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BUREAU OF THE SECOND MEETING OF THE
PARTIES TO THE MONTREAL PROTOCOL
First meeting
Nairobi,

NOTE BY THE EXECUTIVE DIRECTOR OF UNEP

Introduction

1. The first meeting of the Bureau of the Second Meeting of the Parties to the Montreal Protocol has three major issues before it:

(a) To review the implementation of the decisions taken by the Second Meeting of the Parties to the Montreal Protocol.

(b) To review, in particular, the implementation of the decision by the Parties to establish a financial mechanism, bearing in mind that the Parties had decided, inter alia, that:

"The President of the Second Meeting of the Parties shall ensure that the Executive Committee establishes, with effect from 1 January 1991, an 'Interim Multilateral Fund for the Implementation of the Montreal Protocol' and draws up the financial regulations and rules of the Fund".

(c) To review the financial situation of the Secretariat of the Vienna Convention and the Montreal Protocol.

2. In addition to these issues, the Bureau is expected to have an exchange of views concerning the request by Turkey that it be considered a developing country.

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A. THE FINANCIAL MECHANISM

3. At its First Meeting, held from 19-21 September 1990 at Montreal the Executive Committee of the Interim Multilateral Fund for the Implementation of the Montreal Protocol requested the Executive Director of UNEP to secure the approval of the Secretary-General of the United Nations to establishing the Interim Multilateral Fund in accordance with the financial rules and regulations of the United Nations and to its administration by the Executive Director of UNEP. The account established with UNEP would receive contributions to the Interim Multilateral Fund and would make transfers from it according to directives provided by the Executive Committee. No additional charge would be required for UNEP operating as "treasurer" of the Fund and all associated costs would be covered by its overhead charge assessed against the funds it received in its role as one of the implementing agencies. The Fund was established under the financial rules and regulations of the United Nations and became effective on the date specified by the Contracting Parties, i.e., January 1991.

4. The Executive Committee also decided that the Fund Secretariat, co-located with UNEP, should have Montreal as its venue. The Executive Committee accepted the offer of the Government of Canada to cover any additional costs of locating and operating the Secretariat in Canada relative to costs associated with UNEP Headquarters.

5. At its second Meeting, held from 17-19 December 1990 at Montreal, the Executive Committee decided on the candidate for the Chief Officer for the Fund Secretariat. The Executive Committee also discussed the criteria for project eligibility and guidelines for the implementation of activities supported by the Fund and these criteria will be further developed at a subsequent meeting of the Committee. The elements of the provisional budget for the year 1991 were discussed. The Committee requested the Chief Officer to develop a draft revised budget for consideration by the Committee at its third meeting.

B. IMPLEMENTATION OF DECISIONS

II/1 Adjustments and reductions

6. The Executive Director submitted on 16 August 1990 the adjustments adopted by the Parties at their Second Meeting to the Secretary-General of United Nations in his capacity as Depositary of the Montreal Protocol. The adjustments were circulated on 7 September to all Governments and will therefore enter into force on 7 March 1991. A further report will be presented to the Bureau at its next meeting.

II/2 Amendment of the Protocol

7. The Executive Director submitted the Amendment adopted by the Parties at their second meeting to the Secretary-General of United Nations on

16 August 1990. The Amendment was circulated on 14 November 1990.

8. The Amendment has been accepted by Canada and New Zealand. It will enter into force on 1 January 1992, provided that at least 20 instruments of ratification, acceptance or approval of the Amendment have been deposited.

II/3 Halons

9. The Parties established an Ad Hoc Working Group of Experts to investigate and make recommendations to the Fourth Meeting of the Parties in 1992 on the availability of substitutes for halons, the need to define essential uses of halons, methods of implementation and, if there is such a need, the identification of such uses.

10. The first meeting of the Ad Hoc Working Group is tentatively scheduled for November 1991.

II/4 Isomers

11. No action was required.

II/5 Non-compliance

12. The first meeting of the Implementation Committee under the non-compliance procedure was convened at Nairobi from 10-11 December 1990. The Committee discussed the non-compliance procedure with a view to elaborating further the procedure and the terms of reference of the Committee. The Committee also examined the status of the reporting of data by the Parties in accordance with Article 7 of the Protocol. The Committee will hold its second meeting in conjunction with the meeting of the Ad Hoc Working Group of Legal Experts on Non-Compliance, which is tentatively scheduled for April 1991. The report of the Meeting is available as document UNEP/OzL.Pro/ImpCom.1/1/2.

II/6 Article 19 (Withdrawal)

13. No action was required.

II/7 Montreal Protocol Handbook

14. The Secretariat has initiated preparation of the Handbook, but due to lack of funds, has not been able to recruit the consultant needed to carry out this task. The Secretariat has, however, identified a suitable candidate to do so.

II/8 Financial Mechanism

15. See Section A above.

II/8A Budget for Fund Secretariat

16. The Executive Committee of the Multilateral Fund discussed this matter at its second meeting, held at Montreal from 17-19 December 1990, and authorized certain expenditures as soon as sufficient contributions had been received. It also authorized UNEP to sign the lease for the proposed accommodation for five years and requested the Chief Officer to prepare a revised budget and present it at the Committee's next meeting.

II/8B Acceptance of offer of Canada

17. See Section A above.

II/9 Data reporting

18. The First Meeting of the Ad Hoc Group of Experts on the Reporting of Data was held at Nairobi from 6-7 December 1990. In accordance with the mandate of the Group, the meeting considered the reasons for the difficulties faced by some countries in reporting the data as required by Article 7 of the Protocol and made recommendations to facilitate such reporting. The main recommendations were the following: (a) UNEP secretariat assistance to developing countries in the process of data collection by circulating the experience of countries that had successfully fulfilled the task of data collection and the compilation and distribution of trade names of chemical products containing controlled substances; (b) the increased involvement of local experts and authorities in the preparation of country studies under the Interim Multilateral Fund; (c) consultation of the Ozone Secretariat by developing countries regarding difficulties faced in reporting data so that suitable measures could be taken to rectify the situation; (d) special efforts by countries with free trade zones to include consumption figures for those zones in their data reporting; and, (e) in cases of transshipment through a third country (as opposed to imports and subsequent re-exports), that the country of origin should be regarded as the exporter and the country of final destination the importer. The report of the meeting is available as document UNEP/OzL.Pro/WG.2/1/4.

