



SUMMARY OF THE TWENTY-FIFTH MEETING OF THE OPEN-ENDED WORKING GROUP OF THE PARTIES TO THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete THE OZONE LAYER AND THE SECOND EXTRAORDINARY MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL: 27 JUNE - 1 JULY 2005

The twenty-fifth meeting of the Open-ended Working Group (OEWG-25) of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer convened in Montreal, Canada, from 27-30 June 2005. Approximately 360 delegates representing over 128 governments, UN agencies, non-governmental organizations, industry and agricultural interests, and academia attended.

Delegates discussed a range of issues in preparation for the seventeenth Meeting of the Parties to the Montreal Protocol (MOP-17), to be held in Dakar, Senegal, from 12-16 December 2005. Delegates agreed on 11 draft decisions to be forwarded to MOP-17 for consideration. The draft decisions addressed: monitoring and prevention of illegal trade in ODS; proposed adjustments and amendments to the Montreal Protocol; obligations of Parties to the Beijing Amendment under Article 4 of the Montreal Protocol with respect to hydrochlorofluorocarbons (HCFCs); certainty and notification of dates for OEWG and MOP meetings; and disclosure of interest guidelines for members of TEAP and its TOCs. Under the guidance of Montreal Protocol Executive Secretary Marco González and OEWG-25 Co-Chairs David Okioga and Thomas Land, delegates promptly worked through the OEWG agenda and the meeting finished on schedule on Thursday, 30 June.

Immediately following OEWG-25, on Friday, 1 July 2005, the second Extraordinary Meeting of the Parties to the Montreal Protocol (ExMOP-2) was held. Parties met to address the issue of 2006 critical-use nominations (CUNs) for methyl bromide left unresolved at the sixteenth Meeting of the Parties (MOP-16) in Prague, Czech Republic, in November 2004. After several days of informal discussions on CUNs during OEWG-25, the formal discussions held at ExMOP-2 proved to be relatively straightforward. The informal discussions that facilitated an

early closure to ExMOP-2 evidenced the dedication of Parties to continuing efforts to phase out methyl bromide in spite of differences as to the timing and procedures for doing so.

A BRIEF HISTORY OF THE OZONE REGIME

Concerns that the Earth's stratospheric ozone layer could be at risk from chlorofluorocarbons (CFCs) and other anthropogenic substances were first raised in the early 1970s. At that time, scientists warned that the release of these substances into the atmosphere could deplete the ozone layer, hindering its ability to prevent harmful ultraviolet rays from reaching the Earth. This would adversely affect ocean ecosystems, agricultural productivity and animal populations, and harm humans through higher rates of skin cancers, cataracts and weakened immune systems. In response to this growing concern, the United Nations Environment Programme (UNEP) convened a conference in March 1977 that adopted a World Plan of Action on the Ozone Layer and established a Coordinating Committee to guide future international action.

VIENNA CONVENTION: In May 1981, the UNEP Governing Council launched negotiations on an international agreement to protect the ozone layer and, in March 1985, the Vienna Convention for the Protection of the Ozone Layer was adopted. The Convention called for cooperation on monitoring, research and data exchange, but did not impose obligations to reduce the use of ozone-depleting substances (ODS). The Convention now has 190 Parties.

IN THIS ISSUE

A Brief History of the Ozone Regime.	1
OEWG-25 Report	3
ExMOP-2 Report.	10
A Brief Analysis of OEWG-25 and ExMOP-2	11
Upcoming Meetings	12
Glossary	12



MONTREAL PROTOCOL: In September 1987, efforts to negotiate binding obligations on ODS led to the adoption of the Montreal Protocol on Substances that Deplete the Ozone Layer. The Montreal Protocol introduced control measures for some CFCs and halons for developed countries (non-Article 5 Parties). Developing countries (Article 5 Parties) were granted a grace period allowing them to increase their use of these ODS before taking on commitments. To date, the Protocol has 189 Parties.

Since 1987, several amendments and adjustments to the Protocol have been adopted, adding new obligations, additional ODS, and adjustments tightening existing control schedules. Amendments require ratification by a defined number of Parties before they enter into force, while adjustments enter into force automatically.

LONDON AMENDMENT AND ADJUSTMENTS:

Delegates to MOP-2, which took place in London, UK, in 1990, tightened control schedules and agreed to add ten more CFCs to the list of ODS, as well as carbon tetrachloride (CTC) and methyl chloroform. To date, 177 Parties have ratified the London Amendment. In addition, MOP-2 established the Multilateral Fund for the Implementation of the Montreal Protocol (Multilateral Fund). The Multilateral Fund meets the incremental costs incurred by Article 5 Parties in implementing the Protocol's control measures and finances clearinghouse functions, including technical assistance, information, training, and the costs of the Fund Secretariat. The Fund is replenished every three years, and has disbursed over US\$1.4 billion since its establishment.

COPENHAGEN AMENDMENT AND ADJUSTMENTS:

At MOP-4, held in Copenhagen, Denmark, in 1992, delegates tightened existing control schedules and added controls on methyl bromide, hydrobromofluorocarbons and HCFCs. MOP-4 also agreed to enact non-compliance procedures and establish an Implementation Committee. The Implementation Committee examines cases of possible non-compliance by Parties, and makes recommendations to the MOP aimed at securing full compliance. To date, 166 Parties have ratified the Copenhagen Amendment.

MONTREAL AMENDMENT AND ADJUSTMENTS: At MOP-9, held in Montreal, Canada, in 1997, delegates agreed to a new licensing system for the import and export of ODS, in addition to tightening existing control schedules. They also agreed to a ban on trade in methyl bromide with non-Parties to the Copenhagen Amendment. To date, 130 Parties have ratified the Montreal Amendment.

BEIJING AMENDMENT AND ADJUSTMENTS: At MOP-11, held in Beijing, China, in 1999, delegates agreed to controls on bromochloromethane and additional controls on HCFCs, and to reporting on methyl bromide for quarantine and pre-shipment applications. In addition, MOP-11 agreed to replenish the Multilateral Fund with US\$477.7 million for the triennium 2000-2002. To date, 92 Parties have ratified the Beijing Amendment.

MOPs 12-14: MOP-12, held in Ouagadougou, Burkina Faso, in 2000, adopted the Ouagadougou Declaration, which encouraged Parties to take steps to prevent illegal production, consumption and trade in ODS, and harmonize customs codes. The following year in Colombo, Sri Lanka, delegates to MOP-13 adopted the Colombo Declaration, which encouraged

Parties to apply due care in using substances that may have ozone depletion potential (ODP), and to determine and use available, accessible and affordable alternatives and technologies that minimize environmental harm while protecting the ozone layer. At MOP-14, held in Rome, Italy, in 2002, delegates adopted 46 decisions, covering such matters as the Multilateral Fund's fixed-exchange-rate mechanism, compliance issues, and interaction with the World Trade Organization. MOP-14 also agreed to replenish the Multilateral Fund with US\$573 million for 2003-2005.

MOP-15: Like its predecessors, MOP-15, in Nairobi, Kenya, in November 2003, resulted in decisions on a range of relevant issues, including on implications of entry into force of the Beijing Amendment. However, Parties could not reach agreement on four items relating to methyl bromide, an ozone-depleting pesticide scheduled for a 2005 phase-out by non-Article 5 Parties. Disagreements surfaced over exemptions allowing the use of methyl bromide beyond 2004 for "critical" uses where no technically or economically feasible alternatives are available. Some delegates argued that exemptions sought by the US, Spain, Italy and some other non-Article 5 Parties were excessive. Meanwhile, the US and the EC differed over the time period of exemptions, with the EC arguing that they should be approved on a yearly basis, while the US favored multi-year exemptions. As a result of these disagreements, delegates felt compelled to take the unprecedented step of calling for an "extraordinary" MOP.

FIRST EXTRAORDINARY MOP: The first Extraordinary Meeting of the Parties to the Montreal Protocol (ExMOP) took place from 24-26 March 2004, in Montreal, Canada. Parties achieved compromises on various methyl bromide-related issues, including nominations for 2005 critical-use exemptions (CUEs), conditions for approving and reporting on CUEs, and the working procedures of the Methyl Bromide Technical Options Committee (MBTOC).

