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OPEN-ENDED WORKING GROUP OF THE PARTIES TO  
THE MONTREAL PROTOCOL ON SUBSTANCES THAT  
DEplete THE OZONE LAYER

Twentieth meeting  
Geneva, 11-13 July 2000

REPORT OF THE TWENTIETH MEETING OF THE OPEN-ENDED WORKING  
GROUP OF THE PARTIES TO THE MONTREAL PROTOCOL

I. OPENING OF THE MEETING

1. The twentieth meeting of the Open-ended Working Group of the Parties to the Montreal Protocol was held at the Palais des Nations from 11 to 13 July 2000.
2. The meeting was opened at 10.15 a.m. on Tuesday, 11 July 2000.
3. Mr. K.M. Sarma, Executive Secretary of the Ozone Secretariat, welcomed the participants on behalf of Mr. Klaus Töpfer, Executive Director of the United Nations Environment Programme (UNEP). He noted that the preceding century had seen spectacular achievements in science and technology, but at the same time caused environmental degradation, including the global environmental problems of ozone depletion, climate change and loss of biological diversity, all of which had arisen through thoughtless management of Earth's resources by mankind. Fortunately, the environmental movement of the world had begun to evolve solutions, and the Montreal Protocol was one of the first to be providing a ray of hope. The tremendous progress made by the Montreal Protocol over the preceding decade was unprecedented in the history of international agreements. The developed countries had fulfilled their commitments and had shown the way to the developing countries. The resources provided by them had been wisely utilized by the Executive Committee of the Multilateral Fund. The national ozone focal points had made dedicated efforts to create a full infrastructure for implementation in their countries. The more than \$1 billion provided to the developing countries had produced splendid results. There was awareness and action in every country to phase out ozone-depleting substances, thanks to the OzonAction programme, and the reduction of almost 90 per cent in their consumption and production in the past 10 years had been measured by scientists, who had given assurances that the ozone layer would begin to recover very soon and complete its recovery in a further 50 years.

4. Since it could now be presumed that the remaining part of the implementation of the Montreal Protocol would proceed smoothly, it was time to look at areas where continued leadership by the Parties would be necessary. One was the growing level of emissions resulting from many of the exemptions. Unless the Parties applied pressure and provided incentives to industry, alternative technologies would not develop and emissions would continue to grow.

5. Another new danger was that of the increasing global warming, which was likely to cause the recovery of the ozone layer to take longer than originally thought. A third area of danger was the appearance of new ozone-depleting substances, such as n-propyl bromide. While there were difficulties in determining its ozone-depleting value, the question was whether the Parties should stop its growth now and judge the issue after further research, or wait for the research to be completed before taking action. That, in turn, raised related questions: how would new ozone-depleting substances in the future be prevented from coming on to the market? Who would be responsible for determining their ozone-depleting potential (ODP)? Who would decide which chemicals should be tested? It would be better for those questions to be answered soon, through a Meeting of the Parties, rather than being left to future generations.

6. Another important issue was that of ratification of the Copenhagen, Montreal and Beijing Amendments. While ratifications had increased, many large countries had not ratified the Copenhagen Amendment and thus were not committed to the phase-out of hydrochlorofluorocarbons (HCFCs) and methyl bromide. There had been only one ratification of the Beijing Amendment. The fact that some large countries were staying outside the Amendments could in time pose the biggest threat to the achievements of the Protocol.

7. Of the Article 5 Parties that had reported data for 1998, 80 per cent had reported consumption of chlorofluorocarbons (CFCs) below their baseline levels. However, 22 countries had increased their CFC consumption above their baseline levels, and must control their consumption and imports. Hence the importance of policies and regulations if countries were to reduce their consumption. No amount of resources from the Fund could ensure compliance if traders could do as they pleased. He urged the Executive Committee, implementing agencies and others to help the countries in establishing licensing systems.

8. Mr. Sarma expressed his thanks for the contribution made by the three Assessment Panels. A great debt of gratitude was owed to the nearly 1,000 experts from around the world who had contributed during the past decade, and especially to the Co-Chairs of the Panels who had coordinated that huge effort. As the successful implementation of the Montreal Protocol depended on the funds available, he thanked all those Governments which had made their contributions in full and on time. There were some Parties, both developed and developing countries, which had not paid their contributions in full, and he urged them to do so soon. Special thanks were due to the generosity of Parties that had provided funds over and above their assessed contributions, notably Canada, the European Community and the Netherlands. Finally, he wished to thank everyone who had contributed to making his own tenure such a pleasure over the preceding nine years, and wished them continued success in their endeavours to protect the ozone layer.

## II. ORGANIZATIONAL MATTERS

### A. Attendance

9. The following Parties to the Montreal Protocol were present: Albania, Algeria, Antigua and Barbuda, Argentina, Armenia, Australia, Austria, Azerbaijan, Bahamas, Bangladesh, Barbados, Belarus, Belgium, Brazil, Burkina Faso, Burundi, Canada, Chile, China, Colombia, Costa Rica, Cuba, Czech

Republic, Democratic People's Republic of Korea, Democratic Republic of the Congo, Denmark, Dominican Republic, Ecuador, Egypt, El Salvador, Estonia, European Community, Finland, France, Gabon, Germany, Ghana, Greece, Guatemala, Honduras, Hungary, India, Indonesia, Iran (Islamic Republic of), Israel, Italy, Japan, Jordan, Kenya, Kiribati, Kuwait, Kyrgyzstan, Lithuania, Malaysia, Mali, Malta, Mauritius, Mexico, Morocco, Namibia, Netherlands, New Zealand, Nicaragua, Niger, Nigeria, Norway, Papua New Guinea, Peru, Philippines, Poland, Portugal, Republic of Korea, Romania, Russian Federation, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Senegal, Singapore, Slovakia, Spain, Sri Lanka, Swaziland, Sweden, Switzerland, Syrian Arab Republic, Tajikistan, Thailand, the former Yugoslav Republic of Macedonia, Tunisia, Turkmenistan, Ukraine, United Kingdom of Great Britain and Northern Ireland, United States of America, Uruguay, Uzbekistan, Venezuela, Viet Nam, Yemen, Zambia, Zimbabwe.

10. Observers from the following United Nations Secretariat units, bodies and specialized agencies were also present: United Nations Development Programme, United Nations Economic Commission for Africa, World Bank, United Nations Industrial Development Organization, United Nations Office at Nairobi - Trust Funds Section, UNEP Division of Technology Industry and Economics, Secretariat of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, Secretariat of the Multilateral Fund for the Implementation of the Montreal Protocol, Scientific Assessment Panel, Environmental Effects Assessment Panel, Technology and Economic Assessment Panel.

11. The following other organizations were also represented: Alliance for Responsible Atmospheric Policy, American Lung Association, American Standard Companies, Association des Amis de la Terre, Atofina Chemicals, Australia National Halon Bank, Carrier Corporation, Cydsa S.A. de C.V., Dupont, Dupont Dow Elastomers L.L.C., Environmental Investigation Agency, European Association of Soil Fumigators, Federation of Pharmaceuticals Manufacturers Association of Japan, Glaxo Wellcome, Greenpeace – International, Indian Chemical Manufacturers Association, Industrial Technology Research Institute, International Council of Environmental Law, International Pharmaceutical Aerosol Consortium, Japan Fluorocarbon Manufacturers Association, Japan Industrial Conference for Ozone Layer Protection, Japan Refrigeration and Air Conditioning Industry Association, Ligue Des Etats Arabes, Manitoba Ozone Protection Industry Association, Methyl Bromide Working Group, Prec Institute Inc., Quimobasicos S.A. de C.V., R + M Consultancy, Refrigerant Gas Manufacturers' Association, 3M Pharmaceuticals.

#### B. Officers

12. Mr. John W. Ashe (Antigua and Barbuda) and Mr. Milton Catelin (Australia) served as Co-Chairs of the Working Group, in accordance with decision XI/10 of the Eleventh Meeting of the Parties.

#### C. Adoption of the agenda

13. The following agenda was adopted on the basis of the provisional agenda contained in document UNEP/OzL.Pro/WG.1/20/1/Rev.1. It was agreed that the issue of expedited procedures for listing new substances would be discussed under agenda item 12.

