



**United Nations
Environment
Programme**

Distr.: General
20 March 2010

Original: English



**Open-ended Working Group of the Parties to
the Montreal Protocol on Substances that
Deplete the Ozone Layer
Thirtieth meeting**
Geneva, 15–18 June 2010
Items 4–10 of the provisional agenda*

**Issues for discussion by and information for the attention of the
Open-ended Working Group of the Parties to the Montreal
Protocol at its thirtieth meeting**

Note by the Secretariat

Introduction

1. The present note sets out, in chapter I, a summary of substantive issues on the agenda for discussion by the Open-ended Working Group of the Parties to the Montreal Protocol at its thirtieth meeting. Several of the issues on the agenda for the meeting will be discussed in the 2010 progress report of the Technology and Economic Assessment Panel, which has not yet been completed. When the progress report has been completed the Secretariat will prepare an addendum to the present note that will summarize the Panel's findings on those issues.
2. The present note also sets out, in chapter II, information on matters that the Secretariat would like to bring to the parties' attention, including matters related to the sale of ozone-depleting substances to seagoing vessels and the significant role that robust licensing is likely to play in compliance with the upcoming freeze and 10 per cent reduction in the production and consumption of hydrochlorofluorocarbons (HCFCs).

* UNEP/OzL.Pro.WG.1/30/1/Rev.1.

I. Summary of issues for discussion by the Open-ended Working Group at its thirtieth meeting

Agenda item 4: Issues related to the financial mechanism under Article 10 of the Montreal Protocol

Item 4 (a): Report of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol on a special facility under the Multilateral Fund (decision XXI/2)

3. By decision XXI/2, the parties requested the Executive Committee to continue its deliberations on the possible development of a special facility which, as explained by the Executive Committee in its report to the Twentieth Meeting of the Parties (UNEP/OzL.Pro.20/7), would serve to identify and mobilize additional funds for maximizing environmental benefits from projects related to ozone-depleting substances, particularly destruction projects, and to report on these deliberations, including possible options for such a facility as appropriate, to the Working Group at its thirtieth meeting. When the Secretariat receives the report, it will be made available to all parties. A summary of the report will be issued as an addendum to the present note.

Item 4 (b): Terms of reference for an evaluation of the financial mechanism (decision XXI/28)

4. The parties have periodically undertaken an evaluation of the financial mechanism under Article 10 of the Protocol. Specifically, the parties commissioned independent evaluations in 1992 and 2003, and, on the basis of those evaluations, took decisions with a view to enhancing the effectiveness of the Multilateral Fund. No evaluation has been undertaken since 2004. By decision XXI/28, the parties resolved to begin discussing the terms of reference for an evaluation of the financial mechanism of the Protocol during the Working Group's thirtieth meeting, in 2010, and to finalize them during the Twenty-Third Meeting of the Parties, in 2011, at the latest. The parties may wish to begin discussions on this issue with a view to completing the task in accordance with the terms of the decision.

Item 4 (c): Terms of reference for a study on the 2012–2014 replenishment of the Multilateral Fund

5. Under Article 10 of the Protocol, the parties created the Multilateral Fund. Since its provisional inception in 1990, the Fund has operated with three-year funding cycles and the parties have accordingly taken replenishment decisions in 1993, 1996, 1999, 2002, 2005 and 2008. The most recent replenishment decision (in 2008) covered the period 2009–2011. It has been the parties' custom, in the year preceding the end of each cycle, to develop terms of reference for a study designed to estimate the funds necessary to achieve compliance during the upcoming replenishment period. For the parties' convenience, the terms of reference established for the 2008 replenishment study are set out in annex I to the present note. The parties may wish to consider matters related to the replenishment and to forward any related considerations to the Twenty-Second Meeting of the Parties for its consideration and action.

Agenda item 5: Proposed adjustments to the Montreal Protocol

6. The Working Group is expected to consider any proposals for adjustments to the Protocol submitted pursuant to paragraph 9 of Article 2 of the Protocol. Such proposals, if any, should be transmitted to the Secretariat in time to enable them to be communicated to the parties by 8 May 2010, which is six months before the Twenty-Second Meeting of the Parties. As at 20 March 2010, no proposals for adjustments had been received by the Secretariat.

Agenda item 6: Proposed amendments to the Montreal Protocol

7. The Working Group is expected to consider any proposals for amendments to the Protocol submitted pursuant to Article 9 of the Vienna Convention for the Protection of the Ozone Layer and paragraph 10 of Article 2 of the Protocol. Such proposals, if any, should be submitted to the Secretariat in time to enable them to be communicated to the parties by 8 May 2010, which is six months before the Twenty-Second Meeting of the Parties. As at 20 March 2010, no proposals for amendments had been received by the Secretariat.

