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**FINAL EVALUATION REPORT ON CASES OF NON-COMPLIANCE
(FOLLOW-UP TO DECISION 46/6)**

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TABLE OF CONTENTS

I.	Background.....	1
II.	Status of Compliance	2
	II.1 Overview.....	2
	II.2 Compliance Situation in the Countries Visited.....	3
III.	Causes for Non-Compliance.....	4
IV.	Measures Taken for Returning to Compliance	6
V.	Conclusions and Recommendations	7
VI.	Action Expected from the Executive Committee	9

Annexes:

Annex I	ODS Consumption Data and Compliance Situation for the Countries Visited
Annex II	Key Data and Information by Country Visited
Annex III	Overview of Article 5 Countries in Confirmed or Apparent Non-Compliance

I. Background

1. This synthesis report is summarizing eight case studies on countries in past or present non-compliance with the freeze and/or reduction targets set for the different ODS substances by the Montreal Protocol (MP). It follows up on the desk study on non-compliance presented to the 46th Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom/46/6) and the resulting Decision 46/6 requesting the Senior Monitoring and Evaluation Officer “to include a full analysis and follow-up study on cases of non-compliance, including field visits, in the monitoring and evaluation work programme for 2006” (para (c)).

2. The country reports are the results of field missions to the following countries:

Country	Date of ratification of the MP	Latest data reported (Art. 7 data)
Albania	1999	2005
Bosnia and Herzegovina	1992	2004 (CP data for 2005)
Chile	1990	2005
Ecuador	1990	2005
Nigeria	1988	2005
Pakistan	1992	2005
Saint Vincent and the Grenadines	1996	2005
Sierra Leone	2001	2005

3. The sample of countries has been selected using the following criteria:

- (a) Geographical representation of the main regions;
- (b) Countries of different sizes and volumes of ODS consumption;
- (c) Priority given to cases with repeated compliance problems;
- (d) Budgetary limits for travel, dealt with by combining missions to several countries and network meetings.

4. According to the Terms of Reference for the missions, the main evaluation issues have been defined as:

- (a) Whether and to what extent the countries have been able to meet the freeze obligations for the various ODS substances;
- (b) Whether or not the countries have been able to comply with subsequent consumption reductions in particular in 2005 for the various ODS substances;
- (c) Whether compliance with these obligations can be considered as sustainable;
- (d) What are the reasons if these obligations have not been fulfilled;
- (e) What sort of measures have been introduced to return to compliance if the

consumption reduction targets have not been achieved.

5. During the country visits, interviews were carried out with the NOUs and relevant stakeholders, including other government departments, representatives of the industrial and commercial sector, as well as with implementing agencies. These discussions complemented information from existing surveys and reports. Support by the NOUs and agencies as well as cooperation from both public and private sources of information has been highly satisfactory.

6. The country studies analyze the status and phase-out achieved for the various ODS, the causes of non-compliance, the measures taken to address the problems faced, and the initiatives planned, describing in detail specific features particular to each country visited. These case studies form the basis for the present synthesis report which summarizes the findings and conclusions. They are available at request as hard copy and on the Secretariat's intranet, in the section "Executive Committee", "sub-area Evaluation", "Evaluation Document Library", "Cases of Non-Compliance". Comments on the draft reports were received from most NOUs and the agencies concerned, and were taken into account in the final versions.

II. Status of Compliance

II.1 Overview

7. All Parties report annual data on ODS consumption to the Ozone Secretariat under Article 7 of the Montreal Protocol. Such data constitute the basis for the assessment whether the individual countries are or are not in compliance with the ODS consumption or production reduction targets of the Montreal Protocol. Article 5 countries are, in addition, required to submit data on implementation of Country Programmes to the Fund Secretariat.

8. All countries visited have been in non-compliance with the freeze for one or more ODS for several years; most improved in 2005 but also new cases of non-compliance appeared (see Annex I for historical overview). Based on the latest reported data, present, confirmed or apparent compliance and non-compliance with the freeze and the 2005 reduction targets of the countries under consideration is shown in the following table:

Country	Compliance with Freeze				Compliance with 2005 Reduction Target				
	CFC	Halon	MBr	TCA	CFC	Halon	MBr	CTC	TCA
Albania	C	C	C	C	C	C	C	C	C
Bosnia & Herzegovina	NC	C	C	C	NC*	C*	C*	C*	C*
Chile	C	C	C	C	C	C	C	C	NC
Ecuador	C	C	NC	C	C	C	NC	C	C
Nigeria	C	C	C	C	C	C	C	C	C
Pakistan	C	C	C	C	C	C	C	NC	C
Saint Vincent and the Grenadines	C	C	C	C	NC	C	C	C	C
Sierra Leone	C	C	C	C	C	C	C	C	C

*Country Programme Data

9. One of the countries under consideration (Bosnia and Herzegovina) has reported the latest ODS consumption data according to Article 7 for 2004 only and CP data for 2005, while the others have already reported 2005 Article 7 data. Data reported for 2005 enables the assessment of a country's status of compliance with the reduction targets set for that year, while data for 2004 only point to trends that indicate potential compliance or risk of non-compliance with the 2005 reduction targets.

