



THIRTIETH MEETING OF THE OPEN-ENDED WORKING GROUP OF THE PARTIES TO THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER: 15-18 JUNE 2010

The thirtieth meeting of the Open-ended Working Group (OEWG-30) of the parties to the Montreal Protocol on Substances that Deplete the Ozone Layer took place from 15-18 June 2010 in Geneva, Switzerland. Over 400 participants representing governments, UN agencies, intergovernmental organizations, non-governmental organizations and industry attended the meeting. OEWG-30 was preceded by the Seminar on Environmentally Sound Management of Banks of Ozone Depleting Substances, held on 14 June 2010, and followed by the 44th Meeting of the Implementation Committee under the Non-compliance Procedure for the Montreal Protocol on 21-22 June 2010.

At OEWG-30, parties discussed, among other things, issues related to: the financial mechanism; hydrochlorofluorocarbons (HCFCs) and their alternatives; polyols; and environmentally sound management of banks of ozone-depleting substances (ODS). Parties also considered issues concerning exemptions for ODS uses, including: essential- and critical-use exemptions for 2011 and 2012; transitions to chlorofluorocarbon (CFC)-free metered dose inhalers (MDIs); laboratory and analytical uses of ODS; and use of ODS as process agents. OEWG-30 heard reports from the Technology and Economic Assessment Panel (TEAP) and considered two proposals, from the Federated States of Micronesia and from the US, Canada and Mexico, for amendments to the Montreal Protocol to control hydrofluorocarbons (HFCs).

Contact groups were formed to discuss: terms of reference (TOR) for an evaluation of the financial mechanism and for a study on replenishment of the Multilateral Fund (MLF); issues related to polyols; destruction of banks of ozone-depleting substances (ODS); and methyl bromide quarantine and pre-shipment (QPS) issues. An open-ended, informal group was held on the HFC amendment proposals. Delegates met in plenary on Tuesday, Wednesday, and Thursday morning, and in the evening

on Thursday and Friday, with contact groups convening in the evening on Tuesday, afternoon and evening on Wednesday and Thursday, and throughout the day on Friday.

With some work remaining for parties during the intersessional period, and several draft decisions and proposals forwarded as bracketed texts to the twenty-second Meeting of the Parties (MOP-22), the Co-Chairs praised delegates at the close of OEWG-30 for their commitment to the process, and hoped the momentum of the meeting would help resolve the outstanding issues. Participants left Geneva looking ahead to discussions in November at MOP-22 in Uganda.

This briefing note summarizes the discussions and outcomes of the OEWG, and is organized according to the agenda.

OPENING OF THE MEETING

The thirtieth session of the Open-ended Working Group (OEWG-30) was opened Tuesday morning, 15 June, by Martin Sirois (Canada), who co-chaired the meeting with Fresnel Díaz (Venezuela). Marco González, Executive Secretary of the Ozone Secretariat, welcomed the delegates to the meeting. Highlighting the importance of universal ratification of the Montreal Protocol, he urged countries that have not ratified the four amendments of the Montreal Protocol to do so expeditiously, and pledged to provide the assistance needed. González then highlighted the issues that would be considered by the parties at this meeting.

Co-Chair Sirois introduced the provisional agenda and annotated provisional agenda for the meeting (UNEP/OzL.Pro.WG.1/30/1/Rev.1 and Add.1). Switzerland, Mexico, on behalf of the Latin America and Caribbean Group (GRULAC), and India requested the addition of the issue of polyols. Grenada asked to include consideration of the special situation of Haiti, and also requested the Secretariat to provide information on the budget at the next MOP. China, supported by India, expressed strong reservations to agenda items 5 and 6, on adjustments and amendments to the Montreal Protocol, respectively. He said in the spirit of compromise and cooperation he would not request their exclusion from the agenda, but said they should be addressed briefly. As no proposals for adjustments had been submitted to the Secretariat, agenda item 5 was deleted. With the proposed amendments, the agenda was adopted.

On the organization of work, China, supported by India and Brazil, again voiced reservations about discussing the proposed amendments, while the Federated States of Micronesia reiterated

This *Briefing Note* was written by Kate Neville and Kunbao Xia. The Editor is Pamela Chasek, Ph.D. <pam@iisd.org>. The Director of IISD Reporting Services is Langston James "Kimo" Goree VI <kimo@iisd.org>. The Sustaining Donors of the *Earth Negotiations Bulletin* are the United Kingdom (through the Department for International Development – DFID), the Government of the United States of America (through the Department of State Bureau of Oceans and International Environmental and Scientific Affairs), the Government of Canada (through CIDA), the Danish Ministry of Foreign Affairs, the German Federal Ministry for Economic Cooperation and Development (BMZ), the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU), the Netherlands Ministry of Foreign Affairs, the European Commission (DG-ENV), and the Italian Ministry for the Environment, Land and Sea. General Support for the *Bulletin* during 2010 is provided by the Norwegian Ministry of Foreign Affairs, the Government of Australia, the Austrian Federal Ministry of Agriculture, Forestry, Environment and Water Management, the Ministry of Environment of Sweden, the New Zealand Ministry of Foreign Affairs and Trade, SWAN International, Swiss Federal Office for the Environment (FOEN), the Finnish Ministry for Foreign Affairs, 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), the Government of Iceland, the United Nations Environment Programme (UNEP), and the World Bank. The opinions expressed in the *Briefing Note* are those of the authors and do not necessarily reflect the views of IISD or other donors. Excerpts from the *Briefing Note* may be used in non-commercial publications with appropriate academic citation. For information on the *Bulletin*, including requests to provide reporting services, contact the Director of IISD Reporting Services at <kimo@iisd.org>, +1-646-536-7556 or 300 East 56th St., 11A, New York, New York 10022, USA.

its request for the proposals to be heard. China confirmed its acquiescence to discussing the issue, but emphasized the greater priority of other issues and requested the amendment discussions be deferred until later in the meeting. The US, with the European Union (EU), expressed willingness to be flexible on the time allocated to the amendment discussions, and Japan, welcoming China's cooperative approach, suggested the Co-Chairs be given discretion on the order of discussions. Co-Chair Sirois recognized calls for early consideration of polyols, and emphasized the aim to give all agenda items appropriate consideration. Parties agreed to the organization of work with the proposed adjustments.

