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IMPLEMENTATION COMMITTEE UNDER THE
NON-COMPLIANCE PROCEDURE FOR
THE MONTREAL PROTOCOL
Thirteenth meeting
Geneva, 18-19 March 1996

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

I. INTRODUCTION

1. The thirteenth meeting of the Implementation Committee under the Non-Compliance Procedure for the Montreal Protocol was held at the headquarters of the World Meteorological Organization (WMO), Geneva, on 18-19 March 1996.

II. ORGANIZATIONAL MATTERS

A. Opening of the meeting

2. The meeting was opened at 10 a.m. on Monday, 18 March 1996, by Mr. Hugo Schally, President of the Committee for 1995.

B. Attendance

3. The meeting was attended by Committee members from Austria, Canada, Peru, Philippines, Sri Lanka, Ukraine, the United Republic of Tanzania, Uruguay and Zambia. At the invitation of the Committee, a representative of Belarus also attended. In spite of an invitation to attend, no representative of the Russian Federation was present for most of the meeting. A representative from the Permanent Mission of the Russian Federation with the Office of the United Nations in Geneva came at the close of the meeting and explained that he would be unable to provide any information in addition to the information already provided by his Government (see para. 0 below). The meeting was also attended by the Chair and Co-Chair of the Ad Hoc Working

Group on CEIT Aspects of the Technology and Economic Assessment Panel (TEAP). Representatives of the Implementing Agencies for the Financial Mechanism under the Montreal Protocol – the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the United Nations Industrial Development Organization (UNIDO) and the World Bank – 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. Election of the President and Vice-President

4. The Committee elected by acclamation Mr. Antonio Garcia Revilla (Peru) as President and Mr. Denis Langlois (Canada) as Vice-President and Rapporteur of the Committee for the period up to the Eighth Meeting of the Parties to the Montreal Protocol.

D. Adoption of the agenda and organization of work

5. The Committee adopted the following agenda, based on the provisional agenda circulated as document UNEP/OzL.Pro/ImpCom/13/1/Rev.1:

1. Opening of the meeting.
2. Election of the President and Vice-President.
3. Adoption of the agenda and organization of work.
4. Report on the activities of the TEAP Ad Hoc Working Group on CEIT Aspects in the period from December 1995 to March 1996.
5. (a) Information from Belarus, the Russian Federation and Ukraine on measures to phase out ozone-depleting substances (ODS) .

(b) Letter submitted by the Governments of Lithuania and Latvia under paragraph 4 of the non-compliance procedure and the plan to implement the Protocol submitted by the Government of Lithuania.

(c) Status of data-reporting for 1994.
6. Comments by the Implementing Agencies and the secretariat of the Global Environment Facility (GEF) on the reporting of ODS data by Parties.
7. Reclassification of Brunei Darussalam and the United Arab Emirates.
8. Other matters.
9. Closure of the meeting.

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III. REPORT ON THE ACTIVITIES OF THE TEAP AD HOC WORKING GROUP
ON CEIT ASPECTS IN THE PERIOD FROM DECEMBER 1995
TO MARCH 1996

6. Dr. Lambert Kuijpers, Co-Chair of the TEAP Ad Hoc Working Group on CEIT Aspects, introduced the Group's report on its activities for the period December 1995-March 1996. Since the situation in Belarus, the Russian Federation and Ukraine was dealt with in separate decisions of the Seventh Meeting of the Parties, the Working Group had considered it less important to consider the situations in those countries before they had reported to the current meeting of the Implementation Committee and, instead, had centred its efforts on the ratification difficulties of those States not yet party to the Montreal Protocol. At the end of December 1995, questionnaires had been sent to five CIS countries to see if they were considering ratifying the Protocol.

Only two replies had been received. Further information on guidance to ratification had been solicited at the end of February 1996, but no reply had been received. Given the reactions from countries to date, the Working Group had concluded that: sending out questionnaires and other information sheets might yield some information but did not accelerate the ratification process; country visits might produce more specific information but again did not speed up ratification; the ministries of the environment in the CIS countries are probably low in the institutional hierarchy and therefore, while those ministries might be willing to ratify, the process is halted by more important ministries; although ratification documents were distributed at the Regional Meeting on the Montreal Protocol, held in Minsk in August 1994, they apparently got lost and it was useless to simply continue to send out copies of them; and the practical steps to obtain experts for a phase-out process and possible GEF support seem to be misunderstood in the countries, or the financial opportunities were not realized by the persons responsible.

The Working Group expected the countries to respond in about five to six weeks to the second request for information, and intended to undertake in the period thereafter: efforts through UNDP Resident Representatives; efforts through the foreign ministries of the CIS countries; investigations on the feasibility of workshops and the chances that they would be attended by high-ranked government officials; investigations into the progress made within the Inter-State Ecological Council.

7. During the discussion of the item, the following points were raised:

(a) The perceived financial implications of ratifying the Montreal Protocol were a major impediment to ratification by the CIS countries concerned;

(b) There was a need for clarification on whether and in what form the countries concerned had automatically succeeded the former Soviet Union as Parties to the Montreal Protocol and were therefore not required to ratify;

(c) Despite their low levels of consumption of ODS, it was important that those countries should become Parties to the Montreal Protocol;

(d) That, by their per capita GDP, the countries concerned should be considered to be developing. It was a disincentive to ratification if, upon

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becoming Parties, they would not only be considered in non-compliance but would also have to assume financial obligations that were greater than some members of the European Community.

8. Following the discussion, the Implementation Committee:

(a) Noted the report and conclusions of the Ad Hoc Working Group on CEIT Aspects;

(b) Requested 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;

(c) Requested the Secretariat to send letters to competent authorities of non-Parties stressing the need for speedy ratification;

(d) Considered that the organization of a separate workshop for high-level officials might be more productive than arranging a meeting with the representatives of the countries during the next meeting of the Open-ended Working Group;

(e) Recommended that UNDP Resident Representatives in non-Party countries should be requested to contact the countries concerned to facilitate the ratification of the Vienna Convention and the Montreal Protocol;

(f) Recommended that the Open-ended Working Group of the Parties should consider the issue of ratification of countries with economies in transition in the context of economic conditions and the overall consumption of ODS.

IV. INFORMATION FROM BELARUS, THE RUSSIAN FEDERATION AND UKRAINE ON MEASURES TO PHASE OUT OZONE-DEPLETING SUBSTANCES

Belarus

9. The representative of Belarus drew attention to the information provided by his Government in accordance with paragraph 5 of decision VII/17, which was before the Committee (see annex II below). Belarus had approved a detailed strategy for ODS phase-out and a national programme for its implementation. That programme had been submitted to the Ozone Secretariat and could be made available to members of the Committee. Despite the economic difficulties it was facing, Belarus planned to implement the strategy partly by using its own resources. There was, however, a need for similar input from its partners. Likewise, although industry in Belarus would be ready to introduce new technologies in a relatively short time, it required considerable assistance from GEF, the World Bank and the Executive Committee. The Government was taking the question of phase-out very seriously and had appointed the Ministry of Environment as national coordinator for all activities.

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10. On the question of ratification of the London Amendment, the representative of Belarus said that the necessary internal procedures had been completed and the instrument of ratification would shortly be deposited with the Secretary-General of the United Nations.

11. He further stated that Belarus neither produced nor exported ozone-depleting substances and had no intention of doing so.

12. The representative of the World Bank noted that a number of projects had been prepared for Belarus with assistance from the Danish Environmental Protection Agency. Those projects would be presented for funding at the meeting of the GEF Council in April 1996. Through those projects, Belarus could achieve the phase-out in accordance with the schedule in the country programme.

13. The Implementation Committee:

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

(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;

(d) Called upon Belarus to expedite the process of ratification of the London Amendment;

(e) Requested Belarus, in accordance with paragraph 7 of decision VII/17, to continue to provide the Committee with reports on progress made in phasing out ODS in line with the schedule in its national programme in order to enable the Implementation Committee to advise international bodies to provide financial assistance.

