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Addendum

**DRAFT GUIDELINES FOR THE PREPARATION OF
COUNTRY PROGRAMME UPDATES**

This document is being issued to add in Annex I of document UNEP/OzL.Pro/ExCom/33/29 the comments received on 9 March 2001 from the Government of Finland in response to Decision 32/68.

Comments of the Finish Delegation on Draft Guidelines for Preparing Country Programme Updates

The comments below are provided in response to the invitation by the 32nd Executive Committee to provide comments and proposals on the Draft Guidelines for Preparing Country Programmes Updates (doc.UNEP/OzL.Pro/ ExCom/32/31). The paragraphs on which changes are proposed are indicated in parenthesis after the headings.

Purpose of the Country Programme Update (para 12)

The document, in its introductory sections (para 2-11), describe very accurately the current experience of the Country Programmes and the need for updated Country Programmes which more effectively delineate a country phase-out strategy. It also points implicitly to the fact that earlier Country Programmes were often primarily drafted as a pre-requisite for funding for Institutional Strengthening and specific projects, rather than seeing the phase-out strategy as its primary goal and the Multilateral Fund projects as elements in the implementation of that strategy.

It is important that we do not again fall into the same trap. Bearing this in mind, the description of the purpose of the Country Programme Update becomes critical. The three *bullets in para 12*, as written, tend to describe the purpose of the Country Programme Update from the Executive Committee perspective, primarily as a background paper for the Executive Committee to take decisions on funding from the Multilateral Fund. We suggest that the three bullets should be rephrased, highlighting that the important point in the chapeau to the bullets as its main purpose. We propose the following text:

“The Country Programme Update should serve the following purpose:

- to develop a strategy for achieving compliance with, as a minimum, each of the reduction steps for each of the substances controlled by the Montreal Protocol;*
- to provide an action plan with a time schedule which delineate the activities needed to implement that strategy, as well as expected results in terms of ODS phase-out at specified dates;*
- to highlight the interrelations between intended policies and specific activities to ensure achievement of the reductions in time;*
- to indicate how the activities will be funded, including what type of assistance would be needed from the Multilateral Fund.”*

Process of Preparing Country Programme Update (para 15)

The time needed to prepare a Country Programme Up-date will vary widely, depending both on the size and complexity of the ODS consumption and on the quality of already existing Country Programmes. It is essential to remember that an effective Country Programme will have to be well understood and well supported by the Government at the highest level. It should be prepared in consultation with all relevant authorities and other stakeholders. In many countries, it is unlikely that this level of consensus can be achieved in 6 months time. It is, however, important that the updates are made as quickly as possible. We therefore suggest that the sentence on this subject in para 15 should be rephrased to read *“The time needed for updates of Country Programmes will vary but should aim at not taking longer than 12 months.”*

Funding for CP Updates in countries with RMPs (para 16)

It is true that the current CFC consumption in many, or may-be even most, low volume consuming countries (LVCs) consists of CFCs refrigerants for which a full strategy should be developed within the framework of RMPs. This does, however, not preclude that the country can have a consumption of other ODSs (e.g. methyl bromide, halons, 1,1,1-trichloroethane and carbon tetrachloride) or even some CFC consumption in manufacturing enterprises.

It is important that all countries develop solid phase-out strategies for all types of ODS. The text in *para 16-17* seems therefore too restrictive. This refers in particular to para 16 which precludes all funding for CP Updates for LVCs with approved RMPs, but also to para 17 regarding LVCs with RMPs under preparation where the wording states an exception only when there is a “significant” remaining consumption in non-CFCs sectors. We fully agree that the existence and ability to get funding for an RMP or RMP complement should be taken into account, but it should be made clear that RMP for LVC can only replace a country programme update in countries where there is no other ODS.

Countries Which Are Ready to Conclude a National Phase-out Agreement (para 18-19; para 28-31 and part III of the Annex I)

As stated above, the primary purpose of the Country Programme should not be to deal with the relations between the country and the Executive Committee. While a performance based phase-out agreement naturally should be based on an Updated Country Programme, the text in *para 19* on the details of such agreements do not fit well neither into the Country Programme Updates themselves, nor in the Guidelines for those programmes.

It should be taken into account that to date there are neither guidelines nor examples of concluded National Phase-out Agreements (two projects are conducted on an experimental basis). Separate discussions are likely to be required on the detailed structure and pre-requisites for such schemes, either in connection with decisions on the pilot cases or as separate guidelines. As an example: while the suggested pre-requisite on a ban on imports of ODS and a functioning enforcement system is relevant and justifiable, it is not so certain that a ban on sales of ODS can

be required. The same goes for bans on ODS-containing equipment. Only few developed countries have such bans. While they under certain conditions might be the most adequate approach, this might not always be the case.

