



MOP-11/COP-5 HIGHLIGHTS TUESDAY, 30 NOVEMBER 1999

Delegates to MOP-11/COP-5 met in Plenary to take up outstanding items and consider 20 draft decisions under the MOP-11 agenda relating to, *inter alia*: the definition of pre-shipment applications of methyl bromide (MB); new ozone-depleting substances (ODS); and terms of reference for Assessment Panels. Delegates then considered four draft decisions under the COP-5 agenda. Eleven draft decisions were adopted in total. Working groups convened to consider: proposed adjustments and an amendment to the Montreal Protocol; replenishment of the Multilateral Fund; the fixed currency rate mechanism; the Beijing Declaration; and the budget.

PLENARY

DISCUSSION ON ISSUES AND DRAFT DECISIONS UNDER MOP-11: Replenishment of the Multilateral Fund:

The UK, on behalf of the "Like-minded Group" (the EU, Australia, Canada, Japan, New Zealand, Norway, Poland, Switzerland and the US), stated that a base case of US\$300 million would constitute a "firm and fair" assessment to meet the legitimate needs of Article 5 countries for the triennium 2000-2002. She noted her acceptance of the rationale for going above the amount needed for strict compliance and stated that, although the Parties on whose behalf she was speaking had different mandates, all were prepared to go above the base case figure. She highlighted the need to make progress on concessional lending and other forms of innovative funding, and said the use of these mechanisms would determine the funding to be agreed above the base case.

Use of a fixed currency rate mechanism for contributions to the Multilateral Fund: CANADA noted that the proposed mechanism is revenue neutral, would avoid arrears and is used for other funds. FINLAND, on behalf of the EU, stated that the proposed mechanism would ease administrative difficulties, promote timely payment and minimize the impact of currency fluctuations. She said selection criteria for eligible currencies should be defined. Co-Chair Gelil convened a Working Group, to be chaired by Canada, to finalize a draft decision.

Beijing Declaration: Many participants endorsed China's proposal for a Beijing Declaration at MOP-11/COP-5. A number of Parties noted that a Beijing Declaration would be timely, given that it is the tenth anniversary of the First Meeting of the Parties to the Protocol, held in Helsinki, Finland. Several Parties stated that drafting changes would be needed on the text, although they did not foresee any significant obstacles to achieving consensus. SWITZERLAND proposed an additional paragraph on further cooperation between the ozone and climate change regimes. The CZECH REPUBLIC supported linking climate change and the Montreal

Protocol in the lead-up to Rio+10 and also noted that the Beijing Declaration would be a useful means of raising public awareness. The EU and CANADA said the text should reflect the outcomes of this meeting. GREENPEACE INTERNATIONAL called for wording to reflect the need for greater urgency to phase-out ODS, given the unforeseen impact of climate change on the ozone layer. Co-Chair Gelil announced that a drafting group would be convened to work on the text.

Definition of pre-shipment applications of methyl bromide:

Regarding the draft decision on the definition of pre-shipment applications of MB, the CROP PROTECTION COALITION noted that the proposed decision would limit the exemption for quarantine and pre-shipment (QPS) uses of MB and encouraged delegates to oppose the decision. The decision was adopted. However, CHINA subsequently stated that, with regard to defining pre-shipment applications as those non-quarantine applications applied within 14 days of export, the period of 14 days was problematic. Co-Chair Gelil invited China to consult with the EU and report back to Plenary.

Global exemption for laboratory and analytical uses:

POLAND said the draft decision on a global exemption for laboratory and analytical tests should be withdrawn and resubmitted once new international standards are developed. NORWAY recognized the need for flexibility on regulated substances where alternatives do not exist but said their use should be restricted to a minimum. He noted progress in developing ODS-free alternatives for testing oil, grease and total petroleum hydrocarbons in water. The US said the exemption could be eliminated between 2001 and 2003. Plenary will further consider this draft decision on Wednesday.

Measures to facilitate the metered-dose inhaler (MDI) transition: INDIA said this draft decision provided a step forward, but underscored concerns regarding cost implications. He proposed amending the decision to reflect the need to avoid increases in costs and provide technology transfer to this end. The US drew attention to concerns set out in the TEAP report relating to low-income patients and the possible financial impact of placing restrictions on generic MDI products. He stated that the decision would need further consideration and said the text should acknowledge that remaining technical, patient, safety and regulatory issues make it difficult to set precise phase-out dates. COSTA RICA supported reference to technology transfer. SWITZERLAND noted that it has developed a national MDI transition strategy. Delegates agreed to engage in further discussions in a working group.

Limitation of emissions of CFCs from equipment in non-Article 5 Parties: The EUROPEAN COMMISSION requested that the decision bind Parties to the fullest extent possible. A revised draft will be considered on Wednesday.



Terms of reference for Assessment Panels: The EU proposed additional language requesting the Scientific Assessment Panel to include in its assessment, *inter alia*: a characterization of the implications of MB sources and sinks on the ozone layer; a characterization of the interrelations between ozone depletion and climate change; and a description of changes in the ozone layer, taking into account the expected impacts of climate change. She also proposed, *inter alia*, language requesting the Environmental Effects Panel to continue identifying the impacts of ozone depletion and features of climate change, as well as the impacts of potential UV radiation changes that have feedback effects on climate. The US expressed concern about introducing climate change issues into the work of the Assessment Panels. The UK requested the Co-Chairs of the Scientific Assessment Panel to find a way of reassuring Parties that the assessment would be conducted openly and effectively. Plenary will revisit this matter on Wednesday.