The Russian Federation

14. The Committee considered the additional information provided in the letter of the Russian Federation dated 6 March 1996 from Mr. Danilov-Danilyan, Minister of Protection of the Environment and Natural Resources of the Russian Federation, in response to decision VII/18 of the Seventh Meeting of the Parties to the Montreal Protocol. The additional information is reproduced in annex III to the present report.

15. The representative of the World Bank gave an account of the developments regarding its activities in the Russian Federation. The GEF Council had cleared a first tranche of projects with a total value of \$8.6 million and would be considering a second tranche worth \$35 million at its meeting in April. The Council would be interested in the reaction of the Implementation Committee to the submission by the Russian Federation. It was expected that the GEF projects in the Russian Federation would

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total \$60 million by the end of 1996, and that the Russian Federation would raise another \$40 million internally for its phase-out programme. The Bank was discussing the closure of the production facilities with the Russian Federation, and about 80 per cent might be shut down shortly if financial assistance was available. The production envisaged for 1996 was only about 25 per cent of production capacity for 1990. It would be very helpful if those efforts of the Russian Federation were viewed positively by the Committee.

16. The Secretariat clarified that the only base-year figures for any Party operating under Article 2, including the Russian Federation, were the figures for 1986, for the purposes of control measures in Articles 2A and 2B, and 1989, for the purposes of those in Articles 2C, 2D and 2E. There had been no report from the Russian Federation to the Secretariat with respect to paragraph 6 of Article 2.

17. The members of the Committee discussed the submissions of the Russian Federation and requested clarifications on the following:

(a) Would the Russian Federation be receiving any international assistance other than from GEF?

(b) What is the purpose of taking an inventory of stocks of ODS contained in operating equipment referred to in the Russian submission?

(c) What are the specific restrictions being considered by the Russian Federation concerning the export of products containing ODS?

(d) What are the production and consumption levels of controlled substances for 1986 and later years?

(e) What is understood by the term "required production" in appendix 2 to the letter of the Russian Federation? Is it for the basic domestic needs of the Russian Federation and/or CIS countries? How much was intended for export and to where?

(f) Would the Russian Federation provide the details on imports and exports of used, recovered, recycled or reclaimed substances in terms of decision VI/19 of the Sixth Meeting of the Parties and, for exports, provide details on the destination of such substances?

(g) Would the Russian Federation provide a list of recycling facilities, their location and capacities, as called for in decision VI/19?

18. After a closed meeting, in which all the available information was considered, the Implementation Committee:

(a) Recognized that, while the information available showed a situation of non-compliance for 1996, the Russian Federation had by its actions taken important steps to comply with decision VII/18 and towards achieving full compliance with the control measures of the Protocol;

(b) Noted that there were many additional points on which information was needed;

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(c) Requested the Russian Federation to provide the information mentioned in paragraph 0 above and other information pursuant to paragraph 9 of decision VII/18 before the next meeting of the Implementation Committee, to be convened in August 1996;

(d) Reiterated that the Russian Federation should monitor and report on the implementation of the trade restrictions referred to in decision VII/18.

19. The Implementation Committee recommended that:

(a) The GEF Council and other funding agencies should consider favourably additional steps to expedite financial assistance for projects proposed for approval within their work programmes;

(b) Future projects should be considered in the light of further clarifications and information to be provided by the Russian Federation to the Implementation Committee.

Ukraine

20. The representative of Ukraine drew attention to the letter submitted by his Government in response to paragraph 6 of decision VII/19 (see annex IV below). He apologized for the delay in replying, which had been caused by the late notification to the relevant authorities of the decisions of the Seventh Meeting of the Parties. He informed the Committee that the necessary internal procedures for ratifying the London Amendment were now under way but were being held up by, among other things, the heavy legislative programme before Parliament. In late December 1995, the Cabinet of Ministers had passed a Decree on the implementation of the Montreal Protocol, which committed governmental and non-governmental organizations to finalizing the national programme. The Ministry of Finance had committed a sizeable sum for the completion of the programme and was committed to finding the resources for its implementation. The final programme would contain some 50 projects, of which 30 would be funded by internal sources. He wished to stress that Ukraine was committed to continuing its phase-out efforts and would do everything it could to speed up the process. With regard to sources of funding, he suggested that the Implementation Committee could recommend the donor countries to consider possible financial assistance in the framework of bilateral cooperation, which could be a more flexible approach than going through GEF. He also suggested that the process of ratifying the London Amendment might be expedited if provision was made for in-kind contributions and a grace-period for making payments to the Multilateral Fund.

21. In response to a question, the representative of Ukraine explained that the reason why his country's reported production figures for methyl bromide had risen from zero in 1991 to over 1,400 tonnes for 1995 was that in the past bodies other than the Ministry of Environment had been responsible for collecting the data, and the work had not always been performed conscientiously. In fact, the plant in question was an old one, which had been in operation before 1991.

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22. The Implementation Committee:

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

(b) Noted that the national programme for the phase-out of ODS in Ukraine was under preparation and requested that it should be submitted to the Committee, through the Secretariat, as soon as it was completed;

(c) Called upon Ukraine to expedite the process of ratification of the London Amendment;

(d) Recommended that the GEF Council should consider funding for the projects to be submitted;

(e) Requested Ukraine to continue to provide the Committee with reports on progress made in phasing out ODS in line with the schedule in its national programme;

(f) Recommended international financial assistance to Ukraine from GEF and other international funding agencies.

V. LETTER SUBMITTED BY THE GOVERNMENTS OF LITHUANIA AND LATVIA
UNDER PARAGRAPH 4 OF THE NON-COMPLIANCE PROCEDURE AND THE
PLAN TO IMPLEMENT THE PROTOCOL SUBMITTED BY THE
GOVERNMENT OF LITHUANIA

23. The Secretariat drew attention to a letter it had received in December 1995 from the Governments of Estonia, Latvia and Lithuania requesting a longer timeframe for phasing out ozone-depleting substances because of the institutional and financial problems facing those countries. The Secretariat had advised Estonia that the non-compliance procedure under the Montreal Protocol was only applicable to Parties. Latvia and Lithuania had been requested to make a formal submission under paragraph 4 of the non-compliance procedure, giving full details of the measures and action plans adopted by their Governments to implement the Protocol. In response, the Government of Lithuania had submitted a plan of action to phase out ozone-depleting substances, which was before the Committee (see annex V below). No response had been received from the Government of Latvia.

24. The representatives of UNEP and the GEF secretariat gave an account of the relevant work carried out by their organizations in the Baltic countries, the representative of GEF secretariat noting that, since neither Latvia nor Lithuania had finalized their ratification process for the London Amendment, those countries were being assisted only for updating their country programmes and project identification and were not eligible for funding of investment projects under GEF.

Estonia

25. With regard to Estonia, the Implementation Committee decided that it could not consider the matter further until that country had become a Party to the Montreal Protocol.

Latvia

26. With regard to Latvia, the Implementation Committee:

(a) Took note of the joint submission to the Ozone Secretariat from Latvia and Lithuania, together with Estonia, a non-Party to the Protocol;

(b) Noted that there was a possibility of non-compliance by Latvia in 1996 so that the Implementation Committee might have to revert to that question later that year;

(c) Noted that, with GEF funding, country programme preparation for Latvia was being undertaken by UNEP and projects were being identified by UNDP, and requested Latvia to resubmit that programme once it was completed;

(d) Requested Latvia to provide a detailed plan of action for phasing out ozone-depleting substances, including the proposed national share of the total cost of implementing the plan;

(e) Further requested Latvia to provide the Committee with further information on its political commitment to the phase-out programme for ozone-depleting substances and the proposed measures for the enforcement of the programme – in particular the enforcement of trade regulations;

(f) Requested the Secretariat to alert Latvia to the fact that major project funding from international financial institutions for ODS phase-out was subject to ratification of the London Amendment by the country concerned;

(g) Requested Latvia to keep the Committee informed of progress made towards ratification of the London Amendment to the Montreal Protocol.

