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THIRTEENTH MEETING OF THE PARTIES TO
THE MONTREAL PROTOCOL ON
SUBSTANCES THAT DEplete
THE OZONE LAYER
Colombo, 16-19 October 2001

REPORT OF THE EXECUTIVE DIRECTOR TO THE THIRTEENTH MEETING
OF THE PARTIES TO THE MONTREAL PROTOCOL

Introduction

1. The present report presents for discussion the issues related to items 3, 4, 5 and 6 of the annotated provisional agenda for the preparatory segment (16-17 October) and items 3, 5, 6, 9 and 10 of the same annotated provisional agenda for the high-level segment (18-19 October), (UNEP/OzL.Pro.13/1) of the Thirteenth Meeting of the Parties, to be held in Colombo from 16 to 19 October 2001, and reviews the status of implementation of the Montreal Protocol and the actions taken to implement the decisions of the Twelfth Meeting of the Parties to the Montreal Protocol.

I. IMPLEMENTATION OF THE DECISIONS OF THE
TWELFTH MEETING OF THE PARTIES

2. A report on the status of the implementation of the decisions of the Twelfth Meeting of the Parties, held in Ouagadougou from 11 to 14 December 2000, is annexed to the present report. As a result of the implementation of the provisions of the Protocol and of the decisions of the Meetings of the Parties, the Thirteenth Meeting of the Parties will have, inter alia, the following matters before it for consideration and decision.

3. The full report of the Technology and Economic Assessment Panel of April 2001 is available at the following web sites: <http://www.unep.org/ozone/>; <http://www.teap.org/>.

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II. ISSUES BEFORE THE THIRTEENTH MEETING OF THE PARTIES

Item 3 (a): Terms of reference for the study on the 2003-2005 replenishment of the Multilateral Fund for the implementation of the Montreal Protocol

4. A decision needs to be taken by the Parties at the Thirteenth Meeting of the Parties on the process and mechanism of replenishment of the Multilateral Fund for the period 2003-2005 and the terms of reference for any studies that may be deemed necessary to facilitate the process. The secretariat is presenting this matter for discussion. Previous decisions of the Parties on replenishment of the Multilateral Fund made in 1993, 1995 and 1999 were preceded by studies, the last two having been carried out by the Technology and Economic Assessment Panel with specific terms of reference on the projected needs of Article 5 Parties for the triennium in question.

5. The twenty-first meeting of the Open-ended Working Group, held in Montreal from 24 to 26 July 2001, decided to set up an open-ended contact group, to be coordinated by the representative of Brazil, to consider the terms of reference for the study on the 2003-2005 replenishment of the Multilateral Fund, using the terms of reference of the previous replenishment as a point of departure.

6. The coordinator of the contact group reported that no agreement had been reached on a definitive version of the terms of reference and pointed out that it had been agreed that suggestions and proposals made by interested Parties should be collected and submitted to the secretariat by 1 September 2001. The secretariat sent a letter to all Parties on 8 August 2001 on this matter. The secretariat prepared document UNEP/OzL.Pro.13/INF/1, containing the separate individual submissions from interested Parties and a revised version of the decision based on the views expressed during the above-mentioned meeting of the contact group.

7. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider document UNEP/OzL.Pro.13/INF/1 and adopt an appropriate decision.

Item 3 (b): Proposal for an evaluation of the financial mechanism of the Montreal Protocol on Substances that Deplete the Ozone Layer

8. The representative of France submitted a proposal for an evaluation of the financial mechanism of the Montreal Protocol and made oral amendments to the proposal and explained that, for many funds, it was the practice to carry out an evaluation before any replenishment of the fund. In the ten years of existence of the Multilateral Fund, there had been one evaluation, in 1995. Since then, there had been a number of new developments.

9. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider the revised version of the proposal within the framework of the discussions in the open-ended contact group on replenishment and make a decision.

Item 3 (c): Review of the implementation of the fixed-exchange-rate mechanism and determination of the impact of the mechanism on the operations of the Multilateral Fund for the implementation of the Montreal Protocol and on the funding of the phase-out of ozone-depleting substances in Article 5 Parties for the triennium 2000-2002

10. The Treasurer presented an interim review of the implementation of the fixed-exchange-rate mechanism (UNEP/OzL.Pro/WG.1/21/3 and Corr.1) to the twenty-first Open-ended Working Group pursuant to decision XI/6 of the Eleventh Meeting of the Parties.

11. Following the advice of and guidance by the Parties at the twenty-first meeting of the Open-ended Working Group, the Treasurer has prepared a revised report for the Thirteenth Meeting of the Parties (UNEP/OzL.Pro.13/6).

12. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider the revised report of the Treasurer and make a decision.