New ozone-depleting substances: CANADA suggested language referring to tighter procedures for dealing with new chemicals based on Assessment Panel considerations. K. Madhava Sarma, Executive Secretary of the Ozone Secretariat, noted that testing a new substance to determine its ozone-depleting potential costs US\$100,000 and said the Scientific Panel should therefore determine which chemicals to test. FRIENDS OF THE EARTH called for an automatic phase-out regime for new ODS. The issue will be revisited in Plenary on Wednesday.

Process agents: INDIA noted that it had submitted a draft decision on process agents intended to clarify interpretation of a relevant decision taken at MOP-10. The US and the EU requested additional time to consider this draft decision and Co-Chair Gelil proposed it be considered on Wednesday.

Recommendations and clarifications of the World Customs Organization concerning customs codes for ODS and products containing ODS: POLAND introduced its draft decision on customs codes for ODS and products containing ODS. He stated that a clear customs nomenclature would help avoid illegal trade in ODS. ARGENTINA supported the proposal. The EUROPEAN COMMISSION and CANADA acknowledged the importance of the issue but requested time to consider the draft. Co-Chair Gelil invited Poland, the European Commission and Canada to finalize a text.

Report of the President of the Implementation Committee: Tom Land (US), President of the Implementation Committee, introduced a draft decision on data reporting and draft decisions on compliance with the Protocol by Turkmenistan and Bulgaria. He noted that the timeliness of reporting had improved considerably, with 107 reports submitted in 1998, meaning that the Implementation Committee would be able to review data from 1998 and 1999 as early as 2000. Several Parties proposed amendments to the draft decision. INDIA, supported by CHINA and SENEGAL, suggested deleting the statement that Parties not reporting data by 30 September the following year would be considered non-compliant. Co-Chair Gelil said Plenary would reconsider the issue on Wednesday. Delegates adopted without amendment the draft decisions on compliance with the Protocol by Turkmenistan and Bulgaria.

Twelfth Meeting of the Parties to the Montreal Protocol: BURKINA FASO offered to host MOP-12. Executive Secretary Sarma indicated that the next meeting of the Open-ended Working Group (OEWG) would be 10-14 July 2000 and MOP-12 is likely to be in the first or second week of October 2000. Burkina Faso's invitation was accepted.

Other decisions: The Plenary also adopted draft decisions on: the GEF; the Special Report on aviation and the global atmosphere; ratification of the Vienna Convention, Montreal Protocol and its amendments; and essential-use nominations for non-Article 5 Parties for controlled substances for 2000 and 2001. Co-Chair Gelil invited nominations for membership of the Implementation Committee and the Executive Committee as well as for the Co-Chairs of the OEWG.

DRAFT DECISIONS UNDER COP-5: Recommendations of the fourth meeting of the Ozone Research Managers: Executive Secretary Sarma introduced a draft decision on recommendations of the fourth meeting of the Ozone Research Managers. He noted the need to improve maintenance of ozone-measuring facilities, and said only limited financial resources were available for this purpose. The EU and CANADA supported the draft decision, which was adopted without amendment.

Sixth Meeting of the COP to the Vienna Convention: Sarma reported that COP-6 would be held in conjunction with MOP-14. A draft decision to this effect was adopted.

Other decisions: Draft decisions on adjustments and an amendment to the Montreal Protocol and reports of the three assessment panels were adopted without amendment.

WORKING GROUPS

Working groups convened in closed sessions to consider: proposed adjustments and an amendment to the Montreal Protocol; replenishment of the Multilateral Fund; the fixed currency rate mechanism; the Beijing Declaration; and the budget. These groups will continue negotiations on Wednesday with the aim of completing their work prior to the afternoon Plenary.

IN THE CORRIDORS

Following Tuesday's informal consultations, some delegates were sounding a more optimistic note that agreement might be possible on elements of the EU's proposed amendment to the Protocol, such as aspects relating to bromochloromethane and QPS uses of MB. Others remained skeptical that the EU proposal would succeed even in part, as the areas of agreement would not be substantive enough to warrant a formal "Beijing Amendment."

General grumbling indicated that the relatively low base case replenishment funding of US\$300 million is not being well received by some delegates. One seasoned delegate expressed concern with the intransigence of some delegations, noting that these discussions were some of the most inflexible that the delegate had ever experienced.

THINGS TO LOOK FOR TODAY

PLENARY: Plenary is scheduled to meet at 3:00 pm in Hall 1 to consider the outstanding draft decisions, including, *inter alia*, replenishment of the Multilateral Fund and the EU proposed adjustments and an amendment to the Protocol. Plenary will also consider the proposed Beijing Declaration.

INFORMAL CONSULTATIONS: Consultations and working groups are expected to be held during the day on: replenishment of the Multilateral Fund; the fixed currency rate mechanism; adjustments to the Protocol; the Beijing Declaration; and the budget. Further scheduling information will be provided by the Secretariat.

WEB SITE COVERAGE: Extensive coverage of this meeting, including photos and RealAudio clips, is available at: <http://www.iisd.ca/ozone/mop11/>