II.2 Compliance Situation in the Countries Visited

10. In **Albania**, ODS consumption is limited to CFCs used mainly in the refrigeration servicing sector. From 1999 to 2002, the country was in non-compliance with the CFC freeze obligation. However, for 2005, CFC consumption was reported to be 14.34 ODP tonnes corresponding to 35% of the country's baseline. Consequently, Albania has returned to compliance. In 2003, the country was in non-compliance with the freeze for TCA but reported zero consumption for 2004 and 2005 (see Annex I for consumption data for all ODS and all countries visited).

11. Due to the disintegration of former Yugoslavia and the subsequent war from 1992 to 1996, **Bosnia and Herzegovina** could not achieve the ODS phase-out as planned and envisaged in the Country Programme. The country reported consumption of 176 and 200 ODP tonnes of Annex A-Group I substances in 2000 and 2001 respectively, well above the baseline of 24.17 ODP tonnes. Also TCA and (MB) consumption increased significantly during the period 2001-2003 due to general economic recovery. According to CP data for 2005, the phase-out of all ODS advanced substantially. However, the country is still in apparent non-compliance with the freeze target, and the 2005 reduction step for CFCs, although it has met the CFC benchmark agreed in the Action Plan of 102.1 ODP tonnes for 2005 (see Annex I).

12. In 2003 and 2004, **Chile** was in non-compliance with the freeze obligations for MB and it was at risk of non-compliance with the 85% reduction target in 2005 for CTC consumption. According to the latest data report for 2005, the country returned to compliance for both substances. Regarding TCA, Chile was in non-compliance with the freeze in 2003 and with the 30% reduction target for 2005.

13. **Ecuador** reported compliance with the 50% reduction target for CFC in 2005. According to the data reported, consumption of halon, CTC and MB was zero in 2005, although in the case of methyl bromide the evaluation mission's findings and a World Bank survey suggested that actual consumption was more than 150 ODP tonnes. Corrected Article 7 data recently submitted to the Ozone Secretariat show a MB consumption of 153 ODP tonnes in 2005, placing the country in apparent non-compliance. Regarding TCA consumption, Ecuador was in non-compliance with the freeze for the 2003-2004 period, but for 2005 it reported compliance with the 30% reduction target.

14. **Nigeria** reported for 2003 and 2004 CFC consumption levels below the benchmarks agreed upon in the action plan, but the consumption data from 2004 also indicated that Nigeria was at risk of non-compliance with the 50% reduction target in 2005. The Party has, however, since reported Article 7 consumption data for 2005 that places it in compliance with all ODS control measures for that year.

15. **Pakistan** was in non-compliance with the CFC freeze in 2000, but had returned to compliance in 2001, and it met also the 50% reduction target in 2005. Non-compliance with the freeze for halon was recorded for 2002 and 2003 but the 50% reduction target for 2005 was met. For CTC, according to the findings of the evaluation mission and recently submitted Article 7 data, the 85% reduction step for 2005 was not achieved. Imports of 148.5 ODP tonnes of CTC were recorded by customs in 2005, largely exceeding the import quota set at 62 ODP tonnes. Since 2002 zero consumption was reported for MB and TCA and hence there is no compliance problem for these ODS for 2005.

16. **Saint Vincent and the Grenadines** was in non-compliance with the CFC freeze for the 1999-2004 period. With CFC imports of 1.03 ODP tonnes reported for 2005 Saint Vincent was in non-compliance with the 50% reduction target, although the maximum consumption of 1.39 ODP tonnes allowed as per the Action Plan was respected. Zero consumption was reported for halon, MB, CTC and TCA in 2005.

17. **Sierra Leone**, was in non-compliance with the CFC freeze for the period 2001-2002. Data for 2005 showed CFC consumption below 50% of the baseline and hence the country was in compliance. For CTC, Sierra Leone was in compliance with the 85% reduction target in 2005, as well as with the 2005 reduction targets for halon, MB and TCA since it reported zero consumption for these substances.

18. Concerning the establishment of an **import licensing system** with quota allocations for importers and enforced ODS import control, three of the seven countries visited reported that such a system is in place and operational (Albania, Ecuador, Pakistan). In Chile, a law exists since early 2006 but the detailed regulations are still to be approved. In two other countries (Bosnia and Herzegovina and Nigeria) ODS-relating legislation is foreseen for approval before the end of 2006. In the case of Sierra Leone, draft legislation has been prepared but adoption is unlikely before 2007 due to a general restructuring of the administration and an up-coming national election.

