



*Speech of the UNEP Executive Director
at the 17th Meeting of the Open-ended
Working Group of the Parties to the
Montreal Protocol, Geneva, 7–9 July 1998*

Mr. V. Anand, Mr. Jukka Uosukainen, Co-Chairs of the Meeting, Distinguished Delegates, Learned expert members of the Assessment Panels and dear friends.

I have great pleasure in welcoming you to the Seventeenth Meeting of the Open-ended Working Group of the Parties to the Montreal Protocol. It would have been a great honour for me to have been able to attend your deliberations today. But my other engagements have prevented me from doing so. Nevertheless, this does not change my sense of support in your endeavours. I shall be following the trends of your deliberations very closely and keenly await your decisions. I have requested my distinguished colleague, Mr. Sarma, to read out my statement on my behalf.

Let me stress at the outset, my close association with the Montreal Protocol since its inception. As the Minister for the Environment in Germany, I was closely involved in the global endeavours, that started ten years ago, to protect the ozone Layer. I am very happy to renew my contact with the ozone community and to learn of the progress you have made.

The success of the Montreal Protocol is due to a collaborative venture—which is global in its scope, involving the governments, the scientists, the business and industry and members of the civil society.

You are being assisted by UNEP which provides a platform for common action, marshals the evidence for the actions needed to protect the ozone layer and catalyses the awareness and the need for action. You are assisted by the scientists who sound the alarm, provide evidence and suggest options for action and the technologists who provide the solutions. The Governments have adopted a cooperative

approach despite the differences in their views. They have adopted policies based on expert advice of scientists and technologists and approaches which were result-oriented. Their approach is based on incentives and not on punitive measures. The measures taken by them provide for predictable government action, appropriate lead times and the right incentives for public private partnerships.

It is no wonder that the industry realised that those who phased out CFC fastest would have the competitive advantage. They have responded by pioneering many solutions.

I am pleased that for the first time, the NGOs, beside creating awareness and raising alarm, are forming strategic alliances with the industry to promote the protection of Ozone Layer.

The world community and UNEP can apply many of the processes pioneered by you to other global environmental problems. The Kyoto Protocol is an example. I am trying to promote its implementation through consensus on the many economic instruments of the type already practised by the Parties to the Protocol. It would greatly ease my task if you pass on your experience in the Protocol to your colleagues in your Governments who deal with the climate change issues.

The organization of your Assessment Panels is one excellent example which can be emulated by others. While you, as Meetings of the Parties to the Montreal Protocol, appoint members of the Panels based on their expertise, these members are free to choose the expertise needed to assess the status of the ozone layer, environmental effects of ozone depletion and alternative technologies. Every stakeholder is represented in your panels—Government, industry and the

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academic experts. The members operate independently of their employers and offer their opinion in the best interests of the ozone layer. No wonder then that the Governments around the world have received the same sound advice from their own national experts as given by the Panels. This, in my view, is an important basis for the success of the Protocol. In no meeting of the Parties has there been a wide difference of opinion on facts.

I am concerned by some recent indications that the enthusiasm of some of industrialized countries to support their experts is flagging. With the success of the Protocol in their countries, perhaps the employers of the experts from industrialized countries feel that they could divert their expertise to other issues.

I would like to point out that, contrary to the popular impression, the protection of the ozone layer is far from assured at present. Only about 20 percent of the population of the world, that is the industrialized world, has given up their addiction to CFCs. The remaining 80 percent will have to start soon and complete their task if the recovery of the ozone layer is to be assured. Clearly, much remains to be done. I would urge the industrialised countries to continue to support their experts till we are sure that there is no danger to the ozone layer.

You are aware of the main conclusions of the recent report of the Scientific Assessment Panel. It confirmed that the Montreal Protocol is indeed working and the total chlorine and bromine-containing chemicals are declining in the atmosphere. However, it found that the Antarctic spring-time ozone 'hole' is as big as ever, twice the size of Europe and, the Arctic ozone-depletion continues to be severe. The bromine-containing chemicals are increasing in the atmosphere, due to emissions from halon 'banks' and continued production in some developing countries.

I am pleased that in this meeting, you are considering the feasibility of destroying halons not needed for critical uses. The Executive Committee which recently sanctioned a sector project to phase out halon production and consumption in China at a cost of US\$62 million deserves all praise for this innovative step.