19. The Bureau may wish to make some additional recommendations, such as requesting the Secretariat to provide assistance, through qualified local or international consultants to the countries that request assistance in collecting the required data and to amend the budget as necessary.

II/10 Data of developing countries

20. With regard to the request to determine from the data available to the Secretariat the exact quantities of the controlled substances required by developing countries operating under paragraph 1 of Article 5, both the fifth meeting of the Open-Ended Working Group on trade issues and the first meeting of the Ad Hoc Group of Experts on the Reporting of Data noted that the Technology Review Panel had been requested to include in its work programme an analysis of the quantities of controlled substances required by Parties operating under paragraph 1 of Article 5 for their basic domestic needs, both at present and in the future, and the likely availability of such substances. Both Groups also noted that the Panel would be assisted in that task by country-specific case studies to be carried out under the Interim Multilateral Fund. The Groups also concluded that pending the completion of that work, no further action by the Ozone Secretariat was needed.

21. With regard to the list of Parties operating under paragraph 1 of Article 5, the Secretariat has included the list in the Report of the Secretariat on the Reporting of Data (UNEP/OzL.Pro/WG.2/1/3),

which was submitted to all Governments for the First Meeting of the Ad Hoc Group of Experts on the Reporting of Data.

II/11 Destruction technologies

22. The Parties have been requested by the letter of the Secretariat dated 27 September 1990 to nominate experts who could serve as members of the Ad Hoc Technical Advisory Committee on Destruction Technologies. The Government of Canada has also been asked by the Secretariat to select a suitable candidate

to chair the Committee. As no reply has yet been received concerning this request, the Secretariat is following up this matter with the Government of Canada. Seven Governments have responded to the request to nominate members of the Technical Advisory Committee.

23. In accordance with the decision of the Parties, the Chair, in consultation with the Secretariat, will appoint nine members from the nominations received from the Governments.

II/12 Customs Co-operation Council

24. The Ozone Secretariat informed the Customs Co-operation Council by its letter of 17 October 1990 of this decision by the Parties and requested the Council's assistance. The Ad Hoc Group of Experts on the Reporting of Data, which met in Nairobi from 6-7 December 1990, recommended that substances listed in Annexes B and C of its report (UNEP/OzL.Pro/WG.2/1/4) should be taken into account by the Customs Co-operation Council in its revision of the Harmonized Commodity System. This process has already been initiated by the UNEP secretariat.

II/13 Assessment Panels

25. All Governments have been requested by the letter of the Secretariat dated 25 September 1990 to nominate experts for the Panels by 30 November 1990. Several nominations have been received. The structure of the Panels, workplans and the timetable have been drawn up by Dr. R. Watson of the United States National Aeronautics and Space Administration (NASA), who chaired the Science Panel for the first assessment process, in consultation with UNEP. Dr. Watson, the overall co-ordinator of the second assessment process and the Chairperson of the Science Panel, will communicate the workplans and the timetable to the Chairpersons of the other two Panels: (a) impacts and (b) technology and Economics (the Technology Panel and the Economics Panel having been merged to form one Panel). The Secretariat will communicate the names of the nominated experts to the Chairpersons.

26. The first organizational meetings of the Panels are scheduled to be held from 17-18 January 1991 in Washington D.C. If further adjustments and amendments to the Montreal Protocol are to be adopted at the Fourth Meeting of the Parties in 1992, the draft supplementary reports of the Panels should be ready by October 1991, so that any proposals for adjustments and amendments could be circulated to the Parties six months before the Fourth Meeting of the Parties (see Article 9 of the Vienna Convention on Amendment of the Convention and Protocols).

27. So far, funding is inadequate for the second assessment process, including financial support for the experts to attend the meetings of the panels, printing of the reports, and translation of the reports if required. Excluding the cost of translation, which amounts to \$90,000, the necessary funding is estimated as approximately \$350,000 (\$90,000 for the cost of participation by developing country experts in the Science Panel's meetings;

\$90,000 for these costs in report of the Technology and Economics Panel's meetings; \$70,000 for these costs in respect of the meetings of the Environmental Effects Panel's meetings; and \$100,000 for the printing of the reports. The Bureau may wish to suggest possible sources of financing and to recommend ways to obtain the necessary funds.

II/14 Workplans required by Article 9 and 10 of the Protocol

28. In accordance with the recommendation of the Open-ended Working Group on Workplans required by Articles 9 and 10 of the Protocol, two regional workshops have been held: one in Penang, Malaysia, from 20-23 February 1990 and one in conjunction with the World Environment Day in Mexico City from 1-4 June 1990. A third regional workshop is being planned for Africa. The Secretariat will begin organization in February 1991.

29. Following the recommendation of the Open-ended Working Group on Workplans, the Secretariat is in the process of compiling a list of names so that appropriate experts can be called up on to undertake consultancies when needed, especially by developing countries, particularly for providing technical assistance to comply with the Protocol. The experts will include those who participated in the assessment panels, the UNEP consultants and others nominated by Governments.

30. In pursuance to the recommendation of the Open-ended Working Group on Workplans, a study on retrofitting aerosol technology has been completed by consultant and is being reviewed by other experts in the field. Similar studies should be conducted in the other areas in which controlled substances are used, plans for which will be presented for financing from the Interim Multilateral Fund.

II/15 Extension of the mandate of the Open-ended Working Group

31. The Fifth Meeting of the Open-ended Working Group of the Parties to consider problems arising under the trade provisions of the Protocol was convened in Nairobi from 3-5 December 1990. The Working Group considered the current status of the implementation of Article 4 of the Montreal Protocol, as well as the planned national activities under Article 4 of the Protocol.

