



MOP-15 HIGHLIGHTS: TUESDAY, 11 NOVEMBER 2003

Delegates met in Plenary throughout the day to continue discussion on issues relating to exemptions of ozone-depleting substances (ODS) and to address, *inter alia*: amendment of the Montreal Protocol regarding the advancement of the deadline for annual data reporting; status of destruction technologies for ODS; plan of action for the use of halons in new airframes; handling of ODS in foams and industrial plants; reporting of data; and ratification.

The contact group on CFC MDIs convened in the morning. Contact groups on phase-out of methyl bromide and on conditions for granting critical-use exemptions (CUEs) for methyl bromide held meetings in the afternoon. The contact group on the adjustment on the reductions of methyl bromide met in the evening. The Budget Committee and the Executive Committee met in the afternoon.

PLENARY

FURTHER SPECIFIC INTERIM REDUCTIONS OF METHYL BROMIDE: Co-Chair Maria Nolan (UK) established a contact group to further discuss the adjustment of the Montreal Protocol for further reductions of methyl bromide, and suggested it meet in the afternoon.

AMENDMENT OF THE MONTREAL PROTOCOL REGARDING THE ADVANCEMENT OF THE DEADLINE FOR ANNUAL DATA REPORTING: The European Community (EC) introduced the amendment on data reporting (UNEP/OzL.Pro.15/3), which states that Parties should submit their data by every 30 June after the end of the year in which the report is based rather than by every 30 September. He said that reporting three months in advance will facilitate the Implementation Committee's task of considering the information submitted. JAPAN, supported by CHINA and INDONESIA, suggested that Parties, which were willing to report their data earlier would do so on a voluntary basis, but no obligation should be established. CANADA, supported by INDONESIA, said that Parties should consult with their implementation staff and identify what should be changed for improving reporting. The EC explained that, since this is not the appropriate time for proposing amendments, it will change the proposal to a simple draft decision that will be resubmitted to the Plenary later. Co-Chair Khaled Klaly (Syrian Arab Republic) said that discussion on this issue will resume after the EC presents its revised proposal.

STATUS OF DESTRUCTION TECHNOLOGIES FOR OZONE-DEPLETING SUBSTANCES AND CODE OF GOOD HOUSEKEEPING: Co-Chair Nolan said that, following Decision XIV/6 on ODS destruction technologies, the Technology and Economic Assessment Panel (TEAP) and its Task Force on Destruction Technologies (TFDT) prepared an update of the Code of Good Housekeeping. She noted that, at OEWG-23, Japan and Australia proposed a draft decision aiming at giving effect to TFDT's key recommendations. AUSTRALIA said that, at OEWG-23, Parties amended this draft decision (UNEP/OzL.Pro.15/CRP.2), and said that minor revisions were made,

including changes in the code for minimizing stock emissions prior to destruction. The US supported the proposal. EL SALVADOR, supported by KENYA and PAKISTAN, expressed concern that many Article 5 Parties will not be able to follow the proposal's recommendations relating to ODS destruction technologies that are not economically feasible. AUSTRALIA replied that the draft decision is not intended to include Article 5 Parties, since the Montreal Protocol does not require them to destroy ODS. Noting that the draft decision is silent on establishing any obligation for Article 5 Parties, EL SALVADOR and KENYA said that it should clearly exclude such Parties. Co-Chair Nolan suggested that Australia and Japan discuss this issue with Kenya, El Salvador and Pakistan, and report back to Plenary later in the afternoon. AUSTRALIA presented the revised draft decision (UNEP/OzL.Pro.15/CRP.2/Rev.1), which states that the Montreal Protocol does not require its Parties to destroy ODS. NIGERIA asked for Parties to take note that if Article 5 Parties are required to destroy ODS and there is no domestic technology available, the Multilateral Fund should provide the necessary funding. The revised draft decision was approved, taking note of Nigeria's concerns.

PLAN OF ACTION TO MODIFY REGULATORY REQUIREMENTS THAT MANDATE THE USE OF HALONS IN NEW AIRFRAMES: Co-Chair Klaly said that, at OEWG-23, following TEAP's recommendation, the EC presented a draft decision on the issue, which authorizes representatives of the Ozone Secretariat and the TEAP to engage in discussions with the relevant International Civil Aviation Organization bodies in the development of a timely plan of action to enable consideration of the possibility of modifying the regulatory requirements that mandate the use of halons on new airframes. The draft decision was approved.