III. Causes for Non-Compliance

19. Based on the country case studies, several causes for actual or potential non-compliance with the freeze or reduction targets can be identified. These causes are partly overlapping and mutually reinforcing. In most cases, their effects cannot be clearly separated, and if they work in combination in a country the likelihood of non-compliance increases. They are as follows:

- (a) Political and economic transformation processes implying radical structural changes;
- (b) Late ratification of the Montreal Protocol (after 2000) and/or its Amendments;
- (c) Late preparation and implementation of country programme and/or phase-out projects;
- (d) Weaknesses of the National Ozone Unit (late start, delayed implementation, frequent staff changes; communication difficulties within the Environment Ministry and/or with other ministries).

- (e) Low baseline due to exceptional circumstances (war, economic recession, insufficient data collection);
- (f) Delayed approval and implementation of ODS-related legislation;
- (g) Reluctance of stakeholders to actively cooperate in the ODS phase-out process or lack of sufficient involvement of key sectors or stakeholders since the onset of the projects or other activities;
- (h) Expansion of the main sector using ODS – particularly MB – after the baseline years.

20. In two cases (Albania, Bosnia and Herzegovina) radical transformation of economic and political structures has taken place in the 1990s. The collapse of authoritarian regimes and the liberalization of economic policies profoundly changed the pattern of production and consumption with a direct effect on both ODS-using equipment and the use of ODS substances. Albania experienced a total restructuring of the political and economic system. Bosnia and Herzegovina suffered a war from 1992 to 1996 with the absence of stable administrative structures and the lack of a legal basis for the implementation of international commitments. This situation substantially reduced economic activity and prevented the appropriate mechanisms to collect and verify statistical data on imports and consumption being implemented. Lacking legislation, no pressure could be exerted on industry and servicing sector to advance ODS phase-out. Customs was neither obliged nor in the position to control and to report on the import of controlled substances. In addition, economic recovery led to a considerable increase in ODS consumption, particularly in companies with unused capacities, thus reinforcing the tendency towards non-compliance. In the special case of Bosnia and Herzegovina, the baseline was established during the war period when ODS consumption was extremely low due to the collapse of industrial and servicing activities; when such activities re-started in the post-war period consumption increased accordingly.

21. In some countries (Albania, Sierra Leone), actual and/or potential non-compliance can, at least to an important extent, be attributed to the late accession (2000 and after) to the Montreal Protocol and its Amendments. It can reasonably be assumed that newcomers to the Protocol have some difficulties in adopting and implementing in a timely manner the measures required (Country Programme, IS Project, RMP, investment projects, legal regulations) to meet the targets set for compliance. Latecomers may also have some initial problems with correct and timely data reporting. Sierra Leone, for instance, reported 2004 halon consumption far above its baseline level, a development that led to a UNEP/UNDP supported survey to identify the reasons and determine the consumption level in 2005. The survey showed zero consumption in 2005 and also questioned the validity of the reported consumption levels for 2003 and 2004.

22. In some countries which for many years have been Parties to the Montreal Protocol, delays in preparing and implementing appropriate ODS-related legislation were the main causes of non-compliance. Nigeria ratified the MP in 1988, Chile and Ecuador in 1990 and Pakistan in 1992. In the case of Nigeria, the mission's report concludes that the absence of appropriate legislation, enforcement mechanisms and reliable registration systems for importers appear to have caused non-compliance from 1999 to 2001. Although Nigeria has introduced and enforced a ban on importing equipment containing ODS, comprehensive ODS related legislation including an import licensing system for the various ODS is still in the process of approval. In Chile a law

was approved but operational regulations are still being finalized. In Ecuador the import licensing system was introduced in 2004 while the respective country case study found that regulatory bodies do not seem sufficiently active in ensuring import controls. In Pakistan, legislation was approved at the end of 2004 only and was not yet fully applied in 2005 resulting in non-compliance for CTC. Delay in legislation may have different causes: political problems, economic considerations in the sectors affected, intervention by interest groups, etc., but a properly functioning legal and enforcement system appears to be a pre-condition for avoiding or at least minimizing the risk of non-compliance.

23. Another equally important reason for actual or potential non-compliance has been identified as the absence of adequate involvement of key stakeholders or even the open reticence to ODS phase-out among the sectors affected. In the case of Chile for example, important stakeholders, particularly strawberry growers felt that the Government had agreed without proper consultation to an advanced phase-out schedule for MB which they thought impossible to achieve without risking the economic viability of the sector. Similarly, in Ecuador strong resistance towards phasing out MB is apparent amongst flower growers. According to the country case study, there is a general opinion that no alternatives to MB exist or that if they do, they are either too expensive or will not work. The opinion that phasing out MB will lead to bankruptcy of many companies and create a very negative social impact in the country was repeatedly expressed. In both cases, significant expansion of the productive sectors involved took place after the baseline years (1995-1998 for MB) and consumption increased in spite of the freeze on baseline level from 2002 onwards. It seems that communication, information on similar cases taking place in other countries with comparable circumstances, early and continuous consultation, and cooperation with the relevant producers and all stakeholders affected are main requirements for preventing non-compliance.

