

SPEECH ON BEHALF OF THE EXECUTIVE DIRECTOR  
TO  
THE PREPARATORY MEETING FOR THE SEVENTH MEETING OF THE PARTIES  
TO  
THE MONTREAL PROTOCOL,  
VIENNA,  
28 NOVEMBER 1995

Your Excellencies, Distinguished Delegates, Ladies and Gentlemen,

It is my very great pleasure to welcome you all to this Preparatory Meeting for the Seventh Meeting of the Parties to the Montreal Protocol in Vienna today.

Let me, at the outset, thank our gracious hosts, the Government of Austria for hosting this Meeting. We are thankful to them for their hospitality as also the excellent arrangements made for this Meeting.

In the tenth year of the epochal Vienna Convention, I think there could not have been a better place to hold this Meeting than Vienna.

As we begin the process of assessing the implementation of the provisions of the Montreal Protocol and negotiate new ones, I am confident that the role played by the participants in the Conference, ten years ago, in this beautiful city, which led to the Vienna Convention, will be a source of inspiration for all of us.

I am sure, their example will spur us on to greater efforts in the service of the ozone layer.

This meeting has a very challenging agenda before it. Of course, I need not remind you that your principal task will be to convey your advice on the agenda items to the Ministers and other officials, when they convene for the Meeting next week. Collectively, the advice that you give will give form and direction to the work of the 7th Meeting of the Parties.

I will list out the main issues before this meeting. These include a proposal for the phase-out schedule of CFCs and Halons and HCFCs in developing countries, the phase out schedule of methyl bromide for both developing and industrialised countries, further HCFCs controls for industrialised countries and matters related to the Multilateral Fund for the implementation of the Montreal Protocol.

This meeting will also have to consider some draft decisions related to process agents, exports from developing countries and basic domestic needs, laboratory and analytical uses and the reorganization of the Technology and Economic Assessment Panel and its Technical Options Committee.

On all of these issues, you have before you the reports of the Open-ended Working Group at its eleventh and twelfth meetings and, the report of the Legal Drafting Group and draft decisions prepared by the Secretariat in order to guide your work.

All proposals for your decision have been prepared after consideration of the various reports and studies conducted by the Assessment Panels and Ad hoc Working Group and Committees.

When these proposals were formulated, the aim was to enhance the implementation of the existing measures to phase out ozone depleting substances, especially in those areas, where it was felt that further controls on ozone depleting substances will lead to the speedy recovery of the ozone layer. The proposals before you thus have the virtue of being well-designed and focussed.

Some of these proposals might appear stringent to some Parties. But let us not forget that right from the commencement of the international endeavour to heal the ozone layer, the control measures proposed have seemed difficult to implement. But with the passage of time, we have also found our initial apprehensions to be a little exaggerated.

Ladies and Gentlemen,

The production and consumption of halons was phased out by industrialised country Parties in 1994. As the phase out date of CFCs draws near, we should move quickly to an agreement on a similar schedule applicable to developing country Parties.

Initially, seven scenarios were recommended to you in a study that was presented to the eleventh meeting of the Open-ended Working Group in Nairobi in May this year. These scenarios have now been narrowed down to just three.

The sub-group, which the Open-ended Working Group had set up to consider various options has, recommended the phase out of CFCs and Halons by choosing either the year 2006 with a service tail, the year 2010, or the year 2010 with a service tail.

The report of the Executive Committee of the Multilateral Fund indicating the projection of demand for resources over the full term of each scenario should allay any concerns of developing countries. This should also enable this meeting to agree on one viable recommendation to the Meeting of the Parties.

The Technology and Economic Assessment Panel has just prepared a report on the economic and financial implications of illustrative control scenarios of HCFC consumption for developing countries. The study has analyzed various scenarios and found only one of them to be feasible in all respects.

Another related proposal on HCFCs for adjusting the Protocol is for industrialised countries to bring forward the final phase out of HCFCs from the year 2030. Whatever date you will finally

agree to will have to take into account the implications of HCFC phase-out in developing countries and especially the cost of the investment projects to convert CFC to HCFC in those countries.

We fully understand the concerns expressed on the phase out of Methyl Bromide especially by developing countries. But, this meeting should make a bold recommendation on suitable dates to phase-out this ozone-depleting substance.

A study on economic and financial implications of some illustrative control scenarios was requested by the Open-ended Working Group at its twelfth meeting. The conclusions of this study are now before you. I commend these recommendations for your consideration.