Parties adopted 13,256 tons of CUEs for 11 non-Article 5 Parties for 2005 only. Exemptions beyond 2005 were not agreed at that time. The introduction by the US and the EC of a "double-cap" concept distinguishing between old and new production was central to reaching this compromise. According to the agreement, a cap was set for new production at 30% of Parties' 1991 baseline levels. This means that for 2005, Parties must use existing stockpiles if the capped amount is insufficient to supply their approved critical-use needs.

In addition, delegates established an *ad hoc* working group to review MBTOC's working procedures and terms of reference. A review of further interim measures for Article 5 Parties was deferred to MOP-16.

MOP-16: MOP-16 took place in Prague, Czech Republic, from 22-26 November 2004. The Parties adopted decisions on the Multilateral Fund, as well as issues related to ratification, data reporting, compliance and international and illegal trade, and financial and administrative matters. Despite lengthy discussions in the plenary, contact groups and informal gatherings, work on methyl bromide exemptions for 2006 was not completed. For the second year in a row, Parties decided to hold another "extraordinary" MOP.



CURRENT ODS CONTROL SCHEDULES: Regarding the ODS control schedules resulting from the various amendments and adjustments to the Montreal Protocol, non-Article 5 Parties were required to phase out production and consumption of: halons by 1994; CFCs, CTC, methyl chloroform and HBFCs by 1996; bromochloromethane by 2002; methyl bromide by 2005; and consumption of HCFCs by 2030 (with interim targets prior to those dates). However, exemptions to these phase-outs were established to allow for certain uses lacking feasible alternatives or in certain circumstances. Production of HCFCs was to be stabilized by 2004. Article 5 Parties were required to phase out hydrobromofluorocarbons by 1996 and bromochloromethane by 2002. These Parties must still phase out: CFCs, halons and CTC by 2010; methyl chloroform and methyl bromide by 2015; and consumption of HCFCs by 2040 (with interim reduction targets prior to full phase-out). Production of HCFCs in Article 5 countries must be stabilized by 2016.

OEWG-25 REPORT

On Monday, 27 June 2005, Co-Chair Thomas Land (US) opened OEWG-25 and welcomed delegates to the meeting. In his opening statement, the Executive Secretary of the Ozone Secretariat, Marco González, reminded delegates that 2005 is the 20th anniversary of the entry into force of the Vienna Convention for the Protection of the Ozone Layer and the 15th anniversary of the agreement to establish the Multilateral Fund. He suggested that the progress made by non-Article 5 Parties towards the elimination of the use of CFCs in metered-dose inhalers (MDIs) could serve as an example for the elimination of methyl bromide. He also urged Parties that have not yet ratified the amendments to the Montreal Protocol to do so, reminded delegates that compliance with Protocol obligations is the responsibility of each Party, and noted the importance of discussions on the Multilateral Fund to the Protocol's implementation. Co-Chair Land then introduced the provisional agenda (UNEP/OzL.Pro.WG.1/25/1), which was approved with minor amendments. In discussing the organization of work, he noted the Secretariat's organizational innovations.

During OEWG-25, delegates convened daily in plenary, co-chaired by David Okioga (Kenya) and Thomas Land (US), as well as in two contact groups and informally to make progress on items on the agenda. This summary report is based on the agenda of the meeting.

ISSUES ARISING OUT OF THE 2005 TECHNOLOGY AND ECONOMIC ASSESSMENT PANEL PROGRESS REPORT

On Monday delegates took up the agenda item on issues arising out of the 2005 Technology and Economic Assessment Panel (TEAP) progress report, starting with TEAP briefings on several sections of the report. Some of these issues were also revisited in plenary on Tuesday and Wednesday after contact group and informal discussions. Discussions of some issues arising from the TEAP report led to the development of draft decisions for consideration at MOP-17, while on other issues, OEWG-25 provided a forum for an update on TEAP's progress.

ESSENTIAL USE NOMINATIONS: On Monday, Ashley Woodcock (UK), Medical Technical Options Committee (MTOC) Co-Chair, presented on essential-use nominations for MDIs, and noted the need for updated information in 2006

before considering nominations for 2007. He also reported on the revised quantities recommended for the Russian Federation and the US, stating that the amount recommended for the Russian Federation was higher than that originally requested. MTOC Co-Chair José Pons (Venezuela) stressed that essential uses should only be allowed when pre-1996 stocks are unavailable at a sufficient quality and quantity, and that Decision XV/5, which promotes the closure of essential-use nominations for MDIs, could result in reduced flexibility in Parties' allocation decisions.

Highlighting a discrepancy in TEAP recommendations for CFC MDIs and CFC-free MDIs, the European Community (EC) stressed the need to promote use of CFC-free MDIs. OEWG Co-Chair Okioga suggested the US, the EC and the Russian Federation meet in a contact group to move forward on this issue. The US emphasized the need for a decision on 2007 essential-use exemptions at MOP-17, stating that all necessary information for a decision is accessible. He also questioned the necessity of a contact group.

Responding to a question from Jordan on whether approved stockpiles of CFCs can only be used for MDIs, a TEAP member noted that policing of the use of stockpiles is left to Parties. The US expressed concern over MTOC's methods of assessing Parties' nominations, noting a difference from past practice, and asked whether CFCs destroyed in the MDI manufacturing process were accounted for in TEAP's assessment. He also discussed reductions in allocations for essential-use exemptions arising from the domestic regulatory process and noted that its plan to request no essential-use exemptions for 2008 is contingent upon stockpile availability.

On Wednesday afternoon, delegates considered draft decisions on essential-use nominations proposed by the EC (UNEP/OzL.Pro.WG.1/25/CRP.11) and the US (UNEP/OzL.Pro.WG.1/25/CRP.13) after informal discussions held earlier in the week. In ensuing discussions, the US repeated concerns raised earlier over the EC's proposal to only consider exemptions one year in advance. The Russian Federation confirmed a preference for the lower quantity of CFCs it had originally requested and asked that Parties with CFC MDI production capacity treat requests from the Russian Federation for imports with understanding, as its own production capacity has already been phased out.

Draft Decisions: Parties agreed to forward the EC's draft decision to MOP-17 with all quantities bracketed. In the draft decision, the MOP decides: to authorize the amount of essential-use nominations recommended by MTOC, subject to pre-1996 stockpile availability; that a nominating Party shall not permit production or consumption of the quantity authorized by a MOP to any domestic MDI company to the extent the company's operational supply of CFCs exceeds, or would exceed, one year of consumption, and from 1 January 2007, to any MDI company that has a CFC-free alternative on the market; and that nominating Parties only submit essential-use nominations one year in advance.

Parties also agreed to forward the US's draft decision to MOP-17 with some quantities bracketed. In the draft decision, the MOP decides to authorize certain amounts of essential-use nominations, subject to the conditions established by MOP-7 in Decision VII/28.



DESTRUCTION TECHNOLOGIES: On Monday Co-Chair Okiaga highlighted TEAP's 2002 report on destruction technologies, noting TEAP's finding that many emerging technologies for ODS destruction still had not been sufficiently demonstrated. He invited Parties to discuss the issue of destruction technologies bilaterally with TEAP.

Colombia expressed concern about the lack of technical and financial resources to destroy accumulating stockpiles. He suggested that TEAP analyze the cost of ODS destruction, and called on TEAP to notify delegates of scientific progress and means to eliminate ODS. Switzerland supported Colombia's statement, and underscored the importance of following the development of emerging technologies. He recommended coordination among conventions and protocols dealing with persistent organic pollutants and destruction technologies. Nigeria highlighted the need for synergies between the Stockholm Convention, the Basel Convention and the Kyoto Protocol. Responding to Botswana, Foams Technical Options Committee (FTOC) Co-Chair Paul Ashford (UK) noted the limited life of blowing agents in foams, the difficulty of defining end-of-life in Article 5 countries, and that research on anaerobic degradation is at an early stage.