PRESENTATION OF THE 2010 PROGRESS REPORT OF THE TECHNOLOGY AND ECONOMIC ASSESSMENT PANEL

On Tuesday, Ashley Woodcock (UK), Co-Chair of the Medical Technical Options Committee (MTOC), introduced the 2010 progress report of the Technology and Economic Assessment Panel (TEAP) (TEAP Progress Report, Volume 2, May 2010, available at http://ozone.unep.org/Meeting_Documents/oewg/30oewg/index.shtml), and, with MTOC Co-Chair Helen Tope (Australia), presented the findings of the MTOC. Co-Chair Woodcock reported substantial progress on the development of CFC-free alternatives for MDIs, noting that, among other outcomes, in 2011 all countries except Russia requested lower volumes for essential-use nominations (EUNs) than in 2010. Co-Chair Tope highlighted the development and commercial availability of affordable alternatives, including HFC MDIs, in several countries.

Masaaki Yamabe (Japan), Chemicals Technical Options Committee (CTOC) Co-Chair, discussed reporting efforts on controlled substances as process agents, and, on destruction technologies, said the CTOC had identified emerging technologies and increased numbers of facilities for the conversion and destruction of ODS.

Miguel Quintero (Colombia), Flexible and Rigid Foams Technical Options Committee (FTOC) Co-Chair, outlined the transition away from HCFCs in the extruded polystyrene foam sector, noting their replacement by HFCs and hydrocarbons, and highlighting several pilot projects. He noted the MLF Executive Committee (ExCom) has not yet approved a methodology for quantifying the climate impacts of technology transitions.

David Catchpole (UK), Co-Chair of the Halons Technical Options Committee (HTOC), highlighted, *inter alia*: the inclusion in the 2010 report of four new halon alternatives; investigations into contaminated halons found on aircraft; and the drafting of a mandate for the replacement of halons in aircraft, in collaboration with the International Civil Aviation Organization (ICAO), industry and governments.

Mohamed Besri (Morocco), Co-Chair of the Methyl Bromide Technical Options Committee (MBOC), presented data on methyl bromide consumption for controlled use, noting progress in chemical and non-chemical alternatives for soil treatment. MBOC Co-Chair Michelle Marcotte (Canada) added that sulfuryl fluoride is an alternative to methyl bromide, but pointed to concerns with its high global warming potential (GWP).

Noting the work of Refrigeration, Air Conditioning and Heat Pumps Technical Options Committee (RTOC) experts in the HCFC replacement report, Lambert Kuijpers (the Netherlands), TEAP and RTOC Co-Chair, announced the RTOC will hold two additional meetings, in August and December, to finalize their assessment report. Kuijpers also presented on TEAP organizational issues, including on the challenges faced by some TEAP experts in securing support and funding from governments and employers for their work.

In the ensuing discussion, questions were raised, among other things, on: timelines for eliminating methyl bromide in developing countries; affordability of CFC-free MDIs; and use of carbon tetrachlorides (CTCs) as transfer agents in polymerization. TEAP members clarified, *inter alia*, that alternatives to sulfuryl fluoride may not be feasible for regions with phosphine-resistant pests and that the TEAP is pursuing synergies with other multilateral environmental agreements.

ISSUES RELATED TO THE FINANCIAL MECHANISM UNDER ARTICLE 10 OF THE MONTREAL PROTOCOL

REPORT OF THE EXCOM OF THE MLF FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL ON A SPECIAL FACILITY UNDER THE MLF: On Tuesday, the MLF Secretariat introduced the current stalled state of discussions on a special facility under the MLF (UNEP/OzL.Pro. WG.1/30/2 and 3) for the purpose of financing the destruction of ODS banks. Spain, on behalf of the EU, recognized the lack of consensus on this issue and committed to making positive efforts towards its progress. China agreed the issue should be further explored, and Canada hoped progress would be made at the next meeting of the MLF ExCom.

TOR FOR AN EVALUATION OF THE FINANCIAL MECHANISM: On the TOR for an evaluation of the financial mechanism, Spain, on behalf of the EU, reiterated their intent to contribute to the discussion on this item. Australia said the evaluation should learn from past experiences and lessons. Japan suggested that the assessment be concrete and focused, and also expressed concern with its budget.

TOR FOR A STUDY ON THE 2012–2014 REPLENISHMENT OF THE MLF: On the TOR for a study on the 2012–2014 replenishment of the MLF, China, Japan, Switzerland, Colombia and Brazil supported the study. China added the MLF should focus on the phase-out of HCFCs and methyl bromide, and said destruction of ODS banks should also be taken into account. Colombia noted the study should also aim at achieving climate benefits. Canada suggested establishing a contact group, and the US said it looked forward to working with other countries on the issue. Kenya expressed concern with illegal trade of ODS.

Co-Chair Sirois established a contact group to discuss the TORs for both the financial mechanism evaluation and MLF replenishment, and appointed Paul Krajnik (Austria) and David Omotosho (Nigeria) as Co-Chairs. This contact group met on Tuesday and Wednesday evenings and on Thursday afternoon and evening.