Lithuania

27. With regard to Lithuania, the Implementation Committee:

(a) Took note of the joint submission to the Ozone Secretariat from Lithuania and Latvia, together with Estonia, a non-Party to the Protocol;

(b) Noted that there was a possibility of non-compliance by Lithuania in 1996 so that the Implementation Committee might have to revert to that question later in the year;

(c) Took note of the action plan and the relevant measures submitted by Lithuania to the Ozone Secretariat as a useful first step;

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(d) Noted that, with GEF funding, country programme preparation for Lithuania was being undertaken by UNEP and projects were being identified by UNDP, and requested Lithuania to resubmit that programme once it was completed;

(e) Requested Lithuania also to submit further information on, in particular:

(i) Its political commitment on the phase-out programme for ozone-depleting substances;

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

(iii) The proposed national share of the total costs of the phase-out programme;

(iv) Progress towards the ratification by Lithuania of the London Amendment to the Montreal Protocol;

(f) To recommend international assistance to enable compliance of Lithuania with the Montreal Protocol in line with the following provisions:

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

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

(iii) The reports should be submitted in due time to enable the Implementation Committee to review them;

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

VI. STATUS OF DATA-REPORTING FOR 1994

28. The Secretariat introduced and updated information paper UNEP/OzL.Pro/ImpCom/13/INF.1, which showed the status of data-reporting over the years. The Secretariat explained that it was considered too early to prepare a comprehensive report for 1995 but that such a report would be circulated for the next meeting of the Committee. Since the document had been circulated, the following additional Parties had reported data for the years indicated: Argentina (1994); Bahrain (1990, 1992, 1993 and 1994); Botswana (1994); Canada (1994); Ghana (1993); India (1994); Ireland (base-

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year data, 1992, 1993 and 1994); Kenya (1994); Portugal (1989, 1990, 1991, 1993 and 1994); and United Arab Emirates (1990 and 1994). It was further pointed out that, in accordance with decision VI/5, all Parties whose country programme and institutional-strengthening projects had been approved and completed had submitted their base-year data to the Secretariat.

29. One representative suggested that it was time that a greater effort should be made to analyse the data and a report produced showing global trends in various Parties and different regions so that the Parties could see the progress being made in the implementation of the Protocol. The Secretariat replied that such efforts were already under way and the results would be presented to the Implementation Committee at its next meeting.

30. In response to query raised by one member of the Committee, the Secretariat said that, in order to assist Parties in data-reporting, a document listing the applications of substances in Annex C of the Protocol was being prepared by TEAP, as recommended by the Seventh Meeting of the Parties in its decision VII/34, paragraph 5 (e) (iv) f.

31. At the conclusion of the discussion, the Secretariat noted that the new data-reporting formats made necessary as a result of the Vienna Adjustments to the Protocol to phase out ODS would shortly be circulated for comments, and the revised format would be submitted to the Open-ended Working Group of the Parties at its next meeting.

32. Following the presentation by the Secretariat, the Implementation Committee:

(a) Took note of the report by the Secretariat and the additional information provided;

(b) Recommended that the Secretariat should prepare a data report showing global trends to give an overall perspective of the implementation of the Protocol.

VII. COMMENTS BY THE IMPLEMENTING AGENCIES AND GEF ON THE REPORTING OF ODS DATA BY PARTIES

33. The representatives of UNDP, UNEP and UNIDO informed the Committee of the situation in those non-reporting Parties in which they were assisting in country programme formulation, institutional-strengthening, networking and project preparation and implementation and gave an account of their efforts to improve data-reporting by Parties. In over 20 countries, the country programmes had not yet been formulated, which explained the lack of reported data.

34. The representative of the World Bank said that it was the Bank's experience that if local capacity was developed, data-reporting would follow. The Bank saw its role as providing advice and assistance to countries and found it difficult to speak on their behalf: it would be preferable if the countries themselves were requested to explain instances of non-reporting. The Bank was urged by the Committee to cooperate in the promotion of data-reporting by the Parties it was serving.

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35. The representative of the GEF secretariat said that GEF was providing funding for finalization of country programmes and related project preparation activities for Cyprus, Latvia, Lithuania, Turkmenistan and Uzbekistan. It hoped that, if there were outstanding data from any of those countries, it might be provided as a result of those activities. GEF was prepared to assist other eligible countries in country programme preparation as soon as they had ratified the Protocol and had started the process of ratifying the London Amendment to the Protocol.

36. During the discussion of this item, it was pointed out that:

(a) The failure to submit data was often the result of a lack of coordination between the official channel of communication with the Secretariat and the national ozone unit in the country concerned;

(b) There was a need to clarify reporting requirements, as some countries were not aware which data should be sent to the Secretariat, the Implementing Agencies or the Secretariat of the Multilateral Fund. There were also frequent discrepancies between the data submitted to the Fund Secretariat and that reported to the Ozone Secretariat;

(c) If the data were collected by non-national consultants, it was important that they should analyse them in consultation with the national ozone unit, as sometimes there were discrepancies between the data reported officially and what consultants from Implementing Agencies reported on project-related data submitted to the Executive Committee;

(d) Developing countries faced many difficulties in collecting accurate data, including the need to seek information from dealers in ODS where the customs classification codes for those substances had not been introduced.

37. Following the discussion, the Implementation Committee recommended that the Fund Secretariat should prepare a consolidated report on the data that had been reported to it from the Implementing Agencies in relation to progress made in implementing the projects included in the country programmes to eliminate ODS. The consolidated report should be made available to the Ozone Secretariat. The data included in the report should then be verified against the data submitted by the Parties to the Ozone Secretariat pursuant to Article 7 of the Protocol. In the event of discrepancies, the Ozone Secretariat should seek clarification with the Party concerned, in accordance with decision VII/20, paragraph (a), of the Seventh Meeting of the Parties.

VIII. RECLASSIFICATION OF BRUNEI DARUSSALAM AND THE UNITED ARAB EMIRATES

Brunei Darussalam

38. The Secretariat said that Brunei Darussalam had initially been classified as a non-Article 5 Party on the basis of estimated data but that classification had been revised as Article 5 following the receipt of its data in November 1993. However, the data reported to the Secretariat for the

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year 1994 indicated that its per capita consumption of Annex A substances was above the threshold established in Article 5. The Executive Committee had approved the preparation of a country programme for Brunei Darussalam, and UNEP, as the Implementing Agency, had sought clarification as to how to proceed in the light of the country's change of status. It might be recalled that, in decision VI/5, the Sixth Meeting of the Parties had decided that in the case of Parties classified temporarily as operating under Article 5 in the absence of data and for which projects had been sanctioned, the projects already approved would continue to be funded until they were completed, even if the countries were subsequently classified as not operating under Article 5 on receipt of data. The situation of Brunei Darussalam was similar, but not identical, and the Implementation Committee might wish to consider whether a decision along the same lines could be taken in the current case.

39. Following a discussion of the matter, the Implementation Committee recommended:

(a) That UNEP complete the work on the already ongoing approved country programme preparation;

(b) That the completed country programme should be submitted to the Executive Committee for information purposes only.

United Arab Emirates

40. The Secretariat said that the United Arab Emirates had informed it that there was a mistake in its data for 1994. The corrected data showed that the per capita consumption was below the threshold for eligibility for Article 5 status for the year 1994. In that connection, the Secretariat recalled decision VI/5, under which the change of status would not be effective for 1994 and by which Parties reclassified as operating under Article 5 were urged not to seek assistance from the Multilateral Fund.

41. The Implementation Committee recommended that:

(a) The United Arab Emirates should be reclassified as a Party operating under Article 5. This reclassification should take effect from 1995, subject, of course, to the classification called for by its 1995 figures;

(b) The United Arab Emirates should be asked to pay its outstanding contribution to the Multilateral Fund for 1994;

(c) In accordance with decision VI/5, the United Arab Emirates should be urged not to seek financial assistance for national programmes from the Multilateral Fund.