On Wednesday, Colombia presented a draft decision proposing a case study on the technical and financial implications of destruction technologies (UNEP/OzL.Pro.WG.1/25/CRP.2), which was supported by many delegates, including South Africa, the Solomon Islands, the EC, Egypt and Venezuela. Several countries suggested broadening the scope of the case study in the draft decision to include a range of Article 5 countries in different regions. Switzerland and Nigeria urged synergies with other conventions, the US, Canada and India raised questions regarding financing of the case study, while Canada also requested a cost estimate of conducting the study. Co-Chair Land suggested Parties contact Colombia for further discussions on this issue prior to MOP-17. The US highlighted the financial implications of the proposal. Indonesia requested that the case study proposed in the draft decision be funded in the next replenishment.

Draft Decision: The Parties agreed to forward the draft decision to MOP-17. Under the draft decision, Parties would request TEAP to prepare a case-study in an Article 5 Party on the technology and costs associated with a process for the replacement of CFC-containing refrigerators, and adopt, with regard to diluted sources, the Recovery and Destruction Efficiency parameter proposed by TEAP.

FOAMS: On Monday, FTOC Co-Chair Miguel Quintero (Colombia) noted, *inter alia*, the focus on end-of-life issues, progress in CFC-11 phase-out, and the vulnerability of the foam industry to HFC shortages. Paul Ashford, Co-Chair of the TEAP Foams Ends-of-Life Task Force, presented its report, noting: updated information on the technical efficacy and efficiency of options for end-of-life recovery and destruction; the linkage between ozone and climate change issues, as highlighted in the TEAP/Intergovernmental Panel on Climate Change Special Report on Safeguarding the Ozone Layer and the Global Climate System; and the need to assess the economics of recovery where possible. He concluded that the technological and economic potential of recovery from appliances has been demonstrated,

and said there is insufficient experience with building foam due to the length of product lifetimes, stressing that segregation costs could remain a key economic barrier. He also emphasized the need for a better understanding of what is happening in landfill processes before Parties can consider this option beyond a pathway of last resort; and, the combined benefits of decreasing ODS emissions while also reducing greenhouse gas emissions is not currently reflected in either the Montreal Protocol or the UN Framework Convention on Climate Change's Kyoto Protocol, but that there might be an advantage to evaluating them in a collective manner. After Monday's discussion, no further action was taken.

HALONS: On Monday, the Halons Technical Options Committee (HTOC) interim Co-Chair David Catchpole (US) discussed the need to update HTOC models for predicting supplies, the difficulty of managing recycling equipment in Article 5 countries, contaminated halons, and progress on Decision XV/11, which contains a plan of action for modifying regulatory requirements mandating the use of halons on new airframes. He also noted that the airline Lufthansa is now using HFC-236fa in eight to ten of its Airbus aircraft. After Monday's discussion, no further action was taken.

METHYL BROMIDE: On Monday, MBTOC Co-Convenor Ian Porter (Australia) reported on: progress towards more balanced MBTOC membership; new formulations and methods for use in pre-plant soil use; regulatory and other restrictions affecting the use of methyl bromide alternatives; use of low-permeability barrier films and mixtures with reduced methyl bromide concentrations; and MBTOC's meta-analysis of research on five crops. He said this meta-analysis aimed to provide information on: yields correlated with pest pressure; the method and rate of application of alternatives; and climate and other factors relevant to the performance of alternatives.

Michelle Marcotte (Canada), Co-Convenor of MBTOC, stressed that more can be done to develop recapture technology and reduce emissions. She discussed the expansion of the Handbook on Critical Use Nominations for Methyl Bromide and noted insufficient registration of alternatives, stockpiling, and continued promotion of methyl bromide as key barriers to the use of alternatives. Marcotte said the MBTOC progress report outlined the substantial reduction of methyl bromide in Article 5 countries.

Responding to the US's comment that deferring a decision on CUEs for 2007 could create problems within the domestic regulatory process, TEAP noted that bilateral discussions would need to take place on issues related to the domestic regulatory process. MBTOC also noted that it planned to complete the crop meta-analysis by September 2005. Methyl bromide-related issues were taken up again at OEWG-25 under Agenda Item 4 (see page 6).

REFRIGERATION: Refrigeration and air-conditioning was considered on Monday. Presenting for the Refrigeration, Air Conditioning and Heat Pumps Technical Options Committee (RTOC), Co-Chair Lambert Kuijpers (Netherlands) said that hydrofluorocarbons (HFCs) continue to be the main alternatives to CFCs and HCFCs. He highlighted the increased use of indirect refrigeration systems using heat transfer fluids in secondary loop delivery systems, and said that manufacturers and suppliers are



reducing system leakage and improving the energy efficiency of mobile air conditioning units in vehicles, and that due to concerns over the global warming potential of HFC-134a, replacements were being considered. After Monday's discussion, no further action was taken.

PROCESS AGENTS: On Monday, Ian Rae (Australia), temporary Co-Chair of the Chemicals Technical Options Committee (CTOC), noted that since the Task Force reported to MOP-16, additional data on emissions and start-up dates had been received from the US, and said that 12 out of the 31 process agent uses listed in Table A of Decision XV/7 on authorized process agent uses have been used in non-Article 5 countries. Rae noted discrepancies in process agent data provided to the Multilateral Fund Secretariat and the Ozone Secretariat, welcomed more information on related issues before its 2005 report to the Parties, and reaffirmed that the US nominations for CFC-113 satisfy the technical criteria for process agent use. On laboratory and analytical uses, he said no new methods using ODS have emerged.

Parties raised concerns related to: authorized uses and quantities of process agents in Table A of Decision X/14, which sets out a list of uses of controlled substances as process agents, and Table B of X/14, which sets out emissions limits of process agent uses for non-Article 5 Parties; Decision XV/6, which includes a revised list of controlled substances used as process agents; and a reconsideration of the process agent uses listed in Decision XV/7 as exempted for 2004 and 2005 pending further consideration. Switzerland stressed it was not in a position to take a decision and requested that TEAP clarify the table in the TEAP report relating to process agents. The US noted that listing process agents has allowed developing countries to access funding and that a new decision is needed to make funding accessible given that the list in Decision XV/7 expires next year.

Regarding Party-specific issues on process agents, delegates agreed: to Israel's request on nitrogen trichloride removal; that no action is needed with regard to Turkey's use of bromochloromethane, as it constituted a feedstock use; and that the UK's request for radiolabeled cyanocobalamin would be considered as part of informal consultations among the EC, Switzerland and the US.

On Wednesday afternoon, the EC presented a draft decision concerning process agent applications in the Democratic People's Republic of Korea, Romania, the UK and the US (UNEP.OzL.Pro.WG.1/25/CRP.6). The US expressed surprise that the proposal was put forward given the lack of consensus at an earlier informal meeting. She cited concerns including: uncertainty as to how the listed criteria requiring submission to TEAP, including the plant start-up date and annual make-up or consumption of controlled ODS, were determined; and the possible creation of an uneven playing field through the secondary review process. Argentina noted that it had withdrawn its request for use of methyl bromide. Brazil said it would resubmit a request through the Secretariat to include an item in the list of process agents. Co-Chair Land urged Parties to work with the EC prior to MOP-17.

Draft Decision: Parties agreed to forward the draft decision to MOP-17 in brackets as the text requires further work. Under the draft decision, Parties would: consider specific applications listed

in the decision; request the Parties nominating these applications to submit, before 1 January 2006, specified data to TEAP, and agree that the essential-use exemptions granted under decision X/14 are for a limited period and subject to TEAP and MOP review every two years.

AEROSOLS: On Monday, Masaki Yamabe (Japan), Co-Chair of CTOC, said MDIs are the only aerosol products with a technical barrier to transitioning to CFC-free alternatives, and noted that given the high costs, conversion to HFCs will not occur in other aerosol products in Article 5 countries unless mandated. He said CTOC would try to resolve discrepancies in total CTC global emissions, noted that 2002 production of CTC was less than 200,000 metric tons, and highlighted that no new developments in solvent or destruction technologies had occurred. He concluded by addressing the difficulty of identifying emissions reduction solutions, saying there is a lack of information on operations. After Monday's discussion no other action was taken.

