (AFF)	Jan 1995	NR	NR	NR	-	-	-
Mauritania (AFF)	Aug 1994	NR	NR	NR	NR	-	-
Mauritius	Nov 1992	†	†	†	-	†	†
Malaysia (SEAP)	Nov 1989	†	†	†	†	†	†
Malawi (AFE)	April 1991	†	†	†	†	†	NR
Malta	Jan 1989	†	†	†	†	†	NR
Mexico (LAC)	Jan 1989	†	†	†	†	†	NR
Morocco (AFF)	Not yet	-	-	-	-	-	-
Mozambique (AFE)	Dec 1994	NR	NR	NR	-	-	-
Myanmar (SEAP)	Feb 1994	†	†	†	†	-	†
Namibia (AFE)	Dec 1993	NR	NR	NR	-	-	NR
Nicaragua (LAC)	June 1993	NR	NR	NR	-	-	NR
Niger (AFF)	Jan 1993	NR	†	†	†	†	NR
Nigeria (AFE)	Jan 1989	NR	NR	NR	NR	NR	NR

COUNTRY	DATE OF RATIFICATION	STATUS OF REPORTING					
		BASELINE DATA			ANNUAL DATA		
		Annx A	Annx B	Annx C	1992	1993	1994
Panama (LAC)	June 1989	†	NR	NR	NR	NR	NR
Papua New Guinea	Jan 1994	†	†	†	†	†	-
Paraguay (LAS)	Mar 1993	NR	NR	NR	-	-	NR
Pakistan	Mar 1993	NR	NR	NR	-	-	NR
Peru (LAS)	June 1993	†	†	†	-	†	NR
Philippines (SEAP)	Oct 1991	†	NR	†	†	†	†
Senegal (AFF)	Aug 1993	†	†	†	†	-	†
Seychelles (AFE)	Mar 1993	?	†	†	†	†	†
St. Kitts and Nevis	Nov 1992	†	†	†	NR	NR	NR
St. Lucia	Oct 1993	†	†	†	-	†	†
Solomon Islands	Sept 1993	NR	NR	NR	-	-	NR
Sudan (AFE)	Apr 1993	NR	NR	NR	-	-	NR
Swaziland (AFE)	Feb 1993	NR	NR	NR	-	-	†
Syria	Mar 1990	†	†	†	†	†	†
Tanzania (AFE)	July 1993	NR	NR	NR	-	-	NR
Thailand (SEAP)	Oct 1989	†	†	†	†	†	†

COUNTRY	DATE OF RATIFICATION	STATUS OF REPORTING					
		BASELINE DATA			ANNUAL DATA		
		Annx A	Annx B	Annx C	1992	1993	1994
Tunisia (AFF)	Dec 1989	†	†	†	†	†	NR
Togo (AFF)	May 1991	NR	NR	NR	NR	NR	NR
Uganda (AFE)	Jan 1989	†	†	†	†	†	NR
Uruguay (LAS)	April 1991	†	†	†	†	†	†
Vanuatu (LAS)	Feb 1995	NR	NR	NR	-	-	-
Venezuela (LAS)	May 1989	†	†	†	†	†	NR
Vietnam (SEAP)	Mar 1994	NR	NR	NR	-	-	NR
Western Samoa	Mar 1993	NR	NR	NR	-	-	NR
Zambia (AFE)	Mar 1990	†	†	†	NR	NR	NR
Zaire (AFF)	Feb 1995	NR	NR	NR	-	-	-
Zimbabwe (AFE)	Feb 1993	†	†	†	-	†	NR

Annex IV

COMMENTS MADE BY THE SECRETARIAT OF THE MULTILATERAL FUND
ON UNEP'S PAPER TO THE TWELFTH MEETING OF
THE IMPLEMENTATION COMMITTEE

1. Although the paper describes UNEP's activities it fails to provide the context within which UNEP operated, i.e., as an Implementing Agency of the Multilateral Fund whose actions are defined by the decisions of the Executive Committee of the Multilateral Fund and are in support of such decisions.
2. At its Tenth Meeting, the Executive Committee requested the Parties and Implementing Agencies collaborating with Article 5 Parties to prepare their institutional-strengthening projects to make provisions to address the needs of Article 5 countries with respect to data-submission requirements of Article 7.
3. The Executive Committee has further made it as a condition of approval of all institutional-strengthening projects reporting of data by the office created under the project.
4. Providing this "legislative framework" within which UNEP took its actions would have enhanced the paper as an authoritative document that could give guidance to all countries, not only those for which UNEP is the Implementing Agency. It may also be noted that the networking activity is a cross-agency activity which should facilitate the work of all Agencies in Article 5 countries, particularly with regard to awareness creation and data-reporting.
5. The scope of "further action" could be broadened by inserting a reference to the decisions of the Executive Committee in paragraphs 1 and 4 of section VI of the paper, as well as to collaboration with other Implementing Agencies (in, for example, paragraph 4 of section VI).
6. A recent report from the Fund Secretariat prepared on the basis of reports from Article 5 countries showed that about 40 per cent of the countries reported a slow pace of implementation of institutional strengthening. Perhaps this may partly contribute to the problem of non-reporting, i.e., that the ozone office which has to report was not yet functioning. Hence a statement in section II (iii) to the effect that UNEP would accelerate the implementation of approved institutional strengthening projects in order to facilitate data-reporting might be in order.