Agenda item 7: Issues related to hydrochlorofluorocarbons

Item 7 (a): Response by the Technology and Economic Assessment Panel to the hydrochlorofluorocarbon issues highlighted in decision XXI/9

8. By decision XXI/9, the parties requested the Panel to undertake a number of specific tasks for consideration by the Working Group at its thirtieth meeting. Among the many items requested by that decision was an extensive technical and economic assessment of available and emerging alternatives and substitutes to HCFCs, focusing in particular on alternatives with low global warming potential. The Panel is preparing a response to the parties' various requests. Once the report is completed, the Secretariat will prepare a summary of the Panel's findings and recommendations on related matters for inclusion in an addendum to the present note.

Item 7 (b): Scoping study by the Technology and Economic Assessment Panel on alternatives to hydrochlorofluorocarbons in the refrigeration and air-conditioning sectors in parties operating under paragraph 1 of Article 5 with high ambient temperature conditions (decision XIX/8)

9. By decision XIX/8, the parties requested the Panel to undertake a scoping study to assess alternatives to HCFCs in the refrigeration and air-conditioning sectors in parties operating under paragraph 1 of Article 5 of the Protocol with reference to high-ambient-temperature climates and other unique operating conditions such as those in non-open-pit mines. The Panel's effort was to include an identification of areas requiring more detailed study of applicable alternatives. When the Panel's initial work on the study was discussed by the Twenty-First Meeting of the Parties, representatives raised a number of issues, including the lack of satisfactory alternatives to HCFCs in high-ambient-temperature applications; the resulting difficulties encountered by some parties in meeting their HCFC targets; concerns about the accessibility, affordability and maintenance requirements of related new technologies and the need for capacity-building in this area; and the need for an in-depth study of alternative technologies and their possible negative effects. It was also decided that the remaining outstanding component of the report on alternatives for use in deep mines would be included in the Panel's 2010 progress report. The parties, in paragraph 102 of the report of the Twenty-First Meeting of the Parties, requested the Panel to take the issues raised during their debate into consideration in its future work. The Secretariat's addendum to the present note will include a brief summary of any Panel findings and recommendations on related issues.

Agenda item 8: Issues related to exemptions from Article 2 of the Montreal Protocol

Item 8 (a): Nominations for essential-use exemptions for 2011 and 2012

10. In accordance with decision IV/25, some parties – Argentina, Bangladesh, China, Egypt, India, Iran (Islamic Republic of), Iraq, Pakistan, the Russian Federation and the Syrian Arab Republic – submitted requests for essential-use exemptions for chlorofluorocarbons (CFCs) for metered-dose inhalers applicable to 2011 and in some cases 2011 and 2012. The Russian Federation also requested an exemption for the use of 120 tonnes of CFC-113 for 2011 for certain aerospace applications.

11. The Panel's Medical Technical Options Committee met in Shanghai, China, from 21 to 25 March 2010 to review the exemption requests for metered-dose inhalers and to prepare its recommendations on those requests. The Panel's Chemicals Technical Options Committee met in Beijing from 10 to 12 March for the same purpose in respect of the exemption request for aerospace uses. The Secretariat's addendum to the present report will include a summary of the Panel's recommendations on the requests. In the meantime, the sums nominated by each party are presented for the information of the parties in table 1.

Table 1
Essential-use nominations in metric tonnes submitted in 2010 for 2011

<i>Party</i>	<i>Approved for 2010</i>	<i>Nominated for 2011</i>	<i>Recommendation of the Technology and Economic Assessment Panel</i>
Non-Article 5 parties			
Russian Federation (metered-dose inhalers)	212	248	Pending
Russian Federation (aerospace)	120	100	Pending
United States of America (metered dose inhalers)	92	0	-
Subtotal	424	348	-
Article 5 parties			
Argentina (metered-dose inhalers)	178	120.2	Pending
Bangladesh (metered-dose inhalers)	156.7	113.73	Pending
China (metered-dose inhalers)	972.2	809.91	Pending
Egypt (metered-dose inhalers)	227.4	0	-
India (metered-dose inhalers)	343.6	192.34	Pending
Iran (Islamic Republic of) (metered-dose inhalers)	105	105	Pending
Pakistan (metered-dose inhalers)	34.9	39.6	Pending
Syrian Arab Republic (metered-dose inhalers)	44.68	0	-
Subtotal: Article 5 parties	2 062.48	1380.78	-
Grand total: all nominations	2486.48	1728.78	-

Item 8 (b): Results of the mission by the Technology and Economic Assessment Panel and its Medical Technical Options Committee to the Russian Federation to review that country's transition to chlorofluorocarbon-free metered-dose inhalers (decision XXI/4)

12. The parties by decision XXI/4 requested the Panel and its Medical Technical Options Committee to organize and undertake a mission of experts to examine the technical, economic and administrative issues affecting the transition from CFC metered-dose inhalers to CFC-free alternatives in the Russian Federation, and to report the results of this mission to the Working Group at its thirtieth meeting. The Secretariat's addendum to the present note will include a brief summary of any Panel findings and recommendations on related issues.