TEAP MEMBERSHIP: On Monday, TEAP Co-Chair Lambert Kuijpers highlighted increased membership of TEAP and reminded Parties that Co-Chairs for CTOC, HTOC and MBTOC will be proposed again at MOP-17. He stressed that TEAP and the TOCs are experiencing a lack of participation by Article 5 country experts, and urged Parties to consider innovative ways of supporting such experts. The issue of membership on TEAP and its TOCs was discussed again during plenary discussions on TEAP administrative issues (see page 6).

TEAP/IPCC REPORT: On Monday, Susan Solomon (IPCC) and Lambert Kuijpers (TEAP) presented the TEAP/Intergovernmental Panel on Climate Change Special Report on Safeguarding the Ozone Layer and the Global Climate System (IPCC/TEAP Special Report), highlighting that significant reductions in CFC and HFC emissions can be achieved between 2002 and 2015 through containment, recovery, recycling, and destruction, and noting that Parties may wish to consider these opportunities under the Montreal Protocol. TEAP said the final report is due to be completed in September 2005.

Commenting on the report, Senegal, opposed by the US, suggested a follow-up experts' workshop, while New Zealand called for a policy workshop. Japan, supported by Argentina and opposed by the US and China, called for continuous cooperation with the Kyoto Protocol. Botswana suggested using "stored" instead of "banked" to describe ODS in equipment or foam and suggested consideration of best practices to reduce emissions. Switzerland noted the need to actively assess destruction of ODS banks and expressed concern regarding the possibility of decreased prices for, and increased supplies of, HFC-123 due to emissions permits granted under the Kyoto Protocol's Clean Development Mechanism. The EC, with Argentina and New Zealand, called for discussion of the IPCC/TEAP Special Report at MOP-17. The US, opposed by New Zealand, suggested that OEWG-25 was not the appropriate forum for some of the emissions reduction ideas discussed, as they are beyond the scope of the Montreal Protocol, and noted that additional commitments are untimely given developing countries' obligations. India questioned the financing of additional efforts to reduce emissions.



Greenpeace International recommended that Parties: instruct the Multilateral Fund to cease funding HFC and HCFC projects where alternatives exist; accelerate HFC phase-out; and assist Article 5 Parties in the phase-out of HFCs and HCFCs, noting that these measures will help protect the climate. The Alliance for Responsible Atmospheric Policy affirmed the long-term role of HFCs in replacing ODS.

On Wednesday afternoon, the issue of the IPCC/TEAP Special Report was revisited when the EC presented a joint paper with New Zealand and Norway (UNEP/OzL.Pro.WG.1/25/CRP.8) on consideration of the IPCC/TEAP Special Report. The EC noted that while there had been support for the IPCC/TEAP Special Report to go forward to MOP-17, there were different views on how to do so. The US indicated it could not support consideration of holding a workshop on implications of the IPCC/TEAP Special Report, as suggested in the joint paper. Canada and China commented on the costs of holding such a workshop.

After deciding to delete the reference in the joint paper to the consideration of holding a workshop on the implications of the IPCC/TEAP Special Report, Parties agreed to support the paper. The paper proposes that consideration of the IPCC/TEAP Special Report be placed on the agenda for MOP-17 and requests TEAP to provide, by 31 October 2005, a supplementary report elaborating on the implications of information contained in the IPCC/TEAP Special Report in terms of ODP and costs per ODP ton.

TEAP ADMINISTRATIVE ISSUES: In Tuesday morning's plenary session, Co-Chair Land highlighted TEAP administrative issues, including: new Chairs and Co-Chairs for CTOC, HTOC and MBTOC; the importance of sponsoring TEAP member expenses; and the difficulty of obtaining funding for non-Article 5 members.

Brazil, China, Cuba, Mexico and Nigeria expressed support for balanced geographic representation on TOCs. Costa Rica, supported by Argentina and Canada, suggested that Article 5 countries and non-Article 5 countries should each have two Co-Chairs on MBTOC. Switzerland acknowledged the need for balanced geographic representation, and said this must be considered while also ensuring that expertise is not compromised. Several Parties, including Costa Rica, Canada and the EC, suggested particular candidates for MBTOC Co-Chair positions.

Japan then introduced a draft decision on the review of financial assistance to MBTOC members (UNEP.OzL.Pro.WG.1/25/CRP.1), stressing the costs of attending three MBTOC meetings annually. The US queried whether Japan's draft decision proposed permanent funding for non-Article 5 Parties on TOCs and reminded Parties of the temporary nature of the agreement on MBTOC funding at MOP-16 (Decision XVI/5).

Draft Decision: Parties agreed to forward the draft decision to MOP-17. In the draft decision, the MOP requests the Secretariat review and report on the implementation of financial assistance to non-Article 5 MBTOC members.

OTHER ISSUES ARISING OUT OF THE TEAP PROGRESS REPORT: Laboratory and Analytical Uses of Carbon Tetrachloride: During Wednesday afternoon's plenary session, Chile, on behalf of the Latin America and Caribbean

Group (GRULAC), presented a draft decision on the criteria and procedures of the global exemption for analytical uses of CTC (UNEP/OzL.Pro.WG.1/25/CRP.12). Chile noted the urgency of this issue for Article 5 Parties because the exemption for laboratory and analytical uses (Decision XV/8) is scheduled to end on 31 December 2007. Switzerland and Argentina supported the proposal, but questioned whether it would require an adjustment to the Protocol.

Draft Decision: Parties agreed to forward the draft decision to MOP-17. In the draft decision, the MOP decides to allow, from 2006, Article 5 Parties to apply the criteria and procedures of global exemption for CTC in laboratory and analytical uses currently established for non-Article 5 countries.

Recapturing, Recycling and Destruction of Methyl Bromide from Space Fumigation: In Wednesday afternoon's plenary session, New Zealand presented a draft decision on methyl bromide related to space fumigation activities (UNEP/OzL.Pro.WG.1/25/CRP.10), noting that the TEAP report was inconclusive on this issue. The US suggested inserting a paragraph encouraging Parties to provide data on potential harmful by-products. Parties agreed to work with New Zealand on this during the intersessional period and forward the draft decision to MOP-17.

Draft Decision: In the draft decision, the MOP: encourages Parties who deploy or plan to deploy technologies to recapture, recycle, destroy or reduce methyl bromide emissions from space fumigation to submit to TEAP details of the efficacy and economic feasibility of such activities; requests MBTOC to prepare a form on which Parties can provide such information; and for MBTOC to include the findings of any data submitted in its future progress reports.

METHYL BROMIDE-RELATED ISSUES

Throughout the plenary sessions on Tuesday and Wednesday, delegates considered a range of issues related to the control of the use of methyl bromide, including: nominations for critical-use exemptions for 2006-07; the use of multi-year exemptions for CUNs; potential harmful trade of methyl bromide; the MBTOC Handbook on CUNs; and MBTOC's use of standard presumptions in reviewing CUNs.

NOMINATIONS FOR CRITICAL-USE EXEMPTIONS FOR 2006-07: On Tuesday morning, the plenary considered the agenda item on methyl bromide-related issues. Jonathan Banks (Australia), temporary MBTOC Co-Chair, addressed delegates on methyl bromide CUNs for 2006 and 2007. He noted that while the size of nominations had increased for some Parties compared to 2005, there were also many decreases in requested quantities. Banks emphasized that neither existing stocks of banked or recycled methyl bromide, nor efforts to evaluate, commercialize and secure national regulatory approval of alternatives and substitutes, were considered in MBTOC evaluations. Banks noted that MBTOC considered each nomination on a case-by-case basis using the standard presumptions applied to CUNs for 2005. MBTOC Co-Chair Nahum-Marban Mendoza (Mexico) provided the reasons for some CUNs receiving "unable to assess" evaluations, including the need for information on the economics of alternatives and on the use of emission control technologies.



Australia urged MBTOC to provide Parties with MBTOC's concerns about each nomination at its earliest convenience. In response to concerns raised by Cuba, Switzerland, Argentina and Nigeria on the increase in quantities exempted for critical uses, MBTOC indicated that since a number of issues are still before Parties, the final number for 2006 could differ considerably from that presented. The US noted disappointment that 90% of its CUNs for 2007 were designated as "unable to assess" by MBTOC, and said that it would provide information for the nominations to be decided at MOP-17. In response to Argentina's request for greater transparency relating to MBTOC field visits, MBTOC indicated that information could be incorporated into the next report.