They formulated a preliminary proposal in accordance with Article 4, paragraph 3, of the Protocol for further discussion at the next meeting of the Working Group. On the substantive matters, the Working Group considered other issues, including those related to the General Agreement on Tariffs and Trade (GATT), the supply of controlled substances to developing countries, industrial rationalization, technology transfer and intellectual property, free trade agreements between countries, free trade issues within particular countries and transshipment.

The Secretariat was requested to obtain information from Parties concerning regulations that restrict trade in certain products containing or made with controlled substances and to submit that information to the Sixth Meeting of the Working Group. The report of the meeting is available as document UNEP/OzL.Pro/WG.1/5/3.

II/16 Amendment of the Vienna Convention

32. No action has been taken with regard to recommending to the Parties of the Vienna Convention a review of Article 9 of the

Convention with a view to expediting the amendment procedure for Protocols. The Bureau may wish to recommend that the Ad Hoc Working Group of Legal Experts on Non-compliance consider the issue at its meeting, which is tentatively scheduled for April 1991, and to draw up specific recommendations for amending Article 9 of the Convention. The recommendation could be presented to the Second Meeting of the Conference of the Parties to the Vienna Convention to be held in June 1991.

II/17 Budget

33. See Section C.

II/18 Meeting of the Open-ended Working Group

34. One meeting of the Open-ended Working Group has so far been convened. In accordance with the decision, all Governments have been and will be invited to such meetings.

II/19 Rules of procedure

35. The Rules of Procedure will be amended in accordance with the decision of the Parties. The amended Rules of Procedure will soon be issued by the Secretariat. There seem to be a need for another amendment concerning the President of the meeting of the Parties.

II/20 Third Meeting of the Parties

36. To date, no Government has indicated interest in hosting the next meeting of the Parties to the Protocol or the Conference of the Parties to the Convention. Consequently, these meetings are tentatively scheduled to be held in Nairobi, provided that funds are available for this activity and no invitation is received within the next two months.

C. THE FINANCING OF THE SECRETARIAT OF THE MONTREAL PROTOCOL AND ITS APPROVED ACTIVITIES IN 1990

37. The Interim Secretariat of the Vienna Convention and its Montreal Protocol, which was operational from the time the Vienna Convention came into force until 31 December 1989, was financed, together with a number of related activities, partly by voluntary contributions provided by 19 Governments and the European Communities (in total \$571,277) and by the Environment Fund (\$460,000).

38. At the First Meeting of the Parties, held in Helsinki from 2-5 May 1989, a budget for a substantive Secretariat in 1990 totalling \$883,500 was approved and as attached Annex III to the report of the meeting (UNEP/OzL.Pro.1/5) and set out in Annex I to this paper. The financing for that budget was agreed on the basis of a formula of voluntary contributions to a trust fund as set out in Annex III to the report of that meeting.

39. In addition, the Parties agreed at the Helsinki meeting (UNEP/OzL.Pro.1/5, para. 86):

"4. To consider the following elements as the first components for the workplans required by Articles 9 and 10 of the Protocol:

(a) Dissemination of the reports of the panels for scientific, environmental, technical, and economic assessments, as well as the synthesis report, and

their follow-up;

- (b) Regular updating of the panel reports, taking into account in particular the developments in the fields of production of environmentally sound substitutes or alternative technological solutions to the use of CFCs or halons;

- "5. To establish an open-ended working group to:
- (a) Review the reports of the four panels referred in decision 3 above, and integrate them into one synthesis report;
 - (b) Based on (a) above, and taking into account the views expressed at the First Meeting of the Parties to the Montreal Protocol, prepare draft proposals for any amendments to the Protocol which would be needed. Such proposals are to be circulated to the Parties in accordance with Article 9 of the Vienna Convention for the Protection of the Ozone Layer;
 - (c) To develop the workplans referred to in decision 4 above; and
 - (d) To work out the modalities required by decision 13.
- "6. To authorize the Secretariat to convene meetings of the working group referred to in paragraph 5 above.
- "7. To authorize the Secretariat to invite non-Parties to participate in the deliberations of the meetings of the working groups established by the Parties."

40. In addition, articles 9 and 10 of the Montreal Protocol stipulate:

ARTICLE 9

1. The Parties shall co-operate, consistent with their national laws, regulations and practices and taking into account in particular the needs of developing countries, in promoting, directly or through competent international bodies, research, development and exchange of information on:
 - (a) Best technologies for improving the containment, recovery, recycling or destruction of controlled substances or otherwise reducing their emissions;
 - (b) Possible alternatives to controlled substances, to products containing such substances, and to products manufactured with them; and
 - (c) Costs and benefits of relevant control strategies.
2. The Parties, individually, jointly or through competent international bodies, shall co-operate in promoting public awareness of the environmental effects of the emissions of controlled substances and other substances that deplete the ozone layer.
3. Within two years of the entry into force of this Protocol and every two years thereafter, each Party shall submit

to the Secretariat a summary of the activities it has conducted pursuant to this article.

ARTICLE 10

1. The Parties shall in the context of the provisions of Article 4 of the Convention, and taking into account in particular the needs of developing countries, co-operate in promoting technical assistance to facilitate participation in and implementation of this Protocol.
2. Any Party Signatory to this Protocol may submit a request to the Secretariat for technical assistance for the purposes of implementing or participating in the Protocol.
3. The Parties, at their first meeting, shall begin deliberations on the means of fulfilling the obligations set out in Article 9, and paragraphs 1 and 2 of this Article, including the preparation of workplans. Such workplans shall pay special attention to the needs and circumstance of the developing countries. States and regional economic integration organizations not party to the Protocol should be encouraged to participate in activities specified in such workplans.

41. In light of the above the Executive Director convened an Open-ended Working Group in Geneva from 18-22 September 1989. The Working Group recommended a workplan consisting of four elements to be followed up by the Secretariat, viz:

- (a) The dissemination of the work of the assessment panels;
- (b) The reproduction of the assessment reports;
- (c) The holding of public awareness workshops; and
- (d) The carrying out of studies on retrofit technologies.

