Issues for discussion by and information for the attention of the Nineteenth Meeting of the Parties

Note by the Secretariat

Addendum

Introduction

1. The present note contains updated information that is intended to supplement the information presented in document UNEP/OzL.Pro.19/2, which was distributed to the Parties on 27 July 2007. Among other things, the present note includes information related to the final 2007 report of the Technology and Economic Assessment Panel on critical-use nominations for methyl bromide and related matters and the report of that Panel on decision XVIII/12, relating to a further review of trends and practical measures that may be taken to address ozone and climate, with a focus on hydrochlorofluorocarbons (HCFCs).

I. Summary of issues for discussion by the preparatory segment of the Nineteenth Meeting of the Parties to the Montreal Protocol

A. Item 4 of the provisional agenda for the preparatory segment: HCFC issues

1. Item 4 (a). Technology and Economic Assessment Panel report on assessment of measures for addressing ozone depletion, with a focus on HCFCs (decision XVIII/12)

2. Pursuant to decision XVII/19, the Secretariat organized a workshop in July 2006 at which the participants were to prepare a list of practical measures related to ozone depletion that arose from the special report by the Technology and Economic Assessment Panel and the Intergovernmental Panel on Climate Change on safeguarding the ozone layer and the global climate system and from the supplement thereto by the Technology and Economic Assessment Panel. Following consideration of the report of that workshop, the Eighteenth Meeting of the Parties adopted decision XVIII/12, in which it requested, among other things, that the Technology and Economic Assessment Panel assess the measures listed in the workshop report further in the light of current and expected trends in the production and consumption of ozone-depleting substances, with a focus on HCFCs, including current and future
supply of and demand for HCFCs and their alternatives and the influence of the Kyoto Protocol’s Clean Development Mechanism on HCFC-22 production.

3. The Open-ended Working Group heard a presentation by the Technology and Economic Assessment Panel regarding its initial findings on these matters at its twenty-seventh meeting and agreed to finalize the report requested by decision XVIII/12 for distribution to the Parties before their nineteenth meeting. An advance copy of the report was made available at the end of July 2007 on the convention website.1

4. The report of the Task Force on HCFC issues (with particular focus on the impact of the Clean Development Mechanism) includes an in-depth review of the history of the special report of the Technology and Economic Assessment Panel and the Intergovernmental Panel on Climate Change and the supplement thereto by the Technology and Economic Assessment Panel and explains the reasons for using certain data sets and assumptions for their analysis. It is assumed, for example, that if the current Article 5 Party phase-out schedule is retained, developing country consumption will remain at maximum allowable levels between the freeze level and the phase-out date rather than taper off prior to that time.

(a) Estimated emissions under the baseline scenario

5. The report of the Task Force on HCFC issues concludes that, if the current phase-out schedule is maintained, it is likely to lead to the following emissions:

(a) Ozone-depleting substance-related emissions will amount to 50,000 ODP-tonnes per year in the period between 2025 and 2040 before the impact of the final phase-out in developing countries takes effect;

(b) Ozone-depleting substance-related greenhouse gas emissions will plateau in the period between 2025 and 2040 at some 900 million tonnes CO2-equivalent per year. This level of emissions represents approximately 3.5 per cent of current annual global greenhouse gas emissions;

(c) With respect to sources of emissions, those from the refrigeration and air conditioning sector will make the single largest contributions to overall totals in both ozone and climate terms, representing 45 per cent and 85 per cent of emissions respectively during the plateau period;

(d) If HFC-23 emissions are not abated, ozone-depleting substance-related greenhouse gas emissions will grow between 2025 and 2039, with the expected increase in feedstock use of HCFC-22 playing a significant role, and will peak at about 1.35 billion tonnes of CO2-equivalent. Approximately 450 million tonnes, or approximately 35 per cent of this total, would be HFC-23 emissions;

(e) The climate benefits of an accelerated HCFC phase-out will depend not only on the selection of a new control scenario but also on the choice of the technology to replace HCFCs in the insulating foam and refrigeration and air conditioning sectors, where indirect emissions resulting from energy use are significant. In other words, users could theoretically switch from HCFCs to alternatives that, while not ozone-depleting, could have equivalent or greater impact on the climate because they would decrease the energy efficiency of end-use products. The Technology and Economic Assessment Panel has suggested that options offering the greatest net benefits may be identified by using, for example, life cycle climate performance analysis.