IX. OTHER MATTERS

42. It was agreed that the next meeting of the Implementation Committee would be held in Geneva on 23 August 1996, with the possibility of an extension to the following day.

X. ADOPTION OF THE REPORT

43. The present report was adopted by the Committee at its closing session on 19 March 1996 on the basis of the draft report which had been circulated as document UNEP/OzL.Pro/ImpCom/13/L.1.

XI. CLOSURE OF THE MEETING

44. After the customary exchange of courtesies, the President declared the thirteenth meeting of the Implementation Committee closed at 5 p.m. on Tuesday, 19 March 1996.

Annex I

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LETTER DATED 14 MARCH 1996 FROM THE MINISTER OF NATURAL
RESOURCES AND ENVIRONMENTAL PROTECTION OF THE REPUBLIC
OF BELARUS ADDRESSED TO THE EXECUTIVE SECRETARY OF THE
OZONE SECRETARIAT

1. I am forwarding to you a letter concerning information on the status of phase-out of ozone-depleting substances in the Republic of Belarus.

2. In accordance with decision VII/17 of the Vienna Meeting of Parties to the Montreal Protocol, the Government of the Republic of Belarus is providing the following information.

A. Political obligations associated with the phasing out of ozone-depleting substances in the Republic of Belarus

3. The Government of the Republic of Belarus has approved a detailed strategy for phasing out ozone-depleting substances, which has been presented in the country programme for the phase-out of ozone-depleting substances in Belarus.

4. The competent organizations and the measures involved in the implementation of the programme are contained in the Decree No. 115 dated 19 February 1996 of the Council of Ministers of the Republic of Belarus. The Ministry of Natural Resources and Environmental Protection of the Republic of Belarus has been assigned full responsibility for coordination of the necessary priority measures. On the basis of the powers vested in me, I hereby affirm the commitment of the Government of the Republic of Belarus to its obligations to fulfil the phase-out plan for ODS and to achieve the objectives in full accordance with the Vienna Convention and the Montreal Protocol.

B. Necessary linkages and approaches being proposed by the Republic of Belarus and specific requirements regarding financial, organizational and administrative measures which are necessary for implementation of such measures

5. The Government of the Republic of Belarus in its Decree 778r dated 10 August 1993 established the Inter-Agency Commission for the Protection of the Ozone Layer, which represents the ministries and departments involved in the phasing out of ozone-depleting substances and provides the framework for most inter-agency linkages with regard to the implementation of financial, organizational and administrative measures.

6. All ministries and departments of the Republic of Belarus are engaged in efforts to take an inventory of stocks of coolants and halons contained in operating equipment, and they have to identify the quantities required for the operation of this equipment. This work is to be completed by 1 June 1996.

7. Project preparation is under way for the phase-out of ozone-depleting substances in the solvents, fire-extinguisher, foams, and refrigeration-servicing sectors. These projects are being financed from international sources.
8. The Republic of Belarus remains confident that the current targets for the phase-out of ozone-depleting substances, outlined in the approved country programme and presented to Parties to the Montreal Protocol, can be achieved. This confidence is also conditioned by continuing international support for the initiatives mentioned above.
9. The following factors underlie anticipated progress in implementing the ODS phase-out programme in Belarus.
10. Investments are being made by enterprises involved in ODS phase-out in the aerosol and domestic refrigeration sectors; one major aerosol producer, the Brest Domestic Chemicals Factory, has completed the conversion to new technologies.
11. Proposed measures to ensure the implementation of the provisions of the Montreal Protocol, particularly those relating to trade.
12. The Republic of Belarus would like to state once again that it is totally committed to fulfilling its obligations with regard to the trade measures under the Montreal Protocol. Trade in ozone-depleting substances and products containing such substances between the Republic of Belarus and other Parties to the Montreal Protocol will be regulated by a strict licensing system, and any trade with non-Parties to the Montreal Protocol will be prohibited.
13. It is important to note that Belarus has agreed not to export any virgin, recycled or recovered substances controlled under the Montreal Protocol to any Party operating under Article 2 of the Protocol not member of the Commonwealth of Independent States and that such Parties will not import controlled substances from Belarus.
14. The establishment of a system for strict monitoring of any exports of recycled ODS.
15. The Republic of Belarus will submit annual reports on ODS phase-out progress in line with the schedule included in the country programme for the phase-out of ozone-depleting substances and in due time. In this respect, it is particularly important for us to receive international assistance.
16. In conclusion, I would like to state that the Republic of Belarus remains committed to its obligations to the phase-out of ODS, and it will be able to fulfil these obligations as soon as financial assistance from GEF is provided and economic conditions allow.

(Signed) Mikhail Rusy
Minister

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Annex III

[Original: Russian]

LETTER DATED 26 FEBRUARY 1996 FROM THE MINISTER OF PROTECTION
OF THE ENVIRONMENT AND NATURAL RESOURCES OF THE RUSSIAN
FEDERATION ADDRESSED TO THE EXECUTIVE SECRETARY OF THE
OZONE SECRETARIAT

1. I am forwarding to you our response to your letter dated 15 January 1996 concerning additional information on the status of the programme to phase out the production and consumption of ozone-depleting substances (ODS) in the Russian Federation. It is our understanding that the response constitutes the specific information requested of us under decision VII/18 in the report of the Seventh Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer, which was held in Vienna from 5 to 7 December 1995.

2. In accordance with the decision of the Seventh Meeting of the Parties to the Montreal Protocol, the Russian Federation was to provide additional information by 31 January 1996. Unfortunately, however, we did not receive the official record of the conclusions of the Vienna Meeting until 27 January, in English, and 5 February, in Russian. In addition, we thought that it made sense to take some time over our reply so that we could give you the fullest possible information on the important initiatives being taken by the Government of the Russian Federation, which have been evolving rapidly of late. We apologize for any inconvenience caused by the delay in providing you with the required information but hope that you will appreciate the importance of the actions we have taken.

3. As required by decision VII/18, paragraph 6, of the above-mentioned document, the Russian Federation is providing the following information.

A. The political commitment on the phase-out plan for ozone-depleting substances by the Russian Federation

4. The Russian Federation has approved a programme of first-priority measures for the fulfilment of the obligations of the Russian Federation with regard to the protection of the ozone layer, which has already been transmitted to the Parties to the Montreal Protocol. The action to implement the programme, with an indication of the responsible organizations, is set forth in Decree No. 526 of the Government of the Russian Federation dated 24 May 1995, which was attached to the letter from the Chairman of the Government of the Russian Federation. The Ministry of Protection of the Environment and Natural Resources of the Russian Federation ("the Environment Ministry") is responsible for coordinating the first-priority measures. On the basis of the powers vested in me, I hereby affirm the commitment of the Russian Federation to the obligations it has assumed regarding the implementation of the phase-out plan for ODS and the achievement of the goals set out in the Vienna Convention and the Montreal Protocol.

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

5. The Inter-Agency Commission for the Protection of the Ozone Layer, which represents all the ministries and departments involved in phasing out ODS, is assuring the main inter-agency linkages with regard to the implementation of the financial, organizational and administrative measures. The ministries and departments participating in the work of this Commission are listed in annex I to the present letter.

6. A substantial part of the functions of the Inter-Agency Commission have been handed over to the Task Force for the Implementation of the Global Environment Facility Project for the Phase-out of the Production and Consumption of ODS, in the Environment Ministry's Centre for the Preparation and Implementation of International Technical Assistance Projects. This will mean an effective concentration of efforts in all aspects of the implementation and coordination of the Project and will establish interaction between the Government and industry, as well as between the system for the presentation, processing and dissemination of information and information preparation, the development and enactment of administrative regulations and their practical enforcement, investments (both domestic and foreign) for the phase-out of ODS and the coordination of cooperation with international organizations.