Item 3 (d): Phase-out schedule of hydrofluorocarbons (HCFCs) in Article 5 Parties

13. The representative of the European Community introduced an informal paper containing a proposal for a draft decision on the consumption of HCFCs in Article 5 Parties at the twenty-first meeting of the Open-ended Working Group.

14. It was suggested that the European Community might wish to consider carrying out more demonstration projects of viable substitutes in developing countries, perhaps supported bilaterally or through the Multilateral Fund, and workshops to enable proper appraisal of such alternatives.

15. On the basis of the discussion at the twenty-first meeting of the Open-ended Working Group and understanding that it implied no commitment to accept the draft decision, it was agreed to forward the proposal of the European Community for discussion at the preparatory segment of the Thirteenth Meeting of the Parties.

16. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider the revised version of the proposal.

Item 3 (e): Information on new ozone-depleting substances

17. In decision IX/24, both the Scientific Assessment Panel and the Technology and Economic Assessment Panel (TEAP) were requested to carry out an assessment of the ozone-depleting potential (ODP) of any new substance and to report to each ordinary Meeting of the Parties on any new substances with a significant ODP. The n-propyl bromide Task Force presented a progress report on n-propyl bromide (nPB) to the twenty-first meeting of the Open-ended Working Group including “upper bound” and “most likely” estimates of emissions geographically distributed by latitude, a summary of toxicity concerns and concluding remarks concerning future use. The full report is contained in the Technology and Economic Assessment Panel report of April 2001.

18. With regard to decision X/8 on new substances with ozone-depletion potential, 34 Parties had reported on new ozone-depleting substances in accordance with the decision. The chemicals reported by the Parties were:

(a) Hexachlorobutadiene

Hexachlorobutadiene (C₄Cl₆) has an ozone depletion potential (ODP) of 0.07. It had been reported by Canada and was classified by the Organisation for Economic Cooperation and Development (OECD) as a high-volume production chemical, which meant that at least one OECD country reported that it produced more than 10,000 tons per annum.

The secretariat had sent the draft assessment of hexachlorobutadiene carried out by Environment Canada to the Scientific, Environmental Effects and Technology and Economic Assessment Panels for their evaluation according to decisions XI/24 and X/8. The Scientific and the Environmental Effects Assessment Panels had responded with their evaluation.

(b) n-propyl bromide

This chemical, n-propyl bromide, also referred to as 1-bromopropane, CH₂BrCH₂CH₃ or simplified as 1-C₃H₇Br or nPB, had been reported by Canada as a substance “used in solvent applications, including degreasing, vapour cleaning and cold cleaning of metal parts”. The Peoples Republic of China had communicated that “for n-propyl bromide, which is considered uniformly as a substance threatening to the ozone layer, we think it is not an ODS”. Japan reported that the “estimated sales of npb-based solvent for

the period of January to December 1999 totalled 765 tons". The chemical had also been reported by the Netherlands and Sweden. The Technology and Economic Assessment Panel established an nPB Task Force whose report is contained in the Report of the Technology and Economic Assessment Panel of April 2001. A progress report was presented at the twenty-first meeting of the Open-ended Working Group. The Scientific Assessment Panel, in its May 2000 report "Assessing the Impacts of Short-lived Compounds on Stratospheric Ozone" concluded that "All three of the most recent studies have found that for short-lived compounds, it is not possible to describe a single value of the ODP. Season and place of emission are factors that can cause large variations in the amount of a short-lived substance reaching the stratosphere, thereby affecting the impact of the substance on the ozone layer". The range of ODP values for nPB is 0.0033-0.111.

(c) 1,1,1-trichloro-2,2,2-trifluoroethane

1,1,1-trichloro-2,2,2-trifluoroethane (CFC-113a), also referred to as R.113a, had been reported by India. The new substance was now being synthesized by an Indian chemical company, M/S Navin Flourine Industries, for use as an agrochemical intermediate. Currently, CFC-113a was being imported into India for manufacture of synthetic pyrethroids. The communication by India had been sent to the Scientific and Technology and Economic Assessment Panels. The meeting of the twenty-first Open-ended Working Group pointed out that CFC-113a, which had been mentioned as a new substance with ozone-depleting potential, was in fact an isomer of CFC-113a, which was a controlled substance listed in Annex A Group I to the Protocol. According to Article 1 of the Protocol, which was clarified by decision II/4 on isomers, the definition of a controlled substance included isomers of those substances and therefore CFC-113a should already be considered as a controlled substance itself. The ODP of CFC-113a is 0.65.