(b) Impact of the Clean Development Mechanism

6. The report of the Task Force on HCFC issues also reviews in detail the potential impact of the Clean Development Mechanism on the growth in HCFCs. The Parties asked the Technology and Economic Assessment Panel to look at this issue because the Clean Development Mechanism is currently facilitating payment of a large sum of money to existing HCFC-22 producers for the destruction of HFC-23, which is a by-product of HCFC-22 production. In that regard, many have expressed concern that the payment could act as a perverse incentive that could encourage over-production of HCFC-22.

7. With respect to this issue, the report concluded the following:

(a) It is estimated that 60–63 per cent (or 260,000 tonnes) of developing country production of HCFC-22 qualifies for Clean Development Mechanism support for at least the next seven years. Under current funding rules, which only allow funding for the destruction of HFC-23 from existing HCFC-22 plants (those defined as having been in operation for at least three years between 2000 and 2004 and having maintained operations until the start of project activity), increased production over and above agreed baseline (historic high) levels will not qualify for further Clean Development Mechanism support. Consequently, the continuation of the current Clean Development Mechanism funding should not serve as an incentive for the production of HCFC-22 above current eligible production levels;

(b) Monies gained from the sale of certified emissions reductions under the Clean Development Mechanism for the destruction of HFC-23 could be up to ten times higher than the cost of destroying the HFC-23 and may even exceed the revenue generated from the sales of the HCFC itself. In order to rebalance the incentives and ensure that the Clean Development Mechanism achieves its intended goal, some countries are retaining a portion of the funding and using it for environmental projects in areas such as energy efficiency;

(c) For various reasons, the impact of funding from the Clean Development Mechanism could vary from sector to sector. For example, a reduction in the cost of HCFC-22 as a result of over-production is unlikely to stimulate much additional use in the refrigeration sector. In the foams sector, on the other hand, it could lead to greater use of HCFCs, and if the price went low enough it might prompt users of highly emissive aerosols to use HCFCs rather than the environmentally superior alternatives currently being used;

(d) The Clean Development Mechanism has not yet taken a decision on the funding of destruction of HFC-23 from new facilities. A decision to support destruction of HFC-23 from new facilities or from production above current maximum levels would likely lead to the accelerated transfer of production from developed-country plants to developing-country plants. Despite this, in the absence of a decision to level the playing field between new and existing plants, significant market distortions can be expected to occur. Potential ways to limit the market distortion noted by the Task Force on HCFC issues include the development of agreements to limit windfall profits to plant owners and possibly divert related revenues to specific activities.

(c) Evaluation of HCFC phase-out scenarios

8. The report of the Task Force on HCFC issues evaluated three scenarios for the phase-out of HCFCs:

(a) Freeze at 2015 with a linear phase-down of HCFC use from 2021 to 2030;
(b) Freeze at 2015 with a linear phase-down of HCFC use from 2016 to 2025;
(c) Freeze at 2012 with instantaneous phase-out in 2040.

9. The Task Force found that advancing the phase-out of HCFCs to 2025 and requiring a linear reduction from 2016 to 2025 (option 2) would deliver the greatest potential for ozone-depleting substance emissions benefit (468,000 ODP-tonnes in the refrigeration sector alone up to 2050). In contrast, option 3, moving the freeze up to 2012 from its current 2025 level and maintaining the existing schedule, provided the least benefit (75,000 ODP-tonnes). With regard to climate, the analysis found that the cumulative climate benefits of an accelerated HCFC phase-out would be in excess of 18 billion tonnes of CO2 equivalent for the period to 2050 if option 2 were adopted. The full extent of this benefit, however, could only be realized if users adopted alternatives that could deliver a robust combination of low global warming potential and high energy efficiency, an uncertain possibility given that there are several applications for which no technically or economically viable alternatives currently exist;

10. In terms of an assessment of practical measures that might be taken to address the interplay between ozone depletion and climate change, the report notes that the most practical measure would be the adoption of an accelerated phase-out schedule for HCFCs. In that regard, it considers the impact of each of the three phase-out scenarios on each of the major sectors of use. With respect to the quantification of the benefits of specific actions, the report notes that further investigation would be required as part of a wider life-cycle assessment.