7. The following efforts are being coordinated by the Project Implementation Task Force:

- Effective 1 January 1996, a maximum level was set for the production of ODS in the Russian Federation (the overall quota system) and a progressive annual reduction in the production and consumption of ODS was established in accordance with the phase-out schedule in the national strategy. The overall quotas for the production of ODS are listed in annex II;
- For each overall quota, specific quotas have been established for all producers of ODS for 1996. This information is contained in annex III to the present letter;
- A licensing and quota system is being established as a basis for applying measures to control the production of ODS in enterprises in the Russian Federation. The Project Implementation Task Force will be responsible for managing this system, with the participation of an ad hoc expert commission. The local environmental protection bodies under the Environment Ministry are responsible for the continuous monitoring of the implementation of these measures;
- As of 1 January 1996, the Russian Federation Committee on Standardization, Mensuration and Certification is introducing a mandatory certification of products containing ODS. Standard-

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setting documentation has been prepared and approved for the purpose of this certification process. These documents are now undergoing testing and revision;

- All ministries and agencies of the Russian Federation are working on an inventory of stocks of refrigerants and halons contained in operating equipment, and they must ascertain the amounts required to operate that equipment up to the year 2005. This work is to be completed by 1 April 1996;
- With the help of the Global Environment Facility and the World Bank, work has been completed on projects for enterprises in the aerosol and refrigeration sectors, which are the heaviest consumers of ODS. Twenty investment projects have been identified; the investments required for their implementation amount to some \$150 million – \$60 million from GEF and \$90 million from sources in the Russian Federation. This will phase-out the production of 15,400 ODP-weighted tonnes of ODS and will eliminate ODS consumption in the two sectors that use most ODS: aerosols and domestic refrigeration;
- Plans are being prepared for the phase-out of consumption of ODS in the solvents, fire-extinguisher, foam and refrigerator-servicing sectors. These projects will be financed from international sources;
- In conjunction with the World Bank, an accelerated programme for the phase-out of ODS production is being carried out. For producers, a comprehensive agreement is being drafted on the schedule for closing down production, measures to concentrate production and the investments needed for the production of ODS substitutes. In this connection, a number of seminars have been held, and the Project Implementation Task Force and the World Bank are currently finalizing detailed work plans for these measures. These steps are aimed at finding international resources for the elimination of ODS production and at attracting foreign investors to become involved in the production of substitutes;
- With a view to providing investment assistance for phasing out ODS, steps are being taken to utilize, as an additional financial instrument the opportunities offered by the Russian Programme for the Organization of Investments in Environmental Restoration under the Environmental Management Project, which is funded by World Bank;
- In connection with the introduction of licensing and a quota system for enterprises producing ozone depleting substances, organizational and administrative measures are being taken to monitor exports in accordance with the Russian Federation's obligations under the Montreal Protocol. A more detailed description of these measures is provided in section D below;

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C. The gradual achievement of the proposed phase-out plan

8. The Russian Federation remains confident that the current targets for phasing out the production and use of ozone-depleting substances, as outlined in the first-priority measures for the fulfilment of the obligations of the Russian Federation with regard to the protection of the ozone layer for the period 1995-1996, which have been presented to the Parties in the Montreal Protocol, can be achieved. This confidence is also conditioned by continuing international support for the initiatives mentioned above. The following factors underlie anticipated progress in implementing the ODS phase-out programmes:

- Investments are being made by enterprises involved in ODS phase-out in the aerosol and domestic refrigeration sectors; one major aerosol producer has completed the conversion to new technologies, and several enterprises producing household refrigerators have made the conversion to new technologies in certain operations and on their own flow lines without any outside assistance. Other enterprises in these sectors began to implement investment programmes in advance of receiving various grants from the GEF. At present this project, along with the first two confirmed projects, is awaiting GEF approval. A second set of projects is also awaiting GEF approval, while a third set will be submitted for approval later in 1996. Fulfilment of this approved schedule will make it possible to make investments and complete ODS phase-out in these major sectors by 1996;
- As planned, the completion of work in 1996 on the project preparation in the remaining sectors that consume ODS (solvents, fire-extinguishers, foams, refrigeration-servicing, commercial and industrial refrigeration), and the concentration of financial potential over the course of 1997, should make it possible to implement measures aimed at reducing the production and use of ODS in these sectors by the year 2000. It has been decided to assign top priority to the refrigeration-servicing sector;
- As far as phasing out ODS production is concerned, the work that has been done up until now points to a high degree of cooperation among producers in the drafting and adoption of a programme to close down enterprises. On the basis of our joint work with the World Bank which is being carried out as planned, with a view to concentrating financial resources over the Spring and Summer of 1996, ODS production (with the exception of those enterprises where production is to be concentrated) can be terminated in 1997, and the remaining production can be terminated in the year 2000;
- It is expected that the entire system of control and regulation based on the initiatives outlined in present letter will be put into place by the end of 1997. The measures and resources

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necessary for this work have been identified in accordance with internationally recognized standards.

D. The proposed measures for the enforcement of the measures in the Montreal Protocol – in particular the enforcement of the trade regulations

9. The Russian Federation would like to state once again that it is totally committed to fulfilling its obligations with regard to the trade measures under the Montreal Protocol. The aforementioned Decree No. 526 of the Government of the Russian Federation states that trade in ODS and in products containing such substances between the Russian Federation and other Parties to the Montreal Protocol will be regulated by a strict licensing system, and any trade with non-Parties to the Montreal Protocol will be prohibited. More specifically, our obligation will be met by concluding the legal, organizational, and administrative agreements needed to carry out the measures listed below, which also include the further restrictions on trade that took effect on 1 January 1996, in accordance with the provisions of the Montreal Protocol, and the understandings necessary to prevent economic difficulties among other countries of the Commonwealth of Independent States (CIS):

- Complete ban on any export of ODS that contravenes the provisions of the Montreal Protocol;
- Restrictions on exports of ODS to countries referred to in Article 5 of the Montreal Protocol;
- Controls on the export of ODS and products containing such substances to CIS countries based on licensing and a ban on re-exports;
- Establishment of a system for strict monitoring of any exports of ODS that are recycled, used or intended for destruction, taking into account decision VII/31 of the Vienna Meeting.

10. Organizational arrangements that have been made to carry out these measures include:

- Assigning codes from the Foreign Economic Activity Commodity Nomenclature to ODS and products containing such substances, in order to enable the State Customs Committee and the Ministry of Foreign Economic Relations to use the Nomenclature in monitoring trade operations;
- Inclusion of provisions banning the re-export of ODS and products containing such substances in all export contracts with CIS countries;
- Initiation of coordination activities and development of a joint approach with other CIS countries to ODS issues, including future

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needs, phase-out programmes, and re-export;

- Introduction of a quota system, particularly with respect to Belarus and Ukraine, for 1996 exports, which should not exceed the 1995 level (3,230 tonnes);
- Development of an export licensing system interlinked with the system being developed for the ODS production.

11. In conclusion, I would like to state that the Russian Federation remains committed to its obligations to phase out ODS, and it will be able to fulfil these obligations as soon as economic conditions allow. In this connection, international assistance is particularly important, and we are grateful for the assistance being provided. Furthermore, we are aware of the current concern in the international community regarding possible deliveries of ODS from Russian sources during the period in which they are being phased out. As mentioned above, we have taken steps toward solving the problems of control within our borders. It is not possible for any control system to be entirely effective, however. Therefore, we would like to call on the Parties to the Montreal Protocol to comply strictly with their own obligations to control imports of ODS in light of the restrictions on Russian exports, and to notify us of any violations involving ODS supplies from the Russian Federation. In such cases, the appropriate actions can be taken.