(d) 6-bromo-2-methoxy-naphtalene

This chemical, also referred to as BMN, CAS number 511165-9, had been reported by the Netherlands. Its feedstock was methyl bromide. It was produced by Broomchemie Terneuzen, the Netherlands, part of the Dead Sea Bromine Group. The documentation sent by the Netherlands had been forwarded to the Scientific and Technology and Economic Assessment Panels.

(e) Halon-1202

This chemical, CBr_2F_2 , also referred to as dibromodifluoromethane, difluorodibromomethane, Freon 12-B2, R12B2 and UN1941, had been reported by Israel. The document had been forwarded to the Scientific, Environmental Effects and Technology and Economic Assessment Panels.

19. Proposal for action: The Thirteenth Meeting of the Parties to the Montreal Protocol may wish to further consider this matter and make an appropriate decision.

Item 3 (f): Criteria to assess the ozone-depleting potential (ODP) of new chemicals

20. Both the Scientific Assessment Panel and the Technology and Economic Assessment Panel presented their reports on the evaluation of new substances with significant potential to deplete the ozone layer at the twenty-first Group meeting of the Open-ended Working in the context of a proposal requesting the Secretariat to prepare and update a list of new chemicals that might be damaging the ozone layer. The proposal also called on Parties where there were firms producing listed chemicals to analyze the ODP of the chemicals, to submit available toxicological information to the Secretariat and to report on the outcome of discussions with the firms concerned to the Secretariat. The proposal called for an environmental screening mechanism to be developed by the Technology and Economic Assessment Panel and the Scientific Assessment Panel that may recommend a more detailed evaluation of listed chemicals when it considers it appropriate.

21. The twenty-first meeting of the Open-ended Working Group agreed that the proposal would serve as a starting point for discussions on the issue in the preparatory segment of the Thirteenth Meeting of the Parties.

22. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider the proposal and make a decision.

Item 3 (g): Essential-use exemption applications

23. Seven Parties have submitted essential-use nominations of CFCs for 2002 and 2003: Australia; European Community; Hungary; Japan; Russian Federation; Ukraine; and United States of America. The report of the Technology and Economic Assessment Panel on the nominations of these essential-use exemptions for 2002 and 2003 was considered by the twenty-first meeting of the Open-ended Working Group.

24. The twenty-first Open-ended Working Group meeting recommended to the Thirteenth Meeting of the Parties that it approve the essential-use nominations recommended by the Technology and Economic Assessment Panel. The recommendations are reproduced in the annex to the compendium of draft decisions being submitted to the Thirteenth Meeting of the Parties (UNEP/OzL.Pro.13/9). The quantity of ozone-depleting substances already approved as essential-use exemptions for 2002 by the Meeting of the Parties amounts to 5,996 metric tons. This figure will be increased to 7,284.1 metric tons should the present recommendation be approved. The amount requested for the year 2003 is 6,477.25 metric tons.

25. Proposal for action: The Thirteenth Meeting of the Parties may wish to make an appropriate decision on the recommendations of the Open-ended Working Group.

Item 3 (h): Industrial rationalization

26. Two proposals were presented at the twenty-first meeting of the Open-ended Working Group on the implications of industrial rationalization. Concern was expressed that such rationalization might result in de-industrialization or a reduction in installed manufacturing capacity in individual countries. On the other hand, it was pointed out that the purpose of this exercise was to identify significant overcapacity in industrial infrastructure in a given country in order to ensure that money provided by the Multilateral Fund was used effectively for the conversion of economically viable firms.

27. The twenty-first meeting of the Open-ended Working Group agreed to consider the two proposals at the Thirteenth Meeting of the Parties.

28. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider these two proposals and make an appropriate decision.

Item 3 (i): Production of CFCs for metered-dose inhalers (MDIs)

29. Two proposals were presented at the meeting of the twenty-first Open-ended Working Group. It was suggested that the proposals should refer not only to Article 5 Parties, but also include Parties with economies in transition.

30. The Open-ended Working Group agreed to consider the two proposals at the Thirteenth Meeting of the Parties.

31. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider these two proposals and make an appropriate decision.

Item 3 (j): Assessment of the future need for halons for essential uses in the light of national or regional strategies for the management of halons, including reduction of emissions and ultimate elimination of their use

32. The Halons Technical Options Committee of the Technology and Economic Assessment Panel reported that 36 Parties had submitted halon management strategies and that only three had provided numerical estimates of inventories. National plans had not been elaborated to ensure the availability of halons for future essential needs and Parties were reminded that adequate halon stocks were necessary to avoid future essential-use exemptions.

33. Countries that had not yet prepared a halon management strategy were urged to do so as soon as possible because such strategies would become increasingly important as both non-Article 5 and Article 5 Parties became ever more reliant on recycled and banked halon stocks.