1. Opening of the meeting.
2. Organizational matters:
  - (a) Adoption of the agenda;
  - (b) Organization of work.

3. Presentation of the reports of the Technology and Economic Assessment Panel on:
  - (a) Emissions of ozone-depleting substances from feedstock applications (decision X/12);
  - (b) Applications for essential use exemptions for ozone-depleting substances for the year 2001 and beyond.
4. Presentation of the reports of the Scientific Assessment Panel and the Technology and Economic Assessment Panel on:
  - (a) n-propyl bromide (decision X/8, para. 5 (a));
  - (b) Halon-1202 (decision X/8, para. 5 (b));
  - (c) New ozone-depleting substances (decision IX/24, paras. 3 and 4).
5. Other issues arising out of the report of the Technology and Economic Assessment Panel.
6. Review of hydrochlorofluorocarbon control measures for Parties operating under paragraph 1 of Article 5 (decision VII/3, para. 3).
7. Adjustment to the Montreal Protocol relating to the controlled substance in annex E.
8. Measures to facilitate the transition from chlorofluorocarbon-based metered-dose inhalers (proposal by the European Community).
9. Use of ozone-depleting substances as process agents (decision X/14) (proposal by India).
10. Assessment by the Technology and Economic Assessment Panel of a long-term strategy for the collection, storage, disposal and destruction of ozone-depleting substances and equipment containing ozone-depleting substances.
11. Issues arising out of the twenty-fourth meeting of the Implementation Committee.
12. Other matters.
13. Adoption of the report.
14. Closure of the meeting.

#### D. Organization of work

14. The Working Group decided to follow its customary procedure.

### III. PRESENTATION OF THE REPORTS OF THE TECHNOLOGY AND ECONOMIC ASSESSMENT PANEL

15. The Co-Chairs of the Technology and Economic Assessment Panel and its Technical Options Committees summarized their work on feedstock applications, essential use nominations, exemption for

laboratory and analytical uses, control of new substances, organization and restructuring of the Panel, and cooperation with the Intergovernmental Panel on Climate Change (IPCC).

A. Emissions of ozone-depleting substances from feedstock applications (decision X/12)

16. Mr. José Pons, Co-Chair of the Aerosols Technical Options Committee, reported that the Panel had investigated the requirements of carbon tetrachloride as a feedstock for the manufacture of CFCs. The methodology of the 1998 Aerosols Technical Options Committee report had been used to calculate the requirement of carbon tetrachloride for CFC production and emissions associated with that use. Those emissions could be reduced either by closure of facilities in countries with economies in transition and Article 5 countries, where emissions were higher, or by improving emission control technologies in those facilities.

17. The calculations were further expanded to forecast emissions up to the year 2010, when production of CFCs was expected to cease. The Panel would provide data in 2001 on emissions of other ozone-depleting substances from feedstock uses.

18. Following the presentation of the report of the Technology and Economic Assessment Panel, a number of representatives expressed concern over the size of emissions from feedstock uses, and suggested that a draft decision dealing with promoting the control of emissions and developing non-ozone-depleting alternatives might be helpful. The Co-Chair of the Panel confirmed that emissions from feedstock were currently of greater significance than in the early years of the Protocol, as overall consumption was currently much lower. He pointed out that emissions were, in general, higher from plants in Article 5 countries, and a sharp reduction in emissions was projected between 2003 and 2005 as the least efficient plants were closed, leading to ultimate phase-out by 2010. He also confirmed that the Panel did not anticipate any need for essential use exemptions for feedstock uses after 2010, since it was expected that clear alternatives would be developed by 2005, though one representative pointed out that decisions on essential use exemptions would be a matter for Meetings of the Parties to resolve. Another representative pointed out that emissions from feedstock uses could also be reduced if production in non-Article 5 countries was brought under scrutiny and subjected to a control regime, as was the case in the Article 5 countries.

19. The Working Group noted with appreciation the report of the Technology and Economic Assessment Panel.

B. Applications for essential use exemptions for ozone-depleting substances for the year 2001 and beyond

20. Ms. Helen Tope, Co-Chair of the Technical Options Committee on aerosol products, outlined the Panel's assessment of essential use nominations for metered-dose inhalers (MDIs) for asthma and chronic obstructive pulmonary disease. Nominations received in 2000 from Australia, the European Community, Poland and the United States were recommended for the years and quantities outlined in the Secretariat's summary of the Panel's recommendations. She also requested Parties to note that Australia requested a reduction in the nominated quantity for 2000 from the previously approved 220 tons to 110 tons. She observed that no essential use nomination for production for 1999 and beyond had been presented for the Russian Federation, while information indicated that CFC-based MDI manufacture was continuing. With local CFC production anticipated to cease in mid-2000, the CFC source for current and future MDI manufacture in the Russian Federation was unclear.

21. She also made the general recommendation that countries aggregate company-specific information in their nominations. On the basis of the assessment of recent nominations and changed circumstances, such as the introduction of more alternatives to CFC-based MDIs, the Panel recommended that additional

information to that currently provided in nominations would more fully address decision IV/25, including more information on the availability of alternatives and their predicted impact on CFC requirements; CFC use for newly approved CFC-based MDIs and their essentiality; and CFC use intended for MDI exports and the status in those markets regarding any declared non-essential CFC-based MDIs. The Panel would like to update the handbook on essential use nominations in preparation for nominations due by 31 January 2001.

22. Mr. Jorge Corona, Co-Chair of the Technical Options Committee on solvents, reported that the Panel had recommended an essential use exemption for Poland to use 0.85 tons of CFC-113 in torpedo maintenance. A task force of that Committee was working with the Polish Navy and the torpedo manufacturer to facilitate the elimination of CFC-113 for that use.

23. Mr. Ashley Woodcock, Co-Chair of the Technical Options Committee on aerosol products, reported on progress in the aerosols sector. In 1999, 9,200 tons of CFC had been used in non-MDI aerosols in countries with economies in transition and Article 5 countries. He said that there were no technical barriers to transition but that regulatory interventions could be needed for phase-out.

24. He also noted that in 1999, nearly 9,000 tons of CFCs were used in MDIs for asthma and chronic obstructive pulmonary diseases. That figure represented a steady decline, but that was slower than anticipated and was due to a slower introduction of alternative CFC-free MDIs than predicted. Bulk transition could still be completed in many non-Article 5 countries by 2005, but delayed beyond that in some countries.

25. Mr. Woodcock reiterated the recommendation for all Parties to develop transition strategies that considered issues such as assured patient access to essential MDIs, as well as the possible need for bulk CFC transfers at the transition "tail" and prudent management of strategic reserves of pharmaceutical-grade CFCs.

26. He further noted that countries with economies in transition and Article 5 Parties would need technology transfer, with funding of projects, where necessary, to encourage transition. He noted that the first Article 5 company had successfully marketed a CFC-free MDI.

27. Mr. Paul Ashford, Co-Chair of the Technical Options Committee on foams, summarized recent developments in the foam sector over the past two years, as covered in the Panel's April 2000 report. For non-Article 5 countries, the key issues raised were:

- (a) The ongoing technical requirements of integral skin foams and the potential need for HFCs in limited applications;
- (b) The concerns about using hydrocarbons in smaller, discontinuous processes because of safety and process cost;
- (c) The increasing trend towards hydrocarbon use in higher-volume processes;
- (d) The trend towards hydrofluorocarbon/hydrocarbon blends where thermal efficiency or product/process safety concerns existed;
- (e) The likely availability of liquid hydrofluorocarbons (HFCs) (245fc and 365mfc) by the second half of 2002;
- (f) The progress of carbon dioxide and carbon dioxide blend technologies in the extended polystyrene sector, together with an ongoing requirement for HFCs in some applications;

- (g) The regulatory uncertainty surrounding the HCFC phase-out and the treatment of HFCs in national/regional climate change strategies.