DRAFT DECISION ON MLF EXCOM HCFC GUIDELINES: On Wednesday afternoon, Brazil, on behalf of Argentina, Colombia, Venezuela and Uruguay, presented a draft decision on the HCFC guidelines approved by the MLF ExCom

(UNEP/OzL.Pro.WG.1/30/CRP.9), requesting the TEAP to study the implications of these guidelines. Brazil noted the aim was to determine whether parties have been successful in replacing HCFCs with low-GWP alternatives, and to assess whether additional financing and incentives might be needed. The US, Canada, the EU and Switzerland noted their comments were preliminary, as they had not yet had sufficient time to reflect on the proposal, but said they were open to its consideration. For the paragraph on the evaluation of “which low-GWP substitutes, and in what quantity, can be financed according to the standards defined by the Panel,” Brazil clarified that the standards refer to the low-, medium- and high-GWP categories proposed by the TEAP. Parties agreed to the consideration of this draft decision on HCFC guidelines by the contact group on TORs for financial mechanism evaluation and MLF replenishment.

The contact group Co-Chairs reported their progress to plenary on Thursday, noting the group agreed that the TOR for the study on MLF replenishment should include: control measures; reduction steps in HCFC and methyl bromide; compliance; country programmes and measures; combating illegal trade; and destruction of ODS banks. On evaluation of the financial mechanism, they said the group agreed that there is room to improve its effectiveness.

On Friday evening, on behalf of the Co-Chairs, Ruth Batten, Ozone Secretariat, presented the contact group’s discussions on the TORs and on HCFC guidelines. On the financial mechanism, she said participants had offered ideas on modalities, procedural aspects, performance of systems, results and institutions. She highlighted that the proposal for a study of a review of MLF replenishment had been discussed comprehensively, with broad consensus on many issues. On HCFC guidelines, she noted some parties said more time was needed to review the proposal.

Final Outcomes: As advised by the contact group, the OEWG decided to forward to the preparatory segment of MOP-22 the revised draft decision on HCFC guidelines (UNEP/OzL.Pro.WG.1/30/CRP.9/Rev.1) and, with some bracketed text, the TOR for the financial mechanism evaluation (UNEP/OzL.Pro.WG.1/30/CRP.14). The TOR for the MLF replenishment study (UNEP/OzL.Pro.WG.1/30/CRP.13) was forwarded to MOP-22 with bracketed text on unresolved HFC issues.

PROPOSED AMENDMENTS TO THE MONTREAL PROTOCOL

On Wednesday morning, Co-Chair Díaz introduced proposals by the US, Canada and Mexico (UNEP/OzL.Pro.WG.1/30/5) and by the Federated States of Micronesia (UNEP/OzL.Pro.WG.1/30/4) on the amendment of the Protocol.

The US introduced its trilateral proposal, saying parties have been successful under the Montreal Protocol in solving the global environmental problem of ozone depletion, but risk exacerbating the problem of climate change through the transition to HFCs from CFCs and HCFCs. He clarified the proposal is for a phase-down rather than phase-out. Mexico called the amendment a “major historic opportunity,” pointing to benefits for Article 5 countries in finding alternatives to substances with high GWP. Noting the complexity of the proposed amendment, Canada emphasized the goal of an HFC phase-down and their willingness to discuss the specifics of baselines and timelines for both Article 5 and non-Article 5 countries.

Beginning with a parable of a burning house, the Federated States of Micronesia alluded to the Montreal Protocol as a volunteer fire brigade with the potential to “douse the fire,” and highlighted the potential for an HFC phase-down to avoid carbon emissions, noting this would contribute to delaying the adverse impacts of climate change. He outlined the necessity, feasibility and benefits of the proposal, explaining it involves the phase-down of HFC production and consumption by all parties, with timelines and baselines for Article 5 and non-Article 5 countries reflecting the principle of “common but differentiated responsibilities.” The Federated States of Micronesia clarified that the main differences between the proposals are in the proposal details, particularly concerning the specifics of financial assistance and baselines and timelines for phase-downs in Article 5 and non-Article 5 countries. He also clarified that the proposal would not interfere with existing Clean Development Mechanism (CDM) HFC projects. Stressing the need for a sense of emergency, he stated “failure is not an option.”

In questions and ensuing discussions, parties expressed divergent views. On funding, timelines and alternative technologies, Jordan asked for clarification of the details, specifically on cost and time comparisons of reducing HFCs under the Montreal and Kyoto Protocols and on financial support for the phase-down. Argentina and Switzerland also asked about the financial implications, and Canada noted that no detailed cost analysis had yet been undertaken. Switzerland underscored the need for the study on the next MLF replenishment to include the cost of this proposed action. Sri Lanka asked if financial assistance would be made available if there is an amendment, and the US and Canada confirmed that it is their intention to provide funds, but further discussions are needed.

Several countries, including China, South Africa, India and Brazil, stressed that HFCs are the mandate of the UN Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol, and underscored that since HFCs are not ODS, they are outside the ambit of the Montreal Protocol. Some, including Kuwait, China and India, stressed the need to focus efforts on ODS-related issues, such as the accelerated HCFC phase-out and replenishment of the MLF. India voiced concerns that taking on responsibilities under the Montreal Protocol for issues covered by other agreements would undermine the credibility of those other conventions and protocols, and Sri Lanka wondered if such a move would “dilute” the Montreal Protocol.

