



## MOP-14/COP-6 HIGHLIGHTS: WEDNESDAY, 27 NOVEMBER 2002

Delegates met in morning, afternoon and evening Plenary sessions and agreed to forward several draft decisions to the high-level segment for adoption. Negotiations remain outstanding on numerous issues, including the Multilateral Fund replenishment, the fixed-exchange-rate mechanism and illegal trade. Several contact groups also met throughout the day.

### PLENARY

**IMPLEMENTATION COMMITTEE/EXECUTIVE COMMITTEE INTERACTION:** The US reported agreement in the contact group on a revised draft decision on interaction between the Implementation Committee and the Executive Committee (UNEP/OzL.Pro.14/CRP.1/Rev.1). Delegates forwarded the draft to the high-level segment for adoption, with a minor amendment.

### RELATIONSHIP WITH CLIMATE CHANGE:

DENMARK, on behalf of the EU and NORWAY, introduced a draft decision on the relationship between efforts to protect the ozone layer and the global climate system (UNEP/OzL.Pro.14/CRP.4). The US, supported by AUSTRALIA and the RUSSIAN FEDERATION, opposed consideration by the Open-ended Working Group (OEWG) of the joint Technology and Economic Assessment Panel (TEAP)/Intergovernmental Panel on Climate Change (IPCC) report requested by the 8th Conference of the Parties (COP-8) to the United Nations Framework Convention on Climate Change. SWITZERLAND disagreed, stressing the usefulness of having the OEWG consider corollary issues between ozone protection and climate change, including hydrofluorocarbon (HFC) use. The EU agreed to delete the request for OEWG consideration, and after informal consultations with JAPAN, agreed to remove mention of the reference in the COP-8 decision to project funding in addition to the Multilateral Fund. Stressing that the Montreal Protocol has no purview over HFCs and perfluorocarbons (PFCs), the US, opposed by the EU, asked to delete a request to submit the report to the OEWG.

GREENPEACE expressed concern over the impacts of HFC and PFC use. Highlighting that the Multilateral Fund finances HFC projects, he said the ozone Parties, especially developing countries, should be keenly interested in the TEAP/IPCC report.

After further consultations and procedural debate, the EU reported agreement that the OEWG would consider the report "in so far as it relates to actions to address ozone depletion". The draft decision was forwarded to the high-level segment for adoption.

**GLOBALLY HARMONIZED SYSTEM:** The EUROPEAN COMMUNITY (EC) introduced a draft decision on considering use of the UN Economic and Social Council's (ECOSOC) Globally Harmonized System (GHS) for the classification and labeling of chemicals that deplete the ozone layer (UNEP/OzL.Pro.14/CRP.6). He noted that ozone-depleting substances (ODS) are not currently included in the GHS. After informal consultations, the EC introduced a revised draft decision (UNEP/

OzL.Pro.14/CRP.6/Rev.1) that requests the Ozone Secretariat to contact the ECOSOC Subcommittee of Experts to clarify whether ODS are included in its programme of work, and if not, evaluate the feasibility of doing so and report to OEWG-23. Delegates forwarded the revised draft decision to the high-level segment for adoption.

**METHYL BROMIDE:** There are two draft decisions relating to methyl bromide. The DOMINICAN REPUBLIC introduced its draft decision on critical-use exemptions for methyl bromide (UNEP/OzL.Pro.14/CRP.9). Noting that several Article 5 Parties are accelerating the phase-out of methyl bromide while some non-Article 5 Parties are seeking critical-use exemptions for this ODS, he drew attention to competitiveness concerns.