28. For Article 5 countries, the key issues raised were:

- (a) In flexible foams, carbon dioxide (water) and carbon dioxide (LCD) were making strong advances, although some limitations existed for selected flexible moulded foam applications;
- (b) Concerns on future integral skin foam technologies that reflected those in non-Article 5 countries;
- (c) Whilst many of the larger CFC phase-out steps had been completed, the remainder, primarily based around smaller enterprises, required more innovative solutions, possibly based on HCFCs, at least in the short term.

29. Mr. Tom Batchelor, Co-Chair of the Technical Options Committee on methyl bromide, summarized the progress made on methyl bromide, including the implementation of national regulations restricting methyl bromide use, the development and implementation of alternatives, and methods for reducing emissions. He said that the European Community would adopt a regulation in October 2000 that would accelerate the phase-out of non-quarantine and pre-shipment uses of methyl bromide, but that the final phase-out date of 2005 remained the same as in the Montreal Protocol. The same regulation also placed restrictions on the use of methyl bromide for quarantine and pre-shipment. The United States had also accorded priority registration for methyl bromide alternatives. He noted that most countries met the requirement of the Protocol for a 25 per cent reduction of methyl bromide used for soil treatments by using lower concentrations in field cylinders and the use of barrier films. Alternatives under development and implementation included solarization, grafting, organic amendments, other chemicals and combinations of those treatments.

30. He noted that, for durable commodities, four new fumigants had been developed but had yet to be registered. Sulphuryl fluoride could replace about 15 per cent of global methyl bromide, if it was registered in the future for food uses. He said that approximately 15 per cent of North American flour mills now disinfested with heat rather than methyl bromide. For perishable commodities, irradiation was increasingly in use, while heat treatment continued to be common for tropical commodities. Some countries had set minimum standards for the quality of barrier film used in the field to minimize emissions. He noted that barrier films had limited ability to prevent methyl bromide loss, as they could be difficult to use effectively in the field. The Panel noted that further work on methyl bromide alternatives would be necessary for the phase-out of methyl bromide.

31. Mr. Lambert Kuijpers, Co-Chair of the Technical Options Committee on refrigeration, reported that in domestic refrigeration, the non-ODP candidates continued to be R-134a and isobutane, where increasing energy efficiency was a topic of accelerating interest. He emphasized the importance of servicing for Article 5 countries. In commercial refrigeration, hydrocarbons were applied in stand-alone equipment. However, the vast majority involved R-404a. He described the increasing number of secondary loop applications and the difficulty in obtaining consensus values concerning the influence on energy efficiency. For large equipment, ammonia and R-410a were important in the developed countries, and R-22 and ammonia in the developing countries. Mr. Kuijpers highlighted the differences in the transition strategy from HCFCs in unitary air-conditioning in Japan, Europe and the United States. In transport refrigeration, the conversion to HFCs had been accelerated. There was no consensus among experts regarding the application of flammable refrigerants. Furthermore, that subsector was "sensitive" to the most stringent local regulation. Whereas new mobile air-conditioning equipment used R-134a,

many development efforts were ongoing for hydrocarbons (secondary loop) and carbon dioxide. Much effort was being spent in that sector to reduce HFC emissions. He concluded his presentation by once more emphasizing servicing and the HCFC issue for the Article 5 countries.

32. Following the presentation of the report of the Panel, the representative of Australia drew the attention of the Working Group to two drafting errors in the April 2000 report of the Panel dealing with essential use exemptions. On page 23, under the section dealing with Australia, the figure for CFC-11 in column I in 1999 should be 110.21 (not 4110.21) and, consequently, the figure for total CFCs in column I should be 349.9 (not 4349.9). The rows for CFC-113 in both 1999 and 1998 should refer to CFC-114.

33. A number of representatives expressed concern over the Panel's expectation that Article 5 countries would not need essential use exemptions for MDIs after 2010, pointing out that progress in replacing CFC-based MDIs in non-Article 5 countries was currently slower than had been anticipated, and also that CFC-free MDIs tended to be more expensive than the CFC versions. The Panel's observation was not correct since the developed countries were taking more than 10 years after their overall phase-out to phase out their consumption of CFCs for MDIs. It was suggested that technology transfer and financial assistance would be necessary if CFC-based MDIs were to be phased out successfully in Article 5 countries. A number of representatives queried the suggestion of the Panel that information on the diseases to be treated, which currently had to accompany nominations for essential use exemptions for MDIs, should not be required in future. The Co-Chair of the Panel confirmed that the reason for that suggestion was simply that the information tended not to change from year to year. One representative suggested that, in the interest of avoiding unnecessary duplication and to minimize the associated administrative burden, the revision to the Handbook on Essential Uses recommended by the aerosols Technical Options Committee should not be incorporated until the Parties had concluded their consideration of the reporting requirements included in the draft decision on measures to facilitate the transition from CFC-based MDIs. Discussion on those matters was postponed until a full discussion on a draft decision on MDIs could be held later in the meeting.

34. One representative, during the discussion on essential use nomination, pointed out that the Technology and Economic Assessment Panel should provide more detailed information on how stockpiles in the European Union were increasing and what was the strategic reserve of the United States. He also sought information on the relationship between quantities of CFCs that were the subject of exemption requests and the number of inhalers being produced, since much of that production was exported to Article 5 countries. He pointed out that non-Article 5 countries seeking exemption should be asked to give more information, since the quantity of CFCs for which exemption was being sought was more than the entire consumption of CFCs in many large-volume-consuming Article 5 countries.

35. One representative, speaking on the issue of laboratory and analytical uses referred to in the presentation, and in pages 20 and 21 of the April 2000 report of the Technology and Economic Assessment Panel, pointed out that the Panel had been expected to include in that report detailed information on available alternative methods that could replace the methods currently used for three applications excluded from global exemption for laboratory and analytical uses in decision XI/15. However, the report contained only a reference to earlier Panel reports, and the information provided was not sufficient for effective implementation of alternative methods. He called for either the Ozone Secretariat or UNEP to publish detailed information on alternative methods that would allow the Parties to implement decision XI/15 in a timely manner. Mr. Andersen, the Co-Chair of the Panel, agreed to include such details of alternative technologies in the next report on the availability of alternatives to those applications of ozone-depleting substances removed from the list of approved laboratory and analytical uses by decision XI/15.



36. The Working Group agreed to recommend to the Twelfth Meeting of the Parties that it approve the essential use nominations recommended by the Technology and Economic Assessment Panel for approval. A table showing the full list of exemptions recommended for approval is contained in annex I of the present report.

#### IV. PRESENTATION OF THE REPORTS OF THE SCIENTIFIC ASSESSMENT PANEL AND THE TECHNOLOGY AND ECONOMIC ASSESSMENT PANEL

##### A. n-propyl bromide (decision X/8, para. 5 (a))

37. Mr. Jorge Corona, Co-Chair of the Technical Options Committee on solvents, said that the Technology and Economic Assessment Panel and the Committee continued to investigate the market potential and environmental acceptability of n-propyl bromide. Aggressive marketing had resulted in a higher sales figure than projected. Studies at the Nagoya University in Japan had found neurotoxicity and reproductive toxicity in rats, indicating the potential for toxicity to humans. The Panel and the Solvents Committee were working to provide new estimates of market potential and the geographical distribution of potential emissions, which would be communicated to Parties and the Scientific Assessment Panel.

38. Mr. Albritton, Co-Chair of the Scientific Assessment Panel, summarized the Panel's report on n-propyl bromide. He said that short-lived substances did not have a single value for their ODP. Rather, their impact on the ozone layer depended on the location and season of their emission. The Panel report showed that the ODP of n-propyl bromide had values ranging from 0.0002 to 0.11. The Co-Chair described a method which, with input from the Technology and Economic Assessment Panel, would permit the estimation of an upper limit for the impact of potential future emissions of n-propyl bromide on the ozone layer. He further noted that members of the Scientific Assessment Panel were assisting in the preparation of the third report of the Intergovernmental Panel on Climate Change, which would be completed in January 2001. He also described the Panel's plans for the preparation of the report on scientific assessment of ozone depletion planned for the year 2002. A request for nominations for expert participants in that process would be sent to the Parties by the Secretariat by November 2000.