Item 8 (c): Nominations for critical-use exemptions for 2011 and 2012

13. Pursuant to paragraph 2 of decisions IX/6 and XIII/11, the subcommittees of the Methyl Bromide Technical Options Committee met in April 2010 to evaluate new nominations for 2011 and 2012 critical-use exemptions for methyl bromide.

14. The Panel's first-round recommendations will be summarized in the Secretariat's addendum to the present note. In the meantime, the parties and the quantities that they have nominated for critical-use exemptions are listed in table 2.

Table 2
Critical-use nominations in metric tonnes submitted in 2010 for 2011 and 2012

Party	Nominated for 2011	Nominated for 2012	MBTOC interim recommendation	
			2011	2012
Australia	-	34.66	-	Pending
Canada	3.529	16.281	Pending	Pending
Israel	232.247	-	Pending	-
Japan	-	221.051	-	Pending
United States	-	1181.779	-	Pending
<i>Total</i>	<i>235.776</i>	<i>1453.771</i>		

Item 8 (d): Technology and Economic Assessment Panel-led report on quarantine and pre-shipment issues (decision XXI/10)

15. By decision XXI/10 the Panel and its Methyl Bromide Technical Options Committee were requested to consult relevant experts and the secretariat of the International Plant Protection Convention and provide a report to the Working Group at its thirtieth meeting on specific issues related to quarantine and pre-shipment uses of methyl bromide. That report was to include, among other things, information on the availability, technical and economical feasibility and market penetration of alternatives to methyl bromide, as well as the estimated availability of alternatives for sawn timber and wood packaging material (ISPM-15); grains and similar foodstuffs; pre-plant soils use; and logs. The Panel was also asked to include a draft methodology for determining the impact of implementing related alternatives to methyl bromide or restricting the use of methyl bromide for quarantine and pre-shipment uses.

16. The Secretariat will include a summary of the Panel's findings and recommendations in the addendum to the present note.

Item 8 (e): Laboratory and analytical uses of ozone-depleting substances (decision XXI/6)

17. After considering the Panel's 2009 report on laboratory and analytical uses of ozone-depleting substances, by decision XXI/6 the parties agreed, among other things, to extend the applicability of the global laboratory and analytical use exemption to parties operating under paragraph 1 of Article 5 up to and including 2010 for all ozone-depleting substances except those in Annex B, Group III, Annex C, Group I and Annex E, and to extend the exemption until 31 December 2014 for parties operating under paragraph 1 of Article 5 for all ozone-depleting substances except those in Annex B, Group III, Annex C, Group I and Annex E, and for parties not operating under paragraph 1 of Article 5 for all ozone-depleting substances except those in Annex C, Group I.

18. The parties requested the Panel and its Chemicals Technical Options Committee to provide a number of items for the consideration of the Working Group at its thirtieth meeting, including a list of laboratory and analytical uses of ozone-depleting substances, including those uses where no alternatives existed; an identification of the international and national standards requiring the use of ozone-depleting substances, including an indication of the corresponding alternative standard methods not mandating the use of ozone-depleting substances; and a consideration of the technical and economical¹ availability of those alternatives in parties operating under paragraph 1 of Article 5 and those not so operating as well as an indication that those alternative methods exhibited similar or better statistical properties (for example, accuracy or detection limits). The Panel was also requested to conduct an evaluation of the availability of alternatives for those uses already banned under the global exemption in parties operating under paragraph 1 of Article 5, taking into account technical and economic aspects.

19. Finally, the Panel was asked to provide to the Working Group at its thirtieth meeting its recommendations on whether exemptions would be required for parties operating under paragraph 1 of Article 5 for any of the uses already banned. Given this continuing work, the parties agreed to allow parties operating under paragraph 1 of Article 5 until 31 December 2010 to deviate from the existing laboratory and analytical use bans in individual cases, where a party considered this justified, and to ask parties to revisit this issue at the Twenty-Second Meeting of the Parties.

¹ *Editors' note:* The phrase "economical availability" is reproduced verbatim from decision XXI/6, which was not edited.