11. In any event, since maximization of climate benefits will depend on the sector-specific availability of low-global-warming potential, highly–energy-efficient alternatives, the report suggests that a sector-by-sector approach to HCFC phase-out could be a viable alternative to the chemical-by-chemical approach currently contained in some of the proposals for adjustment of the
HCFC provisions of the Protocol that have been submitted by Parties for consideration by the Nineteenth Meeting of the Parties. It notes, however, that such an approach could require a different form of reporting than is currently required under the Montreal Protocol.

12. Because alternatives for some current applications are at present unavailable, consideration could be given to the possibility of providing an essential-use provision for HCFCs. Similarly, the report suggests that the Parties may wish to consider whether there is a continuing requirement for a basic domestic needs provision.

2. Item 4 (b). Consideration of adjustments to the HCFC control schedule of the Montreal Protocol: HCFC analysis submitted for consideration by the Parties and informal consultations on HCFC adjustments

13. At its twenty-seventh meeting, the Open-ended Working Group agreed to invite Parties to submit for consideration any analyses they might wish to be considered relevant to a decision on the proposed HCFC adjustments that are to be considered by the Nineteenth Meeting of the Parties. One Party, the European Community, has submitted an analysis of the HCFC proposals, which can be found on the Convention website.2

14. An informal consultation to further discussions on the proposals to phase out HCFCs was held on 28 July 2007 in Montreal, Canada, in order to take advantage of the presence of the participants at the fifty-second meeting of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol. The consultation was hosted by the Ozone Secretariat in the light of support received for the initiative from Parties at the twenty-seventh meeting of the Open-ended Working Group. Representatives from the Parties present at the Executive Committee meeting were invited, as were participants in the contact group on the HCFC proposals established at the twenty-seventh meeting of the Open-ended Working Group. As a result, there was a broad geographical cross-section of participants. Representatives from the Multilateral Fund Secretariat and the Fund’s four implementing agencies were invited as observers.

15. Mr. Maas Goote and Mr. Mikheil Tushishvili, who had chaired the Open-ended Working Group HCFC contact group, chaired the consultation. As the basis for their discussion, the consultation participants considered the consolidated issues paper contained in annex II to the report of the Working Group3 and heard a presentation by the Technology and Economic Assessment Panel on an advance draft of the report to be prepared for the Nineteenth Meeting of the Parties pursuant to decision XVIII/12.

16. The informal consultation covered options for an adjusted baseline and freeze date, the need for exemptions and basic domestic needs provisions, the concept of a “worst-first” approach to an adjusted phase-out schedule and related funding and finance issues. Following the agreement of the meeting participants, the co-chairs undertook to prepare a paper that would elaborate options for implementing the ideas presented at the meeting and agreed that the paper would be posted on the Ozone Secretariat website as an aid to the informal discussions on the HCFC proposals scheduled for 15 September 2007.

17. As requested by the Parties in Decision XVIII/12, the report also evaluates the impact on emissions savings of the other practical measures identified at the July 2006 workshop, both in terms of their magnitude and timing. Among the conclusions drawn are the following

(a) The potential impact on emissions savings of the other practical measures in the aggregate is equal to or greater than the ozone and climate protection effect of an accelerated HCFC phase-out alone. The accelerated phase-out scenarios for HCFCs (e.g., the “linear 2021” (10-year advance) and the “linear 2016” (15-year advance)), however, remain the single biggest individual components of the scenarios in which they feature. The report therefore finds that the option to both accelerate the HCFC phase-out and implement all technically feasible practical measures would yield greater benefits than either action alone;

(b) The most advanced accelerated HCFC phase-out schedule considered, combined with all other practical measures, provides cumulative ozone-related savings of nearly 1.25 million ODP-tonnes and in excess of 30 billion tonnes CO2-eq of potential climate protection;

(c) The analysis in the new Panel report correlates well with the mitigation scenario analysis considered in the earlier report of the Panel on that issue, although the new report provides important new additional information on the further development of savings over time;

2 See http://ozone.unep.org/Meeting_Documents/mop/19mop/19mop-info.shtml
3 See document UNEP/OzL.Pro.WG.1/27/9
(d) There are important benefits to be gained in the decade 2011–2020 through reductions during the period in which HCFCs are still used. The major components of these savings are to be found in leakage reduction within the commercial refrigeration sector (80,000–90,000 ODP-tonnes depending on scenario) and in the management of halon banks (~90,000 ODP-tonnes).