However, the message of science is clear. The job of protecting the ozone layer is not over. It will recover only by the middle of the next century. The next few years will actually see the peak of ozone-depletion. Obviously, you must seize every chance to reduce the emissions of ozone-depleting substances and be alert to the dangers of back-sliding.

In this connection, I am a little disappointed that many countries are yet to ratify the amendments to the Montreal Protocol. Of the 165 Parties who ratified the Montreal Protocol, only 120 ratified the London Amendment and 78 Copenhagen Amendment. The Montreal Protocol adjustments made in the last Meeting of the Parties have been notified on 5 December 1997 and entered into force on 5 June 1998. The Montreal amendment have been notified on 5 December 1997 and it requires 20 Parties to enter into force. Only Canada has ratified the Amendment so far. I know that all of you have agreed to these amendments without exception but it is essential to ratify these amendments formally in order to give the right signals to the industry. The Multilateral Fund also may find it difficult to fund some projects of developing countries if the countries do not take on legal obligations to phase out substances covered by these projects. I urge you to ratify these amendments as early as possible.

This year is the last year of the grace period for developing countries. In a year, from 1 July 1999, the developing countries will have to begin the implementation of the control measures with a freeze in CFCs and they have to follow the phase-out schedules.

They have been greatly assisted by the efforts of the Multilateral Fund. The industrialized countries have almost completely paid their contributions till 1996. The Executive Committee has approved more than 2 000 projects to phase out consumption of nearly 100 000 tonnes of the controlled substances and 13 000 tonnes of production. These approved projects cost more than US\$730 million. Obviously, the consumption of the developing countries will come down dramatically as soon as these sanctioned projects are completed. I appeal to the Implementing agencies and the developing countries to complete these projects expeditiously.

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The successful implementation of the freeze next year by all the developing countries will be a clear indication of the success of the Multilateral Fund and will enthruse the industrialised countries to continue to support the Fund till the phase out in the developing countries is complete.

It is not enough to implement projects to phase out these substances in the selected industries. There are many policy measures, that enabled the industrialized countries to phase out quickly, and these can be successfully practiced by all. The developing countries will have to create awareness among the consumers and citizen groups regarding the need to prefer ozone-safe products. Governments will have to legislate appropriately to prohibit use of CFCs. There are many market based measures which helped the industrialized countries and also some developing countries like Malaysia and Singapore to reduce their consumption of CFCs. These measures will enable painless transition from CFCs. Voluntary agreements with industries, appropriate taxes on CFCs and subsidies to CFC-free technologies are some of the other measures which the developing countries can take for a faster phase out.

I am happy to see from the 1996 data provided by the Secretariat that the total consumption of developing countries has come down in 1996 compared to their consumption in 1995. This will create a good atmosphere for the negotiations for replenishment of the Multilateral Fund in 1999.

The only way to sustain continuous reduction is to close down the production facilities for CFCs in developing countries at a faster rate than the phase out of CFCs in consumption sector. The 100 000 tonnes covered by the projects so far financed by the Multilateral Fund should be quickly followed by projects to close down the production facilities for CFCs of more than 100 000 tonnes. I am happy that the precise process for doing this is under consideration in the Executive Committee. The Executive Committee has sanctioned 600 000 dollars for a technical audit of the production facilities and will follow-up with closing down the production facilities gradually. But I appeal to them to show the same spirit of compromise on this issue as they have shown so far.

One of the main issues you face now is to prevent the spread of use of methyl bromide and to phase out its existing use in soil fumigation. The Protocol has provided for generous exemptions and should perhaps examine the need for such exemptions at some future time. These exemptions make the implementation of the control measures quite easy. The developing countries too will have to start implementing their control measures for methyl bromide in another three-and-half years and they should make use of the generous provision of the funds by the Executive Committee for demonstration projects. I am happy to see that the Executive Committee has sanctioned funds for 10 developing countries so far for such projects. I appeal to all the Parties who do not produce or consume Methyl Bromide now not to allow this ozone-depleter to get into their countries.