20. The Panel is expected to report on the matters noted above in its 2010 progress report. The Secretariat's addendum to the present note will include a summary of any findings by the Panel.

Item 8 (f): Issues relating to the use of ozone-depleting substances as process agents (decision XXI/3)

21. In accordance with decision XVII/6, the parties in 2009 updated tables A and B of decision X/14 on process agents on the basis of a review and recommendations by the Panel. In addition, by decision XXI/3, the parties clarified their reporting obligations on process agents. Specifically, they agreed that all parties had a one-time need to report to the Secretariat on whether they used ozone-depleting substances as process agents, and that after that initial report was filed, annual process agent reporting obligations should not apply to parties having reported that they did not use ozone-depleting substances as process agents until such time as they might start using them for that purpose. In the meantime, the Secretariat was instructed to write to all parties to request that information, and to report cases of non-reporting of that information to the attention of the Implementation Committee. Finally, by decision XXI/3 the parties requested the Panel and the Executive Committee of the Multilateral Fund to prepare a joint report for future meetings reporting on progress in phasing out process-agent applications, as called for in paragraph 6 of decision XVII/6, and called for process-agent-related issues to be revisited at the Working Group's thirtieth meeting. In accordance with that decision, the Secretariat wrote to all parties requesting related information and will report to the Working Group on reporting by parties pursuant to decision XXI/3.

Agenda item 9: Environmentally sound management of banks of ozone-depleting substances

Item 9 (a): Outcomes of the seminar on identifying and mobilizing funds for the destruction of ozone-depleting substances (decision XXI/2)

22. By decision XXI/2 the parties requested the Secretariat to host a one-day seminar on the margins of the Working Group's thirtieth meeting on the topic of how to identify and mobilize funds, including funds additional to those being provided under the Multilateral Fund, for ozone-depleting-substance destruction. The co-chairs of that seminar are expected to present a short report on the outcomes of the seminar to enable the Working Group to initiate discussions on related issues.

Item 9 (b): Review by the Technology and Economic Assessment Panel of technologies for the destruction of ozone-depleting substances (decision XXI/2)

23. By decision XXI/2 the parties requested the Panel to review those destruction technologies identified in its 2002 report as having high potential, and any other destruction technologies, and to report to the Working Group at its thirtieth meeting on these technologies and their commercial and technical availability. The Secretariat will include a summary of the Panel's findings in an addendum to the present note.

Agenda item 10: Treatment of stockpiled ozone-depleting substances relative to compliance (decision XVIII/17 and paragraph 130 of the report of the Twenty-First Meeting of the Parties)

24. At the Working Group's twenty-sixth meeting, the parties considered a report by the Secretariat on the Implementation Committee's treatment of cases in which parties had stockpiled ozone-depleting substances for exempted use in future years. In its report, which had been discussed by the Committee, the Secretariat noted that in previous years a number of parties that had exceeded the prescribed levels of production or consumption for particular controlled substances for a given year had explained that their excess production or consumption represented:

(a) Ozone-depleting-substance production in that year which had been stockpiled for domestic destruction or for export for destruction in a future year;

(b) Ozone-depleting-substance production in that year which had been stockpiled for use in domestic feedstocks or for export for that use in a future year;

(c) Ozone-depleting-substance production in that year which had been stockpiled for export to meet basic domestic needs of developing countries in a future year;

(d) Ozone-depleting substances imported in that year which had been stockpiled for use in domestic feedstocks in a future year.

25. On the basis of its review, and acknowledging fully that only the parties themselves could interpret the Protocol, the Secretariat observed that, of the four types of deviation listed above, only the type described in subparagraph (d) appeared to be consistent with the Protocol. That type of deviation arose from the situation in which imports in excess of the level required for consumption in a given 12-month period were stockpiled in that period for use in domestic feedstocks in future years. The report noted that this situation appeared to be consistent with the Protocol on the basis of decision VII/30, which relates to the export and import of controlled substances for feedstock use. With regard to the three types of consumption and production deviations listed in subparagraphs (a)–(c) above, the Secretariat stated that it had not been able to identify any Protocol provisions or decisions of the parties that would support the conclusion that those types of deviation were consistent with the Protocol.

26. The Working Group was told that the Committee had tentatively concluded that if situations (a)–(c) should occur again the Secretariat should report them to the Implementation Committee for case-by-case consideration as possible cases of non-compliance.