BRAZIL, COSTA RICA, PERU and SWITZERLAND supported the draft decision. Underscoring that Parties agreed to the methyl bromide phase-out schedule based on the consideration of critical-use exemptions according to agreed criteria, the US stated it would be unfair to now set new criteria. The CROP PROTECTION COALITION urged Parties to examine the impact of methyl bromide phase out on farming and international trade. MARTINEZ BERRY FARMS called on Parties to avoid further methyl bromide restrictions until effective alternatives are found. GREENPEACE urged Parties to ensure that the methyl bromide phase-out schedule is rigorously adhered to, and preferably accelerated, in both Article 5 and non-Article 5 Parties. He noted that if large methyl bromide users in developed countries are exempted from the phase-out schedule, it would send the wrong signal to users in developing countries. Noting that the TEAP is preparing a report for OEWG-23 on methyl bromide alternatives in developing countries, the EC proposed postponing discussion. Discussion will resume after the opening of the high-level segment.

KENYA introduced a draft decision on the establishment of procedures and modalities for critical-use exemption for methyl bromide for Article 5 Parties (UNEP/OzL.Pro.14/CRP.15). UGANDA supported, while AUSTRALIA and the US opposed, the proposal. Discussion will resume after the opening of the high-level segment.

**REFRIGERATION SERVICING AND CHILLERS:** Delegates considered a draft decision submitted by 20 Central and South American countries recommending that the Multilateral Fund finance investment projects in the refrigeration servicing and chiller sector (UNEP/OzL.Pro.14/CRP.7). CHINA, INDIA, IRAN, SYRIA and TANZANIA supported the draft decision. Noting expert advice that electricity savings achieved by new chillers lead to short pay-back periods, the US said the Executive Committee had approved a small number of chiller projects only on loan basis. He remarked that adopting a draft decision with funding implications would be premature as the Multilateral Fund Secretariat is exploring the sector's potential funding eligibility. CHINA, with CUBA, highlighted this sector's importance for low-consuming countries. Discussions continued in a contact group.

**CLARIFICATION OF TERMINOLOGY:** POLAND introduced a revised draft decision (UNEP/OzL.Pro.14/CRP.11), which states the terms "recovered," "recycled," and "reclaimed" have

This issue of the *Earth Negotiations Bulletin* © <enb@iisd.org> is written and edited by Karen Alvarenga <karen@iisd.org>, Joanna Depledge <j Joanna@iisd.org>, Pia Kohler <pia@iisd.org>, and Fiona Koza <fiona@iisd.org>. The Editor is Pamela S. Chasek, Ph.D. <pam@iisd.org> and the Director of IISD Reporting Services is Langston James "Kimo" Goree VI <kimo@iisd.org>. The Operations Manager is Marcela Rojo <marcela@iisd.org> and the On-Line Assistant is Diego Noguera <diego@iisd.org>. The Sustaining Donors of the *Bulletin* are The Netherlands Ministry of Foreign Affairs, the Government of Canada (through CIDA), the United States (through USAID), the Swiss Agency for Environment, Forests and Landscape (SAEFL), the United Kingdom (through the Department for International Development - DFID), the European Commission (DG-ENV), the Danish Ministry of Foreign Affairs, and the Government of Germany (through German Federal Ministry of Environment - BMU, and the German Federal Ministry of Development Cooperation - BMZ). General Support for the *Bulletin* during 2002 is provided by the Ministries of Foreign Affairs and Environment of Finland, the Government of Australia, the Ministry of Environment and the Ministry of Foreign Affairs of Sweden, the Ministry of Foreign Affairs and Trade of New Zealand, the Ministries of Foreign Affairs and Environment of Norway, Swan International, the Japanese Ministry of Environment (through the Institute for Global Environmental Strategies - IGES), the Japanese Ministry of Economy, Trade and Industry (through the Global Industrial and Social Progress Research Institute - GISPRI), and the Ministry for Environment of Iceland. The *Bulletin* can be contacted by e-mail at <enb@iisd.org> and at tel: +1-212-644-0204; fax: +1-212-644-0206. IISD can be contacted by e-mail at <info@iisd.ca> and at 161 Portage Avenue East, 6th Floor, Winnipeg, Manitoba R3B 0Y4, Canada. The opinions expressed in the *Earth Negotiations Bulletin* are those of the authors and do not necessarily reflect the views of IISD and other funders. Excerpts from the *Earth Negotiations Bulletin* may be used in non-commercial publications only and only with appropriate academic citation. For permission to use this material in commercial publications, contact the Director of IISD Reporting Services. Electronic versions of the *Bulletin* are sent to e-mail distribution lists and can be found on the Linkages WWW server at <http://www.iisd.ca>. Satellite image provided by The Living Earth, Inc. <http://livingearth.com>. For information on the *Earth Negotiations Bulletin* or to arrange coverage of a meeting, conference or workshop, send e-mail to the Director, IISD Reporting Services at <kimo@iisd.org> or call to +1-212-644-0217.