24. In some countries of Latin and Central America, the comparatively large Critical Use Exemptions for MB users in the USA have led to the perception that complete phase-out will not take place for some years in their main export market, and that there are no viable alternatives to MB. This was expressed by growers both in Chile and in Ecuador and was confirmed also in reports from Guatemala.

IV. Measures Taken for Returning to Compliance

25. The important measures to ensure prompt returning to compliance have been the following:

- (a) Implementation of plans of action submitted to the Implementation Committee and approved by the Meeting of the Parties;
- (b) Putting in place appropriate ODS-related legislation as a basis for controlling trade and consumption of ODS;
- (c) Speeding up the implementation of investment and non-investment projects;
- (d) External assistance provided by the CAP, in particular by supporting Ozone units through advisory missions and South-South cooperation.

26. All countries in non-compliance were requested to submit to the Implementation Committee a plan of action with time-specific benchmarks to return to compliance with respect to ODS consumption reported to be above the level allowed by the Montreal Protocol phase-out schedules. With regard to the countries under consideration, the following records can be presented:

Country	Action Plan for ODS phase-out approved by the Meeting of the Parties	Maximum consumption allowed by 2005 in ODP tonnes as per Action Plan	Compliance with Action Plan C: Compliance NC: Non-Compliance
Albania	CFC	36.2	C
Bosnia and Herzegovina*	CFC	102.1	C
	MB	5.61	C
	TCA	1.3	C
Chile	MBr	170	C
	TCA	4.512	NC
Ecuador	TCA	1.398	C
Nigeria	CFC	1,800	C
Pakistan	HAL	7.1	C
Saint Vincent and the Grenadines	CFC	1.39	C
Sierra Leone	No Action Plan	-	-

* Country Programme Data

27. In all countries under consideration the process of drafting and approving appropriate legislation and the establishment of enforcement mechanisms have considerably been speeded up. It has been generally recognized that comprehensive and enforceable legislation constitutes an important condition for effectively monitoring and controlling ODS imports and consumption. Moreover, it is the basis for the implementation of training, and recovery and recycling. In Albania, Chile, and Ecuador legislation, including an import licensing system, has already been adopted. In Nigeria and Bosnia and Herzegovina draft legislation has been prepared and the respective legal acts are expected to be approved and enter in force in 2006. It can be reasonably assumed that appropriate legislation, if consistently enforced, will accelerate the phase-out process and contribute to improving the conditions for sustainable compliance.

28. In some of the countries visited, external support by UNEP through CAP, and by other implementing agencies, played an important role in returning to compliance. Albania and Bosnia and Herzegovina, for instance, received effective assistance from UNIDO, UNEP and NOUs in countries of the European and Central Asian Network. A fruitful exchange of information with the Macedonian and Croatian NOUs about ozone-related legislation took place, including import/export licensing systems and further detailed regulations, and both Albania and Bosnia and Herzegovina received comments and advice on their draft legislation. Also Chile was assisted successfully by the NOU of another country in the region, with support of the regional CAP team in Latin America, to draft appropriate legislation.

V. Conclusions and Recommendations

29. Non-compliance has various causes. Based on the case studies in the countries under consideration, the following main causes were identified:

- (a) Internal instability due to armed conflicts or political and economic transformation;

- (b) Late start of phase-out activities in the case of newcomers to the Montreal Protocol and its Amendments;
- (c) Delays in implementing phase-out projects and developing an appropriate and enforceable legal framework; and
- (d) Deficiencies in communication and cooperation with key stakeholders.

30. According to the individual reports, recent developments in the countries concerned indicate that the causes identified as primarily responsible for non-compliance are being progressively eliminated and most countries appear to be on the way to meeting their commitments through administrative and regulatory measures, accelerated implementation of projects, as well as in some cases through external support provided by Implementing Agencies and/or UNEP's Compliance Assistance Programme.

31. Late ratification of the Montreal Protocol and its Amendments seems to have a double effect on the issue of compliance. On the one hand, the respective country starts with a significant delay to implement a strategy of ODS phase-out, often resulting in non-compliance with the time-specific targets of the Protocol. On the other hand, it can already benefit from the experiences and achievements of countries more advanced in the process of phase-out, avoiding some initial weaknesses and speeding up the process on the basis of appropriate legal framework and enforcement mechanisms. Accordingly, the country is enabled to accelerate the implementation of programmes, thus bypassing a long and difficult phase of trial and error.