27. The Working Group established a contact group to consider the issue, following which the chair of the contact group reported on the group's deliberations. He noted, as recorded in paragraphs 136 and 137 of the report of the meeting of the Working Group (UNEP/OzL.Pro.WG.1/26/7), that the contact group had agreed with the Implementation Committee's definition of the problem as illustrated by the four scenarios listed in paragraph 22 above and with the Committee's conclusion that only the fourth scenario appeared to be consistent with the Protocol. The contact group had therefore focused on the other three scenarios and had discussed three options for practical solutions. First, the Meeting of the Parties could clarify that, in calculating production, a party could earmark quantities for destruction, export or use as feedstock in future years, provided that the party concerned had in place a domestic system for ensuring that the earmarked quantities were put to their intended uses. Second, the Secretariat could continue to bring any stockpiling deviations to the attention of the Implementation Committee, which would monitor them and report to the Meeting of the Parties. Third, quantities produced in excess of control limits in a given year could be registered through a reporting framework and, where they were exported for basic domestic needs, deducted in the following year. Any such reporting framework should take into account existing reporting obligations. The group recognized that the three options were not mutually exclusive.

28. In considering this issue fully, the parties decided in decision XVIII/17 to note the four cases discussed above, and to recall that the Implementation Committee had concluded that scenario (d) was, in any event, in conformity with the provisions of the Protocol and decisions of the Meetings of the Parties; requested the Secretariat to maintain a consolidated record of the cases in which the parties had explained that their situations were the consequence of scenario (a), (b) or (c) and incorporate that record into the documentation of the Implementation Committee, for information purposes only, and into the Secretariat's report on data submitted by the parties in accordance with Article 7 of the Protocol; recognized that new scenarios not covered by paragraph 1 of the decision would be addressed by the Implementation Committee in accordance with the non-compliance procedure of the Protocol and the established practice thereunder; and agreed that the Twenty-First Meeting of the Parties would revisit the issue in the light of information gathered in accordance with paragraph 3 of the decision.

29. In accordance with that decision, the Secretariat has provided in annex II to the present note a consolidated record of cases in which parties have explained that their reported excess levels of production is the result of substances produced and stockpiled for destruction in a future year, for use as a feedstock in a future year or for export for basic domestic needs in a future year. The Implementation Committee has reviewed the cases on the list solely with regard to the years in which the data were reported. For example, if a given party indicated that it had exceeded its allowable level of production in 2006 in order to export for basic domestic needs in a future year, the Committee looked only at that statement and did not, for example, review for compliance purposes data for any subsequent year to verify that the relevant ozone-depleting substance was in fact exported for basic domestic needs. While not looking behind the data submitted by a party is fully consistent with the Secretariat's traditional role of accepting the word of a party submitting data, it is worth noting that in one case auditing carried out in the normal course of Multilateral Fund business suggested that one party's expressed intention regarding future disposition of ozone-depleting substances in a subsequent year was not carried out. Further analysis of the issue showed that there were at least two other cases in which parties said that they had stockpiled a large amount of production for future export for basic domestic needs but did not subsequently report any data to suggest that such exports had taken place. These findings raise several

questions. First, given the language of the decision, would export several years later (rather than in the following year) fulfil the expectation in the decision and the parties' representation that they had overproduced for export? Second, given the fact that audits by the Multilateral Fund affect only parties operating under paragraph 1 of Article 5, would bringing such matters to the attention of the Implementation Committee create an imbalance under which reliance on the decision by such parties would be reviewed while the use of the decision by parties not operating under paragraph 1 of Article 5 would not?

30. Following a presentation on this issue at the twenty-ninth meeting of the Open-ended Working Group, the European Community put forward a draft proposal, which the parties agreed should be further considered by the Twenty-First Meeting of the Parties. That draft proposal suggested, among other things, that parties reporting on excess production covered by the three scenarios mentioned above could report that they had developed reporting and monitoring frameworks to ensure that the export or use of the sort described in those scenarios had taken place in accordance with the parties' initial reported expectations. It was further suggested that cases of that sort would not have to be reviewed by the Implementation Committee where the use or export took place within a certain time limit. Following inconclusive consultations and discussion at the Twenty-First Meeting of the Parties, in 2009, the parties agreed to place the issue on the agenda of the Twenty-Second Meeting of the Parties with the understanding that the European Union would in the meantime continue informal discussions. The Working Group is expected to consider this matter and make recommendations, as appropriate, to the Twenty-Second Meeting of the Parties.

