



**United Nations  
Environment  
Programme**

Distr.: General  
24 October 2008

English only



**Twentieth Meeting of the Parties to the  
Montreal Protocol on Substances that  
Deplete the Ozone Layer**

Doha, 16–20 November 2008

Item 4 (i) of the provisional agenda of the preparatory segment\*

**Compliance and reporting issues considered by the  
Implementation Committee, including non-compliance with the  
Montreal Protocol that may be attributable to CFC consumption  
for production of metered-dose inhalers in certain Parties  
operating under paragraph 1 of Article 5 (decision XVIII/16  
paragraphs 3–5)**

**Implementation Committee under the  
Non-compliance procedure for the  
Montreal Protocol**

**Forty-first meeting**

Doha, 12–14 November 2008

Item 12 of the provisional agenda\*\*

**Other matters**

**Information on the issue of *de minimis* quantities when reviewing  
compliance and issue of substances with low ozone-depleting potential**

**Note by the Secretariat**

**A. Introduction**

1. The Secretariat wishes to bring to Parties' attention the situation that it is facing when reviewing and reporting on compliance issues following the guidance that it received on rounding to one decimal place the calculated levels of consumption and production of controlled substances. Parties may recall that, in 2006, the Secretariat brought to the attention of the Implementation Committee the issue of treatment of data in respect of very small (*de minimis*) quantities of ozone-depleting substances, relative to compliance with the Montreal Protocol. At that time and at the Committee's request, the Secretariat circulated a paper requesting guidance from the Parties regarding the number of decimal places that should be used in assessing compliance. During discussion on this issue at the Eighteenth Meeting of the Parties, the Parties concluded that the Secretariat should revert to its method of rounding to one decimal place (see paragraph 147 of the report of the Eighteenth Meeting of the Parties, document UNEP/OzL.Pro.18/10).

2. Since then, the Secretariat has been facing the following issues:

\* UNEP/OzL.Conv.8/1-UNEP/OzL.Pro.20/1.

\*\* UNEP/OzL.Pro.ImpCom/41/1.

- (a) Assessing compliance after final phase-out dates when non-zero consumption rounds off to 0.0 ODP-tonnes;
  - (b) Reconciling the guidance received with past decisions on compliance that specified consumption limit values to more than one decimal place;
  - (c) Apparent zero consumption for Parties with low hydrochlorofluorocarbon (HCFC) consumption owing to low ozone-depleting potential values and after rounding calculated consumption to one decimal place.
3. The Secretariat is therefore seeking guidance on how to deal with these issues.

## **B. De minimis quantities when checking compliance after final phase-out**

4. As mentioned above, the Parties instructed the Secretariat to use one decimal place to process and review Parties' compliance data. Effectively, that guidance defined a *de minimis* quantity of 0.05 ODP-tonnes as the threshold below which a Party would be considered to be in compliance with any given control measure.
5. The question, therefore, is how to deal with small quantities of consumption reported after the phase-out dates for specific substances. If the current practice of using one decimal place is retained, then a Party could consume 0.0499 ODP-tonnes of a substance after the relevant phase-out date and still be considered to be in compliance.
6. The issue is more pertinent for substances with low ozone-depleting potential, e.g., HCFC-22. While 0.0499 ODP-tonnes is equivalent to only 49.9 kg of CFC-12, the same 0.0499 ODP-tonnes of HCFC-22 equates to some 907 kg of HCFC-22. A Party could, therefore, consume close to 1 metric tonne of HCFCs after the phase-out date and still reflect consumption of 0.0 ODP-tonnes.
7. In preparing compliance issues to highlight and present to the Implementation Committee, the Secretariat currently highlights only consumption that equals or exceeds the *de minimis* quantity of 0.05 ODP-tonnes.
8. The secretariat is therefore seeking to confirm whether, after phase-out dates applicable to a group of substances, it should highlight all cases of non-zero consumption and production levels, or continue to follow the guidance on one decimal place and only highlight consumption that matches or exceeds the 0.05 ODP-tonne threshold.

## **C. Decimal places and past decisions of the Meeting of the Parties related to compliance by individual countries**

9. Some past decisions of the Meeting of the Parties relating to compliance by individual countries included agreements for reductions to consumption levels specified to as many as three decimal places. The Secretariat is uncertain as to how to reconcile those decisions with the guidance on the use of one decimal place.
10. The Secretariat has adopted the practice of rounding the reduction benchmarks in those past decisions to one decimal place before carrying out the compliance check for those Parties, but is uncertain as to the effect of this practice for ensuring the integrity of compliance-related matters and whether this represents the Parties' understanding of the matter.
11. The Secretariat is therefore seeking either confirmation that its current practice is acceptable to the Parties or, if it is not, appropriate guidance on how to deal with such situations.

## **D. De minimis quantities for HCFCs and their low ozone-depleting potential**

12. Consumption for Parties with low HCFC consumption after rounding to one decimal place is currently registered as zero. As a result, the Secretariat received several requests to ascertain the number of Parties with actual zero consumption and apparent zero consumption.
13. HCFCs generally have low ozone-depleting potential, ranging from 0.001 ODP-tonnes to 0.52 ODP-tonnes. From the data reported by Parties, however, the most commonly used substance is HCFC-22 with an ozone-depleting potential of 0.055 ODP-tonnes. Of the total reported imports in metric tonnes, HCFC-22 imports account for some 70 per cent, with the next most commonly imported

substances being HCFC-141 and HCFC-142, the two accounting for approximately 18 per cent and 6 per cent, respectively. The aggregated consumption of the remaining HCFCs accounts for some 5 per cent of the total consumption. For Parties operating under paragraph 1 of Article 5, the statistics are similar to the global figures, with the distribution between HCFC-22, HCFC-141 and HCFC-142 being 68 per cent, 25 per cent and 6 per cent, respectively. Parties operating under paragraph 1 of Article 5 account for some 60 per cent of reported imports of HCFCs.

14. Over the past three years, some 27 Parties, on average, have a calculated HCFC consumption of 0.0 ODP-tonnes. Eleven of those, however, have non-zero imports ranging from 20 kg to 900 kg per Party, but, owing to the relatively low ozone-depleting potential of HCFCs, the calculated consumption for each of those Parties is less than the *de minimis* amount of 0.05 ODP-tonnes. When rounded to one decimal place, therefore, their consumption reflects as zero ODP-tonnes.

15. Since there are various stepdowns for HCFCs in the phase-out reduction schedule, the number of Parties with non-zero consumption but with published information showing zero consumption would likely rise at each reduction step.

16. The Secretariat is seeking guidance on the approach to be used for publishing and displaying calculated consumption and production levels for substances with low ozone-depleting potential, especially HCFCs.

## **E. Conclusion**

17. The Secretariat is seeking further guidance from the Parties on the treatment of the decimal place and the issue of *de minimis* quantities when reviewing compliance with complete phase-out requirements, past decisions on compliance related issues and for substances with low ozone-depleting potential.

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