Canada stressed the proposal would not undermine the Kyoto Protocol, and said it would provide “practical and pragmatic steps” to reduce climate impacts. The US emphasized that although environmental agreements and protocols have different mandates, the public expect their governments to address complex, interrelated issues, and will not accept fragmented approaches. Mexico clarified the proposal would be limited to a phase-down of HFCs, and would not implicate other gases or global issues.

On the legal implications of actions that cut across international agreements, Colombia asked for clarification on how commitments for HFC reduction would be considered under the Montreal Protocol and the UNFCCC and its Kyoto Protocol, particularly since developing countries do not have quantified commitments under the latter. China stressed that a change in

the mandate and scope of the Montreal Protocol could present a conflict in international law between commitments under the ozone and climate change regimes. The US acknowledged the importance of legal considerations, and explained it envisioned a straightforward relationship between actions taken and benefits recorded under the two regimes.

Australia said it is open to considering the idea of controlling consumption and production of HFCs under the Montreal Protocol. Norway, the EU, Mauritius, Saint Lucia and New Zealand supported the basic principles and goals of the amendment proposals, although several specified that the details needed further consideration and debate, and Saint Lucia wondered if the two proposals could be combined. Palau and the Marshall Islands supported the Federated States of Micronesia's proposal, and Kiribati, Cameroon, Kenya, Greenpeace, Environmental Investigation Agency, and Natural Resource Defense Council (NRDC) expressed their support for the two proposals.

India, supported by Pakistan, emphasized the importance of broad stakeholder consultations prior to making a decision. Indonesia suggested that the proposals be discussed with the UNFCCC parties and Secretariat. Brazil and Jordan, supported by Argentina, Iraq and Switzerland, proposed providing the TEAP with a mandate to study the legal, economic and technical aspects of controlling HFCs under the Montreal Protocol. Venezuela agreed with mandating a TEAP study and, with Malaysia and Bahrain, recommended deferring decisions on the issue until after UNFCCC COP 16.

The US suggested establishing a contact group, and Japan urged continued discussions on the issue. However, Brazil expressed concern with considering the HFCs issue in the ozone regime, and objected to the establishment of a contact group.

Co-Chair Díaz suggested convening an open-ended informal group on HFCs, led by Agustín Sánchez Guevara (Mexico), and invited all interested parties to participate. This group met on Thursday and Friday afternoons.

Draft decision on HFC-23 as a byproduct of HCFC-22: Following discussions on the amendment proposals on Wednesday afternoon, the US introduced an associated proposed draft decision, submitted with Canada and Mexico, on the phase-out of HFC-23 as a by-product emission of HCFC-22 with high global warming potential (UNEP/OzL.Pro.WG.1/30/CRP.1). The US outlined the draft decision, explaining its intent is to address issues that would be associated with the near-term compliance obligations of phasing out HFCs and to achieve environmental benefits from greater control of HFC-23. The issue was deferred to the informal group on HFCs for discussion.

Final Outcome: Given parties' disagreement on whether to consider the proposed amendments, further discussions occurred only in an informal group and were not reported back to plenary. The amendment proposals were forwarded to the MOP. In the informal group, some parties expressed their openness to working intersessionally on the proposals and to possibly creating a document outlining the differences between the proposals more clearly.

ISSUES RELATED TO HCFCs

On Tuesday, members of the TEAP presented findings in response to decisions XXI/9 and XIX/8, on HCFC issues and alternatives to HCFCs in high ambient temperatures in the refrigeration and air-conditioning sectors, respectively (TEAP Progress Report, Volume 1, May 2010, available at http://ozone.unep.org/Meeting_Documents/oewg/30oewg/index.shtml). Participants also discussed polyols under this agenda item.

RESPONSE BY THE TEAP TO THE HCFC ISSUES: On Tuesday, TEAP Co-Chair Kuijpers outlined the review process for HCFC issues, explaining that a Task Force had undertaken the review. He introduced a proposed classification system for high- and low-GWP substances, noting that, to date, specific definitions and thresholds for such terms have been lacking. Kuijpers explained the classification sets low-GWP at under 300, moderate-GWP at 300-1000, and high-GWP at greater than 1000.

Task Force Co-Chairs and members presented various aspects of the reports. In addressing the trade-offs among GWP, energy use, ozone impacts, safety, affordability and health for different HCFC alternatives, TEAP Co-Chair Stephen Andersen (US) described the TEAP's recommendation of using a Life-Cycle Climate Performance approach for comparing options. Roberto de A. Peixoto (Brazil), TEAP Senior Expert, outlined various alternatives for transport refrigeration, chillers and unitary and mobile air conditioners, noting especially the trade-offs between toxicity, flammability, safety and GWP.

Miguel Quintero (Colombia), FTOC Co-Chair, described pilot projects on alternatives to HCFCs in foams. He highlighted the potential of pre-mixed hydrocarbons as an economically viable option for small- and medium-sized enterprises to replace high-GWP HFCs. On fire protection, solvents and MDIs, Daniel Verdonik (US), HTOC Co-Chair, presented a series of replacement options in each sector, noting, among others, the testing of an unsaturated hydrobromofluorocarbon (HBFC) for halon-1211 in aviation and the potential for lower-GWP HCFC blends. He noted that no single alternative will be available to completely replace HCFCs and HFCs, and that a range of options will be needed.