12. We hope that we have provided you with the information you need.

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

Appendix 1LIST OF MINISTRIES AND DEPARTMENTS OF THE RUSSIAN FEDERATION
REPRESENTED ON THE INTER-AGENCY COMMISSION FOR PROTECTION OF
THE OZONE LAYER UNDER THE RUSSIAN FEDERATION MINISTRY OF
PROTECTION AND NATURAL RESOURCES

1. Russian Federation Ministry of Foreign Economic Relations
2. Russian Federation Ministry of Internal Affairs
3. Russian Federation Ministry of Health and the Medical Industry
4. Russian Federation Ministry of Foreign Affairs
5. Russian Federation Ministry of Science and Technology
6. Russian Federation Ministry of Defence
7. Russian Federation Ministry of Protection of the Environment and Natural Resources
8. Russian Federation Ministry of Railways
9. Russian Federation Ministry of Atomic Energy
10. Russian Federation Ministry for Cooperation with States Members of the Commonwealth of Independent States
11. Russian Federation Ministry of Transport
12. Russian Federation Ministry of Finance
13. Russian Federation Ministry of Economy
14. Russian Federation State Committee for Defence Industry
15. Russian Federation State Committee for Industrial Policy
16. Russian Federation State Statistics Committee
17. Russian Federation State Customs Committee
18. Russian Federation State Taxation Service
19. Russian Federation Committee on Engineering
20. Russian Federation Committee on Standardization, Mensuration and Certification
21. Russian Federation Committee on Patents and Trademarks
22. Russian Federation Trade Committee
23. Russian Federation Committee on the Chemical and Petroleum Industry
24. Inter-Agency Commission on Environmental Security of the Security Council of the Russian Federation
25. Russian Academy of Sciences
26. Russian Federal Service for Mining and Industrial Supervision
27. Russian Federal Service for Hydrometeorology and Environmental Monitoring

Appendix 2

DATA ON THE PRODUCTION OF SUBSTANCES CONTROLLED BY THE
MONTREAL PROTOCOL AND ITS AMENDMENTS, WITH 1990 TAKEN
AS THE BASELINE YEAR FOR THE RUSSIAN FEDERATION,
AND PRODUCTION QUOTAS FOR 1996

Substance	Production output in 1990 (thousand tonnes/ thousand tonnes of ozone-depleting potential)	Required production output in 1996 (25% of 1990) (thousand tonnes of ozone-depleting potential)	Permitted exports in 1996 (15% of 1990) (thousand tonnes of ozone-depleting potential)	Exports to CIS countries (thousand tonnes of ozone-depleting potential)	Quota for 1996 (thousand tonnes of ozone-depleting potential)
<u>Annex A</u>					
Group I					
CFC-11	24.75/24.75				
CFC-12	60.75/60.75				
CFC-113	23.56/18.85				
CFC-114	0.75/0.75				
CFC-115	0.33/0.20				
Total for Group I	110.14/105.30	26.32	15.80	3.23****	45.35
Group II					
Halon 1211	0.70/2.10				
Halon 1301	1.10/11.00				
Halon 2402	2.45/14.70				
Total for Group II	4.25/27.80	2.10**	4.17	-	6.27
<u>Annex B</u>					
Group I					
CFC-13	0.30/0.30				
Total for Group I	0.30/0.30	0.075	0.045	-	0.12
Group II					
CCl ₄	2.00*/2.20				
Total for Group II	2.00/2.20	0.55	0.33	-	0.88
Group III					
C ₂ H ₃ Cl ₃	3.10/0.31				
Total for Group III	3.10/0.31	0.075	0.0465	-	0.124
TOTAL:	119.79/135.91	29.12	20.39	3.23	52.74

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REMARKS

- * Indicates quantity of controlled produced (in 1990, 61,000 tonnes of CCl₄) minus the amount used exclusively as feedstock for the production of other substances (in 1990, 59,000 tonnes of CCl₄ were used as feedstock)
- ** For 1996, the Russian Federation was permitted by the Seventh Meeting of the Parties to produce 352 tonnes of halon-2402 (.352 x 6 = 2,100 ODP-weighted tonnes)
- *** To meet the basic domestic needs of Article 5 countries (Article 2A, para. 4 of the Montreal Protocol)
- **** To meet the basic domestic needs of CIS countries operating under Article 2 (decision of the Seventh Meeting of the Parties to the Montreal Protocol)

Appendix 3

PRODUCTION QUOTAS IN THE RUSSIAN FEDERATION FOR
OZONE-DEPLETING SUBSTANCES IN ACCORDANCE WITH
THE DECISION OF THE SEVENTH MEETING OF THE
PARTIES TO THE MONTREAL PROTOCOL
(FOR 1996, BY ENTERPRISE)

Substance	Enterprise	Quota (thousand ODP tonnes)
CFC-11,12	AOOT "Galogen", Perm	16.00
	AOOT "Kaustik, Volgograd	8.00
	AOOT "Himprom, Volgograd	9.00
	AOOT "Altaihimprom", Yarovoye, Altai territory	2.00
CFC-113*	AOOT "Himprom", Volgograd	2.50
	AOOT "Kirovo-Chepetski" Chemical Works, Kirovo- Chepetsk, Kirov Region	2.00
Halon-2402	AOOT "Galogen", Perm	0.20
	AOOT "Kirovo-Chepetski" Chemical Works, Kirovo- Chepetsk	0.15
CFC-13	AOOT "Technoroz", Redkino, Tver Region	0.12
CCl ₄ * (carbon tetrachloride)	AOOT "Himprom", Volgograd	0.80
C ₂ H ₄ Cl ₃ * (methyl chloroform)	AOOT "Chapayevsk Chemical Factory", Chapayevsk	1.24
CFC-11,12,113; Halon- 2402,1301, 1211 (reclaimed)	RNI "Prikladnaya Himiya", St. Petersburg	no quotas imposed

*Note: No quotas are imposed in the Russian Federation on substances reclaimed as feedstock for producing other chemical substances.

Annex IV

LETTER DATED 14 MARCH 1996 FROM THE MINISTER FOR ENVIRONMENTAL
PROTECTION AND NUCLEAR SAFETY OF UKRAINE ADDRESSED TO THE
EXECUTIVE SECRETARY OF THE OZONE SECRETARIAT

1. In accordance with decision VII/19, paragraph 5, of the Seventh Meeting of the Parties to the Montreal Protocol, and on occasion of the thirteenth meeting of the Implementation Committee, I am pleased to forward to you some information concerning the status of activity in phasing out the use of ozone-depleting substances in Ukraine.

A. The political commitment on the phase-out plan for ODS
by Ukraine

2. As of 1 March 1996, the Government of Ukraine authorized a special project team to complete the National Programme on ODS Phase-out. This job is being financed from the State budget and has to be finalized in three months.

3. The set of documents to ratify the London Amendment to the Montreal Protocol is being prepared.

4. On 14 December 1995, Ukraine remitted US\$ 144,654 and US\$ 28,081 to the Trust Funds for the Montreal Protocol and the Vienna Convention, accordingly. Thus, Ukraine discharged its debt for 1994 and 1995.

5. On 14 December 1995, the Cabinet of Ministers adopted Decree No. 1062, on organizing the work on implementation of the Montreal Protocol. The Decree commits government and involved bodies to organize the work on implementation of the Montreal Protocol in Ukraine and assigns the Ministry for Environmental Protection and Nuclear Safety of Ukraine to coordinate the necessary measures. The Inter-Agency Commission on the Implementation of the Montreal Protocol has been commissioned; the Commission includes representatives in charge of the Ministry for Environmental Protection and Nuclear Safety of Ukraine, the Ministry of Defence, the Ministry of Economic Affairs, the Ministry of Finance, the Ministry of Foreign Affairs, the Ministry of Statistics, the Ministry of Foreign Economic Relations, the Ministry of Engineering, the Ministry for Health, the State Customs Committee, the State Committee on Hydrometeorology, the State Committee on Atomic Energy, the National Academy of Sciences, as well as experts from relevant scientific research institutes.

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

6. The above-mentioned Inter-Agency Commission represents all of the organizations involved in consuming and phasing out ODS, providing in such a way the framework for operational ties regarding the implementation of financial, organizational and administrative measures.

