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WITHDRAWAL SHEET

Ronald Reagan Library

Collection: BLEDSOE, RALPH: Files
OA/Box: OA 18803
File Folder: 330-Stratospheric Ozone
 (September 1987) [5]

Archivist: lov/lov
FOIA ID: F00-013, Metzger
Date: 08/18/2000

DOCUMENT NO. & TYPE	SUBJECT/TITLE	DATE	RESTRICTION
1. Cable	Draft of item #2, 11p <i>R 1/9/03 F2000-013 #43</i>	9/10/87	P1/E1
2. Cable	Montreal 02987, 3p <i>R 1/9/03 F2000-013 #44</i>	9/11/87	P1/E1

RESTRICTIONS

- P-1 National security classified information [(a)(1) of the PRA].
- P-2 Relating to appointment to Federal office [(a)(2) of the PRA].
- P-3 Release would violate a Federal statute [(a)(3) of the PRA].
- P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA].
- P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA].
- P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA].

C. Closed in accordance with restrictions contained in donor's deed of gift.

- F-1 National security classified information [(b)(1) of the FOIA].
- F-2 Release could disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA].
- F-3 Release would violate a Federal statute [(b)(3) of the FOIA].
- F-4 Release would disclose trade secrets or confidential commercial or financial information [(b)(4) of the FOIA].
- F-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA].
- F-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA].
- F-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA].
- F-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA].

3027

OUTGOING TELEGRAM

8304 PAGE 1

UNCLASSIFIED
ICAO:09/14/87
ICAO:DSCHIELE
ICAO:ECLAUSSEN:MBR
ICAO:LTHOMAS
ICAO:CG ECON
ORIGINATOR
AMCONSUL MONTREAL
SECSTATE WASHDC, IMMEDIATE

FROM USMISSION ICAO

DEPT. FOR OES, J. NEGROPONTE AND PASS TO WHITE
HOUSE/DPC, R. BLEDSOE, EPA, USTR, COMMERCE, ENERGY.

E.O. 12356: N/A
TAGS: SENV, ETRD, UNEP
SUBJECT: OZONE PROTOCOL NEGOTIATIONS (MONTREAL) --
STATUS REPORT

REF: MONTREAL 2997

1. SUMMARY: PROGRESS WAS MADE OVER WEEKEND PRIOR TO
DIPLOMATIC CONFERENCE, PARTICULARLY IN TRADE AND LDC
AREAS. NO MAJOR CHANGE ON EIF, REIO AND SOVIET
ISSUES. CURRENT STATUS IS AS FOLLOWS, KEYED TO DRAFT
MONTREAL PROTOCOL FAXED THIS A.M..

2. CONTROL ARTICLE: ALTHOUGH 1986 BASE YEAR IS
PREFERRED OPTION FOR NEARLY ALL PARTICIPANTS, 1990 IS
STILL IN BRACKETS AT REQUEST OF SOVIETS. (SOVIET
PROBLEM REMAINS AS DESCRIBED REFTL.) ARTICLE CALLS
FOR FREEZE IN 1989; 20 PERCENT REDUCTION BY 1994; 50
PERCENT REDUCTION BY 1999. FORMULA REMAINS
CONSUMPTION-BASED WITH HIGHER PRODUCTION LEVELS
ALLOWED. PROTOCOL COVERS CFCS 11, 12, 113, 114 AND
115. HALONS ARE IN PROTOCOL, AND FROZEN AT 1986
LEVELS 3 YEARS AFTER ENTRY INTO FORCE.

INITIALS
RUTH DS
DRAFTED
EG
EJ
RFB
REB

UNCLASSIFIED

2

3. ENTRY INTO FORCE: ISSUE IS STILL UNRESOLVED AND PERCENTAGE IS BRACKETED AS 0 PERCENT, 60 PERCENT, 90 PERCENT. THERE IS APPRECIATE OF U.S. VIEW ON PERCENTAGE REQUIREMENT, ALTHOUGH STRONG OPPOSITION TO 90 PERCENT. SENTIMENT IS BUILDING TO BASE THIS ON CONSUMPTION (RATHER THAN PRODUCTION) TO SYMBOLIZE STAKE OF CONSUMER COUNTRIES AS WELL.