SCOPING STUDY BY THE TEAP ON ALTERNATIVES TO HCFCs IN THE REFRIGERATION AND AIR-CONDITIONING SECTORS IN PARTIES OPERATING UNDER PARAGRAPH 1 OF ARTICLE 5 WITH HIGH AMBIENT TEMPERATURE CONDITIONS:

On Tuesday, RTOC Co-Chairs Kuijpers and Peixoto presented the report on HCFC alternatives in high ambient temperature regions, including guidance for the replacement of HCFC-22. Noting the challenges with maintaining the capacity and efficiency of HCFC-replacement refrigerants when ambient temperatures approach refrigerants' critical point temperatures, the Co-Chairs explained that design features can mitigate these problems and can also address flammability and safety concerns. Kuijpers added that such temperature-related problems generally occur only at certain times of the year, as regions experience seasonal temperature variations. On refrigeration in deep mines, Kuijpers presented the findings from a 2009 study in South Africa, including on a range of replacement options for these conditions such as HFC-134a, ammonia and water.

Following the presentations, several delegations asked technical questions on the GWP, efficiency and cost trade-offs of various substances, and on the use of HFCs and polycarbons in specific sectors including commercial-scale refrigeration and mobile air conditioning. Some questions were deferred to bilateral discussions, with TEAP noting its members would be available for consultation on specific technologies and situations. The EU offered to share information with the TEAP about new technologies on solid fuels and salts. In response to questions on the methodology and justification of the proposed GWP classifications, Kuijpers clarified that a decision on the proposed categories could be taken freely, as no existing system is yet in place.

In response to China on whether the TEAP would produce a report on the market situation of alternative low-GWP technology, Kuijpers replied that the TEAP would be willing to consider a request for a follow-up report, but that it believed the current reports had fulfilled its mandate from decisions XIX/8 and XXI/9.

The TEAP and delegates also discussed, *inter alia*: comparisons of flammability and efficiency of propane and HFC-32; the use of hydrocarbons in mobile air conditioners and chillers; advantages of absorption coolers in cases where electricity is produced through co-generation; and whether more alternatives to HFCs are currently available and technically feasible, or will be in the near future, than were available for CFCs when the Montreal Protocol was first agreed to.

HCFCs PREBLENDED IN POLYOLS: India presented its draft decision on affirmation of the status as controlled substances under the Montreal Protocol of HCFCs preblended in polyols (UNEP/OzL.Pro.WG.1/30/CRP.5), and suggested such HCFCs be subject to the phase-out schedules for HCFCs agreed by the parties.

Switzerland, Mauritius, Lebanon, Turkey, Trinidad and Tobago, Dominican Republic, Nigeria, Jamaica, Egypt and Mexico, on behalf of GRULAC, supported India's proposal. Switzerland said it should be possible to find solutions to assist and meet the needs of Article 5 countries. Kenya suggested the amount of each control substance be reported. The EU underscored the need for broad consultation on the issue, and Mexico and Canada suggested establishing a contact group. Recognizing the complexity of the issue, Canada, supported by the US, said it needs more time to consider the proposal.

Co-Chair Sirois established a contact group on the issue, which met on Wednesday and Thursday afternoons, and appointed Bianca Abreu (Brazil) and Mikkel Sorensen (Denmark) as Co-Chairs. On Thursday morning, contact group Co-Chair Abreu reported on the initial meeting, noting many comments were made on, *inter alia*, issues of reporting, establishment of baselines, and funding implications. On Thursday evening, contact group Co-Chair Sorensen reported on the group's discussions, noting the debate among participants over whether the issue would be better addressed by the MOP or the MLF ExCom.

Final Outcome: On Thursday evening, contact group Co-Chair Sorensen said the decision of the group was to forward the draft decision (UNEP/OzL.Pro.WG.1/30/CRP.5) in brackets for consideration by MOP-22 and also to request the MLF

ExCom to consider the issue at its 61st meeting, particularly on funding eligibility concerns related to polyols. As part of the outcome, he said parties had brought to the Co-Chairs several requests, namely: to request the TEAP to clarify the definitions of "fully preblended polyols" and "polyurethane polymers" and the relation of these with the definitions of "controlled substances" and "products;" and to request India to clarify the concept of "production polyols."

ISSUES RELATED TO EXEMPTIONS FROM ARTICLE 2 OF THE MONTREAL PROTOCOL

NOMINATIONS FOR ESSENTIAL-USE EXEMPTIONS FOR 2011 AND 2012: On Tuesday, Co-Chair Diaz noted that in accordance with decision IV/25, some parties, namely Argentina, Bangladesh, China, Egypt, India, Iran, Iraq, Pakistan and Russia, submitted requests for essential-use exemptions for CFCs for MDIs applicable to 2011 and, in some cases, 2011 and 2012. He also said Russia requested an exemption for the use of 120 tons of CFC-113 in 2011 for certain aerospace applications. Russia clarified these uses on Wednesday, noting, for example, the challenges of finding non-ODS alternatives for use in sensitive aerospace instruments, particularly rockets and launching equipment.

Co-Chair Diaz explained that the TEAP's MTOC and CTOC had met and made recommendations on these requests (UNEP/OzL.Pro.WG.1/30/2). China expressed appreciation to MTOC, and said it would hold further consultations with exporting countries. India and Bangladesh lamented about the MTOC-recommended exemption levels for CFCs in MDIs for 2011 that were set for them, and requested the MTOC to review their requests again.

The EU praised the US, Egypt and Syria for having not requested exemptions for CFCs in MDIs for 2011 but expressed concern with the relatively slow progress of the implementation of alternatives. The US reported some success in its transition to non-CFC substitutes in MDIs, but noted it is still in the process of transition. Australia asked that countries submitting requests for essential-use exemptions further improve the level of information they provide to the TEAP.