42. At the same time, the Open-ended Working Group expressed recognition of the need for interim measures to be taken in order to facilitate prompt implementation of Articles 9 and 10 of the Montreal Protocol cited above.

43. The Open-ended Working Group also recognized that the workplan they had recommended would involve significantly higher expenditure than had been provided by the budget approved by the Parties in Helsinki and, accordingly, recommended a revision of that budget to the Bureau of the Parties.

44. The First Session of the Bureau of the Montreal Protocol, held in Geneva from 27-29 September 1989, "carefully considered the recommendations of this Working Group, and determined them to be reasonable and justified. The Bureau also carefully considered the budget prepared by the Working Group for the activities which it was recommending, and other activities which it believed were essential to take place before the Second Meeting of the Parties. After discussion, the Bureau felt that the list of essential activities and their extended costs were

reasonable and justified. Further, the Bureau agreed with the Working Group that this list of costs should be sent to the Contracting Parties, and that all efforts should be made to expeditiously obtain the needed resources so that the work of the Secretariat in carrying out the decisions of the Parties would not be impeded" (UNEP/OzL.Pro.Bur.1/2, para.12).

45. The Second Meeting of the Parties, held in London from 27-29 June 1990, approved the revised 1990 budget for the Secretariat recommended by the Bureau. That budget totalled \$3,400,000 (Decision II/17 of UNEP/OzL.Pro.2/3) as set out hereto in Annex I. In addition, the Contracting Parties adopted a revised schedule of contributions sufficient to finance the revised budget (see Annex VI of UNEP/OzL.Pro.2/3) and, subsequently, each contributing Party was requested individually by letter to increase its 1990 contribution to this agreed higher level.

46. Nine Parties (Australia, Austria, Finland, German Democratic Republic, Hungary, Netherlands, New Zealand, Norway and Switzerland) have paid their 1990 contribution in full at the higher rate. In addition, Maldives made a voluntary contribution of \$1,500, although not asked to do so. Further, some Parties, in particular Australia, Denmark, Norway, Sweden, and Switzerland have contributed to specific activities over and above the original amounts due to the trust fund for the Secretariat budget. Seventeen parties (EEC, Belgium, Byelorussian SSR, Canada, Denmark, Federal Republic of Germany, Greece, Ireland, Mexico, Portugal, Sweden, Thailand, Ukrainian SSR, USSR, UK, USA and Venezuela) have paid contributions to the trust fund in part, while the remaining nine Parties, expected to contribute, have paid nothing so far for 1990.

47. Contributions to the trust fund paid by 31 December 1990 total \$948,558, approximately the amount required to finance the original budget approved in Helsinki and well short of the financing required for the revised budget approved in London.

48. In spite of this, the activities recommended by the Open-ended Working Group and endorsed by the Bureau have to a large extent been carried out. The dissemination of the work of the assessment panels has been completed, as has the reproduction of the assessment reports. Two public awareness workshops have been held and the third is planned for 1991. The studies on retrofit technology and alternatives is progressing well. In addition, over and above, country-specific studies have been initiated in Kenya (with assistance from Sweden), in Chile and in Ghana (with assistance from Denmark), while a study will be initiated for Thailand shortly (with assistance from Australia), as will a second phase Kenya study, and studies for Maldives, Gulf countries and Columbia. The Secretariat is also aware that studies have been initiated on a bilateral basis for Brazil (USA), China (UNDP/Finland), Egypt (USA), India (UK), Indonesia (Netherlands), Mexico (USA) and Venezuela (financed by itself). However, in view of the shortfall in resources, the number of country studies initiated by the Secretariat in 1990 will be fewer than anticipated when the increased budget was approved in London. For the same reason, no training courses were undertaken in 1990.

49. Yet it can be said that the programme of approved activities has to a large extent been implemented in spite of the shortfall in contributions. The total cost of the programme implemented is currently estimated at \$2,747,209, excluding staff costs, which

have been financed directly by Governments (USA, Denmark and Japan) or carried out by UNEP within its normal budget. This cost of \$2,747,209 million has been financed as follows:

	<u>US dollars</u>
Trust Fund for Montreal Protocol	948 558
Trust Fund for Vienna Convention	80 795
Counterpart Contributions from governments over and above their contribution to the trust fund (see Annex I)	
235 890	
Finnish Ozone Trust Fund	971 320
Advance from the Environment Fund	510 646
	<u>2 747 209</u>

50. A detailed analysis of the sources of funding used in 1990 compared with the original Helsinki and revised London budgets is set out in Annex II to this document.

51. It is quite clear from these figures that had it not been for the generosity of the Government of Finland in providing support to activities relating to the Protocol, the programme of activities actually implemented in 1990 would not have been possible. Even so, the Environment Fund, through its programme reserve, has advanced \$510,646, which will have to be recovered by UNEP from the Protocol Trust Fund as soon as sufficient contributions are received.

52. It is also clear that although a budget for the Secretariat and a schedule of contributions were agreed for 1991 in London, unless contributions are received early in 1991, no resources are available for this year to implement activities and to recruit staff for the Secretariat, which has so far been managing with staff re-assigned from other UNEP duties. No staff have been financed from the trust fund.

53. The financial status of the Protocol is therefore precarious. In an attempt to overcome at least part of the problem facing Governments in paying their contributions for 1990, the Executive Director (without having had an opportunity to consult the Bureau) proposes that the total contributions to be paid by the Parties in respect of 1990 shall be reduced from the total of \$3.4 million agreed in London to the figure of \$2,747,209, which is the estimated expenditure in 1990. From this figure should be deducted the amounts financed by the Fund for the Vienna Convention and counterpart contributions. These amount to:

(a) \$235,890 from counterpart contributions;

(b) \$80,795 from the Vienna Convention Trust Fund.

54. This means that the total financing by the Parties

through the Montreal Protocol Trust Fund for 1990 activities should come down to \$2.4 million (\$2,430,524) from the figure of \$3.4 million approved in London.