(e) Measures that can be taken to address residual ozone-depleting substances from end-of-life equipment can provide significant savings in terms of both ozone and climate, with cumulative savings of around 300,000 ODP-tonnes and about 6 billion tonnes CO2-eq. Early retirement of equipment can provide an additional 130,000 ODP-tonnes and 3.5–4 billion tonnes CO2-eq, not including energy efficiency benefits that might also accrue. Conversely, design measures and material selection changes would not contribute substantially to emissions savings.

(f) Decisions on the suite of measures that will optimize benefits can only be determined at the regional level. The relative cost-effectiveness of each measure is a vital component of the decision-making process but is not considered in this report.

(g) Evaluations using the approach previously adopted by the Scientific Assessment Panel to assess the influence of various factors on ozone recovery (return to 1980 levels of effective equivalent stratospheric chlorine (EESC)) show that accelerated HCFC phase-out can advance ozone recovery by up to 3.3 years based on a mid-latitude assessment. When the contribution of all other practical measures is added, the recovery of the ozone layer can be brought forward by as much as 7.1 years.

B. Item 5 of the preparatory segment of the provisional agenda: consideration of methyl-bromide-related issues


(a) Evaluation of critical-use nominations

18. In June of this year the Open-ended Working Group considered the status of the Methyl Bromide Technical Options Committee’s review of the critical-use nominations submitted for 2008 and 2009. Since then, the Committee has held bilateral discussions and has received further information from a number of nominating Parties in an effort to clear up all outstanding issues. All such information was considered by the subcommittees at their second meetings: the Methyl Bromide Technical Options Committee’s Subcommittee for Quarantine, Structures and Commodities met in College Park, Maryland from 30 June to 3 July 2007, and the Subcommittee on Soils met in San Jose, Costa Rica, from 10 to 13 July 2007. The Methyl Bromide Technical Options Committee’s final recommendations on the 2008 and 2009 critical-use nominations can be found on pages 17–24 (for post-harvest nominations) and 31–56 (for soils nominations) of the Committee’s final report on the evaluation of critical-use nominations. The following table summarizes the actions recommended by the Committee on an aggregate party-by-party basis.
### Summary of Methyl Bromide Technical Options Committee’s recommendations for 2008 and 2009 by country for methyl bromide critical-use nominations received in 2007 (in tonnes)

<table>
<thead>
<tr>
<th>Country</th>
<th>Critical-use exemption granted by Eighteenth Meeting of the Parties</th>
<th>Additional 2008 critical-use nomination request</th>
<th>2009 critical-use nomination request</th>
<th>Recommendation of Methyl Bromide Technical Options Committee’s Subcommittee on Soils</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>43.15</td>
<td>1.8</td>
<td>38.99</td>
<td>37.61</td>
</tr>
<tr>
<td>Canada</td>
<td>42.774</td>
<td>6.135</td>
<td>34.375</td>
<td>34.375</td>
</tr>
<tr>
<td>European Community (Poland, Spain)</td>
<td>689.142</td>
<td>245.151</td>
<td>245.146</td>
<td>-</td>
</tr>
<tr>
<td>Israel</td>
<td>933.315</td>
<td>952.845</td>
<td>813.045</td>
<td>861.072 n/a (a)</td>
</tr>
<tr>
<td>Japan</td>
<td>450.075</td>
<td>508.4</td>
<td>305.38</td>
<td>305.38</td>
</tr>
<tr>
<td>United States of America</td>
<td>5,355.997</td>
<td>4,909.369</td>
<td>4,265.311</td>
<td>4,265.311</td>
</tr>
<tr>
<td>Total</td>
<td>7,515.128</td>
<td>1,205.931</td>
<td>6,304.179</td>
<td>1,112.285 4,642.676</td>
</tr>
</tbody>
</table>

(a) Unable to assess 848.795 tonnes of critical-use nominations for 2009 for Israel pending further information