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7. The functions of the secretariat of the Inter-Agency Commission are carried out by the Department of Environmental Monitoring within the Ministry for Environmental Protection and Nuclear Safety. The creation of special unit – the Ozone Office – within the Ministry has been anticipated. The Office has to properly deal with the sectoral projects to assure the effective relationships among enterprises and governmental/intergovernmental agencies, to monitor the implementation of the Programme, as well as to serve as an acting secretariat to the Inter-Agency Commission. This unit will be financed partially by Ukrainian Government and the World Bank. Because of rising amount of work allocated to the Office, the Ukrainian Government has applied to the World Bank on speeding up establishing such a unit. We were promised that this question would be solved in the forthcoming GEF Council session, to be held in April.

8. With the help of the authorized Danish agency, COWIConsult, work has been organized on the preparation of conversion projects for 20 enterprises identified as the recipients of international financial assistance. Implementation of these projects will allow the phase-out of nearly 2,400 tonnes of ODS consumption. To date, 18 projects have been completed and are to be presented for approval. Two projects need to be improved.

9. Special attention is being given to the work with small ODS consumers. The Ministry prepared and distributed among the Regional State Environmental Protection Agencies the set of materials clarifying the international obligations of Ukraine, the proposed schedule of ODS phase-out, and measures to be taken to raise consumer awareness of ODS alternative substances and technologies.

C. The gradual achievement of the proposed phase-out plan

10. The Ukrainian Government believes that the goal of complete ODS phase-out in Ukraine may be achieved in 2-3 years. This process, however, may be successful subject to international support for this activity that can be effected not only by means of GEF's mechanism but on the basis of bilateral cooperation. The latter sometimes could be a more effective and faster way of achieving the goals, especially because of both its demonstration effect and political benefits. The Ukrainian Government will highly appreciate such initiative from the countries of the OECD group.

11. As the draft National Programme plans, the complete ODS phase-out could be expected by the end of the year 1998. The CTC production in Kaloush will most probably be converted this year.

D. The proposed measures for the enforcement of the measures –
in particular the enforcement of the trade regulations

12. Except for the facility in Kaloush, which produces carbon tetrachloride as a feedstock, Ukraine does not produce any CFCs. That is why the problem of controlling and regulating ODS is reduced to strengthening regulation and control in the consumer sector.

13. In doing so, the Government is planning to create an adequate legislative framework in this field. The necessary legislative basis is being partially created by Decree No. 1062 of the Cabinet of Ministers of Ukraine and shall be followed by introduction of import licences for ODS, as well as licensing requirements for refrigeration technicians. This work has to be done this year.

14. In conclusion, I would like to confirm the strong commitment of Ukraine to implement the obligations to phase out the use of ODS. However, I have to stress the point that Ukraine will be able to do that as quickly as economic conditions allow. In the context of this the international assistance can hardly be overestimated.

15. I hope this message facilitate achieving our common goals.

(Signed) Yuriy Kostenko

Minister

Annex V

LETTER DATED 30 JANUARY 1996 FROM THE MINISTER OF ENVIRONMENTAL
PROTECTION OF THE REPUBLIC OF LITHUANIA ADDRESSED TO THE
EXECUTIVE SECRETARY OF THE OZONE SECRETARIAT

I wish to refer to the issues regarding the implementation of the Montreal Protocol, which have been raised in the letter from the Government of the Republic of Lithuania and the similar notification from the ministries of the environment of the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania.

In addition to the above letters, we have elaborated an Action Plan, containing measures aimed at the implementation of the Montreal Protocol.

The report on the measures being adopted by the Government of the Republic of Lithuania and the Action Plan for ODS phase-out are enclosed herewith for your consideration.

(Signed) B. Bradauskas
Minister

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Appendix

THE GOVERNMENT RESPONSE TO THE MONTREAL PROTOCOL

1. The Government of the Republic of Lithuania decided to accede to the Vienna Convention and the Montreal Protocol in December 1994, and these treaties entered into force for Lithuania as of April 1995. At the same time (December 1994), it was decided to adopt the recommendation of the Customs Cooperation Council on the insertion in national statistical nomenclatures of the subheadings to facilitate the collection and comparison of data on the international movement of substances that deplete the ozone layer. Pursuant to the decision of the Government, the Ministry of Environmental Protection is the body that has to organize, coordinate and control the work of the relevant ministries, other institutions and ODS users. The Ministry of Environmental Protection and the Ministry of Industry and Trade are responsible for ODS-consumption monitoring and data-reporting. The Customs Department is obliged to accomplish the registration of imports or exports of ODS and ODS-based products and submit these data to the Ministry of Environmental Protection. The London and Copenhagen amendments and adjustments have not been ratified. This is a subject for further consideration.

2. The import and export of ODS are being regulated by Ministry of Environmental Protection ordinance No. 112 (30 June 1995), which was issued on the basis of the Law on Environmental Protection of the Republic of Lithuania and the Government decision No. 78 (19 May 1995), on the restriction of import-export and transit of certain commodities and goods. This means that ODS importers are obliged to get a permit from the Ministry of Environmental Protection for certain ODS and the amount of such substances to be imported. Such a permit is a compulsory accompanying document for Customs control.

3. The controlled substances were mainly used in traditional industrial sectors, like refrigeration production and servicing, aerosol production, air-conditioning systems, electronics, and machinery. It should be emphasized that ODS consumption has sharply decreased in comparison to the base-year, partly due to the measures implemented and, to a great extent, to the economic recession.

4. It is prohibited to apply ODS and ODS-based technologies when introducing new facilities. This is being regulated through the approved permit procedure.

5. Users of ODS attempting to reduce ODS consumption and finally to switch over from ODS to non-ODS based technologies seek suitable alternatives from both the technical and the economic point of view:

(a) In the case of aerosol production, some operations have switched to carbon dioxide propellant, which for certain types of aerosol products is not acceptable. For this reason, a more universal propellant is being sought. ODS consumption in aerosol production decreased from 5200 tonnes in 1989 to about 500 tonnes in 1993. Today, the aerosol industry is undergoing reconstruction, which would result in the use of hydrocarbon propellants. Sufficient amounts of propane-butane are produced at the Oil Refinery, but this gas should be purified and, therefore, a supplementary purification system should be introduced. Both the above projects are included in the country programme;

(b) In domestic refrigeration, a considerable part (about 40 per cent) of production is produced on the basis of HFC-134a refrigerant. In the production of insulating cabinets for refrigerators, CFC-11 blowing agent has been completely replaced by cyclopentane and HCFC-141. As a result of partial conversion, CFC consumption in 1994 was at the same level as in 1986, although production had increased by 10 per cent and new refrigerators became more CFC-consuming.

6. CFCs have been eliminated from foam production; consequently, carbon dioxide is mainly used for this purpose.

7. For the implementation of the Montreal Protocol, an Ozone Focal Point has been established in the Ministry of Environmental Protection, and a national team has been created to facilitate the development of the country programme.

8. The country programme for phasing out ozone-depleting substances has been prepared and approved. There are plans to expand the programme and make it more detailed, with the assistance of UNEP and UNDP. The national team (with the assistance of a UNEP-appointed consultant) carried out the monitoring of ODS consumption in various application areas in the base-year and in each year thereafter. This monitoring system needs to be expanded and continued.

9. To increase the awareness of ODS problems and to improve the qualifications of service staff and, consequently, reduce ODS losses during servicing, training on refrigeration-equipment maintenance, servicing retrofit, and recovery has been conducted with the assistance of specialists from the Dupont company.

10. The ODS users in the country are informed about relevant problems and the Government's phase-out plans. Special attention is paid to the main ODS users in the aerosol and refrigeration sectors, who are provided with updated information on progress in phase-out activities. General and specific Lithuanian problems on ODS consumption have been outlined at seminars for Lithuanian scientists and industry representatives and through local

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newspapers.

11. To facilitate ODS phase-out according to the intended schedule, an ODS Action Plan has been drawn up. This Action Plan contains a number of institutional actions for effective regulation and monitoring, as well as several projects in key sectors. However, it should be stressed that the successful implementation of the proposed projects depends on the external assistance and financing. The Action Plan and related measures are presented in tables 1 and 2 below.