39. In response to questions, Mr. Albritton confirmed that local, as well as global, atmospheric circulation patterns affected the diffusion of short-lived compounds into the stratosphere. He also explained that the factors which affected the ODP of n-propyl bromide also applied to other short-lived compounds. A major difficulty in assessing the ODP of those substances lay in the fact that the chemistry of their breakdown in the atmosphere into other substances (which could include other ozone-depleting substances) was still uncertain. Responding to a question on the impact of ozone depletion on individual countries, he recommended the global maps of ultraviolet irradiation reproduced in the 1999 assessment, and also the "commonly asked questions" section of the executive summary, both of which had proved useful in explaining the impact and significance of ozone depletion.

40. One representative expressed concern with the anticipated increase in production of n-propyl bromide over the coming five years, and suggested that efforts to minimize production and develop alternatives were needed, though another representative expressed doubt over the environmental and health impacts of some of the alternatives mentioned in the report of the Technology and Economic Assessment Panel as currently available. An observer from an environmental non-governmental organization expressed the view that the precautionary principle should be implemented by banning the production of n-propyl bromide before it increased further. A representative of the Secretariat confirmed that the Scientific Assessment Panel would work together with the Technology and Economic Assessment Panel in improving data and projections, and would report further to the Parties.

B. Halon-1202 (decision X/8, para. 5 (b))

41. Mr. Walter Brunner, Co-Chair of the Halons Technical Options Committee, commented that the halon sector programme for China was reported as making good progress, but that certain critical points remained. Increased halon emissions had recently occurred during peace-keeping operations from aircraft owned by developed countries, even though progress in replacing halons in military equipment was taking place. No essential use nominations had required evaluation during the current year.

42. In response to a question, a representative of the Technology and Economic Assessment Panel stated that the Panel had no knowledge of existing stockpiles of halon-1202 that might be contributing to observed emissions, but that the Panel would investigate further.

C. New ozone-depleting substances (decision IX/24, paras. 3 and 4)

43. The representative of Canada informed the Working Group that a recent assessment in his country had identified hexachlorobutadiene as an ozone-depleting substance with an ODP of 0.07 and an atmospheric lifetime of three years. He said that the substance was not currently used in Canada, but that it was listed by the Organisation for Economic Cooperation and Development (OECD) as a "high-production chemical", implying that at least one OECD member had production greater than 10,000 tons. Canada would send a formal notification to the Secretariat, which would be placed before the Twelfth Meeting of the Parties.

V. OTHER ISSUES ARISING OUT OF THE REPORT OF THE TECHNOLOGY AND ECONOMIC ASSESSMENT PANEL

44. Ms. Suely Carvalho, Co-Chair of the Technology and Economic Assessment Panel, said that the Panel was currently composed of 23 members from 18 countries and that the goal for the Panel was to attain 50 per cent membership from countries with economies in transition and Article 5 countries, if adequate funding was provided. Other goals were to maintain geographical balance, to produce short reports focusing on what was new, and to restructure the Panel and the Technical Options Committees to better address technology challenges in developing countries.

45. Mr. Stephen Andersen, Co-Chair of the Technology and Economic Assessment Panel, reported that, as the phase-out proceeded, the Panel was restructuring to respond to instructions from Parties and to operate successfully with declining budgets. The Panel had offered to merge the Economic Options Committee into it by designating Committee members as senior expert members of the Panel, and had recommended candidates to replace the Co-Chairs of the Technical Options Committees on methyl bromide and solvents. The Co-Chair also reported that a Process Agent Task Force was being formed in the third quarter of 2000 to respond to the request from Parties in decision X/14. Parties could nominate candidates by submitting names and technical qualifications to the Ozone Secretariat.

46. Following the request received from Parties, Panel members were cooperating with the United Nations Framework Convention on Climate Change and IPCC. Currently, the three Panel Co-Chairs, two additional Panel members and one Technical Options Committee member were lead authors on the IPCC Third Assessment Report. In closing, the Co-Chair offered to better coordinate the work of the Panel by collaborating with the Multilateral Fund and the OzonAction network.

47. Some representatives expressed concern at the Panel's suggestion that it might interact more fully with the Multilateral Fund and the UNEP OzonAction programme, suggesting that the present valuable focus of the Panel's activities on technical and economic advice might thereby be undermined. One

representative expressed concern over the proposal to transform the Economic Options Committee using consulting members where appropriate, stating that matters of policy, regulation and economic incentives were of growing importance in achieving successful phase-out in Article 5 countries, and that the Committee should be strengthened, not diluted.

48. A number of representatives stated that the Technology and Economic Assessment Panel and its Technical Options Committees needed to appoint more members from Article 5 countries, with the aim of 50 per cent membership in due course. The Executive Secretary confirmed that there was no shortage of funding for such Article 5 members, but many companies (in both Article 5 and non-Article 5 countries) proved reluctant to release experts for work on Panel matters. More nominations, particularly from Article 5 countries, would be very welcome. In response to a question on the appointment of a new Co-Chair for the Solvents Technical Options Committee, the Co-Chair of the Panel confirmed that appropriate technical qualifications were always required, alongside resources in terms of time and finance, to be able to carry out the tasks effectively.

49. The Working Group also discussed funding of the activities of Mr. Lambert Kuijpers, a Co-Chair of the Technology and Economic Assessment Panel. The Working Group recommended that the issue be considered by the working group of the Twelfth Meeting of the Parties which would be considering the budget of the Secretariat.

50. An observer from an environmental non-governmental organization stated his concern that countries, particularly Article 5 Parties, were being encouraged to adopt technologies using HCFCs and HFCs, given the impact of those substances on climate change. He pointed to recent announcements from the Coca-Cola company and the United Kingdom of plans to end or discourage the use of HFCs, and suggested that efforts should be made to avoid leading Article 5 countries down an HCFC/HFC cul-de-sac.

## VI. REVIEW OF HYDROCHLOROFLUOROCARBON CONTROL MEASURES FOR PARTIES OPERATING UNDER PARAGRAPH 1 OF ARTICLE 5 (DECISION VII/3, PARA. 3)

51. The representative of the European Community introduced a proposal for an adjustment to the Montreal Protocol relating to controls on HCFC consumption in developing countries (UNEP/OzL.Pro/WG.1/20/2/Add.1 and Add.1/Corr.1). He stressed that the Parties had recognized those ozone-depleting substances as controlled transitional substances that needed to be phased out, and pointed out that a variety of alternatives to HCFCs had become available in the 10 years since HCFC control measures had first been devised. However, because of the long time-scale involved, their potential contribution to ozone layer depletion was substantial, notwithstanding their low ODP, and he urged the need for further action to reduce their use and emissions. The introduction of an accelerated phase-out in the Community had prompted the emergence of new alternatives to CFCs.

52. Members of the Group of 77 and China, while reaffirming their commitment to the objectives of the Montreal Protocol, expressed opposition to further adjustments at the present time, citing in particular the fact that the current arrangements relating to HCFCs adopted at the Eleventh Meeting of the Parties had emerged after long deliberations and as a compromise between the interests of Article 5 and non-Article 5 countries. It was the Group's strong view that those arrangements should not be modified. In addition, a shorter phase-out period for HCFCs would overlap with that for CFCs, thereby increasing the risk that arrangements for CFC phase-out might be jeopardized. Many industries had invested heavily in conversion from CFCs to HCFCs, and could not contemplate a further conversion before such investments had been paid off. Substantial additional assistance for appropriate projects and much further training would be necessary if HCFCs were to be phased out ahead of schedule. Article 5 countries

needed a stable situation in which they could plan. With viable alternatives not known in many applications, any further adjustments would undoubtedly retard industrial and economic growth in developing countries.

53. Emphasis was placed on the issues of containment and recycling, as well as the fact that many Article 5 countries were essentially importers of HCFCs. One representative called for a study by the Technology and Economic Assessment Panel of the social, economic and technical implications of an accelerated HCFC phase-out in developing countries, especially in very hot regions. Several representatives stated that the proposal should take the form of an amendment of the Montreal Protocol rather than an adjustment.

