SEVENTH MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL
ON SUBSTANCES THAT DEPLETE THE OZONE LAYER
Vienna, 5-7 December 1995

THE REPORT OF THE LEGAL DRAFTING GROUP ON POSSIBLE ADJUSTMENTS
AND AMENDMENT OF THE MONTREAL PROTOCOL

1. The Legal Drafting Group has considered the proposals for adjustments
and amendment of the Protocol presented to the Open-ended Working Group at
its eleventh meeting. This report contains texts for consideration by the
Open-ended Working Group, as follows:

Section A: Proposed Adjustments;

Section B: Proposed Amendment; and

Section C: Proposals not reviewed by the Legal Drafting Group at the
eleventh meeting of the Open-ended Working Group.

2. The Legal Drafting Group has applied the following criteria in its use
of square brackets:

(a) Square brackets have not been put around entire proposals, the
brackets being considered redundant as no proposal has yet been agreed upon
and each remains for discussion in its entirety;

(b) Proposals for change to existing paragraphs of the Protocol have
been put in square brackets;

(c) Proposals for insertion into proposals made by others have been put
in square brackets; and

(d) Matters, such as dates and percentages, where a delegation has
indicated that its own proposal requires further reflection in its capital,
have been put in square brackets.

3. The Legal Drafting Group regarded its task as purely technical and,
therefore, the content and merits of the proposals were not assessed.
Section A

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

Article 2A to 2B (Control Measures) (India)

In paragraph 4 of Article 2A, paragraph 2 of Article 2B, paragraph 3 of Article 2C, paragraph 2 of Article 2D and paragraph 3 of Article 2E, for the words "fifteen per cent" there shall be substituted "[zero] [X] [ten] per cent".

Article 2F: [Consumption of] Hydrochlorofluorocarbons . (Sweden and others; European Community)

Article 2F of the Protocol should read as follows:

1. Each Party shall ensure that, for the twelve-month period commencing on 1 January 1996, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed, annually, the sum of:

   (a) [One point five] [Two point six] per cent of its calculated level of consumption in 1989 of the controlled substances in Group I of Annex A; and

   (b) Its calculated level of consumption in 1989 of the controlled substances in Group I of Annex C.

2. Each Party shall ensure that, for the twelve-month period commencing on 1 January [2000] and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed, annually, [fifty] per cent of the sum referred to in paragraph 1 of this Article.

3. Each Party shall ensure that, for the twelve-month period commencing on 1 January [2004] and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed, annually, [twenty-five] per cent of the sum referred to in paragraph 1 of this Article.

4. Each Party shall ensure that, for the twelve-month period commencing on 1 January [2007] and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed, annually, ten per cent of the sum referred to in paragraph 1 of this Article.

5. Each Party shall ensure that, for the twelve-month period commencing on 1 January [2010] [2015] and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed zero.

6. As of 1 January 1996, each Party shall endeavour to ensure that:

   (a) The use of controlled substances in Group I of Annex C is limited to [the following applications:

      - As a refrigerant in existing equipment;

      - As a refrigerant in equipment manufactured until 31 December 1999;

      - For the production of rigid insulating foams until 31 December 2004;
(b) The use of controlled substances in Group I of Annex C is not outside the areas of application currently met by controlled substances in Annexes A, B and C, except in rare cases for the protection of human life or human health; and

(c) Controlled substances in Group I of Annex C are selected for use in a manner that minimizes ozone depletion, in addition to meeting other environmental, safety and economic considerations.

Article 2H - Methyl Bromide (Australia, Canada, European Community, Japan, Malawi, Netherlands and others, New Zealand, Norway, South Africa, United States)

Article 2H of the Protocol should read as follows:

1. Each Party shall ensure that, for the twelve-month period commencing on 1 January 1995, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substance in Annex E does not exceed, annually, its calculated level of consumption in 1991. Each Party producing the substance shall, for the same periods, ensure that its calculated level of production of the substance does not exceed, annually, its calculated level of production in 1991. 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 up to ten per cent of its calculated level of production in 1991.

2. Each Party shall ensure that, for the twelve-month period commencing on 1 January 1998, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substance in Annex E does not exceed, annually, [seventy-five] per cent of its calculated level of consumption in 1991. Each Party producing the substance shall, for the same periods, ensure that its calculated level of production of the substance does not exceed, annually, [seventy-five] per cent of its calculated level of production in 1991. 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 up to ten per cent of its calculated level of production in 1991.