This comment does also entail a proposal to *delete para 28-31 and Part III of the Annex I*. If the Executive Committee considers it necessary to deal with this issue within the context of the Guidelines for Country Programme Updates, it could be done in the form of an annex titled “Envisaged Pre-requisites and Formats for Performance-Based National Phase-out Agreements”, with an indication in its chapeau that the details are under discussion by the Executive Committee.

Content of the Country Programme Update, Part I (para 22 and 23; Annex I, Part I)

Industry Conversion (para 22 and Annex I, I.2)

Para 22 assumes that the phase-out activities can be broken down by individual plants. While it has been possible in the past to identify a number of specific ODS consuming industries (mainly larger ones), this will no longer be the case. In most, if not all, countries the major part of remaining ODS consumption will be spread over medium, small and micro enterprises and individual users, in the manufacturing as well as in the servicing and agricultural sectors.

This paragraph should therefore be replaced with a request for estimated distribution of each type of ODS by sector and sub-sectors and a description of the characteristics of each sector, including the problems to be overcome. Within this framework, the number of plants converted and remaining to be converted and funding received could be mentioned when relevant but it should not be the primary content.

This has implications also on *Annex I, para “I.2, Industry Conversion”*. This table needs to be *fully restructured, under a new heading*. It should include a table showing annual ODS distribution and demand projections by sector and sub-sectors.

Government Action (para 23 and Annex I, I.3)

Para 23 seems to presume that all the *actions needed by the government*, in addition to conversion of individual plants, are import controls and ban on new uses. With the remaining current consumption spread over small enterprises and individual users this is unlikely to be enough. Replacing the words “ban on new uses of ODS” with “end user controls” would broaden the scope, while still encompassing bans on new uses.

Para 23 mentions inter alia controls/bans on *import of ODS “containing” equipment*. Whether the equipment contains ODS at the time of import or not is not the key issue, but rather whether its continuing functioning relies on the supply of certain types of ODS (primarily CFCs). The wording was discussed in depth when Decision IX/9 was taken by the ninth Meeting of the

Parties. Unfortunately, the terminology “ODS-containing equipment” has later become “short-hand” language in the Protocol context, taking the example from Annex D of the Protocol which has a quite different objective and history. This language lures the country to introduce legal language which, on one hand, is not adequate to deal with the problem at hand, on the other hand is unnecessarily broad, as it includes e.g. all rigid foam insulation products, and hereby wide-reaching enforcement tasks. This terminology should be avoided in the guidelines. If a “short-hand” terminology is desired, “ODS equipment” would be better. The two points “control on import of ODS containing equipment” and “ban on import of ODS-containing equipment” could be contracted into one: “*controls on import of ODS-equipment*”, as controls also include bans.

Section I.3 of Annex I, Part I should be revised accordingly. Each point should specify the information by type of ODS as it is unlikely that the same controls apply to all types of ODS.

Content of the Country Programme Update, Part II (para 25)

In line with what has been said above, we propose that the *bullets in para 25* be reorganised and rephrased, as follows:

“ *For each substance information should be given on:*

- *the year-by-year schedule of the reductions needed to implement compliance, starting from the year of the preparation of the country programme update;*
- *a year-by-year schedule on the current and estimated future consumption by sector and sub-sector (as an example, with regard to the refrigeration sector sub-sectors would imply each one of the following: a) refrigeration: domestic; commercial; transport; b) air-conditioning: mobile; domestic and related; chillers);*
- *the envisaged impact on the consumption by sectors and sub-sector, at the country level, from projects under implementation;*
- *the envisaged impact on the consumption by sectors and sub-sector, at the country level, from projects expected to be approved during the year;*
- *government actions intended to be implemented to achieve the necessary reduction (specifying estimated results by year and sector);*
- *type of funding envisaged for intended actions (national and from the Multilateral Fund, respectively);*
- *with regard to Multilateral Fund contributions: envisaged means of delivery which could include individual projects, umbrella projects, sector projects, RMPs and others.”*

Statement of Goals by the Government (para 24 and Annex I, Part II, II.1)

As phrased, *para 24 and Annex I, Part II, section II.1* can be read as a requirement that the Government must reconfirm its commitment to the Protocol, or even as an indication that the target date could be later than the dates prescribed in the Protocol. To avoid this confusion, those paragraphs could be deleted or a parenthesis could be added stating “*(could be Montreal Protocol dates or earlier)*”.