The EC requested clarification of MBTOC's reason for not assessing efforts to evaluate, commercialize and secure national regulatory approval of alternatives. MBTOC responded that it needed further guidance from the Parties on how to evaluate the appropriateness of such efforts. The Environmental Investigation Agency urged Parties to reject requests for exemptions, especially where Parties do not disclose stockpiles or demonstrate that they have actively sought alternatives. After Tuesday's discussion, no further action was taken.

MULTI-YEAR EXEMPTIONS: On Tuesday, the US introduced a proposal for multi-year exemptions for methyl bromide (UNEP/OzL/Pro/WG.1/25/8), noting that advantages include: greater certainty that CUE applicants are working to phase out methyl bromide; a reduction in the workload of Parties, MBTOC and the MOP; greater certainty to user groups; and greater time to plan for uncertainties in transitioning to alternatives.

Several Parties noted that while there could be advantages to such an approach and that it may be worthwhile discussing the approach in the future, it could hinder the search for alternatives, and would need to be accompanied by efforts to ensure a downward trend in methyl bromide use. Switzerland noted that the fact that TEAP does not have the necessary information for 90% of the nominations for 2007 demonstrates the need to stabilize the current process. Australia indicated a willingness to work with the US and other interested Parties in developing a proposal for consideration at MOP-17. Parties then agreed that the US proposal would be forwarded to MOP-17 as bracketed text for further consideration.

POTENTIAL HARMFUL TRADE: Another methyl bromide-related issue considered on Tuesday was that of potential harmful trade of ozone depleting substances. Co-Chair Okioga referred to MBTOC's indication, in response to the request from the first ExMOP for a report on this issue, that it does not have the expertise to complete work on this issue in 2005 but could do so next year. He noted that MBTOC would discuss the issue at its August meeting.

MODIFICATION OF THE HANDBOOK ON CRITICAL USE NOMINATIONS: On Tuesday, Co-Chair Okioga reminded delegates that Parties had agreed at MOP-16 that more time was needed to review the Handbook on Critical Use Nominations (UNEP/OzL.Pro.WG.1/25/7). The US noted that although it was pleased with progress, it had concerns about the uncertain nature

of cut-off dates for consideration of new information relating to CUNs. The Co-Chair invited Parties with such concerns to raise them with MBTOC. No further action was taken.

STANDARD PRESUMPTIONS UNDERLYING MBTOC'S RECOMMENDATIONS ON CRITICAL-USE NOMINATIONS: The issue of MBTOC's recommendation on CUNs was also considered on Tuesday. Co-Chair Okioga suggested that Parties postpone debate on this item until after review of MBTOC's proposed changes to the previously used presumptions. The US indicated that it was pleased with progress, but noted concerns about specific technical and timing issues, particularly as the US regulatory process is due to begin in three weeks. She said she would raise these issues bilaterally with MBTOC. The Chair noted this issue would be forwarded to MOP-17.

ISSUES RELATED TO THE MULTILATERAL FUND FOR THE IMPLEMENTATION OF THE MONTREAL PROTOCOL

Issues related to the Multilateral Fund were considered in plenary on Tuesday, Wednesday and Thursday, as well as in a contact group on replenishment of the Multilateral Fund on Tuesday and Wednesday.

TEAP STUDY ON THE 2006-08 REPLENISHMENT OF THE MULTILATERAL FUND FOR IMPLEMENTATION OF THE MONTREAL PROTOCOL: In Tuesday afternoon's plenary session, TEAP Co-Chair Pons presented the TEAP Replenishment Task Force Report, noting that the prior report on replenishment reasonably estimated actual expenditures. TEAP Co-Chair Kuijpers said that the estimation procedure used in assessing replenishment needs was based on the Secretariat's Compliance Oriented Model. Noting the Task Force could revise its estimate after the 46th Executive Committee meeting, Kuijpers detailed the estimated US\$420 million needed for 2006-08. He underscored that the estimate for the upcoming triennium is related to over 10,000 ODP tons, and that agreed commitments already amount to approximately 50% of the estimated funds for the next triennium.

Responding to the Task Force Report, the EC, supported by the US, said its technical comments could be addressed in an *ad hoc* group, and referred to its draft decision in support of the fixed-exchange-rate mechanism (UNEP/OzL.Pro.WG.1/25/CRP.9). Kuijpers noted, in response to China, that the status of funds for the current triennium is independent of the estimate for the next triennium. Japan urged that the quantity of funding for the phase-out period 2006-08 be precisely considered. Chile, on behalf of GRULAC, and Colombia indicated that the Task Force's estimates should take into account funding needed to address increasing HFC-134a costs.

Responding to Denmark, Kuijpers noted that UNEP's Compliance Assistance Programme only examines activities to implement the Montreal Protocol. Venezuela requested clarification on whether the cost of transitioning production plans to alternatives is included in the replenishment fund. Nigeria requested that TEAP consider its phase-out strategy for HCFCs and noted this will require additional funds. In response to Germany and Austria, Kuijpers said certain projects have been re-classified to Terminal CFC Phase-out Management Plans (TPMPs), and that these plans are considered investment



activities. Other issues raised in discussions included: the costs of establishing destruction facilities; consideration of chiller demonstration projects; long term alternatives; and HCFC workshop costs.

On Wednesday morning, a contact group, co-chaired by Jos Buys (Belgium) and Oladapo Afolabi (Nigeria), met for the first of three sessions to discuss issues relating to replenishment of the Multilateral Fund. Responding to the US, TEAP Co-Chair Kuijpers said funding capacity for the report relates specifically to ODS and refers to multi-year agreements with no funding capacity after 1995. Responding to Sweden, Maria Nolan, Multilateral Fund, noted that multi-year agreements are between the Executive Committee and the country, and include targets for annual reductions as well as the necessary funding to achieve complete phase-out. Sweden, Canada and Belgium requested consideration of data anomalies and addition of a chart identifying a phase-out schedule, funds and chemicals for 2003-2010. On Thursday morning, after its third meeting, the contact group's Co-Chairs presented a report of discussions to the plenary (UNEP/OzL.Pro.WG.1/25/CRP.14).

As per the report of the replenishment contact group, Parties agreed to request that TEAP produce a supplementary report before MOP-17 that includes: a table containing estimated and actual expenditures of non-investment components for the current and next replenishment periods; a review of available CTC information, highlighting consumption data and process agent phase-out technologies; and consideration of future decisions of the 46th meeting of the Executive Committee of the Multilateral Fund concerning HCFC projects, chillers and destruction technologies. They also requested that the revised Executive Summary of the original replenishment report be presented at MOP-17.

Multilateral Fund Exchange Rate Mechanism: Another issue relating to replenishment was considered in plenary on Wednesday. Parties agreed, without comment, to forward to MOP-17 an EC-proposed draft decision on the fixed-exchange-rate mechanism of the Multilateral Fund (UNEP/OzL.Pro.WG.1/25/CRP.9).

Draft Decision: In the draft decision, the MOP directs the Treasurer of the Multilateral Fund to extend the fixed-exchange-rate mechanism for a further trial period of three years.

EQUITABLE GEOGRAPHICAL REPRESENTATION IN THE EXECUTIVE COMMITTEE OF THE

MULTILATERAL FUND: Consistent with Decision XVI/38, in which Parties agreed to raise the issue of seats on the Executive Committee of the Multilateral Fund for Article 5 and non-Article 5 Parties, Co-Chair Okioga invited comments from Parties in plenary on Tuesday. No discussion followed.

EXECUTIVE COMMITTEE REPORT ON CUSTOMS OFFICERS TRAINING AND LICENSING SYSTEM

PROJECTS: On Tuesday, Maria Nolan, Multilateral Fund Secretariat, reported on the origins of the Evaluation of Customs Officers Training and Licensing System Projects (UNEP/OzL.Pro.WG.1/25/6). Anspar Eussner, Multilateral Fund Secretariat, gave a brief overview of the report's main findings, highlighting the need to upgrade legislative frameworks, accelerate customs training and regional activities, and improve the effectiveness of training materials. Colombia noted the financial and technical

implications. Botswana highlighted the need to move beyond a one-size-fits-all approach and, supported by Niger, cited the need to incorporate the issuing of licenses into efforts directed at illegal trade. Niger, with Malawi and Venezuela, emphasized regional cooperation. Malawi noted the need for destruction technologies to deal with confiscated substances. Parties then took note of the report and referred it to the Executive Committee for consideration.