34. The Open-ended Working Group expressed its appreciation of the work of the Technology and Economic assessment Panel and endorsed its recommendation that a review process be established to determine whether or not changes in the risk situation for essential uses or the availability of fire protection solutions had affected the original estimates for critical uses.

35. Proposal for action: The Thirteenth Meeting of the Parties may wish to note the recommendation of the Technology and Economic Assessment Panel and make a decision.

Item 3 (k): Proposed study on issues relating to monitoring of international trade and prevention of illegal trade in ozone-depleting substances, mixtures and products containing ozone-depleting substances

36. The Ozone Secretariat presented a report with three options, described in UNEP/OzL.Pro/WG.1/21/2, paragraph 45 and UNEP/OzL.Pro/WG.1/21/2/Corr.1. The same report also included the comments made by experts, groups and organizations on elements of the study itself.

37. The twenty-first meeting of the Open-ended Working Group agreed to request the Ozone Secretariat, in consultation with the Technology and Economic Assessment Panel, the World Customs Organization, the Division of Trade, Industry and Economics of UNEP (UNEP/DTIE) and the World Trade Organization, to undertake a study and report to the Open-ended Working Group at its twenty-second meeting in 2002 for consideration by the Parties in 2002. Under this arrangement, the Secretariat might need legal consultancy services for about three months to consult widely with selected countries and experts with respect to customs, trade and industrial issues to supplement the information that would be provided through consultations with various bodies.

38. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider the recommendation of the twenty-first meeting of the Open-ended Working Group and make a decision.

Item 3 (l): Report of the Executive Committee on progress made in reducing emissions of controlled substances from process-agent uses and on the implementation and development of emission reduction techniques and alternative processes not using ozone-depleting substances

39. The Executive Committee had prepared the report on the progress made in reducing emissions of controlled substances from process-agent uses and on the implementation and development of emission reduction techniques and alternative processes not using ozone-depleting substances as contained in document UNEP/OzL.Pro.13/8.

40. At the twenty-first meeting of the Open-ended Working Group, the report of the Process Task Force of the Technology and Economic Assessment Panel was noted with appreciation and it was considered that the list of controlled substances from process-agent uses in Table A of decision X/14 needed to be reviewed,

refined and updated by the Task Force before the Thirteenth Meeting of the Parties. The Secretariat sent a letter to all Parties on 8 August 2001 requesting them to submit data before 31 August 2001 on the substances in the table and on any other controlled substances from process-agent uses. The Technology and Economic Assessment Panel will analyze the information on additional processes that the Parties may propose for addition to Table A of decision X/14.

41. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider the report of the Executive Committee and make an appropriate decision.

Item 3 (m): Reporting of data

42. The report of the Secretariat on information provided by the Parties in accordance with Article 7 of the Montreal Protocol (UNEP/OzL.Pro.13/3) is being prepared and will be placed before the Parties for consideration. This report will be placed before the twenty-seventh Meeting of the Implementation Committee in accordance with the non-compliance procedure of the Montreal Protocol.

43. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider any recommendation of the twenty-seventh meeting of the Implementation Committee and make appropriate decisions.

Item 3 (n): Ratification of the Convention, the Protocol and its Amendments

44. Since the Twelfth Meeting of the Parties, four States (Cambodia, Cape Verde, Palau and Somalia) have become Parties to the Vienna Convention for the Protection of the Ozone Layer and the Montreal Protocol. Ten Parties to the Montreal Protocol have ratified the London Amendment, sixteen have ratified the Copenhagen Amendment and nineteen have ratified the Montreal Amendment, bringing the total number of Parties to the Vienna Convention to 180, the total number of Parties to the Montreal Protocol to 179, the total number of Parties to the London Amendment to 152 and the total number of Parties to the Copenhagen Amendment to 127. The Beijing Adjustments had entered into force on 28 July 2000. The Beijing Amendment, adopted by the Eleventh Meeting of the Parties in 1999, should have entered into force on 1 January 2001, provided that at least twenty instruments of ratification, acceptance or approval had been deposited with the Depository. If that condition had not been satisfied by that date, the Amendment would enter into force on the ninetieth day following the date on which it was satisfied. As of 1 August 2001, only nine Parties (Canada, Chile, Czech Republic, Gabon, Jordan, Luxembourg, New Zealand, Palau and Somalia) had ratified the Beijing Amendment. It should be borne in mind that universal participation by ratification of the Amendments is necessary to ensure the protection of the ozone layer.

45. The Secretariat made special presentations at various meetings of Networks of the ODS officers to explain the importance of ratification and provide the Parties with information to facilitate the process of ratification.

46. Proposal for action: The Thirteenth Meeting of the Parties may wish to urge all Parties to ratify the Amendments to the Protocol as soon as possible and invite all States that have not yet done so to become party to the Vienna Convention and the Montreal Protocol and its Amendments.