The President of the Implementation Committee will report to you the results of their deliberations yesterday. The first point I would like to make is regarding reporting. Many countries are reporting data belatedly, much beyond the 9 months allowed for reporting after the completion of a year. 45 countries are yet to report the data for 1996. While I understand the difficulties of small countries in collection of data, it is their legal obligation to report in time and I hope they will do so every year in time. These implementation of projects and utilization of the millions of dollars sanctioned by the Fund cannot be monitored successfully unless the data is reported promptly. The second point is about non-compliance. The Implementation Committee has pointed out non-compliance by nine countries of the Eastern Europe and of the former USSR. While there is reason to sympathise with their inability in the past, the time has come when they should fulfill their obligations. GEF is assisting them generously with US\$120 million so far. Our thanks are due to the Global Environment Facility for this assistance. In addition, I understand that the World Bank is attempting to finalize a plan to close down the production facilities of the Russian Federation by raising additional resources from the donors. I hope that the donors will cooperate fully with the efforts of the World Bank in this regard.

Last year, you have mandated a licensing system for imports and exports of the ozone-depleting substances in

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order to curb illegal trade. Many Parties have introduced the system in their countries and notified their focal points. The UNEP has taken many steps to help Parties to introduce such systems in their countries. The networks of ozone-focal points are very useful in this respect. I hope the focal points of the exporting and importing Parties are in touch with each other to curb the menace of illegal trade.

You have many other important issues to consider in your agenda. The strategies for phasing out CFCs in Metered Dose Inhalers is one such issue. It is very encouraging to see many alternatives emerge, thanks to efforts of the Pharmaceutical companies. Your strategies to promote these efforts will no doubt take into account both the patient welfare and the need to phase out CFCs as quickly as possible. As pointed out by the technology and economic assessment your Panel, the developing countries too will have to start now to implement their strategies to phase out CFCs from MDIs. Many new patients are taking to MDIs and it is better to start them on CFC-free MDIs.

Another important issue brought out by the Technology Panel is the likelihood of new, uncontrolled, chemicals with ozone depletion potential entering into the market. The Panel has already pointed out two instances of such chemicals. I hope the Governments concerned will take action to discourage these chemicals and also to keep an alert for emergence of other ozone-depleting chemicals.

You will be considering the applications for essential use exemptions, based on the able analysis by your Technology and Economic Assessment Panel. I am happy to note that the total exemptions for the developed countries have declined steadily from about 16 000 tonnes in 1996 to about 8 000 tonnes in the year 2000. Considering that the same countries were consuming almost a million tonnes of CFCs ten years ago, it demonstrates clearly how alternatives have emerged for almost every application of CFCs. It is a signal to the developing countries about how easily they can change over to new technologies, with the help of the Multilateral Fund.

You are reviewing your Non-Compliance Procedure to make it more effective. The Ad Hoc Group formed for this

review will report to you shortly. Your Non-Compliance Procedure has been widely praised throughout the world as innovative, encouraging Parties to implement the control measures while avoiding punitive approach. I hope you will continue to adopt this approach even while considering better procedures.

While you are dealing effectively with a most important global environmental issue, I would urge you to think of environment with an integrated perspective. Ozone depletion affects many other facets of environment. Human health, biodiversity, forests which absorb green house gases—all these will be adversely affected by ozone depletion. Climate change too has adverse effects on other components of environment. We have to think of these interconnections and ensure that all our actions will serve the environment as a whole.

The connection between the protection of the ozone layer and prevention of climate change is well known. While scientists have discounted the role of CFCs in increasing the global warming, there are now some studies which suggest that global warming could increase ozone depletion and delay the recovery of the Ozone Layer. You need to examine these connections more intensively. Particularly, the HFCs which are considered as substitutes for CFCs, increase global warming and are now controlled by the Kyoto Protocol. The two Conventions can perhaps jointly examine the implications of these connections. We, in UNEP, will help you in this respect in any manner you choose.

Thanks to the timely payments of many Parties, the Multilateral Fund and Vienna Convention and the Montreal Protocol Trust Funds are in a fair shape. I would like to complement the many countries who have completely cleared their arrears till the end of 1997. However, about US\$105 million are due to the Multilateral Fund till the end of 1997, about US\$40 million due from the industrialised countries. About US\$4 million are due to the Trust Funds for the Vienna Convention and the Montreal Protocol. I would also like to urge the many other Parties who have not paid the due amounts. I hope they will make their contributions fully soon. ■