been used inconsistently, and urges Parties to be precise in future decisions. Delegates forwarded the draft decision to the high-level segment for adoption.

**METERED-DOSE INHALERS:** The EC introduced a draft decision on a global database and assessment to complete the transition from chlorofluorocarbon (CFC) metered-dose inhalers (MDIs) (UNEP/OzL.Pro.14/CRP.5). CUBA, with CHINA and SYRIA, called for ensuring and accelerating technology transfer relating to CFC-free MDIs to Article 5 Parties. CHINA, supported by the RUSSIAN FEDERATION, noted that Article 5 Parties have not gained sufficient support from the Multilateral Fund on this issue, and called on non-Article 5 Parties to provide adequate information to Article 5 Parties. Many Parties expressed concern over the January 2003 deadline for submitting information on CFC and CFC-free MDIs. In response, the US suggested Parties make a "best effort" to submit this information by February 2003 and asked for data on any price disparity between CFC and CFC-free asthma and chronic obstructive pulmonary disease treatments.

After a contact group meeting, the EC presented a revised draft decision (UNEP/OzL.Pro.14/CRP.5/Rev.1) and noted, *inter alia*, the addition of dry-powder inhalers and the request for Parties to submit "available" information on inhaler treatments. CHINA made reservations and suggested further discussion with the EC.

**DESTRUCTION TECHNOLOGIES:** AUSTRALIA introduced a draft decision on destruction technologies (UNEP/OzL.Pro.14/CRP.13), which, *inter alia*, adds to the list of approved destruction technologies that meet the minimum emission standards. In addition to requesting TEAP to update guidance on ensuring that ODS release is minimized during the operation of approved destruction technologies, CHINA suggested that the TEAP also provide guidance on minimizing the environmental impact of such technologies. JAPAN expressed reservations and discussion will resume after the opening of the high-level segment.

**CENTRAL AND EASTERN EUROPE REGIONAL NETWORK:** GEORGIA introduced a draft decision on the creation of a regional network of Central and Eastern European Article 5 Parties (UNEP/OzL.Pro.14/CRP.14). He emphasized that similar networks are present in other regions. The US and the EU inquired about the proposal's financial implications. After informal consultations, GEORGIA withdrew the draft decision, saying it would pursue the matter in other forums.

**ILLEGAL TRADE:** POLAND, chair of the contact group on this issue, introduced a revised proposal on illegal trade in ODS (UNEP/OzL.Pro.14/CRP.12). He highlighted that both Article 5 and non-Article 5 Parties took part in the contact group. The EC, with BOSNIA AND HERZEGOVINA, CANADA, JAPAN, and NORWAY supported the decision, and many Parties stressed the importance of regional networks. BOTSWANA, with CHINA, LIBYA and PERU, highlighted the need for capacity building for Article 5 Parties in combating illegal trade. JAPAN noted, and POLAND concurred, that concerns expressed by some Parties on the lack of capacity building were addressed by the references to regional networks, the training of custom officers and licensing system projects. Opposed by the US, CHINA called for the Multilateral Fund Executive Committee to provide financial and technical assistance to Article 5 Parties in combating illegal trade. The MALDIVES, with MAURITIUS and the RUSSIAN FEDERATION, expressed concern over the fate of ODS seized by customs officers. BURKINA FASO proposed that the Ozone Secretariat be requested to explore options for reducing illegal trade with both governments and stakeholders. The Ozone Secretariat prepared a revised draft decision (UNEP/OzL.Pro.14/CRP.12/Rev.1) but delegates could not agree on matters pertaining to the seizure of ODS and financial assistance through the Multilateral Fund. Discussion will resume after the opening of the high-level segment.