(b) Proposed workplan of the Methyl Bromide Technical Options Committee for 2008

19. In addition to considering the issue of critical uses, the Technology and Economic Assessment Panel’s final 2007 report also responds to the mandate of the Parties for the Methyl Bromide Technical Options Committee to present an annual workplan to the Parties. The Committee’s proposed workplan for 2008, which includes an indicative budget, is reproduced below. With regard to the budget, the Methyl Bromide Technical Options Committee notes that financial assistance, and in particular provision of funding for some non-Article 5 Parties and co-chairs, is strongly recommended as most non-Article 5 Parties do not have funding for attending meetings and the financial burden on individual members and their research institutions has become increasingly unsustainable. The Committee also notes that while the workplan assumes two meetings will be necessary for final decisions to be made on the critical-use nominations, a decreased workload for the second meeting of the year as a result of reduced numbers of critical-use nominations and greater familiarity with the processes involved, may lead to a re-evaluation of the need for two in-person meetings each year. Finally, the Committee notes additional workload and costs, including:

(a) The costs involved with obtaining reference documents so that the Committee’s reports more clearly and completely explain the reasons for its decision-making;

(b) The time and expense of field trips required in order to gain an understanding of the circumstances of particular nominations;

(c) The time necessary for the preparation of reports that summarize particularly complex issues.
Table 9. Workplan and indicative budget of the Methyl Bromide Technical Options Committee for 2008

<table>
<thead>
<tr>
<th>Tasks and actions</th>
<th>Indicative supplemental budget needs where applicable</th>
<th>Indicative completion date</th>
<th>Dates of meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assessment of critical-use nominations</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Parties submit their nominations for critical-use exemptions to the Secretariat</td>
<td>-</td>
<td>24 January 2008</td>
<td></td>
</tr>
<tr>
<td>2. Nominations are forwarded to the co-chairs of the Methyl Bromide Technical Options Committee for distribution to the subgroups of appointed members and summarized</td>
<td>-</td>
<td>7 February 2008</td>
<td></td>
</tr>
<tr>
<td>3. Nominations are assessed in full by the subgroups of appointed members. Initial findings of the subgroups, and any requests for additional information, are forwarded to co-chairs of the Methyl Bromide Technical Options Committee for clearance.</td>
<td>-</td>
<td>28 February 2008</td>
<td></td>
</tr>
<tr>
<td>4. Co-chairs forward the cleared advice on initial findings to, and may request additional information from, the nominating Party and consult with the Party on the possible presumption therein.</td>
<td>-</td>
<td>7 March 2008</td>
<td></td>
</tr>
<tr>
<td>6. Methyl Bromide Technical Options Committee meeting no. 1: specialist presentation by expert</td>
<td>Funds for a specialist to present an update on controls on nutseed to the Committee: $8,500</td>
<td></td>
<td>7–8 April</td>
</tr>
<tr>
<td>7. Methyl Bromide Technical Options Committee meeting no.1 to assess nominations, including any additional information provided by the nominating Party prior to the Methyl Bromide Technical Options Committee meeting under action 5 and any additional information provided by nominating Party through pre-arranged teleconference, or through meetings with national experts, in accordance with paragraph 3.4 of the terms of reference of the Technology and Economic Assessment Panel</td>
<td>Funds for travel of one non-Article 5 chair and two non-Article 5 members: $14,250. Meeting costs $4,000 ($2000 for each sub-committee)*</td>
<td></td>
<td>Tentative: Methyl Bromide Technical Options Committee’s Subcommittee on Soils April 7–11, Rehovot, Israel Tentative: Methyl Bromide Technical Options Committee’s Subcommittee on Quarantine, Structures and Commodities, the Philippines</td>
</tr>
</tbody>
</table>