HANDLING OF OZONE-DEPLETING SUBSTANCES IN FOAMS AND INDUSTRIAL PLANTS: The Plenary addressed two draft decisions (UNEP/OzL.Pro.15/CRP.6 and CRP.7) on the issue. CRP.7 proposed the terms of reference of an updated TEAP report on the current situation of handling and destroying foams containing ODS at the end of their life. While the EC and JAPAN worked intersessionally on this decision, no consensus was reached. JAPAN, as the sponsor of the draft decisions, informed the meeting that, following consultations with TEAP experts, it is rewriting the texts, and asked for deferring discussion.

Replying to a query from CANADA, TEAP acknowledged the technical problems under Japan's proposal, but said that TEAP can accomplish the work through its Rigid and Flexible Foams Technical Options Committee (RFFTO), without establishing an additional task force. TEAP also confirmed that findings on the issue may appear in its April 2005 report. In the afternoon, Japan announced it withdrew CRP.6, and introduced its revised proposal (UNEP/OzL.Pro.15/CRP.7/Rev.1). JAPAN noted that it does not insist on a separate report, and said that the revised draft decision asks TEAP to include updated information in its 2005 report. The decision was approved.

UPDATE ON THE STATUS OF CLASSIFICATION AND LABELLING OF CONTROLLED SUBSTANCES UNDER THE MONTREAL PROTOCOL: The Secretariat presented



updated information on the World Customs Organization (WCO) customs codes for pure ODS and mixtures of ODS (UNEP/OzL.Pro.15/INF/3). FINLAND welcomed the Secretariat document, but AUSTRALIA, CANADA and the US noted a need to discuss the issue domestically, before proceeding to consultations among Parties. They also voiced concern with the process as recommended by the Secretariat. CHINA highlighted the importance of discouraging trade in ODS. He urged that special consideration be given to mixtures containing CFCs, and stressed the importance of increased cooperation with the WCO. IRAN said that while a uniform coding system is desirable, countries still have their national systems, and concluded that the Secretariat document came too late. Observing that the WCO Council will take up this matter in 2004, PAKISTAN pointed out that it was not appropriate to address the issue at this meeting. The DOMINICAN REPUBLIC proposed discussing the problem of classification and labelling at the regional level.

The Secretariat explained the genesis of the paper, and recalled its communications with the UN Economic Commission for Europe and WCO. It stressed the paper was meant as an information document, and there was no intention to suggest a draft decision. After deliberating on the need for establishing a contact group, the meeting agreed that bilateral consultations would be preferable at this stage.

EXEMPTIONS OF ODS FROM THE CONTROL MEASURES: The Plenary discussed a draft decision on production for basic domestic needs, presented by Canada. The decision requests TEAP to assess the quantities of controlled substances that are likely to be required and produced by Article 5 Parties, as well as the quantities of controlled substances, which need to be produced and exported by non-Article 5 Parties in order to meet the basic needs of Article 5 Parties. The US supported the draft decision while ARGENTINA claimed the assessments will overburden TEAP's workload. Several delegates requested time to consider the issue. Co-Chair Nolan asked Canada to continue consultations with interested Parties.

Nominations for Critical-Use Exemptions for Methyl Bromide: Presentation by the TEAP/MBTOC: Co-Chair Nolan invited delegates to comment on the presentation made by TEAP/MBTOC on Monday, 10 November. CANADA, NEW ZEALAND and the US expressed preference for a multi-year nomination for CUEs in order to avoid duplicating TEAP's work, while NORWAY, SWITZERLAND and others supported one-year approval only. The EC proposed that CUE nominations should be capped to a maximum of 30% of each country's total consumption. The US argued lack of legal justification for the concept of 30% capped nomination, while CANADA noted that the concept reaches beyond the language of the ozone treaty. JAPAN said that 30% is too high. MEXICO, supported by ARGENTINA and GUATEMALA, said that CUEs would create a difficulty for Article 5 Parties and affect their ability to compete in the international market, and the exemption will lead to an increase of methyl bromide consumption. AUSTRALIA said that TEAP should be provided with more information to make consistent recommendations. Natural Resources Defense Council cautioned that CUEs are fraught with the danger of reversing Parties' commitment to methyl bromide phase-out. A representative from the California Strawberry Growers Association stressed farmers' need for CUEs. A representative from the fumigation industry stated that those attempting to phase out methyl bromide should not be punished by CUE grants. The EU said it will draft a decision on the item.