**IMPLEMENTATION COMMITTEE:** Implementation Committee President Mahfuzul Haque introduced the draft recommendations on compliance issues agreed at the Committee's 28th meeting (UNEP/OzL.Pro.14/L.1/Add.1).

The MALDIVES said it had written to the Ozone Secretariat explaining the reasons for its non-compliance and stating that it would cease ODS imports for the next two years in order to return to compliance. The Ozone Secretariat noted that this information

had been taken into account in the Implementation Committee's recommendation. The US queried why the Maldives had not attended the Implementation Committee. In response to the Ozone Secretariat's comment that Parties are only invited to attend Committee meetings in complex cases, the US proposed that all Parties under consideration should be invited to present their case.

Confirming his country's commitment to fulfilling its ozone obligations and complying with the Implementation Committee's recommendation, LIBYA stated that the implementation of its national programme had been delayed until 1999 due to the opposition of some countries as a result of UN sanctions. BOSNIA AND HERZEGOVINA said it had written to the Ozone Secretariat explaining that its baseline was artificially low, as it covered a period of war when ODS production ceased, and requesting a baseline of 2001. Remarking that it had already appeared before the Implementation Committee, YEMEN asked why further information had been requested. Implementation Committee President Haque stressed that the Committee exercises caution when considering proposed baseline data changes. The UK emphasized that the Implementation Committee's recommendations are only as sound as the information provided to it. Delegates forwarded the recommendations to the high-level segment for adoption. The US noted lack of time, and reserved the right to reopen discussions.

**RESEARCH UNDER THE VIENNA CONVENTION:** ARGENTINA introduced a draft decision requesting the United Nations Environment Programme (UNEP) with the World Meteorological Organization to establish a fund for receiving voluntary contributions for financing ozone-related monitoring and research activities in developing countries and countries with economies in transition (UNEP/OzL.Conv.6/CRP.1/Rev.1). After protracted debate, Parties agreed to submit the draft decision to the high-level segment for adoption.

**EXPEDITED PROCEDURES:** The EU stated that it would submit a report on this issue in 2003.

**ODS RECOVERY:** The EC withdrew its proposal to discuss this issue.

## CONTACT GROUPS

**MULTILATERAL FUND REPLENISHMENT:** The contact group on the Multilateral Fund replenishment met in the afternoon. Delegates discussed each element of the funding requirement and issues related to cost efficiency and Article 5 Parties' compliance with the Montreal Protocol.

## IN THE CORRIDORS - I

There were notable absences from the conference center on Wednesday morning, as 18 participants were granted a brief audience with the Pope. Divine inspiration seemed lacking, however, as delegates made slow progress through their outstanding business. Coming out of the Multilateral Fund replenishment contact group, some participants did report "high spirits," confident of reaching a compromise between the G-77/China and the TEAP's figures. Others, however, were concerned that delegates were still explaining their positions, rather than negotiating to close the gap of nearly \$400 million between the two figures.

## IN THE CORRIDORS - II

Some delegates expressed surprise at the claim in Plenary that "there are no alternatives for methyl bromide," arguing that effective alternatives have been identified for the vast majority of methyl bromide uses, as illustrated at Tuesday's UNEP/Food and Agriculture Organization workshop.

## THINGS TO LOOK FOR TODAY

**PLENARY:** The high-level segment will commence at 10:00 am. Delegates will hear statements from, among others, the Deputy Mayor of Rome, Shafqat Kakakhel, UNEP Deputy Executive Director and Altero Matteoli, Minister of the Environment and Territory of Italy. The preparatory segment will then reconvene to consider outstanding items.