Item 3 (o): Selection of members of the Implementation Committee, members of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol and co-Chairs of the Open-ended Working Group for future years

(i) Membership of the Implementation Committee

47. In accordance with the non-compliance procedure (1998), the Implementation Committee consists of 10 Parties elected for two years on the basis of equitable geographical distribution. Outgoing Parties may be re-elected for one consecutive term. In decision XII/3, the Twelfth Meeting of the Parties confirmed the positions of Argentina, Bangladesh, Czech Republic, Ecuador, Egypt and United States of America as

members of the Committee for one further year and selected Senegal, Slovakia, Sri Lanka and the United Kingdom of Great Britain and Northern Ireland as members of the Committee for a two-year period.

48. Proposal for action: The Thirteenth Meeting of the Parties may wish to select new members of the Implementation Committee for a two-year period to replace Argentina, Bangladesh, Czech Republic, Ecuador, Egypt and United States of America and confirm Senegal, Slovakia, Sri Lanka and the United Kingdom of Great Britain and Northern Ireland for one further year.

(ii) Membership of the Executive Committee

49. In accordance with the terms of reference of the Executive Committee of the Multilateral Fund approved by the Fourth Meeting of the Parties, the Executive Committee consists of 14 members, seven from Article 5 Parties and seven from non-Article 5 of Parties. Each group elects its members of the Executive Committee. The elected members must be formally endorsed by the Meeting of the Parties. The Chair and the Vice-Chair must be selected from among the 14 members of the Executive Committee. The office of the Chair is subject to rotation on an annual basis, effective 1 January of the year in which the term of office falls, between Article 5 Parties and non-Article 5 Parties. The Twelfth Meeting of the Parties, in decision XII/4, endorsed the selection of Australia, Finland, Germany, Japan, the Netherlands, Poland and United States of America as members of the Executive Committee of the Multilateral Fund representing non-Article 5 Parties to the Montreal Protocol and the selection of Colombia, Dominican Republic, India, Jordan, Malaysia, Nigeria and Tunisia as members representing Article 5 Parties for one year effective from 1 January 2001. The Meeting also noted the selection of Germany as Chair of the Executive Committee and Tunisia as Vice-Chair.

50. Proposal for action: Article 5 Parties may wish to select their seven representatives in the Committee and the Chair for the next year. Non-Article 5 Parties may also wish to select the members representing them in the Executive Committee for the next year and also the Vice-Chair of the Committee for the next year. The Thirteenth Meeting of the Parties may wish to endorse the selected representatives and take note of the selected Chair and Vice-Chair of the Committee.

(iii) Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol

51. In accordance with decision XII/5 of the Twelfth Meeting of the Parties, Mr. Milton Catelin of Australia and Mr. P. V. Jayakrishnan of India have served as co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol for 2001.

52. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider the chairmanship of the Open-ended Working Group in 2002.

Item 4: Compliance issues considered by the Implementation Committee

53. The Implementation Committee, under the non-compliance procedure for the Montreal Protocol, will hold its twenty-seventh meeting on 13 October 2001, immediately before the Thirteenth Meeting of the Parties, to consider the data report on production and consumption of ozone-depleting substances under Article 7 of the Montreal Protocol (UNEP/OzL.Pro.13/3) as well as other compliance issues. The report of the Committee will be made available to the Thirteenth Meeting of the Parties.

54. Proposal for action: The Thirteenth Meeting of the Parties may wish to make appropriate decisions on compliance issues that the Implementation Committee may recommend.

Item 5: Financial statement and budget for the Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer

55. The financial report on the Trust Funds for the Vienna Convention for the Protection of the Ozone Layer and the Montreal Protocol on Substances that Deplete the Ozone Layer (UNEP/OzL.Pro.13/4) and the approved budget for 2001 as well as the proposed budget for 2002 and 2003 of the Secretariat (UNEP/OzL.Pro.13/5) were made available to all Parties on 15 August 2001 and will be placed before the Thirteenth Meeting of the Parties for consideration and approval.

56. Proposal for action: The Thirteenth Meeting of the Parties to the Montreal Protocol may wish to take note of the financial report and approve the proposed budget of the Montreal Protocol Trust Fund for 2002 and 2003.