55. Accordingly, a revised table of contributions has been drawn up and Governments should now pay the contributions indicated so as to provide the resources for the actual expenditure. This revised schedule of contributions is attached as Annex III.

56. It will be clear from an examination of Annex II that some Governments will have contributed in 1990 at a level higher than now requested. In those cases, a credit will be established in the accounts of the Secretariat Trust Fund for each of the Governments involved, which will then be set off against those Governments' contributions due for 1991. A revised list of contributions for 1991 taking this into account is attached as Annex IV.

57. It is now vital of course that the revised contributions for 1990 and the contributions agreed in London (UNEP/OzL.Pro.2/3, Annex VI), adjusted as indicated in the previous paragraph and set out in Annex III, be paid by all Governments in full as soon as possible. The Finnish trust fund will not be available to support activities of the Secretariat in 1991 and the costs of the Secretariat cannot continue as a charge upon the Environment Fund. Any shortfall in the contributions as now set out can only be reflected in a reduced level of the Secretariat and its activities.

D. Other Matters

58. The Bureau also has before it the request of the Government of Turkey for the inclusion of Turkey in the list of developing countries for the purpose of the Vienna Convention and Montreal Protocol under Article 5 of the latter instrument. A letter to this effect from the Permanent Representative of Turkey to UNEP to the Executive Director of UNEP dated 16 November 1990, is attached as Annex V.

Annex I

COUNTERPART CONTRIBUTIONS BY OBJECTS OF EXPENDITURES
 AND FUNDING COUNTRIES

		ACTUAL 1990 BUDGET OF THE MONTREAL SECRETARIAT (AS PER REVISION 3 OF THE PROJECT DOCUMENT0)	
OBJECT OF EXPENDITURE		FUNDING BY COUNTER PART CONTRIBUTIONS (CP)	COUNTRY CONTRIBUTING
1203	Country specific studies	99 293	Government of Sweden \$46,000 and Government of Australia \$53,293
1205	Technical assistance to developing countries on scientific and technical aspects of the control of ozone depleting substances Com. Meeting (December 1990)	50 000	Government of Denmark
2103	Technical country study on use of ozone depleting substances in Kenya to meet requirements of the MP	14 000	Government of Sweden
3301	Second Meeting of Parties (developing country participants travel and DSA costs)	36 890	Government of Switzerland \$4,390 and Government of Denmark \$32,500
3302	Regional workshops (developing country participants' travel and DSA costs)	18 207	Government of Norway
3303	Working Group Meetings (developing		

3305	country participants' travel and DSA costs)	12 500	Government of Denmark
	Informal Consultation Mtgs (developing country participants' travel and DSA costs)	5 000	Government of Denmark
----- TOTAL		235 890	

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Annex II

		MONTREAL PROTOCOL SECRETARIAT (1990 LONDON BUDGET)				CURRENT (REVISION 3) 1990 BUDGET OF THE MONTREAL SECRETARIAT (VC/VM/CP ACCOUNTS ADJUSTED TO MP AGREED ACTIVITIES DIFFERENCE				
		BUDGET AS AGREED IN HELSINKI	INCREASE ADOPTED	REVISED TOTAL BUDGET	MONTREAL PROTOCOL (MP)	BETWEEN VIENNA CONVENTION (VC)	FINNISH OZONE TF (VM)	COUNTERPART CONTRIBUTN (CP)*	FUND PRGRM RESERVE (RA)	CURRENT TOTAL BUDGET
0	PROJECT PERSONNEL COMPONENT									
1100	Project personnel (Title and Grade)									
1101	Co-ordinator (Lawyer) (P-4/P-5)	40 000	0	40 000	0	0	0	0	0	0
1102	Programme Officer (Scientist) (P-3/P-4)	34 000	0	34 000	0	0	0	0	0	0
1103	Administrative Officer (P-2)	23 000	0	23 000	0	0	0	0	0	0
1199	Total	97 000	0	97 000	0	0	0	0	0	0

		MONTREAL PROTOCOL SECRETARIAT (1990 LONDON BUDGET)				CURRENT (REVISION 3) 1990 BUDGET OF THE MONTREAL SECRETARIAT (VC/VM/CP ACCOUNTS ADJUSTED TO MP AGREED ACTIVITIES DIFFERENCE				
		BUDGET AS AGREED IN HELSINKI	INCREASE ADOPTED	REVISED TOTAL BUDGET	MONTREAL PROTOCOL (MP)	BETWEEN VIENNA CONVENTION (VC)	FINNISH OZONE TF (VM)	COUNTERPART CONTRIBTN (CP)*	FUND PRGRM RESERVE (RA)	CURRENT TOTAL BUDGET
1200	Consultants	30 000	240 000	270 000	3 825	0	33 000	0	0	36 825
1202	Retrofit technologies	n.a.	n.a.	0	0	0	50 000	0	0	50 000
1203	Country specific studies	n.a.	n.a.	0	20 000	0	200 000	99 293	0	319 293
1204	Atmospheric scientific monitoring, etc.	n.a.	n.a.	0	12 000	0	0	0	0	12 000
1205	Technical assistance to developing countries on scientific and technical aspects of the control of ozone depleting substances	n.a.	n.a.	0	0	0	0	50 000	0	50 000
1299	Total	30 000	240 000	270 000	35 825	0	283,000	149,293	0	468,118