*Note: *Funds for travel of one non-Article 5 chair and two non-Article 5 members: $14,250. Meeting costs $4,000 ($2000 for each sub-committee)
<table>
<thead>
<tr>
<th>Tasks and actions</th>
<th>Indicative supplemental budget needs where applicable</th>
<th>Indicative completion date</th>
<th>Dates of meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.  Field missions by Methyl Bromide Technical Options Committee members to some key sites where methyl bromide is used per nominations</td>
<td>Funds for travel to field sites to observe and discuss important issues related to Critical-use nominations: $6,000²</td>
<td>In conjunction with Methyl Bromide Technical Options Committee meeting no.1</td>
<td>-</td>
</tr>
<tr>
<td>9.  Technology and Economic Assessment Panel meeting to assess the Methyl Bromide Technical Options Committee’s report on critical-use nominations and submit the finalised interim report on recommendations and findings to the Secretariat</td>
<td>Funds for travel of one non-Article 5 chair: $4750²</td>
<td>-</td>
<td>April 14–18, Morocco</td>
</tr>
<tr>
<td>10. The Secretariat posts the finalized report on its website and circulates it to the Parties.</td>
<td>-</td>
<td>Mid May</td>
<td>-</td>
</tr>
<tr>
<td>11. Open-ended Working Group bilateral discussions: nominating Party has the opportunity to consult with Methyl Bromide Technical Options Committee on a bilateral basis in conjunction with the Open-ended Working Group meetings.</td>
<td>Funds for travel of 1 non-A5 chair: $4750²</td>
<td>Early July</td>
<td>-</td>
</tr>
<tr>
<td>12. Nominating Party submits further clarification for critical-use nominations in the “unable to assess” category if requested to do so by the Open-ended Working Group and provides additional information should it wish to appeal against a critical-use nomination recommendation by the Methyl Bromide Technical Options Committee and Technology and Economic Assessment Panel</td>
<td>-</td>
<td>Mid August 2008</td>
<td>-</td>
</tr>
</tbody>
</table>
| 13. Methyl Bromide Technical Options Committee Meeting no. 2:  
  • Reassess only those critical-use nominations in the “unable to assess” category, those where additional information has been submitted by the nominating Party and any critical-use nominations for which additional information has been requested by the Open-ended Working Group;  
  • Finalise the report, including notice of any proposed new standard presumptions to be applied by Methyl Bromide Technical Options Committee;  
  • Conduct any bilateral consultations requested by Parties;  
  • Draft workplan and budget for Methyl Bromide Technical Options Committee for 2007. | Funds for travel of one non-Article 5 chair and two non-Article 5 members: $14,250²  
Meeting costs: $4000 ($2000 for each subcommittee)* | -                                                                                                                     | Early September 2008                     |
| 14. Methyl Bromide Technical Options Committee draft final report considered by Technology and Economic Assessment Panel, finalized and made available to Parties through the Secretariat | -                                                                                                                     | September 2008                                                                           | -                                      |
**Tasks and actions**  
**Indicative supplemental budget needs where applicable**  
**Indicative completion date**  
**Dates of meetings**

<table>
<thead>
<tr>
<th>15.</th>
<th>Twentieth Meeting of the Parties</th>
<th>Funds for travel of 1 non-A5 chair: $4750²</th>
<th>Early October 2008</th>
<th>Nov/Dec 2008</th>
</tr>
</thead>
</table>

**Total budget sought:** $57,250

**Composition of Methyl Bromide Technical Options Committee**

| 16. | At the Methyl Bromide Technical Options Committee meeting on the assessment of nominations, the Committee will update the list of members and their expertise and decide what expertise is missing. This information will then be submitted to the Secretariat. | In conjunction with Methyl Bromide Technical Options Committee meeting nos.1 and 2 |
| 17. | The Secretariat will update on its website the list of members and their expertise as well as the information on experts required for the Technology and Economic Assessment Panel and its technical options committees. | In conjunction with Methyl Bromide Technical Options Committee meetings nos.1 and 2 as necessary |

* Meeting costs covered separately by the Ozone Secretariat and not considered in total.

**Explanatory notes:** Funds are requested for the following activities:

1. Funds are requested to support a resource specialist to present an overview of controls on nutsedge to the first meeting in 2008. Purple nutsedge and yellow nutsedge are key target pests for over 50 per cent of the remaining critical-use nominations, and further information is essential to ensure that the Methyl Bromide Technical Options Committee provides an accurate assessment of critical-use nominations for preplant soil use. The budget of $8,500 is requested for a discount economy airfare and expenses for seven days (including travel) to cover costs of preparation and attendance at part of the Methyl Bromide Technical Options Committee meeting for one person.

2. Five trips (@ $4750/trip) for a non-Article 5 co-chair or task force chair to attend the two meetings of the Methyl Bromide Technical Options Committee and the meetings of the Technology and Economic Assessment Panel, the Open-ended Working Group and the Meeting of the Parties.