Item 3 (r): Other matters

57. The first meeting of the Bureau of the Twelfth Meeting of the Parties discussed the issue of international environmental governance which had become a major topic within UNEP. The World Summit on Sustainable Development, to be held in Johannesburg in 2002, would review the progress made since the United Nations Conference on Environment and Development, held in Rio de Janeiro in 1992. UNEP had in 1992 been entrusted with an important role in that review and, in accordance with Governing Council decision 21/21, had set up an Open-ended Working Group of Ministers or Their Representatives on International Environmental Governance to study the issues and policy options. At the request of the Governing Council, UNEP had prepared a report covering many issues of relevance to international environmental governance for submission to the Intergovernmental Open-ended Working Group of Ministers of Their Representatives on International Environmental Governance. Several meetings held in 2001, to which the secretariats of the relevant Conventions had been invited, had addressed the question and the Ozone Secretariat had provided input and information as requested by UNEP. It had been proposed that meetings of the Presidents of the Bureau of Conventions dealing with similar disciplines should also be convened and that memorandums of understanding should be signed between the secretariats of relevant Conventions. In that connection, a draft memorandum of understanding had been negotiated among the secretariats of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, the Convention on the International Trade in Endangered Species of Wild Fauna and Flora and the Ozone Secretariat. The Memorandum of Understanding was essentially an expression of willingness to cooperate. It covered training and contained a mutual agreement to invite representatives from the other Secretariats to attend each other's meetings.

58. It was pointed out at the meeting that during the discussions on international environmental governance, the Montreal Protocol had often been cited as an example of a well-functioning implementation and compliance regime.

59. Proposal for action: The Thirteenth Meeting of the Parties may wish to take note of the on-going consultations on international environmental governance prior to the World Summit on Sustainable Development in 2002.

Item 3 of the high-level segment: Summary presentations by the Assessment Panels

60. The co-chairs of the Scientific, Environmental Effects and Technology and Economic Assessment Panels will make presentations to the Thirteenth Meeting of the Parties on any important new developments on a year-to-year basis and on the progress of the 2002 assessments pursuant to Article 6 of the Montreal Protocol. The co-chairs of the Scientific Assessment Panel have prepared a summary on the scope and timetable of the 2002 UNEP/WMO Scientific Assessment of Ozone Depletion report as contained in document UNEP/OzL.Pro.13/Inf.2.

61. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider the reports of the Panels.

Item 4 of the high-level segment: Presentation by the Chair of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol

62. The Chair of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol will present the report of the Committee (UNEP/OzL.Pro/13/7) to the Thirteenth Meeting of the Parties.

63. The decisions of the Executive Committee taken during the reporting period can be found in the reports of its meetings, copies of which were distributed to all Parties and are available at the web site of the multilateral Fund at the following address: <http://www.unmfs.org/>.

64. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider the report of the Chair of the Executive Committee.

Item 5 of the high-level segment: Presentation by the Chair of the Implementation Committee

65. The Chair of the Implementation Committee will present the recommendations of the report of the twenty-seventh meeting of the Committee that will be held in Colombo on 13 October 2001.

66. Proposal for action: The Thirteenth Meeting of the Parties may wish to consider the report of the Chair of the Implementation Committee.

Item 9 of the high-level segment: Date and venue of the Fourteenth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer

67. In the light of the many environmental meetings scheduled for the second half of 2002 and given that no formal offer to host the meeting has been received by the Secretariat, it was considered that it was necessary to make preliminary arrangements on the proposed dates of the meetings.

68. The thirty-eighth Meeting of the Executive Committee of the Multilateral Fund will be held from 18 to 22 November 2002, followed by the Sixth Meeting of the Parties to the Vienna Convention and the Fourteenth Meeting of the Parties to the Montreal Protocol, held concurrently from 25 November to 4 December 2002.

69. Proposal for action: The Thirteenth Meeting of the Parties may wish to decide on the dates and venue of the Fourteenth Meeting.

AnnexACTION TAKEN ON THE DECISIONS OF THE TWELFTH MEETING OF THE PARTIES
TO THE MONTREAL PROTOCOL ON SUBSTANCES
THAT DEplete THE OZONE LAYERDecision XII/1. Methyl bromide production by non-Article 5 Parties
for basic domestic needs in 2001

1. The April 2001 report of the Technology and Economic Assessment Panel contains a progress report of the Methyl Bromide Technical Options Committee with the developments in methyl bromide and alternatives that have been reported subsequent to those detailed in the April 2000 report of the Technology and Economic Assessment Panel.
2. According to the Methyl Bromide Technical Options Committee, non-Article 5 countries have significantly surpassed the reductions required in 1999 under the Protocol. Reported non-Article 5 production of controlled methyl bromide (i.e., not including production for feedstock and quarantine and pre-shipment applications) was reduced from 65,596 metric tons in 1991 (baseline) to 48,039 metric tons in 1999, a reduction of 27 per cent. Equivalent production in 1998 was reported as 60,375 metric tons. Non-Article 5 consumption was reduced from 55,923 metric tons in 1991 to about 35,553 metric tons in 1999, representing a reduction of about 36 per cent.
3. Regulatory processes regarding methyl bromide registration remain major constraints to adoption of some methyl bromide alternatives, both in terms of time and cost. This is particularly so where direct treatment of foodstuffs is involved. Because of the small market for alternative chemicals, there is often insufficient profit to be made in a methyl bromide replacement to justify the expense of developing the required registration data. Despite this, there are some important chemical-based alternatives in the process of registration, at least for the larger markets.