Conditions for Granting CUEs for Methyl Bromide: In response to TEAP's request for guidance, AUSTRALIA presented a draft decision on CUEs parameters for streamlined annual reporting (UNEP/OzL.Pro.15/CRP.13). Delegates agreed that the draft decision should be discussed in the contact group on phase-out of methyl bromide. KENYA presented its draft decision (UNEP/OzL.Pro.15/CRP.8) on trade in products treated with methyl bromide. He requested Parties to reconsider the importing ban on products grown in soils treated with methyl bromide, since it conflicts with WTO rules and harms Article 5 Parties' econo-

mies, especially in Africa. CANADA and the US reserved the right to revisit the issue after consulting with capitals. EGYPT also asked for more time.

Promoting the Closure for Essential-Use for Methyl Bromide: CANADA reported that the contact group on CFC MDIs based its discussion on the EC's proposal, and will present its outcome to the Plenary on Wednesday morning.

REPORTING OF DATA: The Secretariat introduced the document containing information provided by the Parties in accordance with Article 7 of the Montreal Protocol (UNEP/OzL.Pro.15/4). He congratulated the meeting on a "record-breaking result," when only 23 Parties failed to report data for 2002. IRAN asked the Secretariat to correct a factual mistake in his country's reporting figures.

RATIFICATION OF THE CONVENTION AND THE PROTOCOL AND ITS AMENDMENTS: The Secretariat presented the status of ratification/accession/acceptance/approval of the said agreements (UNEP/OzL.Pro.15/INF/1). He highlighted progress achieved, and suggested that the meeting urge Parties that have not done so to ratify the ozone agreements. Co-Chair Klaly said that a draft decision would be prepared.

APPLICATION FOR TECHNICAL AND FINANCIAL ASSISTANCE FROM THE GEF BY SOUTH AFRICA: Presenting the draft decision (UNEP/OzL.Pro./WG.1/23/5) on South Africa's methyl bromide phase-out, the Secretariat noted that the matter required a decision by the GEF Council. AUSTRALIA recalled the origins of the South African application, and suggested adding a proviso saying that the GEF Council is requested to consider project proposals from South Africa "on an exceptional basis". The EC urged putting a convincing case to the GEF, so that the proposal does not constitute a precedent. The draft decision was approved, as amended.

FINANCIAL REPORT ON THE TRUST FUNDS FOR THE VIENNA CONVENTION AND THE MONTREAL PROTOCOL AND BUDGET FOR THE MONTREAL PROTOCOL: The Secretariat presented the following documents: Financial report on the trust funds for the Vienna Convention and the Montreal Protocol for the first year of the biennium 2002-2003 and expenditures for 2002 as compared to the approved budgets (UNEP/OzL./Pro.15/5); and Approved 2003, Revised Proposed 2004 and Proposed 2005 Budgets for the Trust Fund for the Montreal Protocol (UNEP/OzL.Pro.15/6). The documents will be discussed at a later stage.

OBSERVER STATUS OF THE OZONE SECRETARIAT AT MEETINGS OF THE WTO: The Secretariat presented updated information on the issue in document UNEP/OzL./Pro.15/INF/4, and explained that the status of the Secretariat remains unresolved, in view of the sudden collapse of the WTO Ministerial Conference in Cancun.

OTHER MATTERS: CANADA withdrew its earlier draft decision (UNEP/OzL.Pro.15/CRP.5) pertaining to information provided by the Secretariat on the budget.

IN THE BREEZEWAYS

It is Central and Eastern Europe's turn to be in the Chair at MOP-15, and the regional group has decided on its nominee for the Bureau President. It will be Libor Ambrozek, Minister of Environment of the Czech Republic. With the next Meeting of the Parties almost certainly to take place in Prague, this seems an appropriate choice, logistically. In another development, a new Chief Officer of the Multilateral Fund Secretariat will be announced shortly; a delegate was heard wishing her "good luck" in her new post.

THINGS TO LOOK FOR TODAY

PLENARY: The Plenary will reconvene at 9:30 am and 2:30 pm in Conference Room 2 to consider the remaining agenda items before the preparatory segment, including: non-compliance issues; selection of members of the Implementation Committee, Executive Committee and Co-Chairs of the OEWG; and draft decisions prepared by the contact groups.

CONTACT GROUPS: The contact group on CFC MDIs will meet in Conference Room 7 at 8:30 am. The other contact groups will convene at a time to be announced.