54. A number of speakers stressed that the proposal was technically and scientifically justified, and that decision VII/3 required the Parties to review the issue in 2000. Moreover, phased schedules had in the past been helpful to Article 5 Parties in planning CFC reductions with certainty, and the same should be true for HCFCs. One representative suggested that the Technology and Economic Assessment Panel should be invited to evaluate the scope for introducing a complete HCFC phase-out for both Article 5 and non-Article 5 countries by the year 2030.

55. One representative drew attention to divergences between the views expressed in the Open-ended Working Group and those expressed in the Executive Committee of the Multilateral Fund, and cautioned that steps were needed to reconcile the assistance from the Fund to finance conversion to HCFCs and action in the Working Group to phase them out.

56. An observer from an environmental non-governmental organization drew attention to the numerous scientific and technological developments that had occurred since the current phase-out regime had been decided upon 10 years previously. There was a need to examine the possible economic and health benefits of an accelerated HCFC phase-out to Article 5 and non-Article 5 countries, and also the costs of continued ozone layer depletion. An early phase-out would make industries in Article 5 countries more competitive, he said, suggesting that consideration might be given to setting up second-phase funding arrangements for the purpose.

57. Following informal consultations among the interested parties, and further discussion in the Working Group, it was decided that the provisional agenda for the Twelfth Meeting of the Parties would include an item entitled "The need for further adjustments to the phase-out schedule for hydrochlorofluorocarbons for Parties operating under paragraph 1 of Article 5", and that the annotations to the agenda would refer to the European Community's proposal and also an alternative put forward by some members under which the Parties would report that they had considered the matter and decided that there was no need for any adjustment.

## VII. ADJUSTMENT TO THE MONTREAL PROTOCOL RELATING TO THE CONTROLLED SUBSTANCE IN ANNEX E

58. The Chair of the Legal Drafting Group introduced the proposed adjustment relating to the controlled substance in annex E (UNEP/OzL.Pro/WG.1/20/2/Add.2). He apologized to the meeting for having to raise the issue, which arose from a technical error made by the Legal Drafting Group at the Eleventh Meeting of the Parties. The problem arose from the failure to include in the Beijing Adjustments, in addition to the modification to paragraph 5 of Article 2H, consequential modifications to paragraphs 3 and 4 of Article 2H. As a result, the three paragraphs contained contradictory methods of calculating the allowance for production of methyl bromide to meet the basic domestic needs of Article 5 Parties.

59. In preparing a draft text to correct that mistake, the proposers of the draft decision had discovered a further unintended consequence of the technical error. The figure appearing in paragraph 5 of Article 2H for calculating basic domestic needs was 15 per cent of 1991 production, but it should have been 10 per cent to retain consistency with the rest of Article 2H. The Chair of the Legal Drafting Group was confident of the intent of the original proposers of the Beijing Adjustment and of the drafting group in Beijing, and therefore a proposal to change the figure to 10 per cent had been included in the draft decision alongside the correction of the technical error. The Working Group agreed to forward the draft decision and draft adjustments to the Twelfth Meeting of the Parties, on the understanding that the proposal was of a purely technical nature and was by no means intended to introduce any new element of adjustment beyond what the Parties had agreed at the Eleventh Meeting. The draft decision and draft adjustments are attached to the present report in annex II.

60. In response to a question, the Chair of the Legal Drafting Group stated that it would not be possible to modify the Beijing Adjustments until any adjustment agreed at the Twelfth Meeting of the Parties had entered into force, which could not happen until the second half of 2001. The Beijing Adjustments would therefore remain in force for up to one year. However, since they only affected the calculation of production limits from 1 January 2001, the period during which the Adjustments would in practice remain in effect would be no more than six months.

61. One representative enquired whether figures for production for basic domestic needs should have quantities destroyed and quantities produced for feedstock deducted from them, in accordance with the definition of "production" in Article 1, paragraph 5. A representative of the Secretariat observed that the question of production for destruction was of no practical relevance, but that quantities produced for feedstock could be deducted from the total production figure for basic domestic needs of Article 5 Parties. The Chair of the Legal Drafting Group observed that the question affected other parts of the Protocol as well as Article 2H, and that the Group would prefer to consult and consider further before coming back to the issue at a future meeting.

#### VIII. MEASURES TO FACILITATE THE TRANSITION FROM CHLOROFLUOROCARBON-BASED METERED-DOSE INHALERS (PROPOSAL BY THE EUROPEAN COMMUNITY)

62. The representative of the European Community introduced a draft decision proposed for adoption by the Twelfth Meeting of the Parties on measures to facilitate the transition from CFC-containing MDIs. He acknowledged the significant effort made by Parties which had analysed, discussed and contributed to a proposal on the subject prepared by another Party at the Eleventh Meeting of the Parties, providing the foundation on which the current proposal had been built. The main aim was to further encourage Parties to reduce their dependence on CFC-based MDIs by, inter alia: notification of such products; development of a national or regional strategy, where that had not been completed; allowing the transfer of CFCs to another MDI manufacturing company as a means of avoiding unnecessary CFC production; and allowing a company to transfer all or part of its essential use authorization to another existing MDI manufacturing company. He explained the justification behind each paragraph of the draft decision, noting where the proposal sought to implement the recommendations and findings of the Technology and Economic Assessment Panel and to build on previous decisions of the Parties.

63. A number of representatives commended the draft decision as a way forward on an important issue that had been the subject of lengthy consideration by the Parties, although several expressed reservations about whether the draft in its current form would actually advance, rather than harm, the transition to other MDIs in a way that did not compromise human health considerations. One representative suggested that the proposal should be supplemented by a requirement that companies, when submitting their requests for essential use exemptions, be required to provide evidence that they were making efforts to

actively seek alternatives to CFC use. Another questioned whether the very small amounts of CFCs used in MDIs merited the priority accorded to their phase-out, when there was still much to do in critical sectors to ensure Article 5 countries could meet their phase-out requirements. Yet another considered that, where the draft referred to Article 5 countries, it was also necessary to take into account the needs of countries with economies in transition. One representative also underlined the importance of having regard to the needs of countries which consumed CFC-containing MDIs but did not produce such MDIs.

64. In the course of the discussion, a number of representatives sought clarification on specific points of the proposal and suggested amendments to the draft.

65. Following the discussion, the Working Group agreed to set up an open-ended contact group, chaired by the representative of the European Community, to prepare a revision of the proposal, taking into account the issues raised and the amendments proposed in the debate.

66. Subsequently the representative of the European Community reported on the conclusions arising from the two meetings held by the contact group. It had been agreed that the suggested amendments to the proposal be incorporated in square brackets, while maintaining the existing text, so as to allow consideration of all available options. It was expected that a revised version of the proposal would be posted on the Internet after six to eight weeks. He noted that the contact group had considered only the views of Government representatives, and it was keen to also hear the views of non-governmental stakeholders on the subject.

67. An observer speaking on behalf of a number of non-governmental organizations, and also 50,000 patients using MDI therapy, while supporting the environmental goals of phasing out CFCs and their use, stressed the need for a seamless global transition from CFC-based MDIs which took fully into account the complex issues of maintaining care without any risk to patients. She considered that the recommendations of the Technology and Economic Assessment Panel for a protocol-style transition framework would give the necessary flexibility and predictability to the transition. The proposal by the European Community was a positive step, and she encouraged the Working Group to forward the issue to the Parties. In conclusion, she urged the Multilateral Fund to provide assistance to Article 5 countries to help them undertake the transition from CFC-based MDIs.

68. The Working Group took note of and commended the work of the contact group to consider measures to facilitate the transition from CFC-based MDIs and looked forward to considering the results of that work at its 21st meeting.

#### IX. USE OF OZONE-DEPLETING SUBSTANCES AS PROCESS AGENTS (DECISION X/14) (PROPOSAL BY INDIA)

69. Some representatives believed that there was a need to clarify whether or not the use of ozone-depleting substances as process agents had counted as a use of a controlled substance, or not, prior to the Tenth Meeting of the Parties, at which their status had been clarified by decision X/14. The 1992 UNEP report on Aerosols, Sterilants, CTC and Miscellaneous Uses, volume 5, was cited by one representative, who stated that the largest use of carbon tetrachloride outside CFC production was probably as an inert solvent in chlorination reactions such as the production of chlorinated rubber. Further, one representative recalled decisions 94/6 and 253/04 adopted in July 1994 by the European Community, whereby the consumption of carbon tetrachloride was allowed for production of chlorinated rubber etc. under "essential use" for 1995. The same representative also recalled the position of the representative of the European Community, as contained in the report of the Open-ended Working Group at its eleventh meeting in 1995 (UNEP/OzL.Pro/WG.1/11/10, para. 40), which stated that the European Community considered that the use of controlled substances as process agents was not a feedstock application.

