

Speech of
Mr. Shafqat Kakakhel, Deputy Executive Director of UNEP
at the
11th Meeting of the Parties to the Montreal Protocol
and
5th Meeting of the Conference of the Parties to the Vienna Convention,

Beijing, China
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Your Excellency, Distinguished President of the Bureaus of the Vienna Convention and the

Montreal Protocol, Honourable Ministers, Excellencies, Ladies and Gentlemen,

We are honoured by the presence of His Excellency Mr. Jiang Zemin, the President of the Peoples Republic of China at this meeting. His presence here is an indication of the great importance China attaches to the protection of Environment in general and to the protection of the Ozone Layer. His words of wisdom will be a source of inspiration to our deliberations at this meeting.

Beijing is indeed a fitting place for this pre-millennial meeting. China's colossal endeavor to eradicate poverty and achieve economic progress. It has realized that mere economic development will not ensure a healthy future. Coherent environmental policy must stand alongside economic development and social responsibility to meet the challenge of sustainable development and the challenge of globalization.

As President Jiang Zemin said recently, we "should strive to overcome all the challenges to human subsistence, protect the ecological environment, narrow the gap between the rich and the poor, build a just and rational international economic order and achieve common development and universal prosperity".

We are highly impressed with the excellent facilities provided for this meeting by China, under the guidance of its organizing committee, headed by the Vice Premier. On behalf of the UNEP, I thank China and its very effective Minister of State Environmental Protection Administration, Mr. Xie Zhenhua and his officials for these arrangements.

Ladies and Gentlemen,

We are here to take stock of the implementation of the ozone agreements and to lay a solid foundation for the future.

So far, the many players in this process- the scientists, the policymakers, the technologists, the lawyers, the industry, international UN agencies, civil servants, the nongovernmental organizations and the consumers-have worked with a spirited determination for protecting the ozone layer protection, forgetting their individual priorities.

It is a matter of great pride to me that UNEP with its modest resources could catalyze this gigantic global effort. The world is indeed looking for similar formulas to solve the other global environmental problems such as climate change, loss of bio-diversity and desertification.

Excellencies,

Let us first recall some of the favorable aspects of your performance.

First, the production and consumption of the ozone depleting chemicals has come down by 85% in the last ten years. The industrialized countries now consume less than 15,000 tonnes -a reduction from a million tonnes in 1989. The developing countries have almost the same consumption now as in 1989, even though they are allowed to increase their consumption without a limit to meet their basic domestic requirements.

The Multilateral Fund, has in nine years, successfully assisted over 110 developing countries with approximately US \$1 billion.

The year 1999 represents a milestone in the history of the Multilateral Fund. The Executive Committee concluded agreements this year with the Governments of China and India for phasing out their entire CFC production capacity over the next ten years. Brazil has already announced the closure of its CFCs production.

Last year, the Global Environment Facility, with the additional assistance from some donors, arrived at an agreement with the Russian Federation for the closure of its facilities.

The combined CFC production of these countries is 75 percent of the global production. I am hopeful the remaining 25 percent also will be covered soon.

Mr. President,

The Multilateral Fund has one of the best contribution collection rates in the UN system, reaching 88-90 percent of the pledges. However, the current arrears have to be paid quickly this month if this record is to be maintained.

I would like to convey my thanks to the countries that have contributed promptly to the Fund. I see only one industrialized country, which has significant arrears till the end of 1998. I hope their check is in the mail.

I want to thank and congratulate the members of the Executive Committee over the years and the Fund Secretariat for their leadership and hard work to bring about this achievement.

The Global Environment facility has been a very important partner in the protection of the ozone layer. They have provided U.S.\$ 130 million for ozone phase-out projects in the countries with economies in transition including the Russian Federation. Other countries of Eastern Europe are also at various stages of implementation of GEF-funded projects. I thank the GEF for their initiative and help.

Mr. President, Distinguished delegates,

You have before you the issue of replenishment for the Multilateral Fund for the next 3 years. The two excellent reports of the Technology and Economic Assessment Panel on this issue will assist you in your task. I understand that the negotiations are making good progress.

The year 2000 will be a year of truth as the results of the implementation of the CFC freeze in the developing countries will be available and recorded this time next year.

I am sure that there will be a 100 percent implementation of their first obligation by each and every developing country.