II. Other issues that the Secretariat would like to bring to the attention of the parties

A. Sale of ozone-depleting substances to seagoing vessels

31. The Secretariat would like to bring to the parties' attention an issue that has arisen over the past several months in relation to the sale of ozone-depleting substances to seagoing vessels in a port of a country or territory other than the flag under which the vessel is registered. The case that has come to the Secretariat's attention involves an attempt by a cruise ship flying the flag of a Caribbean country to purchase HCFCs in a European port. The European port asked the cruise ship officials if they had a permit from the country under whose flag they were operating to purchase HCFCs. The cruise ship officials were not aware that they were required to have such a permit, and, when they consulted the ozone officer from their flag country, the latter was also not aware that the party had an obligation to issue a permit to import to enable ships sailing under its national flag to take on HCFCs in foreign ports. This incident raised the issue of how sales of ozone-depleting substances to vessels operating under a foreign flag should be counted in terms of national exports and imports. While failure to report related transactions would appear to leave a loophole in the global data reporting structure, it is also noteworthy that the parties have not directly addressed the issue, and that only they can, if they wish, provide definitive interpretation of the Protocol.

B. Importance of robust systems for licensing and monitoring imports and exports of hydrochlorofluorocarbons

32. In accordance with the accelerated schedule of controls agreed on by the parties in 2007, parties operating under paragraph 1 of Article 5 will soon be facing the freeze and 10 per cent reduction in the production and consumption of HCFCs. The challenge of meeting these initial reduction steps will be significant, particularly for the more than 90 parties operating under paragraph 1 of Article 5 that have traditionally used HCFCs only for servicing purposes. In those cases, and potentially many others, the most effective component available to ensure compliance may be the presence of a strong system for licensing and monitoring the imports and exports of HCFCs. While the Secretariat has, pursuant to the Montreal Amendment, requested information from all parties on the presence of licensing systems, it does not have specific information on the status of HCFC licensing programmes. In any event, the HCFC phase-out management programme funding heretofore provided by the Multilateral Fund has explicitly included funding for the strengthening of legislation or regulations to facilitate robust licensing and monitoring of HCFC imports and exports, and the Secretariat encourages all parties to put related requirements into place as soon as possible. Also noteworthy is the successful experiment that has been going on in the Asia region for the past few years, under which countries in that region, working with the UNEP regional office, have used a voluntary prior informed consent process to help

halt illegal trade. Parties in other regions may find such programmes useful in their efforts to ensure compliance with the upcoming HCFC requirements.

C. Cooperation with other multilateral environmental agreements and institutions

33. During the period since the Twenty-First Meeting of the Parties the Secretariat has taken a number of steps to reach out to other institutions that might affect the Protocol's work. In December 2009, the Executive Secretary of the Ozone Secretariat attended the fifteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change in Copenhagen and gave a presentation at a side event about activities under the Montreal Protocol. In late 2009 and early 2010, the Secretariat also worked to provide information to the Climate Action Reserve, which helped that group to establish a methodology for the issuance of credits for destruction of ozone-depleting substances. In February 2010, the Secretariat participated in meetings of the Green Customs initiative and the workshop on knowledge management and multilateral environmental agreements, both spearheaded by UNEP. Finally, in March, the Secretariat participated in a meeting with other secretariats to provide advice to support the effort being undertaken to negotiate a legal instrument to deal with mercury.

D. Missions

34. In addition to the missions mentioned above, the Ozone Secretariat has been extremely active in promoting the Montreal Protocol and the measures that will be necessary to ensure full compliance with the upcoming HCFC phase-out requirements. Representatives of the Secretariat have made presentations at the coordination meeting of the Multilateral Fund and the Ozone Network meetings for the English-speaking Caribbean in Belize and attended Network meetings for South Asia, West Asia, English-speaking Africa, French-speaking Africa and Eastern and Central Europe. The Executive Secretary participated in the eleventh special session of the UNEP Governing Council and in the meeting of the UNEP senior management group that preceded that session. The Secretariat also contributed to the work of the Inter-agency and Expert Group on MDG Indicators, responsible for reporting on progress towards attaining the Millennium Development Goals, and to the annual meeting of the Technology and Economic Assessment Panel. The Secretariat believes that its participation in these meetings supported the parties' compliance efforts and their efforts to share with the world the factors that have led to the Protocol's successes.

E. Global Environment Facility

35. As is observed in document UNEP/OzL.Conv.8/2/Add.1-UNEP/OzL.Pro.20/2/Add.1, over the years, the Global Environment Facility (GEF) has been of invaluable service to the parties to the Protocol since it began providing support to countries with economies in transition, and for targeted cases in other areas. Currently GEF is preparing for its next (fifth) replenishment, which will provide funds for the four-year period from 1 July 2010 to 30 June 2014.

F. New papers on ozone issues

36. The Secretariat would like to continue to provide regular information to the parties about new scholarly work that touches on the Montreal Protocol and issues of interest to parties. To that end the Secretariat would like to invite parties to send it information on noteworthy papers so that they can be brought to the attention of all the parties in a "new papers" section of updated versions of the present note prepared for future meetings.