70. In response, another representative noted that, in accordance with decision X/14, responsibility for interpreting the decision as it related to Article 5 country eligibility had been delegated by the Meeting of the Parties to the Executive Committee. In that regard, he noted that the Executive Committee had fully considered the same arguments now being advanced before rejecting that interpretation. Finally, and consistent with decision X/14, he noted that any related issues should be considered in 2001 rather than during the current year.

71. Some other representatives considered that any such discussion was premature, in that the Parties had decided at their Tenth Meeting to review the issue in 2001, on the basis of reports on the issue from the Technology and Economic Assessment Panel and the Executive Committee.

72. In reply, it was stated that the mandate of the Technology and Economic Assessment Panel and the Executive Committee in that regard was not to clarify the status of process agents but to report on progress made towards their elimination. Thus the status of process agents and the report were two distinct matters.

73. Following informal consultations, the Working Group decided to re-examine the matter at its 21st meeting and to determine at that time whether a contact group should be set up to discuss it further.

**X. ASSESSMENT BY THE TECHNOLOGY AND ECONOMIC ASSESSMENT PANEL OF A LONG-TERM STRATEGY FOR THE COLLECTION, STORAGE, DISPOSAL AND DESTRUCTION OF OZONE-DEPLETING SUBSTANCES AND EQUIPMENT CONTAINING OZONE-DEPLETING SUBSTANCES.**

Disposal of controlled substances

74. The representative of Canada reported on a workshop on disposal technologies for ozone-depleting substances and experience in applying them, which had been held on 11 July 2000 in the framework of the meeting of the Open-ended Working Group, with sponsorship by Australia, Canada, Switzerland and UNEP. Issues discussed had included the availability of disposal technologies, challenges and obstacles encountered in the development of ODS management strategies, environmental impacts and costs of the available technologies, the most appropriate approach to the development of disposal programmes in Article 5 and non-Article 5 Parties, and identification of international mechanisms that could help Parties in developing management programmes for ozone-depleting substances. Presentations had been given on the best commercially available technologies for the environmentally sound disposal of ozone-depleting substances, organizational considerations involved in establishing national disposal programmes, and experience in countries that had already undertaken substantial disposal activities. The highlights of the discussion were as follows. There were significant differences in countries' positions on the need for and timing of disposal. There was a perception among some Parties that phase-out in non-Article 5 countries would result in the export of used equipment consuming ozone-depleting substances to Article 5 countries, which would mean that the problem would be transferred rather than addressed. Linkages to other international agreements such as the future convention on persistent organic pollutants might lead to common technical solutions. There was general concern about costs, and whether sufficient quantities of ozone-depleting substances would be available to make disposal viable.

75. He then presented a draft decision on the subject of disposal of controlled substances for forwarding to the Twelfth Meeting of the Parties.

76. The representative of the European Community and its member States, welcoming the holding of the workshop and the presentation of the draft decision, said that a Community regulation due to enter into force in October 2000 would require member States to provide information on systems for the recovery, recycling and destruction of ozone-depleting substances. It would be useful for such information to be shared more widely.

77. One representative, referring to the proposal that the Technology and Economic Assessment Panel should establish a task force on destruction technologies, urged discussion of the topic also at the regional level. Another representative called on the Panel to study the issue of the handling of CFCs which had been seized at Customs and were awaiting disposal. The Co-Chair of the Panel, Mr. Andersen, invited the Working Group to ensure that the Panel was consulted continuously during the reporting process in order to ensure that the requirements imposed on it were achievable. He also agreed that the Panel could finalize the report requested in time for the Fourteenth Meeting of the Parties.

78. The Working Group agreed to forward the draft decision, as amended during the meeting, to the Twelfth Meeting of the Parties for adoption (see annex III).

Measures to make available halons for essential/critical uses in Parties operating under paragraph 1 of Article 5

79. The representative of India introduced a draft decision on this topic, pointing out that shortages of halons in various countries had recently arisen, especially where production had been or was being phased out, and that the cost of recycled halons that were available was prohibitive. Other representatives said that, in some areas, surpluses of halons existed to the extent that proposals for destruction had been put forward, and that the UNEP Halon Information Clearing House was a possible source of information on where halons could be obtained. The representative of the European Community informed the Working Group that a new regulation due to enter into force in October 2000 might prevent the export of halons from the Community even though a surplus was forecast in most member States. Legal clarification was being sought internally.

80. The Working Group agreed that the matter would be taken up again at the Twelfth Meeting of the Parties.

XI. ISSUES ARISING OUT OF THE TWENTY-FOURTH MEETING OF THE IMPLEMENTATION COMMITTEE

81. The President of the Implementation Committee, Mr. Mamadou Diallo Iam (Mali), reported to the Working Group on the work of the Committee at its twenty-fourth meeting, held on 10 July 2000, at which it had reviewed the data submitted by Parties on ODS production and consumption for 1998 and 1999 that had been compiled by the Secretariat in document UNEP/OzL.Pro.11/ImpCom/24/2. The report of the meeting would be circulated as document UNEP/OzL.Pro.11/ImpCom/24/4. At its twenty-fifth meeting, the Committee would draft recommendations for consideration by the Twelfth Meeting of the Parties.

82. In its deliberations, the Committee had also considered a report by the Secretariat on compliance and on the follow-up to the recommendations of the previous meetings of the Implementation Committee (UNEP/OzL.Pro.11/ImpCom/24/3). The Committee had taken note of that report and encouraged all Parties to submit information to the Secretariat on the establishment of licensing systems.



83. The Committee had also considered the presentations made by the Multilateral Fund Secretariat on evaluation of compliance prospects of developing countries and by the UNEP OzonAction programme on progress in establishing licensing systems, regulations and policies. The Committee also wished to receive data and reports on Parties' compliance with their commitments well in advance of the Meetings of the Parties, to enable it to undertake analyses and make appropriate recommendations to the Meetings.

84. The President said that the data report on ozone-depleting substances contained in document UNEP/OzL.Pro.11/ImpCom/24/2 had revealed successes in the following areas:

- (a) Total global consumption of CFCs had decreased between 1994 and 1998;
- (b) 137 Parties had fully complied with all reporting obligations under Article 7 of the Montreal Protocol, as amended, providing all the prescribed data from 1986 until 1998. Those Parties should be commended;
- (c) 18 Article 5 Parties had decreased their consumption of CFCs for either four or five years up to 1998. In 1997 only 11 Parties had met the same condition;
- (d) 75 of the Article 5 Parties reporting data for 1998 reported zero consumption of halons (in 1997, only 65 had met the same condition);
- (e) 66 of the Article 5 Parties reporting data for 1998 reported zero consumption of carbon tetrachloride (53 in 1997);
- (f) 71 of the Article 5 Parties reporting data for 1998 reported zero consumption of methyl chloroform;
- (g) Out of 104 Parties that had reported consumption of CFCs for 1995-1997 and 1998, 82 Parties (62 per cent) reported a 1998 consumption lower than or equal to their baseline. However, 22 reported a 1998 CFC consumption larger than their baseline.

85. Concerning production of CFCs in Article 5 Parties in 1998, nine Article 5 Parties had reported data on CFC production in 1998 (eight of them had produced less than their baseline).

86. The data revealed 22 cases of non-Article 5 Parties that seemed to deviate from the consumption control measures for 1998. Eleven of those same Parties also seemed to deviate from control measures for production for 1998.