3. Two trips in the year (@ $4750/trip) are requested to support the attendance of one non-Article 5 member of each subcommittee to ensure that members with relevant expertise are present at meetings so that nominations can be effectively assessed. The request is only for members who rely on their own personal funds to attend Methyl Bromide Technical Options Committee meetings. These are long-standing members of the Methyl Bromide Technical Options Committee, have specialist expertise and are essential to the assessment of the critical-use nominations. Over the past two years, between 10 and 15 per cent of the members of the Methyl Bromide Technical Options Committee’s Subcommittee on Soils have been unable to attend the Methyl Bromide Technical Options Committee meetings due to lack of funding.

4. Two field trips (@ $3,000/trip) are being planned in 2008 to review the situation with alternatives and methyl bromide use in industries that are applying for critical-use nominations. These visits are an essential part of gaining information needed to accurately assess critical-use nominations and observe methyl bromide use in practice.

(c) **Proposed change in presumptions used to evaluate critical-use nominations**

20. Finally, and in accordance with the requests of the Sixteenth Meeting of the Parties, the Technology and Economic Assessment Panel’s final 2007 report includes a list of the standard presumptions that underlie its recommendations on critical-use nominations, which can be found in section 5.3 of the report. On page 27 of the report, it is noted that the Panel is recommending a change in the standard presumptions that had been previously utilized by the Committee. Specifically, it notes that standard presumptions used to date have included a maximum dosage rate of 15 g/m² (150 kg/ha) for pathogen control and 17.5 g/m² (175 kg/ha) where nutgrass must be controlled, both in conjunction with use of low barrier permeability films (e.g., virtually impermeable film or equivalent). Unless
otherwise specified, 50:50 MB/Pic or nearest equivalent formulation is considered effective for pathogen control and 67:33 MB/Pic for nutsedge control and should be used to reduce methyl bromide dose. For strawberry runner crops, the Methyl Bromide Technical Options Committee also considered a maximum of 20 g/m² (200 kg/ha) applicable to meet certification standards for nursery crops in the absence of data from the nominating Party stating that a different rate was necessary.

21. The Methyl Bromide Technical Options Committee has proposed that, commencing with the critical-use nominations of 2008, maximum dosage rates be revised to 12.5 g/m² (125 kg/ha) for pathogens and 15.0 g/m² (150 kg/ha) for specific preplant soil uses where trials and commercial adoption have proven that lower rates are effective.

**Proposed changes to maximum dosage rates for preplant soil use**

<table>
<thead>
<tr>
<th>Film type</th>
<th>Maximum methyl bromide dosage rate (g/m²) in MB/Pic mixtures considered effective for:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Strawberries and vegetables</td>
</tr>
<tr>
<td>Barrier films - pathogens</td>
<td>12.5</td>
</tr>
<tr>
<td>Barrier films - nutsedge</td>
<td>15.0</td>
</tr>
<tr>
<td>No barrier films – pathogens</td>
<td>20</td>
</tr>
<tr>
<td>No barrier films - nutsedge</td>
<td>26</td>
</tr>
</tbody>
</table>

* Maximum rate unless certification specifies otherwise

22. The preparatory segment of the Meeting of the Parties may wish to consider related matters and decide how to put forward the critical-use nominations and other matters they may deem relevant for consideration by the high-level segment.

**C. Item 14 of the provisional agenda for the preparatory segment: proposed areas of focus for the assessment panels’ 2010 quadrennial reports**

23. At its twenty-seventh meeting, the Open-ended Working Group agreed to ask the Secretariat to coordinate with the various assessment panels and prepare a draft decision for consideration by the Parties on the proposed area of focus for the panels’ 2010 assessment. The Secretariat has discussed this issue with the panels and has prepared a draft decision that includes input from all of the panels except for the Environmental Effects Assessment Panel. That panel will meet in mid-August and it is likely that as a result changes will be proposed to paragraph 5 of the draft decision, which is currently in square brackets. Any such proposed change will be posted on the Convention website (http://ozone.unep.org) and presented to Nineteenth Meeting of the Parties. The draft decision prepared by the Secretariat is set out in the annex to the present note.