G. Universal ratification of the London, Copenhagen, Montreal and Beijing amendments

37. In 2009 the parties to the Vienna Convention and the Protocol celebrated the fact that these legal instruments have become the first treaties ever to be ratified by all countries of the world. While the parties to the Montreal Protocol continue to be proud of this achievement, the Secretariat would like to highlight the fact that not all countries have yet ratified all the amendments to the Protocol, which include the London, Copenhagen, Montreal and Beijing amendments. The list of parties to ozone treaties contained in document UNEP/OzL.Pro.WG.1/30/INF/3 includes the names of all parties which have yet to ratify certain of the amendments. The Secretariat stands ready to assist these parties in their efforts to ratify these important amendments. It is hoped that parties included in these lists can count on

the help of other parties to help them achieve goals related to ratification. The Secretariat will continue to update the lists at successive meetings in the hope that soon it will be possible to celebrate the global ratification of each amendment.

H. Arrival at the 2010 phase-out milestone

38. On 1 January 2010, the parties to the Montreal Protocol marked one of the most important milestones in the Protocol's history. On that date non-exempted production and consumption of CFCs, carbon tetrachloride and halons were to cease in all parties to the Protocol. The Secretariat would like to congratulate all parties for their outstanding efforts to meet those phase-out deadlines. While it is known that more than 100 parties in fact achieved the full phase-out of the controlled production and consumption of those chemicals prior to 2010, data and related compliance information for 2010 itself may not be available until sometime in 2011. At the time of writing, however, the Secretariat is extremely encouraged by the programme of work and additional efforts that all parties have made to comply with this major milestone and in particular wishes to highlight the efforts of parties operating under paragraph 1 of Article 5 of the Protocol.

I. Information on research, development, public awareness and exchange of information reported under paragraph 3 of Article 9 of the Protocol

39. By decision XX/13 the Ozone Secretariat was requested to share via its website the information reported under paragraph 3 of Article 9 of the Protocol on research, development, public awareness and exchange of information with other parties. In response to that decision the Secretariat in 2009 posted on the site parties' reports submitted in 2008 and 2009. This page was recently updated to include all such reports ever received by the Secretariat. To facilitate access to information of potential common interest, extracts from reports or publications for which parties have provided electronic or hard copies or publication details are listed separately on the site. Recognizing the usefulness of sharing particular publications with all parties, the Secretariat wishes to encourage parties to provide in their submissions under Article 9 of the Protocol electronic links to any pertinent documentation, as they deem appropriate.

J. Notification by the Secretary-General of the United Nations regarding the European Union

40. On 23 March 2010 the Secretary-General of the United Nations in his capacity as depositary of the ozone protection treaties notified the Secretariat that, effective 1 December 2009, the European Union had replaced the European Community as a party to the Vienna Convention and the Montreal Protocol. According to the notification, the European Union has taken over all the rights and obligations of the European Community with respect to the Convention and Protocol.

Annex I

Terms of reference used for the 2008 study on replenishment

Decision XIX/10: Terms of reference for the study on the 2009–2011 replenishment of the Multilateral Fund for the Implementation of the Montreal Protocol

Recalling decisions VII/24, X/13, XIII/1 and XVI/35 on previous terms of reference for studies on the replenishment of the Multilateral Fund for the Implementation of the Montreal Protocol,

Recalling also decisions VIII/4, XI/7, XIV/39, and XVII/40 on previous replenishments of the Multilateral Fund,

1. To request the Technology and Economic Assessment Panel to prepare a report for submission to the Twentieth Meeting of the Parties, and to present it through the Open-ended Working Group at its twenty-eighth meeting, to enable the Twentieth Meeting of the Parties to take a decision on the appropriate level of the 2009–2011 replenishment of the Multilateral Fund. In preparing its report, the Panel should take into account, among other things:

(a) All control measures and relevant decisions agreed by the Parties to the Montreal Protocol and the Executive Committee, including decisions agreed by the Nineteenth Meeting of the Parties and the Executive Committee at its fifty-third and fifty-fourth meetings insofar as those decisions will necessitate expenditure by the Multilateral Fund during the period 2009–2011, including scenarios which indicate eligible incremental costs and cost efficiencies associated with implementation by Parties operating under paragraph 1 of Article 5 of the adjustments and decisions relating to HCFCs, and, in addition, the Panel should provide indicative figures for the periods 2012–2014 and 2015–2017 in order to provide information to support a stable level of funding that would be updated prior to figures for those periods being finalized;

(b) The need to allocate resources to enable all Parties operating under paragraph 1 of Article 5 to maintain compliance with Articles 2A–2I of the Montreal Protocol and possible new agreed compliance measures relevant to the period 2009–2011 under the Montreal Protocol;