ILLEGAL TRADE IN ODS

Illegal trade in ODS was considered in plenary on Tuesday and Wednesday, and in a contact group on Wednesday. On Tuesday, Colombia, supported by the US and Argentina, commented on the outcome of the recent experts' workshop on a conceptual framework of cooperation for addressing illegal trade in ODS, suggesting that Parties send comments to the Secretariat during the intersessional period. With Botswana and Venezuela, Colombia suggested the formation of a contact group. Botswana expressed concern about reporting smuggling cases to the Secretariat. The EC referred to its draft decision on the prevention of illegal trade in ODS, suggesting it could serve as a foundation for further discussion (UNEP/OzL.Pro.WG.1/25/CRP.5). Canada suggested its CD-ROM on the topic may be useful to other Parties and that the Protocol's experience in this area might be useful for the upcoming meeting on the Strategic Approach to International Chemicals Management. Argentina called on the Parties to implement Article 4B of the Protocol on licensing systems for the import and export of ODS, before adding further requirements on this matter.

On the feasibility of developing systems for tracking trade in ODS, Japan, supported by New Zealand, called for caution in moving forward on a tracking system given it would impose burdens on Parties and the Secretariat. Argentina suggested that bilateral communication between exporters and importers was more appropriate and less financially burdensome. A contact group was established on both the experts' meeting and the terms of reference for a study on developing a system for tracking trade in ODS.

On Wednesday afternoon the contact group, chaired by Paul Krajnik (Austria), considered the EC draft decision. Many Parties noted concern about implied burdens, especially related to seeking information from importing countries prior to issuing export licenses. Japan and Argentina noted that the export of products containing ODS is not covered under the Protocol, and the US suggested removing explicit reference to such products. While general support was expressed for a study on an international tracking system, participants agreed that the EC would prepare a document highlighting the changes to the draft terms of reference for the study contained in the annex to the draft decision. Argentina voiced concern regarding controlling re-importation and transit of ODS, and the US floated the idea of banning transit trade. On revising the reporting format for ODS exports, the US noted this information was already reported in aggregate and that the proposal could help Article 5 Parties. During Thursday morning's plenary session, Krenick reported on the results of contact group's discussion.

Draft Decision: Parties agreed to forward the draft decision to MOP-17 in brackets and that comments on the draft decision could be submitted to the Secretariat until 15 September. In the



draft decision, the MOP decides to, *inter alia*: approve the listed terms of reference for a study on the feasibility of developing an international system for tracking illegal trade in ODS; call on Parties to implement controls on trade in ODS; and revise the reporting format covering ODS exports in Decision VII/9.

PROPOSED ADJUSTMENTS TO THE MONTREAL PROTOCOL

PROPOSED ADJUSTMENT TO THE METHYL BROMIDE PHASE-OUT SCHEDULE FOR ARTICLE 5 PARTIES: On Tuesday, the EC, with Canada, proposed further interim reduction steps for methyl bromide in Article 5 countries (UNEP/OzL.Pro.WG.1/25/5). Argentina, with support from Cuba, Mexico, Colombia and Iran, opposed discussion of the proposed amendment, as CUNs for non-Article 5 Parties for 2006 are not yet resolved. Argentina, supported by the EC, recommended that the data in the proposal should be updated. Parties agreed to take note of the proposal.

PROPOSED AMENDMENT TO THE MONTREAL PROTOCOL

On Wednesday afternoon, Co-Chair Okioga introduced the EC's proposed amendment for expedited amendment to the Montreal Protocol (UNEP/OzL.Pro.WG.1/25/4). The EC noted that this proposal would allow controls on new substances to enter into force in two rather than ten years, while also allowing Parties to opt out of new control measures. While many delegates supported the need to accelerate entry into force, many also noted concerns including legal implications and repercussions for trade.

Argentina proposed to address the control-system as a whole, including the substantial delays in the up-front scientific assessment. New Zealand noted that the expedited amendment process contained in Article 10 of the Vienna Convention could be invoked to expedite the listing of ODS and expressed concern that the expedited procedure to amend the Protocol for other purposes would result in the coexistence of two versions of Article 10. The EC said it would welcome a proposal from Argentina and said that Article 10 of the Vienna Convention only applied to expediting amendments to annexes.

Greenpeace International said the EC recommendation was a step in the right direction, and urged Parties to place new ODS on a fast-track phase-out schedule. Argentina clarified that an amendment to the Montreal Protocol is not required to amend the scientific assessment process. The Parties agreed to forward the text of the proposal to MOP-17 in brackets.

OBLIGATIONS OF PARTIES TO THE BEIJING AMENDMENT TO THE MONTREAL PROTOCOL

Delegates considered obligations of Parties to the Beijing Amendment to the Montreal Protocol on Wednesday. The US, supported by New Zealand, stated concern about EU Member States not being in compliance with Decision XV/3 on obligations of Parties to the Beijing Amendment and urged them to fulfill their Protocol obligations. Many countries described plans to ratify the Beijing and other amendments. To allow additional time for Parties to ratify, India suggested extending the deadline for submission of the information required under Decision XV/3. Argentina, supported by China, noted that the legal underpinnings of the Protocol are damaged when Parties

fail to provide information by the deadline. Co-Chair Land said the Implementation Committee would consider this issue and forward it to MOP-17.

OTHER MATTERS

CERTAINTY OF MEETING DATES FOR OEWS/MOP MEETINGS: On Tuesday, the EC noted that predictable dates for OEWS and MOP meetings would be helpful given delegates' involvement in other environmental processes and that a draft decision would be circulated. On Wednesday, Parties expressed support for the draft decision put forward by the EC (UNEP/OzL.Pro.WG.1/25/CRP.4). Botswana suggested that the draft decision should include reference to the dates for intersessional meetings. The US and TEAP noted that this decision should not supersede submission dates already set in some TEAP reports.

Draft Decision: Parties agreed to forward the draft decision to MOP-17 in brackets. The EC agreed to work with interested Parties to revise the draft decision in the interim. The current draft decision proposes Parties agree to a timeframe for notification of meeting dates of MOPs, OEWSs and TOCs, and requests TEAP endeavor to provide its reports seven months before each MOP.

LABORATORY AND ANALYTICAL USES OF METHYL BROMIDE: On Tuesday, the EC put forward a draft decision on developing a regime for laboratory and analytical critical uses of methyl bromide (UNEP/OzL.Pro.WG.1/25/CRP.3), as exists for essential uses for other ODS. Chile suggested it would propose a similar draft decision relating to additional substances. Discussions continued on Wednesday, when the EC noted that the purpose of its proposal was to mirror the current laboratory and analytical regime for essential uses. Canada indicated support for the EC proposal and for avoiding finding Parties in non-compliance for small uses of methyl bromide. Switzerland noted the need to consider whether a minimum quantity of methyl bromide exists below which Parties need not consider the use. The US, noting lack of information about such uses of methyl bromide and what standards might apply, stated it would use the intersessional period to learn more.

Draft Decision: Parties agreed to forward the draft decision to MOP-17. In the draft decision, the MOP decides: to permit non-Article 5 Parties the levels of production and consumption of methyl bromide necessary to satisfy laboratory and analytical critical uses; to decide each year on any uses which should no longer be agreed as laboratory and analytical critical uses and the date from which any such restriction should apply; and that the Secretariat should make available each year a consolidated list of critical uses that Parties have agreed are no longer laboratory and analytical critical uses.

DISCLOSURE OF INTEREST GUIDELINES: On Wednesday, Canada introduced a non-paper containing a draft decision on disclosure of interest guidelines for TEAP and its TOCs, noting that the proposed guidelines were consistent with the Rotterdam and Stockholm Conventions (UNEP/OzL.Pro.WG.1/25/CRP.7). The EC noted concern that members of TEAP and its TOCs might not currently fulfill several of the proposed guidelines. Australia and the US indicated they would work with Canada on this issue prior to the document being circulated to Parties before MOP-17.