**D. Item 16 of the provisional agenda for the preparatory segment: other matters: consideration of a Montreal declaration**

24. At the Open-ended Working Group meeting, 4–7 June 2007, a draft Montreal declaration was tabled by Canada for the consideration of the Parties. Parties provided initial views in the margins of the meeting and Working Group agreed that the document should be considered by the Nineteenth Meeting of the Parties. As well, Parties agreed to work intersessionally in an effort to achieve greater consensus on the draft declaration. Canada indicated its willingness to work to achieve that objective. To help facilitate this, the Secretariat has established an electronic dialogue tool with which it can receive comments and suggestions via its website at http://ozone.unep.org/Meeting_Documents/mop/19mop/19mop/MontDecl-forum/. Parties are invited to
use this tool to provide their written views and comments with respect to the draft declaration prior to August 17. These will be posted on the Secretariat’s website (http://ozone.unep.org/Meeting_Documents/mop/19mop/) to allow for an open and transparent process and directed to the Government of Canada so that they may be considered and addressed prior to the meeting. Canada has agreed that a re-drafted text of the declaration, should one be needed, will be posted by the end of August. Parties are invited to include in their comments an indication of whether they are prepared to support the declaration or whether it might be considered for early adoption, possibly on the first day of the Nineteenth Meeting of the Parties, which will be a high-level ministerial segment.

II. Information that the Secretariat would like to bring to the attention of the Parties

25. On 6 and 7 August 2007, the Executive Secretary of the Ozone Secretariat will be attending a meeting of the heads of the secretariats of multilateral environmental agreements that is being hosted by the Executive Director of the United Nations Environment Programme. The agenda for that meeting includes a review of issues relative to the administration of the secretariats and a discussion of issues of common concern.
Annex

**Proposed terms of reference for the Scientific Assessment Panel, the Environmental Effects Assessment Panel and the Technology and Economic Assessment Panel**

The Meeting of the Parties decides:

1. To note with appreciation the excellent and highly useful work conducted by the Scientific Assessment Panel, the Environmental Effects Assessment Panel and the Technology and Economic Assessment Panel and their colleagues worldwide in preparing their 2006 assessment reports, including the 2007 synthesis report;

2. To request the three assessment panels to update their 2006 reports in 2010 and submit them to the Secretariat by 31 December 2010 for consideration by the Open-ended Working Group and by the Twenty-third Meeting of the Parties to the Montreal Protocol in 2011;

3. To request the assessment panels to keep the Parties to the Montreal Protocol informed of any important new developments on a year-to-year basis;

4. That, for its 2010 report, the Scientific Assessment Panel should include among the issues it considers:

   (a) Assessment of the state of the ozone layer and its progress toward recovery;

   (b) Evaluation of Antarctic ozone holes and Arctic ozone depletions and any predicted changes therein;

   (c) Evaluation of trends in the concentration of ozone-depleting substances in the atmosphere and their consistency with reported production and consumption of ozone-depleting substances;

   (d) Assessment of the impact of climate change on ozone-layer recovery;

   (e) Assessment of the impact of ozone layer depletion and ozone-depleting substances and any changes therein on climate;

   (f) Analysis of atmospheric concentrations of bromine-containing substances and their likely quantitative implications for the state of the ozone layer;

   (g) Description and interpretation of observed changes in global and polar ozone and in ultraviolet radiation, as well as set future projections and scenarios for those variables, taking into account the expected impact of climate change;

5. That the Environmental Effects Assessment Panel shall continue to identify the environmental impact of ozone depletion and of the interaction of ozone depletion and climate change;

6. That the Technology and Economic Assessment Panel shall, among other matters, consider the following topics:

   (a) The significance of the phase-out of ozone-depleting substances for sustainable development, particularly in Parties operating under paragraph 1 of Article 5 of the Montreal Protocol and countries with economies in transition;

   (b) Technical progress in all sectors;

   (c) Technically and economically feasible choices for the elimination of ozone-depleting substances by the use of alternatives that have superior environmental performance with regard to climate change, human health and sustainability;

   (d) Technical progress on the recovery, reuse and destruction of ozone-depleting substances;

   (e) An accounting of the production and use of ozone-depleting substances and of ozone-depleting substances in inventory or contained in products;
(f) An accounting of emissions of all relevant ozone-depleting substances, prepared with a view to continuously updating use patterns and to coordinating such data with the Scientific Assessment Panel in order to reconcile estimated emissions and atmospheric concentrations periodically.