32. Most of the countries covered by this report succeeded in returning to compliance with the freeze obligations, and some also with all ODS consumption reduction targets including those for 2005. One of the most important incentives for this achievement has been the commitment of meeting the targets set by the respective plan of action submitted to the Implementation Committee and approved by the Meeting of the Parties. Albania, Chile (MB), Ecuador and Saint Vincent and the Grenadines have complied with the time-specific benchmarks of the action plans while Bosnia and Herzegovina has not yet reported Article 7 consumption data for 2005. In the case of Sierra Leone no plan of action has been approved. It seems that once a country has taken decisive action in approving and enforcing legislation, improving and correcting data reporting, if applicable, and accelerating previously delayed project implementation, rapid progress towards compliance is possible in most cases.

33. In each of the countries visited by the missions, there are still some specific problem areas and challenges ahead to achieve or maintain sustainable compliance (see Annex II p.2). In Albania, Bosnia and Herzegovina and Nigeria the most urgent task for accelerating CFC phase-out is the proper implementation of the phase-out strategy in the refrigeration servicing sector. For several countries, one of the remaining challenges is also to enforce the legislation once adopted. All this requires from the responsible national authorities, in particular the NOUs, a continuous and active commitment, and close coordination with the main stakeholders. Another factor needed for achieving sustainable compliance is the availability of substitutes competitively priced and accepted by the users.

34. In Chile and Ecuador strengthening communication and cooperation with key stakeholders, particularly in the MB sector, as well as implementing import restrictions for MB is an urgent requirement. Increased information and awareness raising activities, particularly

concerning cases of successful phase-out, of which there are many examples, are urgently needed. Additionally, Article 5 countries should be well informed on progress made by Article 2 Parties in phasing-out MB, as well as on the critical use exemptions, where the conditions and restrictions recommended by MBTOC and how amounts are calculated should be explained.

35. Several cases of non-compliance with the reduction steps for the consumption of CFCs, halons, MB, CTC and TCA are apparent from the 2005 consumption data received so far (see Annex III). Some of these have already been addressed in Action Plans approved by Meetings of the Parties. Other countries represent new cases which may merit further analysis in new case studies to gain a more complete understanding of the underlying causes, actions needed and prospects for countries to rapidly returning to and remaining in compliance, as well as to develop general conclusions and recommendations based on a broader and more representative sample of countries.

VI. Action Expected from the Executive Committee

36. The Executive Committee may wish to:

- (a) Note the final evaluation report on cases of non-compliance contained in UNEP/OzL.Pro/ExCom/50/9; and
- (b) Communicate the conclusions to the 38th Meeting of the Implementation Committee in mid-2007 through the presentation to be made by the Multilateral Fund Secretariat and the Implementing Agencies advising that:
 - (i) one of the most important incentives for returning to compliance has been the commitment to meeting the targets set by the respective plan of action submitted to the Implementation Committee and approved by the Meeting of the Parties;
 - (ii) once a country has taken decisive action in approving and enforcing legislation, improving and correcting data reporting, if applicable, and accelerating previously delayed project implementation, rapid progress towards compliance is possible in most cases.

ANNEX I

ODS CONSUMPTION DATA AND COMPLIANCE SITUATION FOR THE COUNTRIES VISITED

(According to Article 7 Data)

ALBANIA														
Chemical	Baseline	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	MOP Compliance	Status
CFC	40.75	40.25	40.06	41.94	46.50	53.10	61.90	68.80	49.92	34.98	36.57	14.34	Decision XV/26	C
CTC	3.15	3.15	3.15	3.15	3.15	3.15	3.15	1.28	0.00	2.86	0.00	0.00		
Halons	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
MBR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
TCA	0.03	0.00	0.01	0.20	0.00	0.03	0.05	0.05	0.56	0.14	0.00	0.00		

BOSNIA AND HERZEGOVINA														
Chemical	Baseline	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005*	MOP Compliance	Status
CFC	24.17	3.00	20.55	48.95	45.10	150.97	175.93	199.70	243.60	230.00	187.90	50.83	Decision XV/30	C
CTC	0.00	0.00	0.00	8.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Halons	4.14	4.14	4.14	4.14	0.00	0.00	0.00	0.00	0.00	4.14	4.14	0.00		
MBR	3.53	2.40	3.60	3.90	4.20	6.24	6.24	9.96	11.79	9.84	7.56	0.77	Decision XV/30	C
TCA	1.55	0.00	0.65	0.00	1.04	1.66	1.95	3.71	3.60	3.60	2.44	0.68	Decision XVII/28	C

*According to Country Programme Data

CHILE														
Chemical	Baseline	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	MOP Compliance	Status
CFC	828.73	933.48	878.23	674.47	737.92	657.52	575.96	470.23	370.19	424.46	230.78	221.48		
CTC	0.61	5.67	2.42	1.49	0.66	0.95	0.21	1.25	0.40	0.84	5.05	-0.11		
Halons	8.50	9.75	15.75	0.00	0.00	0.00	0.00	0.90	0.00	0.00	0.00	0.17		
MBR	212.51	176.78	236.15	138.97	298.14	107.14	242.52	239.00	165.25	274.30	262.78	167.66	Decision XVII/29	C
TCA	6.45	9.78	10.59	2.30	7.14	8.71	3.48	5.23	3.48	6.97	3.65	5.23	Decision XVII/29	NC

