

COP-7/MOP-17 HIGHLIGHTS: MONDAY, 12 DECEMBER 2005

The seventh Conference of the Parties to the Vienna Convention for the Protection of the Ozone Layer and the seventeenth Meeting of the Parties to the Montreal Protocol on Substances that Deplete the Ozone Layer (COP-7/MOP-17) began on Monday morning, with opening speeches, adoption of the agenda and agreement on the organization of work. Delegates then discussed ratification, the report of the Ozone Research Managers, the trust funds for the Vienna Convention (the Convention) and the Montreal Protocol (the Protocol), and essential-use nominations for 2006 and 2007. In the afternoon, delegates considered methyl bromide-related issues and replenishment of the Multilateral Fund, and a budget contact group also met. In the evening, contact groups on methyl bromide and replenishment of the Multilateral Fund met briefly to discuss organizational matters.

OPENING OF THE PREPARATORY SEGMENT

Opening COP-7/MOP-17's preparatory segment, Marco González, Executive Secretary of the Ozone Secretariat, said the meeting provides parties with an opportunity to celebrate the enduring political commitment of the international community to protect the ozone layer. He noted reductions in the consumption of ozone-depleting substances (ODS), and expressed appreciation for improvements in the timeliness and quality of parties' data reporting.

Diagne Fada, Minister of Environment and the Protection of Nature, Senegal, welcomed delegates to Dakar and thanked them for contributing to protecting the ozone layer. He noted the importance of environmental protection for future generations and said individuals, NGOs, and public and private entities must participate.

ORGANIZATIONAL MATTERS: Delegates adopted the agenda (UNEP/OzL.Pro.17/1) as amended by the US and the UK on behalf of the EC, and agreed on the organization of work.

CONVENTION AND JOINT CONVENTION/PROTOCOL ISSUES

RATIFICATION: On the status of ratification of the Convention, and the Protocol and its amendments, David Okioga (Kenya), Co-Chair of OEWG and of the preparatory segment of COP-7/MOP-17, commended Eritrea as the most recent country to ratify both instruments. Various parties commented on recent domestic activities towards ratification.

OZONE RESEARCH MANAGERS REPORT: The Secretariat presented the report of the sixth meeting of the Ozone Research Managers to the Convention (UNEP/OzL.

Conv.7/6), noting the report's recommendations are drawn from national reports and reports from various international programmes and assessment activities. She stressed the need for, *inter alia*: continued and enhanced research and observation activities; expanded measurement networks; enhanced information on the interrelationship between ozone and climate change; and increased funding and cooperation for implementing the report's recommendations.

TRUST FUNDS FOR THE CONVENTION AND THE PROTOCOL: The Secretariat reported on the status of the trust fund for financing activities on research and systematic observations in developing countries and countries with economies in transition (CEITs). Noting that the fund expires in 2007, he said parties may wish to request the continuation of the fund, while the US referred to a draft decision reauthorizing the fund. Co-Chair Land postponed discussion of the issue pending distribution of the draft decision.

Parties established a contact group to consider budgetary issues, including the preparation of a draft decision on the financial report and expenditures of the Protocol trust fund for 2004 (UNEP/OzL.Conv.7/4, UNEP/OzL.Pro.17/4), and the 2005-2007 budgets of the Protocol trust fund (UNEP/OzL.Conv.7/5, UNEP/OzL.Pro.17/5).

PROTOCOL ISSUES

ESSENTIAL-USE NOMINATIONS FOR 2006 AND 2007: On MDIs, Tom Land (US), Co-Chair of OEWG and of the preparatory segment of COP-7/MOP-17, highlighted draft decisions XVII/A and XVII/B, presented by the US and the EC respectively (UNEP/OzL.Conv.7/3 and UNEP/OzL.Pro.17/3). The US noted it had requested a lower amount of essential-use exemptions for 2006 and 2007 compared with previous years.

Highlighting the clarity of the TEAP report on essential-use nominations, the EC noted it takes full account of existing CFC stocks. He said parties should not allocate CFCs to companies that have the same product in a CFC-free version and, supported by NORWAY, that nominations should be made on a yearly basis.

CUBA expressed concern about the need for non-Article 5 parties to establish a deadline for eliminating the use of CFCs in MDIs.

Encouraging other parties to follow suit, JAPAN noted its elimination of imports of CFC MDIs at the close of 2004, and its planned removal of CFC MDIs from its domestic market by the end of 2005.

BANGLADESH noted the difficulties faced by Article 5 parties in accessing funds to implement their phase-out plans, and Co-Chair Land established a contact group to facilitate discussion on essential-use nominations for 2006 and 2007.

METHYL BROMIDE-RELATED ISSUES: Methyl Bromide Technical Options Committee (MBTOC)

2005 Supplemental Report: Presenting MBTOC's 2005 Supplemental Report, Jonathan Banks, MBTOC Co-Chair, said its supplementary recommendations for 2006 critical-use exemptions (CUEs) total 404 metric tons out of 502 nominated, and its recommendations for 2007 CUEs total 7,466 metric tons of 8,151 nominated. Co-Chair Banks noted that MBTOC achieved consensus on its findings, except on some of the US's 2007 critical-use nominations (CUNs), which a minority viewed as "unable to be assessed." He summarized proposed changes to the standard presumptions for assessing 2007 CUNs, and introduced the 2006 MBTOC workplan and budget.

Responding to a question from SWITZERLAND on how approved critical-use quantities would be reduced if the use of virtually impermeable films (VIFs) was systematically considered as proposed, Banks said nominations would likely be reduced by 30%, but that in many cases parties say they are not ready to fully implement this technology. NORWAY requested information on existing stocks of methyl bromide, and Banks said parties had not provided this information. TUNISIA noted the lack of alternatives for fumigation of dates.