		MONTREAL PROTOCOL SECRETARIAT (1990 LONDON BUDGET)				CURRENT (REVISION 3) 1990 BUDGET OF THE MONTREAL SECRETARIAT (VC/VM/CP ACCOUNTS ADJUSTED TO MP AGREED ACTIVITIES DIFFERENCE				
		BUDGET AS AGREED IN HELSINKI	INCREASE ADOPTED	REVISED TOTAL BUDGET	MONTREAL PROTOCOL (MP)	BETWEEN VIENNA CONVENTION (VC)	FINNISH OZONE TF (VM)	COUNTERPART CONTRIBUTN (CP)*	FUND PRGRM RESERVE (RA)	CURRENT TOTAL BUDGET
1300	Administrative support (Title and Grade)									
1301	Administrative Assistant (G-8/9) (to be shared with Vienna Convention)	6 500	0	6 500	0	0	0	0	0	0
1302	Secretary (G-6/7)	12 000	0	12 000	12 000	0	0	0	0	12 000
1303	Secretary (G-6/7)	n.a.	n.a.	0	0	12 000	0	0	0	12 000
1321	Conf. Srvc Costs (CSC) - 2nd Meeting of the Parties to the Montreal Protocol	173 000	0	173 000	65 000	0	0	0	0	65 000
1322	CSC - Three Regional Workshops	0	620 000	620 000	0	0	221 400	0	0	221 400
1323	CSC - Working Group Meetings	135 000	615 000	750 000	445 777	0	0	0	205 429	651 206
1324	CSC - Meetings of the Bureau (VC)	35 000	35 000	70 000	0	0	22 000	0	8 000	30 000

			MONTREAL PROTOCOL SECRETARIAT (1990 LONDON BUDGET REVISED)				ACTUAL 1990 BUDGET OF THE MONTREAL SECRETARIAT (AS PER REVISION 3 OF THE PROJECT DOCUMENT) DIFFERENCE				
			BUDGET AS AGREED IN HELSINKI	INCREASE ADOPTED	REVISED TOTAL BUDGET	MONTREAL PROTOCOL (MP)	BETWEEN VIENNA CONVENTION (VC)	FINNISH OZONE TF (VM)	COUNTERPART CONTRIBUTN (CP)*	FUND PRGRM RESERVE (RA)	CURRENT TOTAL BUDGET
94)	1399	Total	361 500	1 270 000	1 631 500	522 777	34 000	221 400	0	213 429	991 606 (639)
	1600	Travel on official business									
00	1601	Travel and DSA for UNEP staff	60 000	30 000	90 000	90 000	20 500	0	0	44 700	155 200 65
00	1699	Total	60 000	30 000	90 000	90 000	20 500	0	0	44 700	155 200 65
	1999	Component total	548 500	1 540 000	2 088 500	648 602	54 500	504 400	149 293	258 129	1 614 924
	(473 576)										
	20	SUB-CONTRACTS COMPONENT									
	2100	Sub-contracts (MOU's/LA's with CA)									
00	2101	Estimate of costs to developing countries of adhering to the Montreal Protocol	n.a.	n.a.	0	0	0	19 000	0	0	19 000 19

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		MONTREAL PROTOCOL SECRETARIAT (1990 LONDON BUDGET REVISED)				ACTUAL 1990 BUDGET OF THE MONTREAL SECRETARIAT (AS PER REVISION 3 OF THE PROJECT DOCUMENT) DIFFERENCE					
		BUDGET AS AGREED IN HELSINKI	INCREASE ADOPTED	REVISED TOTAL BUDGET	MONTREAL PROTOCOL (MP)	BETWEEN VIENNA CONVENTION (VC)	FINISH OZONE TF (VM)	COUNTERPART CONTRIBUTN (CP)*	FUND PRGRM RESERVE (RA)	CURRENT TOTAL BUDGET	
75	2102	Financial mechanisms for dev. countries to meet the requirements of MP	n.a.	n.a.	0	0	0	26 175	0	0	26 175 26
00	2103	Technical country study on use of ozone depleting substances in Kenya to meet requirements of the Montreal Protocol	n.a.	n.a.	0	0	0	14 000	0	0	14 000 14
00	2104	Translation of assessment panel reports	n.a.	n.a.	0	0	0	20 000	0	0	20 000 20
75	2199	Total	0	0	0	0	0	65 175	14 000	0	79 175 79
75	2999	Component total	0	0	0	0	0	65 175	14 000	0	79 175 79

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		MONTREAL PROTOCOL SECRETARIAT (1990 LONDON BUDGET REVISED)				ACTUAL 1990 BUDGET OF THE MONTREAL SECRETARIAT (AS PER REVISION 3 OF THE PROJECT DOCUMENT)				DIFFERENCE	
		BUDGET AS AGREED IN HELSINKI	INCREASE ADOPTED	REVISED TOTAL BUDGET	MONTREAL PROTOCOL (MP)	BETWEEN VIENNA CONVENTION (VC)	FINNISH OZONE TF (VM)	COUNTERPART CONTRIBTN (CP)*	FUND PRGRM RESERVE (RA)	CURRENT TOTAL BUDGET	
0	TRAINING COMPONENT										
	3300 Meetings/conferences etc.										
	3301 2nd Meeting of the Parties (travel and DSA for participants from developing countries)	35 000	165 000	200 000	29 970	0	43 436	36 890	56 594	166 890	(33
10)	3302 Regional Workshops (travel and DSA for participants from developing countries)	0	70 000	70 000	33 294	0	16 706	18 207	0	68 207	(1
93)	3303 Working Group Mtgs (travel and DSA for participants from developing countries)	105 000	240 000	345 000	8 656	0	4 344	12 500	0	25 500	(319
00)	3304 Mtgs of the Bureau (travel and DSA for participants from developing countries)	35 000	0	35 000	69 917	0	35 083	0	0	105 000	70
00											

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		MONTREAL PROTOCOL SECRETARIAT (1990 LONDON BUDGET REVISED)				ACTUAL 1990 BUDGET OF THE MONTREAL SECRETARIAT (AS PER REVISION 3 OF THE PROJECT DOCUMENT) DIFFERENCE					
		BUDGET AS AGREED IN HELSINKI	INCREASE ADOPTED	REVISED TOTAL BUDGET	MONTREAL PROTOCOL (MP)	BETWEEN VIENNA CONVENTION (VC)	FINNISH OZONE TF (VM)	COUNTERPART CONTRIBUTN (CP)*	FUND PRGRM RESERVE (RA)	CURRENT TOTAL BUDGET	
00	3305	Mtgs of Informal Consultations (travel and DSA for participants from developing countries)	n.a.	n.a.	0	0	0	0	5 000	15 000	20 000 20
00	3306	Part. of LDC to Op End WG Mtg (3-5/12/90)	n.a.	n.a.	0	14 993	0	17 542	0	19 965	52 500 52
00	3307	Participants of LDC to Ad Hoc Group of Experts Meeting (6-7/12/90 - NBO)	n.a.	n.a.	0	0	17 542	0	34 958	52 500	52
00	3308	Participants of LDC in 1st Implemtn Com Mtg (MP non complce procdr - December 1990 - Nairobi)	n.a.	n.a.	0	0	5 847	0	11 653	17 500	17
03)	3399	Total	175 000	475 000	650 000	156 830	0	140 500	72 597	138 170	508 097 (141)
03)	3999	Component total	175 000	475 000	650 000	156 830	0	140 500	72 597	138 170	508 097 (141)