3. Each Party shall ensure that, for the twelve-month period commencing on 1 January 1998 [2000] [2001] [2006], and in each twelve-month period thereafter, its calculated level of consumption of the controlled substance in Annex E does not exceed, annually, [fifty] per cent of its calculated level of consumption in 1991. Each Party producing the substance shall, for the same periods, ensure that its calculated level of production of the substance does not exceed, annually, [fifty] per cent of its calculated level of production in 1991. 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 up to ten per cent of its calculated level of production in 1991.

4. Each Party shall ensure that, for the twelve-month period commencing on 1 January 2001 [2011], and in each twelve-month period thereafter, its calculated level of consumption of the controlled substance in Annex E does not exceed zero. Each Party producing the substance shall, for the same periods, ensure that its calculated level of production of the substance does not exceed zero. 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 up to [ten] [fifteen] per cent of its calculated level of production in 1991. This paragraph will apply save to the extent that the Parties decide to permit the level of production or consumption that is necessary to satisfy uses agreed by them to be essential.)
5. The calculated levels of consumption and production under this Article shall not include the amounts used by the Party for quarantine [and pre-shipment]\(^1\) applications.

[6. Each Party shall ensure that, for the twelve-month period commencing on 1 January [year] and in each twelve-month period thereafter, the calculated quantity of the controlled substance in Annex E used by it in quarantine and pre-shipment applications shall be reduced by [X] per cent of the quantity used between [base year].]\(^1\)

**Article 5: Special Situation of Developing Countries**

The following paragraphs should be inserted after paragraph 8 of Article 5 of the Protocol:

Add as paragraph 8 bis: (ASERAN, Australia, Canada, China, European Community, India, Norway, Sri Lanka, United States).

Based on the conclusions of the review referred to in paragraph 8 above:

(a) With respect to the controlled substances in Group I of Annex A, a Party operating under paragraph 1 of this Article shall, in order to meet its basic domestic needs, be entitled to delay for [six]\(^2\) [ten]\(^3\) years its compliance with the control measures set out in Article 2A [for ten years its compliance with the control measures adopted by the Second Meeting of the Parties in London, 29 June 1990]\(^4\) [except that:

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\begin{align*}
\text{[(i)]} & \text{ The control measures related to consumption shall not apply to controlled substances in Group I of Annex A that are used in the servicing of refrigeration equipment existing at the date of the phase-out, provided that such use shall end by 1 January [2020] [2030] and that, beginning with the [three-year] period that commences on 1 January of [the year of the phase-out], and in each [three-year] period thereafter, each such Party shall reduce by [fifteen] per cent its level of consumption for servicing existing refrigeration equipment from its level in the year of the phase-out, as reported to the Secretariat;}\]\(^3\) and

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\text{[(ii)]} & \text{ Each such Party shall ensure that there is no new manufacture of refrigeration equipment that uses the controlled substances in Group I of Annex A after 1 January [1999] [2006];}\]\(^6\)

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1 One party requested that further consideration be given to whether this proposed change should be an amendment rather than an adjustment.

2 The "2002" or "Fast" scenario.

3 The "2006" scenario (Copenhagen + 10).

4 The "2010" scenario (London + 10).

5 The "tail".

6 When combined with 4, the "accelerated tail".
(b) With respect to the controlled substances in Group II of Annex A, a Party operating under paragraph 1 of this Article shall, in order to meet its basic domestic needs, be entitled to delay [for [eight]] [ten] years its compliance with the control measures set out in Article 2B [for ten years its compliance with the control measures adopted by the Second Meeting of the Parties in London, 29 June 1990].

(c) With respect to the controlled substances in Group I of Annex B, a Party operating under paragraph 1 of this Article shall, in order to meet its basic domestic needs, be entitled to delay [for [six]] [ten] years its compliance with the control measures set out in Article 2C [for ten years its compliance with the control measures adopted by the Second Meeting of the Parties in London, 29 June 1990].

(d) With respect to the controlled substance in Group II of Annex B, a Party operating under paragraph 1 of this Article shall, in order to meet its basic domestic needs, be entitled to delay [for [six]] [ten] years its compliance with the control measures set out in Article 2B [for ten years its compliance with the control measures adopted by the Second Meeting of the Parties in London, 29 June 1990].