That, however, is only the beginning. The 50 percent reduction by the year 2005 is the next issue on the agenda. Meeting that target would require a greater reliance on policy regulation. For instance, a trade licensing system is one effective way to control the supply of the CFCs and create demand for alternatives. You could also follow the innovative methods followed by some countries such as Singapore and USA which levy a heavy tax on CFCs or auction the right of importing reduced quotas of CFCs. These measures encourage ozone-safe chemicals and also bring money into the coffers of the Governments. This however does not mean terminating the system of economic incentives provided so far by the Multilateral Fund.

* . I am sure the commitment of the developed countries towards the Multilateral Fund will be demonstrated again in the replenishment for the next three years to be decided now.

Mr. President,

The implementing agencies, UNDP, UNIDO and the World Bank have functioned tirelessly to develop and implement investment projects. UNEP has implemented the capacity building projects in developing countries and countries in transition and done a good job of mainstreaming nearly all the small countries. Information exchange systems and the net works run by UNEP's OzonAction programme have created awareness in the remotest parts of the world and catalyzed positive action in many countries.

The beneficial effect of this awareness is very clear in the progress in the reporting of data by countries. It is a matter of great pride that 151 countries have reported data till the end of 1997.

The functioning of your Implementation Committee has become a shining example to all the other Conventions. It displays a friendly but stem attitude towards non-compliant Parties. I congratulate the Committee on its functioning.

The results of the good performance by all of you have been amply reflected in the assessments of 1998. The scientists predict that the ozone layer will begin recovery in the next few years and will heal completely in the middle of the next century if we implement the Montreal Protocol faithfully. But for the Montreal Protocol, the chlorine in the atmosphere would have been four times larger and ozone depletion would have been ten times greater. The number of cases of skin cancer would have been an additional 20 million.

I would like to congratulate the assessment panels on their excellent work in assessing the situation and in their unbiased presentation of policy options to Parties. I urge the industrialized countries particularly, to continue to support their experts in these Panels.

Ladies and Gentlemen,

Amidst all these happy tidings, I need to sound a note of caution on several fronts.

The first caution is regarding the adverse impact of the global warming on ozone depletion. This shows that we cannot deal with global environment issues in isolation.

Another link between climate change and ozone issues is HFCs and PFCs, which are used as substitutes for CFCs in some applications. You have recognized this issue last year. The reports before you bring out clearly the ways of minimizing emission of HFCs and PFCs. There is a need to facilitate awareness and information exchange on this issue.

I am pleased that UNEP has started a network of Climate Change and ozone focal points in the Baltic countries to promote an integrated response. UNEP will strive its best to bring out these interlinkages and to address issues in a manner that enhances the environmental welfare.

The next note of caution is regarding methyl bromide. I am concerned at the transfer of methyl bromide technologies to some countries, which have not committed themselves to controls on Methyl Bromide.

While we live in an age of free trade, Governments can and should encourage export of only ozone-friendly technologies. It is not very wise to allow expansion of the methyl bromide now only to spend millions of dollars after a few years to phase it out. I urge the consuming countries to adopt alternatives rather than introduce obsolete technologies into their countries.

I am happy that the Montreal Amendment has entered into force on 10 November 1999. But I am surprised by the non-ratification by some developing countries of the London Amendment, which created the Multilateral Fund. Non-ratification of the Copenhagen Amendment and the Montreal Amendment will lend ambiguity to our efforts to phase-out

methyl bromide and HCFCs. I urge all of you to ratify the Amendments promptly and give substance to your commitments.

You have before you, the proposals of the European Union to strengthen the protocol. I am particularly pleased that one proposal addresses the problem of the potential new Ozone depleting substances appearing in the market. We must find a way of reminding the future generations of the narrow escape we have had and of the need for continuous vigil on this score.

My last appeal is to the NGOs. Your excellent work to create awareness among your clients should continue. New generations of managers and civil servants may stray on to the antienvironmental path, unaware of what our struggle has been all about.

Mr. President,

For any great cause, the last segment is always the most challenging. It is also a moment when fatigue and complacency could come in. That must not be allowed to happen to the Ozone regime because the stakes are too high. We want our children to live in the world without the threat of skin cancer or eye cataracts. We want our ecosystems to flourish under the revitalized ozone shield. I am sure this meeting will, as always, achieve its goal with consensus and pave the way for the continued success of the Protocol.

Thank you very much.

1" December 1999