RESULTS OF THE MISSION BY THE TEAP AND MTOC TO THE RUSSIAN FEDERATION TO REVIEW THAT COUNTRY'S TRANSITION TO CFC-FREE MDIS:

On Wednesday, Co-Chair Sirois introduced the results of the mission to Russia by the TEAP and MTOC to review the transition to CFC-free MDIs, as directed by decision XXI/4 (TEAP Progress Report, Volume 2, May 2010). They noted that the team found two manufacturers producing CFC MDIs and identified funding as the major barrier to the transition. Russia updated parties on new legislation and research efforts to support conversion to ozone-friendly options, and noted the potential, with support from the United Nations Industrial Development Organization (UNIDO), to implement conversion projects quickly. UNIDO informed delegates they have initiated contact with the Global Environment Facility (GEF) for project funding, and are working with manufacturers to secure co-financing.

NOMINATIONS FOR CRITICAL-USE EXEMPTIONS FOR 2011 AND 2012: On Thursday, MBTOC Co-Chairs Ian Porter (Australia) and Michelle Marcotte (Canada) presented

an overview of the TEAP's interim recommendations on nominations for critical-use exemptions (CUNs) for 2011 and 2012 (TEAP Progress Report, Volume 2, May 2010). MBTOC Co-Chair Porter highlighted trends showing declines in critical use exemption applications, and outlined the requests for 2011 and 2012 by parties, noting, *inter alia*, challenges remaining in the preplant soil sector for strawberries. MBTOC Co-Chair Marcotte described applications for exemptions for pest control in food processing structures and commodities, and identified problems, *inter alia*, with progress in finding alternatives to methyl bromide for post-harvest uses, noting that regulatory approval and interpretation barriers need to be addressed, along with research and development efforts.

The EU praised MBTOC for the increased transparency in its evaluations of CUNs, but asked how the TEAP aimed to address the remaining gaps in provision of information by applicants. The Co-Chairs acknowledged concerns with data availability, and confirmed that CUNs are revised by the TEAP if significant new information becomes available.

In response to questions by India and Jordan on future non-Article 5 party applications for CUNs, MBTOC Co-Chair Porter explained such decisions are up to the parties, and the TEAP can assess likely timelines for methyl bromide phase-outs only when parties develop and submit relevant action plans.

TEAP-LED REPORT ON QPS ISSUES: On Thursday, MBTOC QPS Subcommittee (formerly QPS Task Force) Chair Marta Pizano (Colombia) introduced the TEAP-led report (TEAP Progress Report, Volume 2, May 2010) on the feasibility, availability and market penetration of alternatives to methyl bromide for four major uses: sawn timber and wood packaging material; grains and similar foodstuffs; pre-plant soils; and logs. She noted a decrease in the total use of methyl bromide for QPS applications, but highlighted an increasing trend in its use in Article 5 countries, particularly in Asia. Providing examples of alternatives to methyl bromide in the four sectors, she explained how the Subcommittee assessed these alternatives on the basis of a number of technical, economic, regulatory and registration criteria.

Noting the complexity of the issue, Australia proposed submitting its detailed technical questions in writing to the TEAP for response and, as requested by the EU, the TEAP agreed to make submitted questions and their responses available to all parties.

Following comments by MBTOC QPS Chair Pizano that methyl bromide soil uses are categorized by some parties as QPS but as CUNs by others, the EU introduced a related draft decision on QPS (UNEP/OzL.Pro.WG.1/30/CRP.3), which he said was aimed at "closing a Montreal Protocol loophole" for such ODS exemptions. He explained that the draft decision, among other things, requests parties to review phytosanitary regulations and to consistently apply the QPS definitions agreed to by the parties in decisions VII/5 and XI/12.

Colombia suggested the MLF ExCom be requested to review demonstrative projects on alternatives to methyl bromide. Australia, supported by the US, noted the importance of methyl bromide for QPS in protecting biodiversity and biosecurity, such as in the control of exotic invasive pests, and the US encouraged links between the Montreal Protocol and the International Plant

Protection Organization. China stressed the continued need for exemptions for methyl bromide in QPS uses, raising concerns that restrictions on the use of methyl bromide could hinder trade between countries. Switzerland noted that for many uses there are alternatives to methyl bromide that do not hinder trade or harm the environment, although recognized that in some situations methyl bromide use may be justified.

With several parties, including Colombia, Mexico and Australia, expressing their willingness to participate, and the EU requesting the involvement of MBTOC members, Co-Chair Sirois established a contact group on a draft decision on QPS, co-chaired by Tri Widayati (Indonesia) and Robyn Washbourne (New Zealand). This contact group met on Friday morning. On Friday evening, contact group Co-Chair Washbourne outlined the group's discussions, highlighting agreement on the interest in questions related to methyl bromide use, and noting that issues of biosecurity and trade impacts were raised. She said some participants had cautioned about moving ahead too quickly given the limited knowledge parties might currently possess. She also reported that some new text was suggested, but delegates had not reached agreement on many of the paragraphs.

Final Outcome: The OEWG agreed to submit the bracketed revised draft decision (UNEP/OzL.Pro.WG.1/30/CRP.3/Rev.1) to MOP-22.

LABORATORY AND ANALYTICAL USES OF ODS: On Wednesday, Co-Chair Díaz outlined the TEAP and CTOC's findings on laboratory and analytical uses of ODS, highlighting the recommendation to eliminate 15 procedures from the list. Mexico asked about the possibility of extending the time periods for identifying and eliminating procedures using CTCs, and, on behalf of GRULAC, suggested such an extension would facilitate the total elimination of these uses. China stressed that exemptions for laboratory and analytic uses of ODS are important for Article 5 countries who may not have access to or the capacity to utilize alternative technologies, noting, for example, the use of ODS in some environmental monitoring processes.