CLOSING PLENARY

In the closing plenary on Thursday, Chile, on behalf of GRULAC, formally proposed Martha Pisano, (Colombia) as a candidate for the MBTOC Co-Chair position. Delegates agreed that this will be considered at MOP-17 and included in the OEWG-25 meeting report. The plenary then considered the draft report of the meeting (UNEP/OzL.Pro.WG.1/25/L.1, Add.1, Add.2, Add.3, and Add.4) and adopted it with minor amendments. Co-Chair Land closed the meeting at 7:02 pm.

EXMOP-2 REPORT

The second Extraordinary Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer (ExMOP-2) took place on 1 July 2005, immediately following OEWG-25. Parties met to review critical-use exemptions for 2006 left unresolved or designated as interim at MOP-16. In particular, Parties had granted only interim approval to certain CUNs listed in section III of Decision XVI/2 at MOP-16, while some additional CUNs had also been designated as "unable to assess" in the October 2004 report of TEAP.

The Parties quickly accepted a draft decision negotiated during informal sessions held throughout the week (UNEP/OzL.Pro.ExMP/2/CRP.1), granting final approval to CUNs from Australia, Canada, Japan, and the US, and leading to the closure of the meeting before noon. This report provides a summary of the proceedings of ExMOP-2.

OPENING OF THE MEETING

Opening ExMOP-2 on Friday, 1 July, ExMOP-2 President Allan Moya (Costa Rica) welcomed participants, provided an overview of the purpose of the meeting, and noted that the informal consultations he convened prior to the meeting had resulted in a draft decision for consideration at ExMOP-2.

Executive Secretary Marco Gonzáles welcomed participants on behalf of UNEP Executive Director Klaus Töpfer and conveyed Töpfer's wishes for the success of the meeting. Gonzáles urged participants to consider the achievements made through the Montreal Protocol. He noted that there was no doubt of Parties' commitment to finding alternatives to methyl bromide, that large reductions in the use of methyl bromide have already been achieved, and that the methyl bromide reduction curve is much steeper than that for MDIs.

Canada thanked those involved in the preparatory work for the meeting, and invited participants to share in Canada Day festivities. ExMOP-2 President Moya introduced, and delegates adopted, the provisional agenda (UNEP/OzL.Pro.ExMP/2/1) without amendment. Participants then supported the organization of work, as presented.

REVIEW OF CRITICAL USE NOMINATIONS FOR METHYL BROMIDE FOR 2006

MBTOC Co-Chair Jonathan Banks presented MBTOC's review of CUNs, including a summary of Parties' critical-use requests and the process of review and standard presumptions used by MBTOC in assessing them. He emphasized that assessments were done on a case-by-case basis, including bilateral consultations upon request and a field visit to a key methyl bromide-using region, and that MBTOC used the same standard presumptions as in the first round of CUNs. He then

noted that the 2006 CUNs made by Parties totaled 15,541 tons, 13,466 tons of which MBTOC was recommending, and that detailed information on each of these issues could be found in the TEAP progress report.

President Moya outlined the extensive informal consultations on 2006 CUNs that he convened throughout the week. He noted that the discussions were chaired by Ricardo Garron (Costa Rica) and Blaise Hosberger (Switzerland) and that the US, the EC and nine other Parties participated. He then presented the outcome of these consultations, which was a proposal containing a draft decision on the supplemental CUNs for 2006 (UNEP/OzL.Pro.ExMP/2/CRP.1). After a brief comment from Bangladesh and a point of clarification on total quantities exempted and recommended by TEAP, the decision was adopted without amendment.

Final Decision: In the decision, the MOP decides: to permit, subject to the conditions in Decision Ex. I/4, supplementary levels of production and consumption for 2006; that CUEs allocated domestically that exceed levels permitted by the MOP are drawn from existing stocks; that Parties shall consider and report methyl bromide stocks subject to domestic laws regarding confidentiality; that Parties "endeavor" to allocate CUEs to the specific categories specified in the decision; and to request Parties to use emission minimization techniques.

CLOSURE OF THE MEETING

Although not yet complete, the meeting report was adopted, with Parties entrusting the Secretariat to undertake its completion. Parties then made statements on the adoption of the ExMOP-2 decision. Many Parties thanked TEAP, MBTOC and the Chairs of the informal group for their hard work. The US discussed its CUNs for 2007, noting they represented a 20% reduction over their 2006 requests. The EC discussed the strengths of the decision, including its emphasis on emission controls and transparency of stockpiles, and commitment to applying the criteria of Decision IX/6 on critical-use exemptions, when licensing or permitting methyl bromide. Malawi and Venezuela stated that they had phased out consumption of methyl bromide. Switzerland expressed hope that an improved flow of information from and to MBTOC would facilitate future decisions on CUNs. Burkina Faso noted that, given its reliance on agriculture, the reduction of other nations' agricultural subsidies would ease the difficulty of phasing out methyl bromide and expressed its gratitude for debt forgiveness. New Zealand highlighted its commitment to phasing out methyl bromide, noting it had not used the emergency-use provision of Decision IX/7, and had accepted MBTOC's recommendation for critical uses in 2006, reflecting a 20% reduction from its original CUN. Greenpeace International said methyl bromide phase-out was important given the current vulnerability of the ozone layer. The Environmental Investigation Agency discussed its efforts to communicate with consumers of products grown or treated with methyl bromide and acknowledged the efforts of Article 5 Parties to phase out their consumption of methyl bromide. President Moya closed the meeting at 11:42 am.



A BRIEF ANALYSIS OF OEWG-25 AND EXMOP-2

PARALLEL DISCUSSIONS

For the most part, the Open-ended Working Group of the Parties to the Montreal Protocol (OEWG-25) was a standard preparatory meeting, with delegates taking the time to get a sense of where other Parties are likely to stand on various issues at the seventeenth Meeting of the Parties to the Montreal Protocol (MOP-17) in December and attempting to work through the more difficult issues before that time. However, there was an additional layer of informal discussions taking place during OEWG-25 – in preparation for the second Extraordinary Meeting of the Parties (ExMOP-2) on Friday, 1 July 2005. Parties recognized that if ExMOP-2 was to be successful, they would need to make progress on the draft decision finalizing 2006 critical-use exemptions (CUEs) for methyl bromide before ExMOP-2 began. Thus, at the same time that OEWG-25 seemed to lack momentum, informal discussions on methyl bromide CUEs were intensifying.

The details of the discussions at both OEWG-25 and ExMOP-2 reflected the maturity of the ozone process as well as its ongoing challenges. The smoothness with which the Secretariat handled the meeting evidences the regime's maturity – the Secretariat's preparation for the meeting and organization of work throughout facilitated focused and succinct interventions. In contrast, differences of opinion about the size of CUEs and stockpiles revealed that obstacles remain in the ongoing journey to eliminate the use of ozone-depleting substances (ODS), while disagreements between and within technical bodies and Parties regarding how to deal with critical-use and essential-use exemptions revealed the complexities associated with balancing political and technical considerations. This analysis briefly examines the treatment of several key issues at OEWG-25 and ExMOP-2 and provides a snapshot of the negotiating landscape looking toward MOP-17.

KEY CHALLENGES

As has been displayed at past MOPs and OEWGs, some of the most challenging issues facing the Parties, in political and technical terms, often arise during the later stages of implementation. This challenge, along with the friction between political and technical matters, led to debate among participants.

METERED DOSE INHALERS (MDIs): Consideration of essential-use exemptions for MDIs at OEWG-25 again proved to be one of the more contentious issues. TEAP's suggestion that updated information on stockpiles in 2006 is needed prior to consideration of nominations for 2007, while understandable from a technical standpoint, caused some concern. This concern relates to a desire to ensure that exemptions are available early in 2007 given that availability is dependent on domestic regulatory processes that occur after essential-use exemptions have been approved by the Parties. Moreover, the mere issue of measuring and assessing stockpiles is politically and technically difficult, as private companies, not governments, hold the supplies.