(e) With respect to the controlled substance in Group III of Annex B, a Party operating under paragraph 1 of this Article shall, in order to meet its basic domestic needs, be entitled to delay [for [six]] [ten] years its compliance with the control measures set out in Article 2B [for ten years its compliance with the control measures adopted by the Second Meeting of the Parties in London, 29 June 1990].

Add as paragraph 8 ter:

(Argentina, ASEAN, Australia, Brazil, Burkina Faso, Cameroon, Canada, European Community, Republic of Korea, Japan, Malawi, New Zealand, Peru, South Africa, Uganda, United States).

Pursuant to paragraph 1 big above:

(a) [Each Party operating under paragraph 1 of this Article shall ensure that, for the twelve-month period commencing on 1 January 2000, and in each twelve-month period thereafter, its calculated level of consumption of the controlled substances in Group I of Annex C does not exceed, annually, its calculated level of consumption in 1999;] [A Party operating under paragraph 1 of this Article shall comply with the control measures set out in Article 2F; however, such a Party shall, in order to meet its basic domestic needs, be entitled to delay for [five] [ten] years its compliance with the control measures set out in Article 2F [and, as the basis for its compliance with these control measures, it shall use the average of its annual calculated level of consumption for the period of 1993 to 1995 inclusive;]

(b) Each Party operating under paragraph 1 of this Article shall comply with Article 2G;

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1/ The "2002" or "Fast" scenario.
2/ The "2006" scenario (Copenhagen + 10).
3/ The "2010" scenario (London + 10).
(c) With regard to the controlled substance contained in Annex B:

[(i) As of 1 January [1997] [1998] [date]1/ each Party
operating under paragraph 1 of this Article shall comply
with the control measures set out in paragraph 1 [in
connection with paragraph 5] of Article 2H, and, as the
basis for its compliance with these control measures, it
shall use the average of its annual calculated level of
consumption and production, respectively, for the period of
1993 to 1995 inclusive;]

[(ii) As of 1 January [2001] [date]1/ each Party operating under
paragraph 1 of this Article shall comply with the control
measures set out in paragraph 2 [in connection with
paragraph 5] of Article 2H;]

[(iii) As of 1 January [2006] [date]1/ each Party operating under
paragraph 1 of this Article shall comply with the control
measures set out in paragraph 3 [in connection with
paragraph 5] of Article 2H;]

[(iv) As of 1 January [2001] [2006] [2011] [date]1/ each Party
operating under paragraph 1 of Article 5 shall comply with
the control measures set out in paragraph 4 [in connection
with paragraph 5 of Article 2H;]

[(v) As of [date] each Party operating under paragraph 1 of
Article 5 shall comply with the control measures set out in
paragraph 6 of Article 2H.]

Annex B (Methyl Bromide) (Kenya)

For "0.7" in the third column of Annex B substitute "0.6"2/

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1/ France, on behalf of the European Union, has proposed that this
date shall be three years from the date on which the twelve-month period
commences in the corresponding paragraph of Article 2H.

2/ The Legal Drafting Group should consider whether the date of
operation of this proposed adjustment should be specified to be 1 January of
the calendar year following its date of entry into force.
Section B

PROPOSED AMENDMENT TO THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER

Article 1, paragraph 5 (Sweden and others)

Insert as paragraph 5 bis of Article 1 of the Protocol:

"Feedstock" means any controlled substance that undergoes transformation in a process that uses best available techniques and best environmental practice as specified in Annex X, and in which it is entirely converted from its original composition.

Article 2B Halon (Italy and others)

The following paragraph should be inserted after paragraph 2 of Article 2B of the Protocol:

Each Party shall ensure that, starting from 1 January 1997, no new halon-dependent fire suppression and explosion inertion equipment is installed. This paragraph will apply save to the extent that the Parties decide to permit such installation for uses agreed by them to be critical.

Article 2F bis: Production of Hydrochlorofluorocarbons (Sweden and others)

The following Article should be inserted after Article 2F of the Protocol:

1. Each Party shall ensure that, for the twelve-month period commencing on 1 January 2000, and in each twelve-month period thereafter, its calculated level of production of the controlled substances in Group I of Annex C does not exceed, annually, fifty per cent of the sum of:

   (a) One point five per cent of its calculated level of production in 1989 of the controlled substances in Group I of Annex A; and

   (b) Its calculated level of production in 1989 of the controlled substances in Group I of Annex C.