In response to a question from Australia on progress made by the Secretariat in consulting with international standards organizations on standards that mandate the use of ODS, Executive Secretary Marco González reported that letters have been sent to a number of these international bodies, but the Secretariat has not yet received replies. The EU expressed confidence that alternative substances exist for the majority of laboratory and analytical processes, and the US described its efforts to assess whether standards based on non-ODS alternatives can be adopted for laboratory and analytic uses.

ISSUES RELATING TO THE USE OF ODS AS PROCESS AGENTS: On Wednesday, Co-Chair Sirois gave an overview of issues related to the use of ODS as process agents, highlighting the TEAP's proposed deletions of several process agent uses from Table A of decisions X/14 and XIX/15, and several countries without process agent uses from Table B of decision X/14. The EU supported regular revisions of the list of process agents. Canada announced its work with the US, China, Israel and Brazil on a possible draft decision, and invited others to collaborate on intersessional consultations.

Final Outcome: On Wednesday, Co-Chair Sirois closed the agenda item, noting the expectation that a draft decision would be produced during the intersessional period and presented to MOP-22.

ENVIRONMENTALLY SOUND MANAGEMENT OF BANKS OF OZONE-DEPLETING SUBSTANCES

IDENTIFYING AND MOBILIZING RESOURCES

FOR ODS DESTRUCTION: On Wednesday, ODS seminar Co-Chairs Annie Gabriel (Australia) and Javier Ernesto Camargo Cubillos (Colombia) reported the outcomes of the seminar held on 14 June 2010, which focused on both existing and possible future sources of funding for the destruction of ODS. In ensuing discussions, many representatives said that the seminar was informative and useful.

Mauritius suggested UNEP undertake a study on ODS destruction in low-consuming countries. Brazil said market-based mechanisms are not suitable for this purpose, proposing instead that the destruction of ODS banks be funded by the MLF. Venezuela agreed that the MLF should play a central role.

With parties noting that many ODS are also greenhouse gases, and therefore eligible for funding under the climate change regime and carbon market funds, the US suggested the GEF, voluntary carbon markets, regional development banks and carbon funds at World Bank could all play a role. China disagreed, saying the carbon market is not reliable for carrying out this activity in a sustainable manner, and suggested the possible use of other financial mechanisms, such as the GEF, could be explored. Colombia hoped MLF funding could be complemented by other sources, including carbon markets. On the role of the CDM as a way of funding projects that would control both greenhouse gases and ODS, Sri Lanka said CDM projects are very difficult for them, and that they wish to look for other innovative financial mechanisms.

The EU introduced a draft decision on this issue (UNEP/OzL.Pro.WG.1/30/CRP.10), including, *inter alia*: encouraging parties to address ODS banks under the GEF; requesting the TEAP to undertake a review of destruction technologies; and inviting parties and agencies to continue to explore additional options for the long-term management of ODS banks.

Nicaragua asked for support for developing regional projects. Indonesia called for stable and sustainable financial resources to be made available for this purpose. Nigeria asserted that guidance provided by the TEAP should take a step further, and said it would propose a draft decision on the development of criteria for the evaluation of destruction facilities for end-of-life management of ODS. Canada supported the development of pilot projects under the MLF, including projects in low-volume consuming countries.

Co-Chair Díaz set up a contact group on ODS bank destruction, co-chaired by the ODS seminar Co-Chairs Gabriel and Camargo.

Environmentally sound management of ODS banks: On Thursday morning, Mauritius introduced a draft decision on environmentally sound management of banks of ODS (UNEP/OzL.Pro.WG.1/30/CRP.11), highlighting that it requests the UNEP Division of Technology, Industry and Economics to study ODS banks in low-consuming countries to facilitate their cost-effective destruction through, for example, aggregation

of stocks in these countries. Parties agreed to direct the draft decision to the contact group on the destruction of ODS banks for consideration.

REVIEW BY TEAP OF TECHNOLOGIES FOR THE DESTRUCTION OF ODS: On Thursday morning, Co-Chair Sirois said that the TEAP had completed its review of destruction technologies as requested in decision XXI/2, adding that details of the review could be found in the TEAP's 2010 Progress Report (TEAP Progress Report, Volume 2, May 2010).

Australia introduced its draft decision on the revision of the list of approved destruction technologies (UNEP/OzL.Pro.WG.1/30/CRP.7), noting that technologies such as methods to recover methyl bromide are mature enough to be included in the TEAP's list of approved technologies.

Nigeria presented a draft decision on the development of criteria for the evaluation of destruction facilities for end-of-life management of ODS (UNEP/OzL.Pro.WG.1/30/CRP.12), and suggested the TEAP establish a task force for this purpose. Brazil asked about the format of the proposed task force and Co-Chair Sirois suggested it should consist mainly of TEAP members. The two draft decisions were directed to the contact group on ODS for consideration.

On Friday evening, contact group Co-Chair Gabriel presented the work on ODS banks, explaining that the group had considered the two main issues raised by the four proposed draft decisions separately, with discussions on environmentally sound management distinct from those on destruction technologies. She reported that the Co-Chairs had drafted two working documents based on these proposals, and contact group Co-Chair Camargo underlined the need for continued discussions on these issues.

Final Outcome: In plenary on Friday evening, the OEWG agreed to forward to MOP-22 two working documents drafted by the contact group (to be finalized by the contact group Co-Chairs for submission to the MOP) together with the four draft decisions on: approved destruction technologies, from Australia (UNEP/OzL.Pro.WG.1/30/CRP.7); environmentally sound management of ODS banks, from the EU (UNEP/OzL.Pro.WG.1/30/CRP.10); environmentally sound management of ODS banks, from Mauritius (UNEP/OzL.Pro.WG.1/30/CRP.11); and development of criteria for the evaluation of destruction facilities for end-of-life management of ODS, from Nigeria (UNEP/OzL.Pro.WG.1/30/CRP.12).