ECUADOR														
Chemical	Baseline	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	MOP Compliance	Status
CFC	301.42	314.67	269.16	320.42	271.74	153.00	230.47	206.96	229.56	256.26	147.42	132.45		
CTC	0.52	2.82	1.66	0.00	0.64	0.57	0.34	0.24	0.22	0.10	4.32	0.00		
Halons	5.48	16.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
MBR	66.23	39.41	69.96	64.33	91.21	122.40	122.40	369.75	40.80	0.00	0.00	153.00		
TCA	2.00	0.73	0.91	3.13	2.43	1.88	1.69	1.66	2.83	3.48	2.56	0.82	Decision XVII/31	C

NIGERIA														
Chemical	Baseline	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	MOP Compliance	Status
CFC	3,649.95	1,535.60	4,548.08	4,866.18	4,761.50	4,286.20	4,094.80	3,665.50	3,286.70	2,662.40	2,116.09	466.05	Decision XIV/30	C
CTC	152.75	111.21	132.55	145.86	160.38	151.25	146.63	143.00	140.80	166.65	166.65	0.00		
Halons	285.33	37.00	390.00	429.00	472.00	450.65	486.65	412.00	412.10	191.20	151.00	0.00		
MBR	2.84	3.75	3.06	2.52	2.04	1.98	2.10	2.10	1.98	1.98	1.68	0.00		
TCA	32.86	26.80	23.99	31.02	33.19	32.69	32.69	31.50	31.00	31.30	31.30	0.00		

PAKISTAN														
Chemical	Baseline	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	MOP Compliance	Status
CFC	1,679.43	2,103.70	1,670.80	1,263.80	1,196.00	1,421.80	1,945.30	1,666.29	1,647.00	1,124.00	805.00	453.02		
CTC	412.87	614.90	558.80	734.80	110.00	564.30	564.30	655.60	636.90	589.05	752.40	148.50		
Halons	14.20	21.00	6.00	15.60	15.00	15.00	28.80	28.80	16.95	15.00	7.20	0.00	Decision XVI/29	C
MBR	13.95	0.00	0.00	55.80	0.00	0.00	24.00	24.00	0.00	0.00	0.00	0.00		
TCA	2.33	12.80	5.20	2.90	2.00	2.50	2.50	3.50	0.00	0.00	0.00	0.00		

SAINT VINCENT AND THE GRENADINES														
Chemical	Baseline	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	MOP Compliance	Status
CFC	1.77	2.29	0.85	2.17	2.29	9.97	6.04	6.86	6.02	3.07	2.09	1.03	Decision XVI/30	C
CTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Halons	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
MBR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
TCA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		

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Chemical	Baseline	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	MOP Compliance	Status
CFC	78.55	67.12	86.66	81.88	81.04	75.87	75.93	92.90	80.84	66.32	64.53	26.21		
CTC	2.57	0.88	1.10	1.65	4.40	1.65	1.65	0.66	0.22	0.14	2.44	0.01		
Halons	16.00	12.00	18.00	18.00	12.00	12.00	9.90	9.00	0.00	15.00	18.45	0.00		
MBR	2.63	2.70	3.60	2.40	1.80	1.50	1.20	1.20	1.20	0.66	0.36	0.00		
TCA	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		

C = Compliance ; NC = Non-Compliance (Confirmed or Apparent)