This study has examined the financial implications of the three scenarios - a production and consumption freeze by 1998, a 25 per cent production and consumption reduction by 2005 and a phase out by 2011 at a base year level of 1993-1995 average.

A phase out by 2001 has not been considered feasible from both technical and financial points of view.

These three scenarios presented by the Technology and Economic Assessment Panel should guide this meeting in reaching a favourable recommendation for a decision by the meeting of the Parties.

Ladies and Gentlemen,

As far as one can observe, adherence to the protocol's core commitments has been strong, with widespread compliance. I am confident that the developed countries will meet the 31 December 1995 deadline in ceasing the production and consumption of CFCs, methyl chloroform and carbon tetrachloride.

However, many countries with economies in transition are not likely to meet this schedule. But, we are confident that with the financial and technical assistance from the Global Environment Facility and other sources, it will not take them long before they fully comply with the Protocol.

As we negotiate the control measures for the phase out of ozone depleting substances applicable to developing countries, it is encouraging to note that many of them are already ahead of the Protocol's requirement to phase out these substances. I hope that the measures we agree to in the 7th Meeting will accelerate this process.

Distinguished Delegates,

In the ultimate analysis, implementation of your decisions is dependent on the financial health of the Multilateral Fund and the Vienna and Montreal Protocol Trust Funds. It is therefore imperative that we revisit the financial condition of these trust funds. There is an urgent need to revitalize the financial

situation of these Trust Funds.

As on 31 October 1995, contributions to the tune of US \$ 1.9 million were still outstanding to the Montreal Protocol Trust Fund for 1995 and US \$ 1.7 million for the previous years. The Vienna Convention Trust Fund was owed US \$ 273,000 for 1995 and US \$220,000 for the previous years. As on 31 October 1995 contributions outstanding to the Multilateral Fund stood at US \$ 64,000,000 for 1995 and at 60,000,000 for the previous years.

I urge all Parties to make good their contributions so that the decisions you are about to take can be implemented.

I would like to point out that there are no changes in the budget of the Secretariat for 1995 and 1996 as approved at the Sixth Meeting of the Parties. Only few elements have been added to the proposed budget for 1997. A new post for a Programme Officer to deal with information systems and especially the analysis of data on ozone depleting substances - an expanding area of concern - is being proposed to this meeting.

I urge this meeting to recommend the approval of this budget as prepared by the Secretariat.

I wish to bring to the attention of this audience some important points for consideration.

The first point is the ratification process. The ratification of the London and Copenhagen Amendments has slowed down in recent months. Out of the 150 Parties that have ratified the Montreal Protocol, 103 have ratified the London Amendment and only 49 Parties have ratified the Copenhagen Amendment.

We need to bear in mind one important legal requirement of the ozone treaty - making process. And this is that it will not be possible for any Party to ratify the Vienna Amendment to the Protocol, which you are set to conclude next week unless both the London and Copenhagen Amendments are ratified. I urge each Party to make urgent efforts to ratify the two amendments to the Protocol.

There are a number of countries that are still out of the ozone protection process. These countries have failed to ratify both the Vienna Convention and its Montreal Protocol. We have no way of knowing what these countries are doing to protect the ozone layer. The only way they can join in the efforts that started ten years ago is to ratify the ozone treaties now.

The Secretariat has reminded the Parties time and again of the importance of data collection on ozone depleting substances and reporting that information in time to the Secretariat. You will agree with me that the evaluation of this data is essential to monitor the compliance with the provisions of the Montreal Protocol by each Party. For the year 1993, out of 126 Parties which were required to report data under Article 7 of the Protocol, only 76 Parties have reported the data. The data for

1994 was due by 30 September. But to-date, only 56 countries have submitted their reports.

Such reporting lapses poses serious problems for the assessment of compliance and for general management of the system. I urge all those Parties that have not yet reported their data to do so at the earliest.

As we approach the final phase-out of ozone-depleting substances, a disturbing trend has emerged. I refer to the illegal trade in ozone-depleting substances. If this practice is unchecked, it may nullify the gains we have made so far in controlling the use of ozone depleting substances. All those engaged in this practice should be held accountable and stiff penalties should be imposed on them. There should also be tight regulations to curb the movement of such products in conformity with the Montreal Protocol control measures.

Ladies and Gentlemen,

This meeting gives us the opportunity to tackle a wide range of urgent and complex issues. This meeting also gives us the opportunity to promote the effective implementation of existing commitments and negotiate new targets and time-tables. This is the opportunity to develop the precedents that we set up in forging the Montreal Protocol. This is the time to make them work.

I wish you all success in your deliberations.

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