2. Each Party shall ensure that, for the twelve-month period commencing on 1 January 2004, and in each twelve-month period thereafter, its calculated level of production of the controlled substances in Group I of Annex C does not exceed, annually, twenty-five per cent of the sum referred to in paragraph 1 of this Article.

3. Each Party shall ensure that, for the twelve-month period commencing on 1 January 2007, and in each twelve-month period thereafter, its calculated level of production of the controlled substances in Group I of Annex C does not exceed, annually, ten per cent of the sum referred to in paragraph 1 of this Article.

4. Each Party shall ensure that, for the twelve-month period commencing on 1 January 2010, and in each twelve-month period thereafter, its calculated level of production of the controlled substances in Group I of Annex C does not exceed zero.

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Article 4: Control of Trade with non-Parties (Japan)

Article 4, paragraph 1 quater

The following paragraph should be inserted after paragraph 1 ter of Article 4 of the Protocol:

Within one year of the date of entry into force of this paragraph, each Party shall ban the import of the controlled substance in Annex E from any State not party to this Protocol.

Article 4, paragraph 2 quater

The following paragraph should be inserted after paragraph 2 ter of Article 4 of the Protocol:

Commencing one year after the date of entry into force of this paragraph, each Party shall ban the export of the controlled substance in Annex E to any State not party to this Protocol.

Article 4, paragraph 3 quater

The following paragraph should be inserted after paragraph 3 ter of Article 4 of the Protocol:

Within three years of the date of entry into force of this paragraph, the Parties shall, following the procedures in Article 10 of the Convention, elaborate in an annex a list of products containing the controlled substance in Annex E. Parties that have not objected to the annex in accordance with these procedures shall ban, within one year of the annex having become effective, the import of those products from any State not party to this Protocol.

Article 4, paragraph 4 quater

The following paragraph should be inserted after paragraph 4 ter of Article 4 of the Protocol:

Within five years of the date of entry into force of this paragraph, the Parties shall determine the feasibility of banning or restricting, from States not party to this Protocol, the import of products produced with, but not containing, the controlled substance in Annex E. If determined feasible, the Parties shall, following the procedures in Article 10 of the Convention, elaborate in an annex a list of such products. Parties that have not objected to the annex in accordance with those procedures shall ban or restrict, within one year of the annex having become effective, the import of those products from any State not party to this Protocol.

Article 4, paragraph 5

In paragraph 5 of Article 4 of the Protocol, the words "and Annex E" should be added after "Annex C".

Article 4, paragraph 6

In paragraph 6 of Article 4 of the Protocol, the words "and Annex E" should be added after "Annex C".

Article 4, paragraph 7

In paragraph 7 of Article 4 of the Protocol, the words "and Annex E" should be added after "Annex C".

/...
Article 4, paragraph 8

In paragraph 8 of Article 4 of the Protocol, the following changes should be made:

After "1 ter" add "1 quater"; after "3 ter" add "3 quater"; after "2 ter" add "2 quater"; after "4 ter" add "4 quater"; after "Article 2G", add "Article 2H".

Article 4, paragraph 10

Article 4, paragraph 10, of the Protocol should be deleted.

Article 5: Special Situation of Developing Countries
(Sweden and others, Sri Lanka)

The following paragraph should be inserted as paragraph 8 quater of Article 5 of the Protocol:

Article 2F bis shall apply to Parties operating under paragraph 1 of this Article, except that any such Party shall, in order to meet its basic domestic needs, be entitled to delay for [five] [ten] years its compliance with the control measures set out in that Article, and, as the basis for its compliance with these control measures, it shall use the average of its calculated level of production for the period of 1993 to 1995 inclusive.

Article 5, paragraph 10 (Australia, European Community, Canada, Norway, New Zealand, Switzerland, United States)

Insert as paragraph 10 of Article 5 of the Protocol:

Notwithstanding paragraph 1, any Party operating under paragraph 1 and producing a controlled substance listed in Annex A or B prior to 1 January 1996 may export that controlled substance to another Party operating under paragraph 1, provided that:

(a) A Meeting of the Parties determines that there will be a shortfall in supplies of controlled substances for Parties operating under paragraph 1 from Parties not operating under that paragraph, during the period for which those exports are considered. The determination of such a shortfall shall be based upon updates of the Study "Meeting the Needs of Article 5 Parties for Controlled Substances During the Grace and Phase-Out Periods - An Update", or upon notifications to the Secretariat pursuant to paragraph 4 of this Article;