Decision XII/2. Measures to facilitate the transition to chlorofluorocarbon-free
metered-dose inhalers

4. As at 31 July 2001, no Party had notified the Secretariat with respect to any chlorofluorocarbon metered-dose inhaler active ingredient or category of products that a Party had determined to be non-essential and thereby not authorized for domestic use.
5. The following Parties submitted their national or regional transition strategies: Australia, Canada, the Czech Republic, the European Commission, Hungary, New Zealand, Poland, the United Kingdom of Great Britain and Northern Ireland and United States of America.
6. The Secretariat will remind non-Article 5 Parties that they should develop a national or regional transition strategy based on economically and technically feasible alternatives or substitutes that they deem acceptable from the standpoint of the environment and health and that includes effective criteria and measures for determining when chlorofluorocarbon metered-dose inhaler product(s) is/are no longer essential and they should submit the text of any such strategy to the secretariat by 31 January 2002.
7. The Secretariat notified the Multilateral Fund Secretariat of the request by the Parties to consider providing technical, financial and other assistance to Article 5(1) Parties to facilitate the development of metered-dose inhaler transition strategies and the implementation of approved activities contained therein, and informed the Global Environment Facility (GEF) Secretariat of the request by the Parties to consider providing the same assistance to eligible countries with economies in transition.

8. The Technology and Economic Assessment Panel, in close cooperation with the Aerosols Technical Options Committee and the Ozone Secretariat, prepared a new Handbook for Essential Use Nominations which was being published in June 2001. This handbook augments and updates the previous August 1997 edition.

9. The Technology and Economic Assessment Panel considered the issues related to the campaign production of chlorofluorocarbons for chlorofluorocarbon metered-dose inhalers. The April 2001 Technology and Economic Assessment Panel report contains the review and analysis. The Panel and its Aerosols Technical Options Committee concluded that the best approach would be to continue just-in-time supply for as long as possible. Any final campaign production should be done preferably as late as possible into the transition. The twenty-first meeting of the Open-ended Working Group considered this matter and suggested that the Technology and Economic Assessment Panel continue its work on a limited number of specific points.

Decision XII/3. Membership of the Implementation Committee

10. The Secretariat has notified Senegal, Slovakia, Sri Lanka and the United Kingdom of Great Britain and Northern Ireland of their nomination as members of the Implementation Committee and has requested details of their representation.

Decision XII/4. Membership of the Executive Committee of the Multilateral Fund

11. This decision was conveyed to the Multilateral Fund Secretariat.

Decision XII/5. Co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol

12. The co-Chairs of the Open-ended Working Group of the Parties to the Montreal Protocol for 2001, Mr. Milton Catelin of Australia and Mr. P.V. Jayakrishnan of India were informed of their selection.

Decision XII/6. Data and information provided by the Parties in accordance with Articles 7 and 9 of the Montreal Protocol

13. By 20 May 2001, 17 of the 175 Parties that should have reported data for 1998 had not reported data.

14. In all, 23 of the 175 Parties that should have reported data for 1999 by 30 September 2000 have not reported to date.

15. Only 61 out of the 175 Parties that should have reported data for 2000 by 30 September 2001 had not reported by 20 August 2001.

Decision XII/7. Ratification of the Vienna Convention, the Montreal Protocol and the London, Copenhagen, Montreal and Beijing Amendments

16. By 1 August 2001, 152 Parties had ratified the London Amendment to the Montreal Protocol, 127 Parties had ratified the Copenhagen Amendment to the Montreal Protocol and 62 Parties had ratified the Montreal Amendment to the Montreal Protocol.

17. Only nine Parties, Canada, Chile, Czech Republic, Gabon, Jordan, Luxembourg, New Zealand, Palau and Somalia have ratified the Beijing Amendment to the Montreal Protocol.

Decision XII/8. Disposal of controlled substances

18. The Technology and Economic Assessment Panel established the Task Force on Destruction Technologies and the Task Force on Technical and Economic Options on collection, reclamation and storage of ozone-depleting substances.

19. The Secretariat, in collaboration with the Panel, posted a letter to the Parties on the web site of the Ozone Secretariat addressed to the Parties and requesting nominations of qualified and experienced experts in destruction technologies for the above-mentioned task forces.

20. The following Parties submitted their nominations for these task forces: Australia, Brazil, Canada, Chile, Germany, India, Japan and United States of America.