In Non-Compliance with the Freeze

In Non-Compliance with the 2005 Reduction Target

ANNEX II: KEY DATA AND INFORMATION BY COUNTRY VISITED

Issues	Albania	Bosnia & Herzegovina (CP data for 2005)	Chile	Ecuador	Nigeria	Pakistan	Saint Vincent and the Grenadines	Sierra Leone
Date of ratifying MP	1999	1992	1990	1990	1988	1992	1996	2001
Latest reported data on compliance	2005	2005	2005	2005	2005	2005	2005	2005
Data Source	A7	CP	A7	A7	A7	A7	A7	A7
50% Reduction of CFC	C	NC	C	C	C	C	NC	C
20% Reduction of Methyl Bromide	0 consumption	C	C	NC	0 consumption	0 consumption	0 consumption	0 consumption
50% Reduction of Halon	0 consumption	0 consumption	C	0 consumption	0 consumption	0 consumption	0 consumption	0 consumption
85% Reduction of CTC	0 consumption	0 consumption	C	0 consumption	0 consumption	NC	0 consumption	C
30% Reduction of TCA	0 consumption	C	NC	C	0 consumption	0 consumption	0 consumption	0 consumption
ODS consumption in % of baseline, (latest data reporting from 2005)	CFC = 35% CTC = 0% Hal = N/A MBr = N/A TCA = 0%	CFC = 210% CTC = N/A Hal = 0% MBr = 22% TCA = 44%	CFC = 27% CTC = -18% Hal = 14% MBr = 79% TCA = 81%	CFC = 44% CTC = 0% Hal = 0% MBr = 231% TCA = 41%	CFC = 13% CTC = 0% Hal = 0% MBr = 0% TCA = 0%	CFC = 27% CTC = 36% Hal = 0% MBr = 0% TCA = 0%	CFC = 58% CTC = N/A Hal = N/A MBr = N/A TCA = N/A	CFC = 33% CTC = 0.4% Hal = 0% MBr = 0% TCA = N/A
Licensing system in place	C	to be approved in autumn 2006	law approved; detailed regulations under preparation	C	draft legislation in process of approval	C	adoption planned until end 2006	draft legislation in process of approval
Reasons for non-compliance or risk of non compliance	a) Complicated political and economic transformation process in the 1990-ies b) Late ratification of the MP and its Amendments c) Late start of the NOU and the corresponding project preparation	a) Dissolution of former Yugoslavia and the war 1992-96 b) Lack of stable administrative structures and a working legal system c) Extremely complicated legislative procedure under the Dayton Agreement d) Considerable increase in ODS consumption following the economic recovery since 2000	a) Lack of appropriate legislation until recently b) No adequate involvement of key stakeholders, mainly strawberry growers, in MB phase-out commitments c) Lack of alternative solvents to TCA and late development of specific regulations of import control	a) Reticence to MB phase-out among flower growers who think there is no alternative to that substance b) Deficient communication between stakeholders (Customs, Ministry, NOU, growers' organizations) c) Involvement of stakeholders (Flower Trade Association) has proved to be difficult	a) Absence of appropriate legislation and enforcement, reliable registration (as of very recently) b) Cheap second hand imports of fridges and freezers c) Significant delays in preparing CP, and in implementing investment projects in foam and refrigeration sector	a) Late adoption of licensing system in December 2004 b) CTC importers and customs were not informed in time about quota restrictions for 2005	a) Project implementation delays due mainly to poor communication between NOU and UNDP Barbados b) Massive influx of used cars about 6,000, combined with increased demand for home appliances	a) Late ratification of the MP and its Amendments (2001) b) Civil war situation c) Late development of institutional capacity and draft legislation

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Annex II (Cont.)

<p>Measures for returning to compliance</p>	<p>a) Effective assistance from IAs and more advanced ECA network countries under CAP to develop draft legislation and strategy</p> <p>b) Speeding up training (technicians and customs) and R&R project, following legislation put in force</p> <p>c) Reduced probability of illegal imports due to small price differential of ODS and alternatives</p>	<p>a) Effective assistance from IAs and more advanced ECA network countries under CAP to develop draft legislation and strategy</p> <p>b) Comprehensive legislation drafted, to be approved in autumn 2006</p> <p>c) Conversion of various investment projects completed in foam and refrigeration sector</p> <p>d) Ban on import of MB</p>	<p>a) Legislation on import control and licensing system approved detailed regulations being finalised</p> <p>b) Cooperation with stakeholders (mainly strawberry growers) improved</p> <p>c) Significant price increase of MB observed</p> <p>d) Continued trial with alternative solvents to replace TCA</p>	<p>a) Investment projects in MB completed and 37,2 ODP tonnes phased out</p> <p>b) Awareness about regulations relating to ODS imports improved, flower growers expressed some willingness to trial alternatives</p> <p>c) Project preparation for TCA approved and to be completed in 2006 with 7 months delay</p>	<p>a) Nigeria returned to compliance for CFC in 2002 after reducing 2001 consumption by 380 tonnes. Further reduction in 2002 by 624 tonnes</p> <p>b) CFC, Halon and CTC/TCA umbrella projects to be completed in 2006;</p> <p>c) Ministry endorses efforts to expedite legislation on ODS phase-out;</p> <p>d) Efforts to install hydrocarbon production</p>	<p>a) Halon import restricted</p> <p>b) CTC importers and customs made aware of import restrictions</p>	<p>a) Consecutive interventions by the ImpCom and successful application of Action Plan</p> <p>b) Introduction and successful application of a registry and quota system for importers, enforced by customs even in the absence of approved legislation. Ban on imports of ODS containing equipment and vehicles 4 years and older</p> <p>c) Training of customs officers and very good inter-institutional cooperation</p>	<p>a) Conversion projects completed in foam sector</p> <p>b) 14 approved projects for phase-out in halon and refrigeration, technical assistance projects for MB</p> <p>c) Return to compliance in 2003 and 2004 for CFC and for halons in 2005 after user survey corrected consumption data for halons</p>
<p>Main problem areas and challenges ahead</p>	<p>a) Phase-out in refrigeration servicing sector</p> <p>b) Enforcing proper functioning of the licensing system and the correct application of harmonized customs codes</p>	<p>a) Approval and enforcement of ODS-related legislation including import licensing, monitoring, and reporting system</p> <p>b) Implementation of training and R&R projects</p> <p>c) Finalization of MB phase-out project</p>	<p>a) Improvement of cooperation with key stakeholders, particularly in the MB sector</p> <p>b) Introduction of a quota system to share permitted imports among growers</p>	<p>a) Main challenge is MB phase-out. Improved communication with and closer involvement of key stakeholders needed</p> <p>b) Extending and enforcing MB-related regulations</p> <p>c) Complete TCA phase-out project</p>	<p>a) Implementing RMP components of the National Phase-Out Plan rapidly presents serious challenges</p> <p>b) Finalize Terminal Phase-out Plan in solvent sector</p>	<p>a) Adapt licenses issued to maximum allowed consumption under the NPP</p> <p>b) Implement phase-out in the refrigeration servicing sector</p>	<p>a) Formal approval of legislation</p> <p>b) Registration and certification of technicians as prerequisite to purchase and maintain equipment</p> <p>c) Lack of training capacity regarding HC containing equipment and limited access to HC</p>	<p>a) RMP implementation</p> <p>b) Adopt and enforce legislation</p>
<p>Prospects for sustainable compliance</p>	<p>In case of continuing efforts and forthcoming external support, good chance to maintain compliance</p>	<p>Due to political and economic instability, delay of ODS-related legislation, the exceptionally low baseline established during the war, and increasing ODS consumption following economic recovery, attaining compliance seems to be uncertain</p>	<p>Though the Steering Committee has provided good results so far, activities relating to MB require constant coordination. Prospects of maintaining compliance for MB and achieving it for TCA seem to be favourable</p>	<p>Prospects depend on formulation of an action plan</p>	<p>Nigeria succeeded in complying with the 2005 reduction steps even if regulatory measures are lagging behind. Responsible Ministry makes considerable efforts to expedite comprehensive legislation on ODS phase-out</p>	<p>a) Good if licensing system is enforced and an action plan for CTC phase-out is formulated</p>	<p>Cooperative work of the NOU and measures to deal effectively with recovered refrigerants and oil, combined with training on HC would be likely to ensure continued and successful compliance</p>	<p>If the RMP is speedily implemented, prospects for continued compliance are good</p>