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	MONTREAL PROTOCOL SECRETARIAT (1990) LONDON BUDGET REVISED				ACTUAL 1990 BUDGET OF THE MONTREAL SECRETARIAT (AS PER REVISION 3 OF THE PROJECT DOCUMENT)			DIFFERENCE	
	BETWEEN		REVISED	MONTREAL	VIENNA	FINNISH	COUNTERPART	FUND PRGRM	CURRENT
	BUDGET AS	INCREASE	TOTAL	PROTOCOL	CONVENTION	OZONE TF	CONTRIBTN	RESERVE	TOTAL
	AGREED IN	ADOPTED	BUDGET	(MP)	(VC)	(VM)	(CP)*	(RA)	BUDGET
	HELSINKI								
0 EQUIPMENT COMPONENT									
4100 Expendable equipment									
4101 Office supplies	5 000	0	5 000	0	0	5 000	0	0	5 000
4199 Total	5 000	0	5 000	0	0	5 000	0	0	5 000
4200 Non-expendable equipment									0
4201 Equipment general	15 000	0	15 000	0	0	0	0	5 000	5 000
4202 2 Personal Computers	n.a.	n.a.	0	0	0	0	0	15 000	15 000
4299 Total	15 000	0	15 000	0	0	0	0	20 000	20 000
4999 Component total	20 000	0	20 000	0	0	5 000	0	20 000	25 000
0 MISCELLANEOUS COMPONENT									
5100 Maintenance of equipment									
5101 Equipment maintenance	3 000	0	3 000	3 000	0	0	0	7 200	10 200
5199 Total	3 000	0	3 000	3 000	0	0	0	7 200	10 200

	MONTREAL PROTOCOL SECRETARIAT (1990) LONDON BUDGET REVISED				ACTUAL 1990 BUDGET OF THE MONTREAL SECRETARIAT (AS PER REVISION 3 OF THE PROJECT DOCUMENT)				DIFFERENCE	CURRENT TOTAL BUDGET
	BUDGET AS AGREED IN HELSINKI	INCREASE ADOPTED	REVISED TOTAL BUDGET	MONTREAL PROTOCOL (MP)	VIENNA CONVENTION (VC)	FINISH OZONE TF (VM)	COUNTERPART CONTRIBTN (CP)*	FUND PRGRM RESERVE (RA)		
200 Reporting costs										
5201 Reporting (incl. transls by outsiders)	5 000	172 000	177 000	0	0	89 500	0	0	89 500	(87)
5299 Total	5 000	172 000	177 000	0	0	89 500	0	0	89 500	(87)
300 Sundry										
5301 Communications	10 000	10 000	20 000	15 000	10 000	5 000	0	7 000	37 000	17
5302 Freight charges (shipment of documents)	7 000	8 000	15 000	15 000	7 000	50 000	0	0	72 000	57
5303 Freight charges (1st Exe Com Mtg)	5 000	5 000	10 000	0	0	0	0	0	0	(10)
5304 Other	n.a.	n.a.	0	1 000	0	0	0	11 000	12 000	12
5399 Total	22 000	23 000	45 000	31 000	17 000	55 000	0	18 000	121 000	76
400 Hospitality										
5401 Hospitality	10 000	15 000	25 000	0	0	0	0	10 400	10 400	(14)
5499 Total	10 000	15 000	25 000	0	0	0	0	10 400	10 400	(14)
999 Component total	40 000	210 000	250 000	34 000	17 000	144 500	0	35 600	231 100	(18)
9 TOTAL	783 500	2 225 000	3 008 500	839 432	71 500	859 575	235 890	451 899	2 458 296	(550)
Programme support costs (13% of total)**	100 000	291 500	391 500	109 126	9 295	111 745	0	58 747	288 913	(102)
GRAND TOTAL	883 500	2 516 500	3 400 000	948 558	80 795	971 320	235 890	510 646	2 747 209	(652)

IB: (*) Further details on the counterpart contributions are in Annex I.

IB: (**) When expenditures are finally debited to the Montreal Trust Fund, the normal administrative support charge will be debited to that Fund.