87. Eleven non-Article 5 Parties had already made specific commitments to phase out their consumption and, in certain cases, production, according to a national phase-out plan. Those commitments were reflected in decisions X/20 to X/28 adopted in 1998 and decision XI/25 adopted in 1999. Seven of those Parties had met the benchmarks decided by the Parties for 1998. One Party did not meet the benchmark and, for two other countries among the countries with economies in transition that had not phased out their consumption, no benchmarks had yet been decided for their phase-out. Ten Parties not operating under Article 5 had explained their deviation from the consumption reduction schedules in terms of exemptions for approved essential uses, laboratory uses, use as process agents and export to Article 5 Parties, and hence were in full compliance.

88. The Committee believed that reporting requirements under Article 7 were the foundation of a Party's obligations under the Montreal Protocol. The members of the Committee had noted that there had been marked progress in policy-setting, especially in the setting up of licensing systems. About 70 Article 5 countries had either implemented licensing systems or were in the process of preparation,

approval and implementation. The Committee took special note of the progress in African countries. While appreciating the work done by UNEP's OzonAction network in that context, the Committee requested UNEP to continue its work, so that all Article 5 countries could implement the system speedily.

89. The reduction in consumption of CFCs in 1998 below the freeze baseline by Article 5 countries was a very encouraging trend, especially in low-volume-consuming countries. It also signified that policy assistance and non-investment activities needed to be stepped up to maintain the momentum in reductions of consumption.

90. The President said that 145 Parties had reported data for 1998. Among Parties that had not yet reported data for 1998 were 20 Parties operating under Article 5 and two Parties not operating under Article 5.

91. The deadline for reporting 1999 data on ozone-depleting substances was 30 September 2000. So far, only 43 Parties had reported such data - five from non-Article 5 Parties and 38 from Article 5 Parties. The Committee was recommending prompt submission of data so that it could review obligations under Article 7 at its twenty-fifth meeting, and discuss formal recommendations for consideration by the Twelfth Meeting of the Parties.

92. The President drew the attention of the Working Group to the following three areas of grave concern identified by the Committee:

- (a) There were 11 Parties that had never reported any data from 1986 through 1998 (an increase from the eight in 1999, because of the addition of three new Parties). While the Committee recognized the special circumstances of those countries, it wished to highlight the flexibility in the Protocol that allowed a Party to estimate data;
- (b) 17 Article 5 Parties had not reported some of the data on annex I substances for 1995 to 1997. That marked a big improvement over the previous year, when 29 Article 5 Parties had not reported all data for 1995-1997;
- (c) The fact that 17 Parties had yet to report data for 1995-1996 was particularly troubling, because establishing a baseline to determine compliance with CFC and halon control schedules for Article 5 Parties was dependent on data from 1995 through 1997.

93. The representative of Honduras, pointing out that his country had in fact already sent its 1995-1998 data to the Ozone Secretariat, said that those data would be resubmitted.

94. The representative of the Democratic Republic of the Congo, referring to the communications problems sometimes encountered by Article 5 Parties, said that his country had already submitted its 1995-1997 data but had now resubmitted them to the Secretariat.

95. The representative of Mauritius said that his country was prepared to offer help to those countries of the region that were experiencing difficulty in meeting their reporting requirements.

96. Several representatives, noting that a number of Article 5 countries had banned the import of products containing CFCs, called upon both Article 5 and non-Article 5 producers of such products to ban their export in the future. However, one representative wondered whether such a ban alone represented the only way forward since, in her country, imported products labelled as containing R-134 had in fact been found to contain CFCs. She wondered whether such false labelling might lead to a situation where there could be an increased demand for CFCs for servicing in the coming years. She urged the Article 5 countries in particular to take note of the problem of such false labelling.

97. Another representative, pointing to the tremendous progress made by Article 5 countries and countries with economies in transition with regard to the setting of policies for the phase-out of ozone-depleting substances, particularly with regard to introduction of licensing systems, proposed that UNEP's OzonAction programme make a detailed annual presentation to Parties on the progress made by Parties in setting such policies.

98. The Working Group took note of the report of the President of the Implementation Committee.

Prevention of illegal trade in ozone-depleting substances and products containing ozone-depleting substances

99. The representative of Poland, on behalf of 10 Parties in central and eastern Europe, introduced a draft decision on the prevention of illegal trade in ozone-depleting substances and products containing ozone-depleting substances. He explained that the proposals it contained had originated in discussions at a workshop for ozone and customs officers organised by UNEP in Budapest in May 2000. He believed that the decision, if implemented, would greatly assist customs officers in detecting ozone-depleting substances and distinguishing between products containing ozone-depleting substances and mixtures containing ozone-depleting substances, and thereby help to control illegal trade, a matter likely to be of growing concern as the phase-out process steadily reduced the availability of particular substances.

100. In response to a question, a representative of the Secretariat explained that discussion on customs codes had so far been carried out through an Internet discussion group, which any individual was free to join. As a result of the work of the group, the World Customs Organization (WCO) had agreed to allocate customs codes to all substances controlled by the Montreal Protocol, which was a significant achievement. The allocation of codes to mixtures of ozone-depleting substances, however, was a complex process, and WCO was reluctant to issue new codes; discussions were continuing.

101. Many representatives expressed their concern over the growth in illegal trade and their support for the draft decision, though one representative expressed her concern over the possible additional burden on customs officers that might follow from a more complex coding system. Representatives of several Article 5 Parties highlighted the problems posed by the export of equipment containing ozone-depleting substances from non-Article 5 countries, and some of them suggested that non-Article 5 Parties should take further steps to control such exports, thereby ensuring that the burden of controlling the trade did not fall solely on the Article 5 Parties involved.

102. Several representatives stressed the need for appropriate support for training of customs officers, as well as the importance of providing them with detection equipment for ozone-depleting substances. One representative emphasized the importance of ensuring that international customs code systems could be applied in regions where countries had agreed to remove customs restrictions between themselves. The importance of coordinating efforts between neighbouring countries, and the value of discussing the issue at regional network meetings, were also noted. One representative, recalling earlier decisions requesting the Secretariat to collect data on the extent of illegal trade (decisions VII/33 and VIII/20), urged all Parties, particularly Article 5 Parties, to submit brief accounts of cases of illegal imports and exports to the Secretariat before the Twelfth Meeting of the Parties, to help in the formulation of appropriate strategies. The representative of the United States, commenting on the proposal in the draft decision to establish guidelines for the format of a national database for customs officers, stated that his country had expertise in that area and was willing to offer its advice.

103. A number of representatives queried the proposal in the draft decision to request the Technology and Economic Assessment Panel to carry out further work on the issue. Mr. Lambert Kuijpers, a Co-Chair of the Panel, accepted that it had no particular expertise in the area but was willing to establish a

task force of experts under its overall guidance. A representative of the Secretariat suggested that, since it was the Secretariat that had maintained relations with WCO to date, it was unnecessary to establish another channel of communication, but that members of the Panel and its Technical Options Committees could provide advice directly to the Secretariat. One representative suggested that the issues could be better raised at WCO through representatives dealing directly with their counterparts in the Organization.

104. Following further discussion, the representative of Poland introduced a revised version of the draft decision. A number of representatives stated that they wished to suggest some minor modifications, and one representative stated that the decision needed to incorporate proposals for the role of countries exporting products and equipment whose continuing function relied on annex A and annex B substances. The Co-Chair suggested that all those further proposals should be discussed with Poland before the Twelfth Meeting of the Parties and, on that understanding, the revised version of the draft decision (see annex IV) was forwarded to the Twelfth Meeting of the Parties.

## XII. OTHER MATTERS

### Video presentation on the venue of the Twelfth Meeting of the Parties

105. Following a statement by the Environment Minister of Burkina Faso, in which he thanked the Parties for their decision to hold their Twelfth Meeting in Ouagadougou and the Secretariat for its assistance in preparing for the Meeting, a video presentation of the facilities which would be available for the participants in Ouagadougou was shown. The Executive Secretary said that a brochure containing full details of hotel facilities would be distributed to prospective participants and also displayed on the Ozone Secretariat's Website as soon as it had been received from the Government.

### Plans for the celebration of Ozone Day 2000

106. The representatives of Argentina and Finland described plans for the joint celebration of International Day for the Preservation of the Ozone Layer on 16 September 2000 in the two cities of Sodankylä and Ushuaia, whose location near to the two poles made them particularly vulnerable to the effects of ozone layer depletion, and invited the participants to attend the events.