TREATMENT OF STOCKPILED ODS RELATIVE TO COMPLIANCE (DECISION XVIII/17 AND PARAGRAPH 131 OF REPORT OF THE TWENTY-FIRST MEETING OF THE PARTIES)

On Thursday, the EU introduced its draft decision on stockpiled ODS relative to compliance (UNEP/OzL.Pro.WG.1/30/CRP.4). Noting that the Secretariat has reported 29 cases since 1999 involving 12 parties that have exceeded the allowed level of production or consumption of a particular ozone-depleting substance in a given year, the EU said it wanted to have the issue addressed transparently.

The US stated this issue had been addressed and resolved, but, with Australia, said they are willing to have further discussions with the EU.

Final Outcome: Co-Chair Sirois suggested, and the OEWG agreed, that the interested parties informally discuss the issue, and the draft decision was forwarded to the MOP.

ADDITIONAL ISSUES ARISING FROM THE 2010 PROGRESS REPORT OF THE TECHNOLOGY AND ECONOMIC ASSESSMENT PANEL

HALON USE IN AIRCRAFTS: On Thursday, Co-Chair Díaz provided an update on the engagement of the TEAP with ICAO in the replacement of halons in aircrafts. The EU and US expressed support to the work of ICAO, and urged for continued efforts to replace halons in new aircrafts.

NEW CO-CHAIR OF THE TEAP: Colombia introduced the draft decision on the endorsement of Marta Pizano (Colombia) to replace José Pons Pons (Venezuela) as a new Co-Chair of the TEAP (UNEP/OzL.Pro.WG.1/30/CRP.8), which was supported by GRULAC.

NEW CO-CHAIR OF THE ENVIRONMENTAL EFFECTS ASSESSMENT PANEL: The UK introduced the draft decision on the endorsement of Nigel D. Paul (UK) as a new Co-Chair of the Environmental Effects Assessment Panel (EEAP) to replace Jan C. van der Leun (the Netherlands) (UNEP/OzL.Pro.WG.1/30/CRP.2), which was supported by the EU.

Final Outcome: The OEWG agreed to the nominations of a new TEAP Co-Chair and a new EEAP Co-Chair, and decided to forward the draft decisions to MOP-22.

OTHER MATTERS

SITUATION IN HAITI: Grenada introduced a draft decision on the situation in Haiti, which it had submitted together with Saint Lucia (UNEP/OzL.Pro.WG.1/30/CRP.6). Recognizing the extraordinary difficulties faced by Haiti as a result of the devastating earthquake in January 2010, the draft decision requests parties, the MLF and its ExCom and other relevant organizations to provide assistance and support to Haiti in meeting its obligations under the Montreal Protocol. Trinidad and Tobago, GRULAC, Mauritius, Canada, Japan, Brazil, Nigeria and the US expressed support for the draft decision, with Canada and the US suggesting some amendments.

Final Outcome: On Friday evening, Grenada reported on its consultations with Canada and the US, informing parties of a revised draft decision (UNEP/OzL.Pro.WG.1/30/CRP.6/Rev.1), which the OEWG agreed to forward to MOP-22.

UPGRADING OF EXECUTIVE SECRETARY POST OF THE OZONE SECRETARIAT: Grenada requested the Secretariat to prepare a document proposing to upgrade the Executive Secretary of the Ozone Secretariat to the level of UN Assistant Secretary-General. As agreed by the parties, Co-Chair Díaz asked the Secretariat to prepare such a document for consideration by the next MOP.

PLANS FOR MOP-22: On Friday evening, Uganda expressed her country's enthusiasm about plans to host the upcoming MOP in Kampala, to be held 8-12 November 2010. She presented a video highlighting the biodiversity and cultural richness of Uganda.

ADOPTION OF THE REPORT AND CLOSURE OF THE MEETING

On Friday evening, Co-Chair Sirois led delegates through the report of the meeting (UNEP/OzL.Pro.WG.1/30/L.1, Add.1 and Add.2). Delegates adopted the report with several minor amendments. He noted that the document does not yet include the reports from the Co-Chairs of the contact groups, but expressed confidence the Secretariat would reflect these contributions in the final report of the OEWG.

Lauding participants for their efforts and for the "political determination" shown throughout the meeting, Co-Chair Díaz gavelled OEWG-30 to a close at 7:22 pm.

GLOSSARY

CDM	Clean Development Mechanism
CFC	Chlorofluorocarbon
CTC	Carbon tetrachloride
CTOC	Chemicals Technical Options Committee
EEAP	Environmental Effects Assessment Panel
EUN	Essential use nomination
ExCom	Executive Committee
FTOC	Flexible and Rigid Foams Technical Options Committee
GEF	Global Environment Facility
GWP	Global warming potential
HCFC	Hydrochlorofluorocarbon
HFC	Hydrofluorocarbon
HTOC	Halons Technical Options Committee
ICAO	International Civil Aviation Organization
MBTOC	Methyl Bromide Technical Options Committee
MDI	Metered dose inhalers
MLF	Multilateral Fund
MTOC	Medical Technical Options Committee
OEWG	Open-ended Working Group
ODS	Ozone-depleting substances
QPS	Quarantine and pre-shipment
RTOC	Refrigeration, Air Conditioning and Heat Pumps Technical Options Committee
TEAP	Technology and Economic Assessment Panel
TOR	Terms of Reference
UNFCCC	United Nations Framework Convention on Climate Change
UNIDO	United Nations Industrial Development Organization