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ANNEX III

TRUST FUND FOR THE MONTREAL PROTOCOL ON SUBSTANCES
THAT DEplete THE OZONE LAYER
1990 REVISED CONTRIBUTIONS

BASED ON REVISED 1990 BUDGET OF US\$2,430,524 AND
CONTRIBUTIONS PAID AS AT 31 DECEMBER 1990

COUNTRY	1990		PAID	UNPAID	CREDIT FOR 1991
	% AGE	REVISED CONTRIBUTIONS			
Australia	1.70	41 311	55 829	0	(14 518)
Austria	0.80	19 440	27 385	0	(7 945)
Belgium	1.27	30 861	12 001	18 860	0
Brazil	1.57	38 152	0	38 152	0
Byelorussian SSR	0.36	8 748	3 385	5 363	0
Canada	3.35	81 406	31 694	49 712	0
Denmark	0.75	18 225	15 077	3 148	0
Finland	0.55	13 365	18 949	0	(5 584)
France	6.77	164 514	0	164 514	0
Germany, D.R.	1.39	33 778	51 530	0	(17 752)
Germany, F.R.	8.75	212 628	148 209	64 419	0
Greece	0.43	10 449	14 223	0	(3 774)
Hungary	0.23	5 589	7 738	0	(2 149)
Ireland	0.19	4 617	6 466	0	(1 849)
Italy	4.32	104 978	0	104 978	0
Japan	12.32	299 381	0	299 381	0
Malaysia	0.12	2 916	0	2 916	0
Maldives	0.00	0	1 500	0	(1 500)
Mexico	1.02	24 786	20 509	4 277	0
Netherlands	1.79	43 498	61 552	0	(18 054)
New Zealand	0.26	6 318	15 266	0	(8 948)
Nigeria	0.22	5 346	0	5 346	0
Norway	0.60	14 580	23 561	0	(8 981)
Portugal	0.19	4 617	4 881	0	(264)
Singapore	0.12	2 916	1 128	1 788	0
South Africa	0.49	11 907	0	11 907	0
Spain	2.11	51 274	0	51 274	0
Sweden	1.31	31 833	25 911	5 922	0
Switzerland	1.17	28 431	40 140	0	(11 709)
Thailand	0.11	2 673	3 556	0	(883)
Ukrainian SSR	1.35	32 806	12 821	19 985	0
USSR	10.82	262 930	102 465	160 465	0
United Arab Emirates	0.21	5 103	0	5 103	0
United Kingdom	5.26	127 820	49 848	77 972	0
USA	25.00	607 509	165 000	442 509	0
Venezuela	0.62	15 066	5 846	9 220	0
EEC	2.50	60 751	22 088	38 663	0
TOTAL	100	2 430 524	948 558	1 585 875	(103 909)

ANNEX IV

TRUST FUND FOR THE MONTREAL PROTOCOL ON SUBSTANCES THAT DEplete
THE OZONE LAYER 1991 REVISED CONTRIBUTIONS(TAKING INTO ACCOUNT 1990 REVISED CONTRIBUTIONS AND
CREDITS THEREFROM (REF. ANNEX II))

COUNTRY	% AGE	1991 CONTRIBUTIONS AGREED*	CREDIT FROM 1990	1991 REVISED CONTRIBUTIONS REQUIRED
Australia	1.70	41 195	(14 518)	26 677
Austria	0.80	19 417	(7 945)	11 472
Belgium	1.27	30 699	0	30 699
Brazil	1.57	38 046	0	38 046
Byelorussian SSR	0.36	8 659	0	8 659
Canada	3.35	81 077	0	81 077
Denmark	0.75	18 105	0	18 105
Finland	0.55	13 382	(5 584)	7 798
France	6.77	163 991	0	163 991
Germany, D.R.	1.39	33 585	(17 752)	15 833
Germany, F.R.	8.75	212 008	0	212 008
Greece	0.43	10 495	(3 774)	6 721
Hungary	0.23	5 510	(2 149)	3 361
Ireland	0.19	4 723	(1 849)	2 874
Italy	4.32	104 692	0	104 692
Japan	12.32	298 595	0	298 595
Malaysia	0.12	2 886	0	2 886
Mexico	1.02	24 664	0	24 664
Netherlands	1.79	43 294	(18 054)	25 240
New Zealand	0.26	6 297	(8 948)	(2 651)
Nigeria	0.22	5 248	0	5 248
Norway	0.60	14 431	(8 981)	5 450
Portugal	0.19	4 723	(264)	4 459
Singapore	0.12	2 886	0	2 886
South Africa	0.49	11 807	0	11 807
Spain	2.11	51 165	0	51 165
Sweden	1.31	31 749	0	31 749
Switzerland	1.17	28 338	(11 709)	16 629
Thailand	0.11	2 624	(883)	1 741
Ukrainian SSR	1.35	32 798	0	32 798
USSR	10.82	262 124	0	262 124
United Arab Emirates	0.21	4 985	0	4 985
United Kingdom	5.26	127 520	0	127 520
USA	25.00	605 750	0	605 750
Venezuela	0.62	14 956	0	14 956
EEC	2.50	60 575	0	60 575
TOTAL**	100	2 422 999	(102 410)	2 320 589

NB: (*) As in 2nd Meeting of the Parties, London, Ref. UNEP/OzL.Pro.2/3, Annex VI.

(**) The difference of \$1.00 in the credit from 1990 between this table and that in Annex II is due to rounding.

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EMBASSY OF TURKEY
NAIROBI

No.UN-58/291 November 16, 1990

Dear Dr. Tolba,

I have the honour to refer to your letter dated 7 November 1990, no:FP/2105-89-03 by which you were expressing your hope that as a non-party to the Vienna Convention and to the Montreal Protocol, my Government would take special note of the Governing Council's decision inviting all the non-party states to become a party to the Convention and its Protocol.

I am pleased to inform you that my Government, taking into account the urgent and growing need for global co-operation in implementing the provisions of the Convention and its Protocol, has almost completed the formalities for its accession thereto.

In this connection I would like to point out that Turkey, which has not yet been included in the list of article 5 countries of the Protocol, is considered as a developing country in every international forum and appears in the group of lower-middle income countries (GNP per capita is US\$1307) in the reports or statistics of UN, UNCTAD, World Bank, GATT, OECD etc.

Turkey, having a total consumption level of controlled substances of only 0.075 kg/year per capita (1987), also meets the two conditions set out in Article 5 of the Protocol:

- (a) to be a developing country;
- (b) to have a calculated level of less than 0.3 kg per capita.

Since compliance with the provisions set out in the Montreal Protocol is closely linked with the economic and technical capacities of the parties, Turkey would not be able to fulfil the obligations arising therefrom unless it comes under the category of developing countries.

Dr. Mostafa K. Tolba
Executive Director
P.O. Box 30552
NAIROBI.

With these considerations in mind and also in line with the approach indicated in your report (UNEP/OzL.Pro.2/2/Add.4 page 14) of developing countries for the purposes of the Vienna Convention and the Montreal Protocol.

Accept, Sir, the assurances of my highest consideration.

[Signed] S. Okyar Günden

Permanent Representative of Turkey to UNEP

Ambassador