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ANNEX III

OVERVIEW OF ARTICLE 5 COUNTRIES IN CONFIRMED OR APPARENT NON-COMPLIANCE

Based on 2005 A7 and CP Data (As of October 3, 2006)

	Number of Countries Reported 2005	Freeze	20% Reduction	30% Reduction	50% Reduction	85% Reduction
CFC	129	2			7	
Halon	129	1			1	
Methyl Bromide	126	7	8			
Carbon Tetrachloride (CTC)	127					10
Methyl Chloroform (TCA)	127	2		4		

	Source	Over Freeze	Over 50% Reduction	MOP Compliance Decision for 2005	Status
CFC	CP	Bosnia and Herzegovina	Bosnia and Herzegovina	Decision XV/30	C
	CP		Cape Verde		
	A7		Dominica		
	A7		Eritrea		
	A7		Kenya		
	CP	Paraguay	Paraguay		
	A7		Saint Vincent and the Grenadines	Decision XVI/30	C

	Source	Over Freeze	Over 50% Reduction	MOP Compliance Decision for 2005	Status
Halon	A7	Libya	Libya	Decision XVII/37	C

	Source	Over Freeze	Over 20% Reduction	MOP Compliance Decision for 2005	Status
Methyl Bromide	A7	Ecuador	Ecuador		
	A7	Fiji	Fiji	Decision XVII/33	C
	CP	Guatemala	Guatemala	Decision XV/34	NC
	A7	Honduras	Honduras	Decision XVII/34	C
	A7	Libya	Libya	Decision XVII/37	C
	A7	Tunisia	Tunisia		
	A7	Turkmenistan	Turkmenistan		
	A7		Uganda	Decision XV/43	C

	Source	Over Freeze	Over 85% Reduction	MOP Compliance Decision for	Status
Carbon Tetrachloride	A7	N/A	Bolivia		
	A7	N/A	Congo, DR		
	A7	N/A	Iran		
	A7	N/A	Macedonia		
	A7	N/A	Mauritius		
	A7	N/A	Mexico		
	A7	N/A	Pakistan		
	CP	N/A	Paraguay		
	A7	N/A	Tanzania		
A7	N/A	Zimbabwe			

	Source	Over Freeze	Over 30% Reduction	MOP Compliance Decision for 2005	Status
Methyl Chloroform	A7		Chile	Decision XVII/29	NC
	A7		Congo, DR		
	A7	Tanzania	Tanzania		
	A7	Zimbabwe	Zimbabwe		

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