(b) In accordance with Decision V/25 or Decision VI/14 A of the Meeting of the Parties, the importing Party provides a letter to the exporting Party stating that the controlled substance is required to meet its basic domestic needs, and the exporting Party annually transmits the summary of such letter to the Secretariat. Such export shall also be reported separately by the exporting Party in fulfilling its obligations under paragraph 2 of Article 7 to provide annual data; and

(c) Production of controlled substances for export:

(i) Utilizes only existing production capacity and is not produced in plants commissioned or the construction or expansion of which is commenced on or after 1 January 1996; and

(ii) Does not exceed [ten] [fifteen] per cent of the calculated level of production of the exporting Party for 1994. A higher percentage of that calculated level of production may be exported if the Meeting of the Parties agrees that this is required to make up for any shortfall determined under subparagraph (a).
Section C

Proposals not reviewed by the Legal Drafting Group

The Legal Drafting Group was not able to complete consideration of the following proposals. They are reproduced below in the form in which they were submitted to the eleventh meeting of the Open-ended Working Group:

Article 5 (India)

Add to Article 5:

No controls shall apply on consumption and production of controlled substances in Group I of Annex C to Parties operating under paragraph 1 of this Article.

Article 5 (India)

Add to Article 5:

No constraints shall be placed upon exports of controlled substances from Parties operating under paragraph 1 of this Article to other such Parties.

Article 1, paragraph 5 (France, New Zealand, Switzerland)

Add to Article 1:

"DRAFT PROPOSAL FOR A DECISION ON PROCESS AGENTS

The Parties decide:

To acknowledge that by decision VI/10 the Parties have agreed for an interim period of 1996 only to treat chemical process agents in a manner similar to feedstock and to take a final decision on such treatment at their Seventh Meeting;

To note that Article 1.5 of the Montreal Protocol specifically excludes amounts of controlled substances entirely used as feedstock in the manufacture of other chemicals from the definition of "production" and thereby exempts controlled substances produced for this purpose from any controls;

To agree that the use of a controlled substance as feedstock is a process during which the controlled substance is entirely converted from its original composition and from which emissions are negligible and therefore pose no significant threat to the ozone layer;

To support the conclusion of the Process Agent Working Group that the use of controlled substances as chemical process agents is not a feedstock use;

To agree that, from 1998 onwards, use of controlled substances as chemical process agents should be treated by the Parties under the essential-uses procedure contained in decision IV/25;

To agree that chemical process agents continue to be treated in a manner similar to feedstock for 1997 only;

To request the TEAP when evaluating essential use nominations for chemical process agents to apply the criteria set out in decision IV/25 together with any other agreed and relevant criteria uniquely applicable to chemical process agents, including best available techniques and best environmental practice and make their recommendations accordingly."
Article 1, paragraph 5 (France, Italy, Netherlands)

Add to Article 1:

"Proposal for a decision by the Netherlands, France, Italy

Taking into account that in decision VI/10 the Parties decided, for an interim period of 1996 only, to treat the use of controlled substances as chemical process agents in a similar manner as feedstock.

Considering that the TEAP report (March 1995) and the report of the chemical process agent working group (May 1995) clearly states that the use of controlled substances as chemical process agents is not a feedstock use and therefore would be subject to phase-out after 1996.

Further considering that a continued consumption of controlled substances to be used as chemical process agents could only be allowed under the Montreal Protocol after 1996 if such consumption would be exempted from the control measures under the Montreal Protocol.

Acknowledging that the Montreal Protocol currently does not provide an exemption to allow a continued consumption of controlled substances to be used as chemical process agents because such a use cannot be considered as feedstock, nor does it meet the criteria for an essential-use exemption.

Taking note that, if the Parties decide there is a need to allow a continued use of controlled substances in certain identified applications as process agents, best available techniques and best environmental practices should be employed whenever possible.

Considering that, if Parties decide at their Seventh Meeting that there is indeed a necessity for allowing a continued consumption of controlled substances to be used as chemical process agents, there would likely be a need for an exemption in order to allow the consumption of controlled substances to be used as chemical process agents. Therefore it is proposed that, if Parties conclude at their Seventh Meeting that certain continued uses of controlled substances as chemical process agents should be allowed after 1996, the Parties decide:

- To permit the consumption of controlled substances when it meets the criteria for chemical process agents applications to be agreed by them, and incorporating this exemption adequately in the Montreal Protocol at the first convenient opportunity;

- To request the TEAP to develop such criteria along the lines of the PAWG report."

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