(c) Rules and guidelines agreed by the Executive Committee, up to and including its fifty-fourth meeting, for determining eligibility for funding of investment projects (including those in the production sector), non-investment projects and sectoral or national phase-out plans;

(d) Approved country programmes;

(e) Financial commitments in 2009–2011 relating to national or sectoral phase-out plans agreed by the Executive Committee;

(f) The provision of funds for accelerating phase-out and maintaining momentum, taking into account the time lag in project implementation;

(g) Experience to date, including limitations and successes of the phase-out of ozone-depleting substances achieved with the resources already allocated, as well as the performance of the Multilateral Fund and its implementing agencies;

(h) The impact that the international market, ozone-depleting substance control measures and country phase-out activities are likely to have on the supply of and demand for ozone-depleting substances, the corresponding effects on the price of ozone-depleting substances and the resulting incremental costs of investment projects during the period under review;

(i) Administrative costs of the implementing agencies and the cost of financing the secretariat services of the Multilateral Fund, including the holding of meetings;

2. That, in undertaking this task, the Panel should consult widely with all relevant persons and institutions and other relevant sources of information deemed useful;

3. To request the Panel to provide additional information on the levels of funding required for replenishment in each of the years 2012, 2013 and 2014 and to study the financial and other implications of a possible longer replenishment period, in particular whether such a measure would provide for more stable levels of contributions;

4. That the Panel shall strive to complete its work in time to enable its report to be distributed to all Parties two months before the twenty-eighth Meeting of the Open-ended Working Group;

5. To request the Panel to take into account the conclusions resulting from the study conducted by the Executive Committee pursuant to paragraph 2 of decision XVIII/9 in the event that proposals for control measures related to the subject of that study are submitted to the Ozone Secretariat.

Annex II

Consolidated record of cases of stockpiling in accordance with decision XVIII/17

<i>Year</i>	<i>Party</i>	<i>Annex group</i>	<i>Production ODP-tonnes</i>	<i>Deviation type</i>
2007	China	B/I	0.1	Stockpiled for export for basic domestic needs of Article 5 parties
2007	Romania	B/II	34.6	Stockpiled for destruction
2007	United Kingdom of Great Britain and Northern Ireland	B/II	1901.9	Stockpiled for destruction
2007	United States of America	C/II	2.7	Stockpiled for destruction
		E/I	17.5	Stockpiled for export for basic domestic needs of Article 5 parties
2006	Czech Republic	B/II	67.4	Stockpiled for destruction
2006	India	A/I	219.8	Stockpiled for export for basic domestic needs of Article 5 parties
2006	Spain	B/II	136.4	Stockpiled for destruction
2006	United Kingdom of Great Britain and Northern Ireland	B/II	2214.3	Stockpiled for destruction
2006	Venezuela (Bolivarian Republic of)	A/I	985.1	Stockpiled for export for basic domestic needs of Article 5 parties
2005	Venezuela (Bolivarian Republic of)	A/I	190.0	Stockpiled for feedstock uses or for export for feedstock
2004	Netherlands	B/I	2.0	Stockpiled for destruction
2004	United States of America	B/III	0.5	Stockpiled for export for basic domestic needs of Article 5 parties
		E/I	1986.2	
2003	Czech Republic	B/II	94.6	Stockpiled for destruction
2003	Germany	A/I	118.8	Stockpiled for feedstock uses or for export for feedstock
2003	Russian Federation	B/II	40.4	Stockpiled for feedstock uses or for export for feedstock
2003	United States of America	B/III	1.6	Stockpiled for export for basic domestic needs of Article 5 parties
2002	Czech Republic	B/II	132.0	Stockpiled for destruction
2002	Netherlands/European Community	B/I	3.0	Stockpiled for destruction / stockpiled for feedstock uses or for export for feedstock
2001	United States of America	B/II	812.9	Stockpiled for export for basic domestic needs of Article 5 parties
		B/III	3.5	
2000	France	B/II	426.8	Stockpiled for export for basic domestic needs of Article 5 parties
2000	United States of America	A/I	0.8	Stockpiled for export for basic domestic needs of Article 5 parties
		B/III	287.8	
1999	Germany	A/I	99.8	Stockpiled for feedstock uses or for export for feedstock
1999	United States of America	A/I	0.8	Stockpiled for export for basic domestic needs of Article 5 parties
		B/III	241.2	

Note:

- Some of these explanations were derived from the data reports submitted by the parties concerned in accordance with Article 7 of the Protocol and recorded in the annual data report of the Ozone Secretariat to the Meeting of the Parties.
- The quantities are rounded to one decimal place.