21. The Secretariat cooperated with the Secretariat of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal. The secretariat of the Basel Convention prepared a note entitled "Disposal of controlled substances under the Montreal Protocol and its Amendments". The Technology and Economic Assessment Panel welcomed the cooperation with experts from the Basel Convention and recommended that cooperation be undertaken primarily by e-mail and supplemented with one or more coordinating meetings.

Decision XII/9. Essential-use nominations for non-Article 5 Parties for controlled substances for 2001 and 2002

22. The reporting accounting framework for essential uses other than laboratory and analytical applications for 2000 were submitted by the following Parties: Australia; Canada; the European Community (for 1999 as well); Hungary; Japan (for 1999 as well); Poland; Russian Federation (only for halons and for 1999); United States of America (and revisions for 1997, 1998 and 1999).

Decision XII/10. Monitoring of international trade and prevention of illegal trade in ozone-depleting substances, mixtures and products containing ozone-depleting substances

23. The Ozone Secretariat consulted relevant bodies on options for conducting the study. The Secretariat is presenting the three proposed options from which the Parties may wish to consider and make a decision on the document entitled "Summary of the issues on the agenda for the twenty-first meeting of the Open-ended Working Group of the Parties to the Montreal Protocol" (UNEP/OzL.Pro/WG.1/21/2, paragraphs 44 to 46).

Decision XII/11. Application by Kyrgyzstan for developing country status under the Montreal Protocol

24. The decision of the Parties to approve Article 5 status was communicated to the Government of Kyrgyzstan.

Decision XII/12. Request by Slovenia to be removed from the list of developing countries under the Montreal Protocol

25. The decision to be removed from the list of Article 5 Parties was communicated to the Government of Slovenia.

Decision XII/13. Term of office of the Implementation Committee and its officers

26. The members of the Committee were informed of this decision.

Decision XII/14. Continued assistance from the Global Environment Facility to countries with economies in transition

27. The Secretariat informed the Global Environment Facility (GEF) Secretariat of the request to GEF to clarify its future commitment to providing continued assistance to countries with economies in transition with respect to all ozone-depleting substances.

28. The GEF Secretariat prepared the document entitled "Financing of activities to address ozone layer depletion" (GEF/C.17/Inf.13) which was presented at the meeting of the GEF Council held from 9 to 11 May 2001 in Washington.

29. In this regard, the GEF Secretariat was requested by the Council to prepare a document on the potential costs and operational implications of a commitment to provide funding to countries with economies in transition for the replacement of HCFCs and methyl bromide and related substances in accordance with the stipulations of the Montreal Protocol. The document would be considered at the Council meeting in December 2001 as well as in the discussions on the third replenishment of the Global Environment Facility Trust Fund.

Decision XII/15. Financial matters: financial report and budgets

30. The approved revised budget for the year 2001 was \$4,099,385. As at 31 July 2001, contributions paid by the Parties amounted to \$1,339,469.

31. The outstanding contributions for past years amounted to \$3,691,989. As at 31 July 2001, only \$226,508 of that amount had been received.

32. The Secretariat has provided assistance for the participation of Article 5 experts in the assessment panels and their subsidiary bodies as follows: nine experts for the Technology and Economic Assessment Panel; 52 experts for the Technical Options Committees of TEAP; and one scientist for the Scientific Assessment Panel. Thus, a total of 63 experts had been assisted as at 15 August 2001.

Decision XII/16. Organization of Ozone Secretariat and Multilateral Fund meetings

33. The Secretariat, in close collaboration with the Multilateral Fund Secretariat, organized the twenty-first meeting of the Open-ended Working Group, held in Montreal from 24 to 26 July 2001, back to back with the thirty-fourth meeting of the Executive Committee. The secretariat is also collaborating with the Multilateral Fund Secretariat with respect to the decision to hold the Fourteenth Meeting of the Parties in 2002.

Decision XII/17. Ouagadougou Declaration at the Twelfth Meeting of the Parties to the Montreal Protocol

34. The report of the Twelfth Meeting of the Parties to the Montreal Protocol (UNEP/OzL.Pro.12/9), which contains the Ouagadougou Declaration, was distributed to all Parties and relevant United Nations and intergovernmental organizations, international, regional and national organizations as well as non-governmental organizations.

Decision XII/18. Thirteenth Meeting of the Parties to the Montreal Protocol

35. The Thirteenth Meeting of the Parties to the Montreal Protocol will be held in Colombo from 16 to 19 October 2001 together with the second meeting of the Bureau of the Twelfth Meeting of the Parties to the Montreal Protocol and the twenty-seventh meeting of the Implementation Committee under the non-compliance procedure of the Montreal Protocol.