### New ozone-depleting substances

107. Concerning the question of the procedure for extending the coverage of the Montreal Protocol to new substances, which the Parties had considered at their Eleventh Meeting, the Working Group agreed to defer the matter pending further consultations.

### Miscellaneous

108. Many speakers paid tribute to the Executive Secretary of the Ozone Secretariat, Mr. Madhava Sarma, for his many years of work in ably and successfully assisting the Parties in the implementation of the Montreal Protocol. The Working Group marked its appreciation with a standing ovation.

109. The representative of Lebanon announced that his country had communicated to the United Nations its agreement to the Copenhagen Amendment to the Montreal Protocol.

110. One representative, speaking on behalf of the Latin American and Caribbean Group, urged the Secretariat to avoid scheduling more than one meeting at the same time, which caused major difficulties for small delegations.

111. The representative of Lithuania expressed the regret and concern of several countries with economies in transition at the absence from the meeting of any representative of the Global Environment Facility, which should have afforded an opportunity to those countries to discuss implementation of their country programmes with GEF funding in the margins of the Working Group meeting.

### XIII. ADOPTION OF THE REPORT

112. The present report was adopted at the closing session of the meeting, on 13 July 2000, on the basis of the draft report prepared by the Secretariat (UNEP/OzL.Pro/WG.1/20/L.1).

### XIV. CLOSURE OF THE MEETING

113. The Co-Chair declared the twentieth meeting of the Open-ended Working Group closed at 12.30 p.m. on Thursday, 13 July 2000.

Annex I

ESSENTIAL USE NOMINATIONS FOR 2001-2002 RECOMMENDED BY THE  
OPEN-ENDED WORKING GROUP FOR APPROVAL BY THE  
TWELFTH MEETING OF THE PARTIES  
(tons)

No.	Party	CFCs		CFC-113
		2001	2002	2001
1.	Australia	74.95	74.95	-
2.	European Community	-	2 785	-
3.	Poland	320	300	0.85
4.	United States of America	-	2 900	-
5.	<b>TOTAL</b>	<b>394.95</b>	<b>6 059.95</b>	<b>0.85</b>

Annex II

DRAFT DECISION ON ADJUSTMENT TO ARTICLE 2H OF THE MONTREAL PROTOCOL

Decision XII/... Adjustments with regard to the controlled substance in Annex E

The Twelfth Meeting of the Parties decides:

To adopt, further to decision XI/4 and in accordance with the procedure laid down in paragraph 9 of Article 2 of the Montreal Protocol, the adjustments regarding the controlled substance in Annex E to the Protocol, as set out in annex ... to the report of the Twelfth Meeting of the Parties.

Annex ...

ADJUSTMENTS TO THE MONTREAL PROTOCOL ON SUBSTANCES  
THAT DEplete THE OZONE LAYER

[Proposed] Adjustments relating to the controlled substance in Annex E

Article 2H: Methyl bromide

1. The third sentence of paragraph 3 of Article 2H of the Protocol shall be replaced by the following sentence:

However, in order to satisfy the basic domestic needs of the Parties operating under paragraph 1 of Article 5, its calculated level of production may, until 1 January 2002, exceed that limit by up to ten per cent of its calculated level of production in 1991; thereafter, it may exceed that limit by a quantity equal to the annual average of its production of the controlled substance in Annex E for basic domestic needs for the period 1995 to 1998 inclusive.

2. The third sentence of paragraph 4 of Article 2H of the Protocol shall be replaced by the following sentence:

However, in order to satisfy the basic domestic needs of the Parties operating under paragraph 1 of Article 5, its calculated level of production may exceed that limit by a quantity equal to the annual average of its production of the controlled substance in Annex E for basic domestic needs for the period 1995 to 1998 inclusive.

3. The third sentence of paragraph 5 of Article 2H of the Protocol shall be replaced by the following sentence:

However, in order to satisfy the basic domestic needs of the Parties operating under paragraph 1 of Article 5, its calculated level of production may not exceed eighty per cent of the annual average of its production of the controlled substance in Annex E for basic domestic needs for the period 1995 to 1998 inclusive.

4. Paragraph 5 bis of Article 2H of the Protocol shall be repealed and paragraph 5 ter of that Article shall be renumbered 5 bis.

Annex III

DISPOSAL OF CONTROLLED SUBSTANCES

(Draft decision recommended by the Open-ended Working Group  
for adoption by the Twelfth Meeting of the Parties)

The Twelfth Meeting of the Parties decides:

Noting decisions II/11, III/10, IV/11, V/26 and VII/35 on destruction technologies and the previous work of the Ad Hoc Technical Advisory Committee on Destruction Technologies,

Also noting the innovations that have taken place in the field of destruction technologies since the last report of the Advisory Committee,

Recognizing that the management of contaminated and surplus ozone-depleting substances would benefit from further information on destruction technologies and an evaluation of disposal options,

1. To request the Technology and Economic Assessment Panel to establish a task force on destruction technologies;
2. That the task force on destruction technologies shall:
  - (a) Report regularly [biannually] to the Parties on the status of destruction technologies of ozone-depleting substances, including an assessment of their environmental and economic performance, as well as their commercial availability;
  - (b) Review existing criteria for the approval of destruction facilities, as provided for in section 2.4 of the Handbook for the International Treaties for the Protection of the Ozone Layer;
3. To request the Technology and Economic Assessment Panel:
  - (a) To evaluate the technical and economic feasibility of options for the long-term management of contaminated ozone-depleting substances in Article 5 and non-Article 5 countries, including options such as long-term storage, transport, collection, reclamation and disposal of such ozone-depleting substances;
  - (b) To consider possible linkages to other international treaties regarding the issue of disposal.



Annex IV

## PREVENTION OF ILLEGAL TRADE IN OZONE-DEPLETING SUBSTANCES AND PRODUCTS CONTAINING OZONE-DEPLETING SUBSTANCES

(Revised draft decision proposed by Bulgaria, Croatia, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia)

The Twelfth Meeting of the Parties decides:

Recognizing the threat of illegal trade in ozone-depleting substances and products containing ozone-depleting substances to the global process of ozone layer protection,

Understanding the importance of control of trade in ozone-depleting substances and products containing ozone-depleting substances in all Parties in view of the need for global implementation of the Montreal Protocol provisions,

Acknowledging that presently the proper control of trade in ozone-depleting substances and products containing ozone-depleting substances at the border that would allow the elimination of illegal trade is very difficult, due to problems in ozone-depleting substances identification, the complexity of customs codes related to ozone-depleting substances and products containing ozone-depleting substances, the lack of an internationally accepted common labelling system and the lack of specially trained customs officers, and that most of these problems can be approached only by concerted actions undertaken at the international level,

1. To request the Ozone Secretariat to convene a task force on ozone-depleting substances customs codes to discuss formally, in consultation, if necessary, with the Technology and Economic Assessment Panel and international trade and customs organizations, the following issues relating to the customs classification of ozone-depleting substances, mixtures containing ozone-depleting substances and products containing ozone-depleting substances; and to report its findings to the first meeting of the Open-ended Working Group in 2002:
  - (a) Current national legislation on the labelling of ozone-depleting substances, mixtures containing ozone-depleting substances and products containing ozone-depleting substances;
  - (b) The need for, scope of and cost of implementation of a universal labelling and/or classification system for ozone-depleting substances, mixtures containing ozone-depleting substances and products containing ozone-depleting substances;
  - (c) Methods for sharing experience on: the formats of national databases for customs officers, risk profiles for ozone-depleting substances and products containing ozone-depleting substances, control of exports, and incidents of illegal trade and convictions achieved;
  - (d) The differences between products containing ozone-depleting substances and mixtures containing ozone-depleting substances, and the possibility of a list of categories of products containing ozone-depleting substances with the corresponding Harmonized System/Combined Nomenclature classification;

2. To recommend that the Division of Technology, Industry and Economics of the United Nations Environment Programme continues and enhances its activities with regard to providing information on the above to the Article 5 Parties and countries with economies in transition, specifically through customs training at the regional and national level.

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