Table 1. Institutional and legal actions

Action	Details and components	Duration	Purpose
1	2	3	4
1. Country programme formulation and technical assistance/investment project preparation	<p>Improvement of the survey on current ODS consumption</p> <p>Analysis of the collected information, preparation of the projects for technical assistance and investments</p> <p>Identification and development of detailed sectoral ODS phase-out investment proposals (national experts, UNEP, UNDP consultants)</p>	1996-1997	<p>To facilitate elimination of ODS:</p> <ul style="list-style-type: none"> - analyse the scenarios, estimate the incremental costs of complete phase out; - assist the conversion to non-ODS technologies; - identify and develop detailed sectoral investment projects; - submit the programme to GEF for possible funding.
2. Establishing the National Ozone Committee	Committee staff, necessary equipment, office premises.	1996	The Committee will consist of the relevant governmental representatives and will facilitate the implementation of the phase-out policies, involve relevant industries, supervise the implementation of the projects and their financing.
3. Strengthening the ODS Working	To be formed around existing Working Group. It will consist of the major	1996	The Working (consultative) Group will assist and advice the National Ozone

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Action	Details and components	Duration	Purpose
1	2	3	4
(consultative) Group	users and representatives from the relevant ministries.		Committee.
4. Extension and updating of the monitoring system for ODS and ODS-based production	<p>Establishing and operating the national ODS register</p> <p>Recording the data on ODS consumption, imports and exports, by local experts and Customs</p> <p>Evaluation of the records by the National Committee</p>	1996-2000	Control of ODS phase-out effectiveness. The Monitoring system could serve as a basis for updating and improvement of the Action Plan and to increase its effectiveness.
5. Regulatory measures	<p>5.1. Elaboration and introduction of regulations:</p> <ul style="list-style-type: none"> - on restriction and bans on consumption, import and export of ODS/ODS containing products; 	1996	After the evaluation of the availability of technical alternatives and possible financial sources, schedule on the bans of ODS use, its import and export has to be proposed.
	<ul style="list-style-type: none"> - on registration and licensing of economic and commercial activities in ODS use and trade (Amendment to the Law on Enterprises and decision of 	1997-98	Registration and licensing will facilitate better control of ODS consumption as well as provide the users with updated information on substitution alternatives.

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Action	Details and components	Duration	Purpose
1	2	3	4
	<p>the Government).</p> <p>5.2. Introduction of the labelling requirements on ODS/ODS-based products in their production and import.</p> <p>5.3. Analysis of the applicability of the incentive system, especially in the servicing and scrapping of outdated CFC-based equipment.</p> <p>5.4. Preparation and adoption of the requirements for the reduction of ODS emissions when maintaining used ODS.</p> <p>5.5. Initiation of the review of the standards for products containing ODS.</p>	<p>1997-98</p> <p>1997-98</p> <p>1998</p> <p>1997-98</p>	<p>Effective control, monitoring, incentives for environmentally sound decisions.</p> <p>The introduction of such a system would make it possible to avoid emissions and encourage substitution.</p> <p>Reduction of ODS emissions. In addition, it would make it possible to avoid the premature scrapping of existing equipment.</p> <p>Revision/adoption of new standards. This would accelerate the process of conversion.</p>
<p>6. Information dissemination and awareness-raising</p>	<p>6.1. Informing the public and industry through the mass media and other public campaigns. Printing of the brochure related to ODS policies.</p> <p>6.2. Provision of information for</p>	<p>1996-2000</p>	<p>The introduction of ODS phase-out policy to the industry and public</p> <p>Raising of general awareness and</p>

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Action	Details and components	Duration	Purpose
1	2	3	4
	<p>ODS users about available alternatives, substitutes and others related issues.</p> <p>6.3. Initiation of the establishment of the national refrigeration association</p>	1997	<p>stimulation of acceptability to new alternative decisions and relevant incremental costs.</p> <p>Facilitation of the development of refrigeration:</p> <ul style="list-style-type: none"> - education in refrigeration progress; - unification of joint industry effort; - search for the progressive decisions in relevant industries; - relations with relevant industries in other countries.
7. Projects proposals (see table 2)	<p>7.1. Introduction of non-CFC insulation and refrigerants in domestic refrigerators the <u>Snaige</u> company.</p> <p>7.2. Replacement of CFC-11 and CFC-12 in aerosol production - Vilnius</p>	<p>1996-2001</p> <p>(for detailed information, see table 2)</p>	<p>Introduction of alternative technologies and new substitutes in industries, resulting in a reduction of ODS consumption and finally in complete phase-out.</p>

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Action	Details and components	Duration	Purpose
1	2	3	4
	Domestic Chemicals Company.		
	7.3. Production of deodorized propane-butane. A regional project.		
	7.4. Technical investigation and feasibility study in the <u>Oruva</u> Compressor Factory.		
	7.5. Recovery, recycling and reclamation of used ODS.		- avoidance of 50-60 tonnes of CFC emissions; - extension of life-time of existing equipment.
	7.6. Training of the refrigeration (industrial and commercial) maintenance operators in retrofitting and placing the CFC-using equipment	1996-1997	Reduction of the leakage of CFCs during maintenance, servicing and recovery (about 70 tonnes of ODS)

Table 2. Project proposals

ODS sector	Project title	Project components	Project duration	Project cost (US\$)	Expected effect
1. Aerosols	1.1. Replacement of	Project is to be			

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ODS sector	Project title	Project components	Project duration	Project cost (US\$)	Expected effect
	CFC-11 and CFC-12 in aerosol production - Vilnius Domestic Chemicals Company.	<p>implemented in 2 stages:</p> <p>Stage I: to switch over from CFC to compressed air and nitrogen propellant;</p> <p>Stage II: to switch over from compressed air/nitrogen propellant to hydrocarbons (propane-butane) because compressed air/nitrogen is not a universal propellant and consequently not suitable for all products.</p>	<p>1996-97</p> <p>2000</p>	<p>50,850</p> <p>500,000</p>	<p>Reduction of 470 tonnes of CFC-11 and CFC-12.</p>
	2. Production of deodorized propane-butane aerosol propellant.	It is proposed to produce 10,000 tonnes a year. Purification facilities are proposed to be introduced in the local Oil Refinery.	2000-2001	4,500,000	Replacement of CFC-11 and CFC-12 (above more than 470 tonnes).
2. Refrigeration	2.1. Introduction of non-CFC insulation and	Replacement of CFC-11 by cyclopentane in thermal	1995-96	5,140,000	Reduction of 137 tonnes of CFC-11

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ODS sector	Project title	Project components	Project duration	Project cost (US\$)	Expected effect
	refrigerant in domestic refrigerators in the <u>Snaige</u> company.	insulation. Replacement of CFC-12 by HFC-134a. Replacement of CFC-12 in refrigerator servicing.			and 80 tonnes of CFC-12.
	2.2. Technical investigation and feasibility study at the <u>Oruva</u> compressor factory.	Clarification of the technical situation regarding the use of ODS as cleaning solvents in Compressor factory and some other industries (eg. electronics).	1996	20,000	Implementation of the recommendations of the study would result in the reduction of 170 tonnes of CFC-113 in the compressor factory.

2.3. Training of the refrigeration (industrial and commercial) maintenance operators in retrofitting and replacing the CFC-using equipment.	To improve skill of operators in recharging, retrofitting, recovery and recycling.	1996	150,000	The experience gained would result in emission reduction as well as a decrease the consumption of CFC-12 (eventually, 70 tonnes).
2.4. Recycling and reclamation of used CFCs.	Prefeasibility study and a technical/economic appraisal on ODS reclamation in Lithuania should be carried out.	1997	50,000	To avoid the premature scrapping of existing refrigeration and to avoid used ODS emissions.
	If appropriate - reclamation facility construction.	1998-2000	250,000	