TEAP's recommendations on essential-use exemptions for the US and the Russian Federation, which differ from the requested quantities, reflect the increasing sophistication of the review

process. In particular, the depth of the technical review was revealed by TEAP's consideration of cross-border issues and of the need to ensure that Parties have sufficient stockpiles to buffer against unforeseen circumstances. However, the fact that both the US and the Russian Federation reiterated their original requests in plenary highlights the difficulties in reconciling political considerations with technical recommendations.

METHYL BROMIDE: These same complexities were reflected in discussions on Methyl Bromide Technical Options Committee (MBTOC) membership, disclosure of interest guidelines for TEAP and its TOCs, standard presumptions used by MBTOC in its review of critical-use nomination (CUNs), and CUNs for 2006. Early in the week, some participants predicted that TEAP's critical-use recommendations for 2006 would be accepted after some initial "theatre." This prediction was fairly astute. While some participants were concerned about worst-case scenarios emerging during ExMOP-2, the drama in the informal methyl bromide talks was resolved amicably and the ExMOP-2 itself was brief and straightforward.

The bilateral discussions between MBTOC and various Parties during the week demonstrated that the process of reviewing CUNs is maturing. However, the inability of MBTOC to fully consider CUNs with regard to stockpiles, and efforts to find and secure regulatory approval of alternatives, suggests further progress may be needed with regard to MBTOC's review process and the guidance it receives from the Parties.

The speculation leading up to ExMOP-2 concerned the efforts of some Parties to attach contingencies to approval of the remainder of critical-use quantities for 2006. In particular, attempts to defer consideration of 2007 CUEs, which are due to be considered at MOP-17, until 2006 evoked uneasy responses from some Parties that viewed such attempts as lacking sound justification. Some hypothesized that these efforts were based not only on concerns that the phase-out is proceeding too slowly and that the exemptions themselves have no phase-down mechanism, but also on a desire to ensure that MBTOC's updated standard presumptions, which will be considered formally in December, apply to CUNs for use in 2007.

While some participants at ExMOP-2 expressed concern with the slow pace of methyl bromide reductions, others noted that although the reductions may not be significant in an absolute sense, they are important symbolically in that they are leading Parties towards a true phase-out. Perhaps even more importantly, within countries such as the US, the issue of methyl bromide is losing its political star-power as rumors of pulling out of the Protocol fade and as users of methyl bromide seem to be moving towards acceptance of the inevitability of a full phase-out – sure signs of progress.

CLOSING THE DEAL

Various issues raised at OEWG-25 hinted at what can be expected during MOP-17 and beyond. In addition to those already mentioned, these issues included discussions on replenishment of the Multilateral Fund, legal details regarding competence of the EC to act on behalf of its Member States with regard to Protocol obligations, stockpiles of, and illegal trade in, ODS, essential-use and critical-use exemptions for 2007, and multi-year critical-use exemptions for methyl bromide.



In particular, discussion of the EC's competence with regard to ratification of amendments to the Protocol and submission of information under Decision XV/3, concerning obligations under the Beijing Amendment to the Montreal Protocol, foreshadowed decisions that may be taken at MOP-17. Given the UN Office of Legal Affairs' assessment that the EC does not have the power to express consent or be bound on behalf of Member States, EU Member States that have not ratified the Beijing Amendment may be subject to the provisions on control of trade with non-Parties contained in Article 4 of the Montreal Protocol.

The discussion on replenishment of the Multilateral Fund also hinted at what the future may hold. In particular, talks on this issue indicated not only the increasing centrality of Article 5 Parties' commitments to the Protocol's success, but once again, the maturity of process itself – in that identifying trends in spending and achievements is now possible. How the Fund's past support of Article 5 countries is extended into the future is key to the ultimate success of the Protocol.

These, and other issues, are likely to be substantial challenges at MOP-17 and beyond. However, if the history of the Protocol is any guide, the foundation of cooperation will prevail, and will help the Parties overcome these hurdles.

UPCOMING MEETINGS

FORTY-SIXTH MEETING OF THE MONTREAL PROTOCOL'S MULTILATERAL FUND EXECUTIVE COMMITTEE: This meeting will be held from 4-8 July 2005, in Montreal, Canada. For more information, contact: Julia Anne Dearing, Multilateral Fund Secretariat; tel: +1-514-282-1122; fax: +1-514-282-0068; e-mail: secretariat@unmfs.org; internet: <http://www.multilateralfund.org>

THIRD MEETING OF THE PREPARATORY COMMITTEE FOR THE DEVELOPMENT OF A STRATEGIC APPROACH TO INTERNATIONAL CHEMICALS MANAGEMENT: This meeting will be held from 19-24 September 2005, in Vienna, Austria. For more information, contact: UNEP Chemicals; tel: +41-22-917-8111; fax: +41-22-797-3460; e-mail: chemicals@unep.ch; internet: <http://www.chem.unep.ch/saicm/>

EIGHTH SESSION OF IPCC WORKING GROUP III AND 24TH IPCC MEETING: This meeting will be held from 22-24 September 2005, in Montreal, Canada, and will be followed by the meeting of the 24th Session of the IPCC, which will take place from 26-28 September. For more information, contact: IPCC Secretariat c/o World Meteorological Organization; tel: +41-22-730-8208; fax: +41-22-730-8025; e-mail: IPCC-Sec@wmo.int; internet: <http://www.ipcc.ch/calendar.htm>

SECOND CONFERENCE OF THE PARTIES TO THE ROTTERDAM CONVENTION: This meeting will take place from 26-30 September 2005, in Rome, Italy. For more information, contact: Rotterdam Convention Secretariat; tel: +41-22-917-8296; fax: +41-22-797-3460; e-mail: pic@unep.ch; internet: <http://www.pic.int>

47TH MEETING OF THE MONTREAL PROTOCOL'S MULTILATERAL FUND EXECUTIVE COMMITTEE: This meeting will be held from 21-25 November 2005, in Montreal, Canada. For more information contact: Julia Anne Dearing, Multilateral Fund Secretariat; tel: +1-514-282-1122; fax: +1-514-282-0068; e-mail: secretariat@unmfs.org; internet: <http://www.multilateralfund.org>

FIRST MEETING OF PARTIES TO THE KYOTO PROTOCOL AND ELEVENTH CONFERENCE OF PARTIES TO THE UNFCCC: Scheduled for 28 November to 9 December 2005, in Montreal, Canada, the first Meeting of Parties to the Kyoto Protocol (MOP 1) is taking place in conjunction with the eleventh session of the Conference of Parties (COP 11) to the UN Framework Convention on Climate Change. For more information, contact: UNFCCC Secretariat; tel: +49-228-815-1000; fax: +49-228-815-1999; e-mail: secretariat@unfccc.int; internet: http://unfccc.int/meetings/unfccc_calendar/items/2655.php

SEVENTEENTH MEETING OF THE PARTIES TO THE MONTREAL PROTOCOL: This meeting will be held from 12-16 December 2005, in Dakar, Senegal. For more information contact: Ozone Secretariat; tel: +254-2-62-3850; fax: +254-2-62-3601; e-mail: ozoneinfo@unep.org; internet: <http://www.unep.org/ozone>

GLOSSARY

CFCs	Chlorofluorocarbons
CUEs	Critical-use exemptions
CUNs	Critical-use nominations
CTC	Carbon tetrachloride
CTOC	Chemicals Technical Options Committee
FTOC	Foams Technical Options Committee
HBFCs	Hydrobromofluorocarbons
HCFCs	Hydrochlorofluorocarbons
HTOC	Halons Technical Options Committee
IPCC/TEAP Special Report	IPCC/TEAP Special Report on Safeguarding the Ozone Layer and the Global Climate System
MBTOC	Methyl Bromide Technical Options Committee
MDIs	Metered-dose inhalers
ODP	Ozone depletion potential
ODS	Ozone-depleting substances
OEWG	Open-Ended Working Group
RTOC	Refrigeration, Air Conditioning and Heat Pumps Technical Options Committee
TEAP	Technology and Economic Assessment Panel
TOCs	Technical Options Committees
TPMPs	Terminal CFC Phase-out Management Plan