JAPAN, ARGENTINA, NIGERIA, CANADA, AUSTRALIA and MEXICO expressed support for MBTOC's CUE recommendations and, with SWITZERLAND, supported the proposed standard presumptions for future evaluations. ARGENTINA, NIGERIA, CANADA and SWITZERLAND supported MBTOC's workplan for 2006, while SWITZERLAND reserved its position on 2007 CUE quantities, given lack of data on stockpiles, and noted its desire for a more rigorous approach to MBTOC's consideration of VIFs. AUSTRALIA highlighted the need for early approval of 2007 CUEs to facilitate domestic processes for allocating CUEs. MEXICO called on nominating parties that have not submitted strategic management plans to do so by February 2006.

CHINA expressed concern that parties have not tasked MBTOC with researching and disseminating information on methyl bromide alternatives, and said a more stringent timetable for reducing methyl bromide in Article 5 countries should not be considered now. The EC, with ARGENTINA, supported a registry of all CUNs and authorized CUEs, and said parties should focus on implementing existing alternatives, rather than finding new ones. He added that consideration of methyl bromide stockpiles is crucial for avoiding unnecessary production and imports. The US highlighted its: financial investment in alternatives; domestic process for registering methyl bromide and alternatives; policy that new acreage or potential uses of methyl bromide not be allocated CUEs; domestic legal proceedings on assessing stockpile quantities; and concerns with MBTOC's presumptions in relation to CUNs not recommended for 2007.

The NATURAL RESOURCES DEFENSE COUNCIL stressed several issues regarding methyl bromide use in the US, including: increased total use in 2005; the government's refusal to disclose aggregated information on stockpiles; and non-critical uses of methyl bromide. Stressing it was premature to decide on 2007 CUNs at this meeting, he urged parties to first insist on full disclosure of information on stockpiles and on actual use of methyl bromide.

REPLENISHMENT OF THE MULTILATERAL FUND: Shiqiu Zhang (China) and Lambert Kuijpers (Netherlands), Co-Chairs of TEAP's Replenishment Task Force, presented the Report of the Assessment of the Funding Requirement for the Replenishment of the Multilateral Fund for 2006-2008, including the Supplementary Report of October 2005 and its December 2005 Addendum (the Replenishment Report).

Co-Chair Zhang outlined the composition of the Task Force, and summarized the history of work on the Replenishment Report. She noted the Report investigates compliance projects, and estimates associated funding requirements. Chair Kuijpers presented additional analyses prepared by the Replenishment Task Force as requested by OEWG-25, including a review of carbon tetrachloride (CTC) information relating to consumption data and process agent phase-out technologies. He also referred to decisions taken at the 46th meeting of the Executive Committee of the Multilateral Fund, including decisions on projects relating to hydrochlorofluorocarbons (HCFCs), chillers and destruction technologies.

Several developing countries stressed the need for additional resources for phase-out and other activities. SYRIA queried whether the Replenishment Task Force had considered the costs of closing installations in countries not yet party to the Protocol. CHINA suggested TEAP and the MOP focus on: illegal trade in ODS; facilitating preparations for phasing out HCFCs in Article 5 countries; and demonstrating alternatives to methyl bromide. MEXICO said more feasibility studies on ODS alternatives were needed, particularly in relation to developing countries and CEITs. BOLIVIA suggested the budget for institutional strengthening be increased, especially for parties at the lowest budgetary level. INDIA said HCFC and destruction projects need additional funding. BRAZIL commended the inclusion of studies on ODS recycling and destruction in the next replenishment of the Multilateral Fund, and COLOMBIA indicated it would present a draft decision on ODS destruction. ARGENTINA supported funding for new areas, such as destruction technologies and alternatives. SWEDEN asked how ODS quantities phased out in previous triennia relate to CTC, and about potentially larger requirements for CTC-related projects for the next triennium. JAPAN supported the proposed budget.

The EC introduced draft decision XVII/H on the fixed-exchange-rate mechanism (UNEP/OzL.Conv.7/3 and UNEP/OzL.Pro.17/3), noting that it had been introduced at OEWG-25 and suggesting it be forwarded to the high-level segment as drafted. Parties established a contact group on replenishment, to be co-chaired by Nigeria and Belgium.

CONTACT GROUP

BUDGETARY ISSUES: The budget contact group convened in the afternoon, chaired by Jean-Louis Wallace (Canada). The Secretariat presented on budgetary issues, including on: budgetary principles; performance on past Convention and Protocol budgets; proposed changes to the 2006 Protocol budget; proposed Convention budgets for 2006-2008; and a review of the status of the Protocol trust fund. Parties discussed the revised 2005 budget and the proposed 2006 and 2007 budgets of the Protocol trust fund (UNEP/OzL.Pro.17/5), and bracketed the amounts for the operating cash reserve, drawdowns, subcontracts and travel costs. This contact group will reconvene on Tuesday afternoon to discuss a draft decision on the revised budgets.

IN THE CORRIDORS

With parties eager to begin consideration of many issues at COP-7/MOP-17, a number of delegates expressed concern at delays generated by technical difficulties on the first day of the meeting. Although most of these difficulties were resolved in the afternoon, many delegates said it was "too soon to tell" whether the COP/MOP will succeed in deciding all outstanding issues. While some noted that methyl bromide-related matters may be less contentious than in the past two MOPs, others felt that the issues of stockpiles and illegal trade will gain importance as the Protocol's implementation progresses, with substantial disagreements likely to arise on these matters.