4. REIO: INFORMAL DISCUSSIONS WITH THE EC AND, SEPARATELY WITH SOME EC-MEMBER COUNTRIES, REVEAL SOME PREDISPOSITION TO CONSIDER CHANGES IN LANGUAGE OF EC'S PROPOSAL ON REIOS, BUT OPPOSITION TO TOTAL DELETION OF PROVISION DUE TO THEIR CONCERN ABOUT RESTRICTIONS ON TRADE AMONG MEMBER STATES THAT ARE PARTY TO THE PROTOCOL.

5. VOTING: WEIGHTED VOTING (ARTICLE 2, PARAS. 4, 5, AND 5 BIS) STILL SHOWN AS QUOTE TWO-THIRDS MAJORITY OF PARTIES REPRESENTING (0 PERCENT) (60 PERCENT) (TWO-THIRDS) OF THE TOTAL CALCULATED CONSUMPTION LEVEL. NORDICS ARE IN LEAD IN BUILDING PRESSURES AGAINST ANY WEIGHTED VOTING REQUIREMENT HERE. ARTICLE 2, PARA. 5 STILL PROVIDES FOR WEIGHTED VOTING (BRACKETED) ON ADJUSTMENTS TO REDUCTION SCHEDULE AND TO CALCULATED OZONE DEPLETION POTENTIALS, WHICH WOULD BE BINDING ON ALL PARTIES [PARA. 5(C) AND 5 (D)]. ARTICLE 2, PARA. 5 BIS PROVIDES FOR WEIGHTED VOTING (BRACKETED) ON ADDITIONS OR REMOVAL OF SUBSTANCES FROM CONTROLS. HOWEVER, REFERENCE HERE TO ARTICLE 9 OF CONVENTION MEANS THAT INDIVIDUAL PARTIES WOULD HAVE TO RATIFY DECISIONS ON NEW CHEMICALS (I.E. IT IS NOT AUTOMATICALLY BINDING ON PARTIES).

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UNCLASSIFIED

UNCLASSIFIED

3

DISCUSSION. U.S. INTENDS TO MAKE DECLARATION EMPHASIZING THAT TREATMENT AS NON-PARTIES IS TRADITIONAL PRACTICE ACCORDING TO VIENNA CONVENTION ON TREATIES AND THAT WE CONSIDER IT WOULD ALSO APPLY TO THIS PROTOCOL; THIS DECLARATION WOULD BECOME PART OF FINAL ACT. REPORTING OF DATA NOW SHOWN DUE QUOTE NINE MONTHS AFTER THE END OF THE YEAR TO WHICH THE DATA RELATE UNQUOTE.

7. 6. TRADE AND LDCS: FOLLOWING HARD NEGOTIATIONS, SIGNIFICANT PROGRESS WAS MADE. PROVISIONAL ENDORSEMENT BY U.S., EC, JAPAN AND SEVERAL LDC DELEGATIONS WAS ACHIEVED ON THE FOLLOWING PACKAGE:.

- REFERENCE TO EXPORTS DROPPED IN PARAGRAPH 1 OF ARTICLE 4.
- NEW PARAGRAPH (1 BIS) ADDED TO ARTICLE 4 BANNING BULK EXPORTS FROM ANY LDC PARTY TO ANY NON-PARTY BEGINNING IN 1993.
- SPECIAL LDC EXEMPTION (I.E. REFERENCE TO ARTICLE 5) IN PARAGRAPH 7 OF ARTICLE 4 DELETED.
- CLAUSE ADDED TO ARTICLE 3 (CALCULATION OF CONTROL LEVELS) PROVIDING THAT, BEGINNING JANUARY 1, 1993, ONLY EXPORTS TO PARTIES CAN BE SUBTRACTED FROM PRODUCTION IN CALCULATING CONSUMPTION LEVEL.
- 0.3 KG. PER CAPITA ACCEPTED AS LOW-CONSUMING DEVELOPING COUNTRY CEILING IN ARTICLE 5, WITH 10 YEARS AS LENGTH OF GRACE PERIOD.
- TUNISIAN PROPOSAL IN ARTICLE 5 FOR GUARANTEED PRODUCTION RIGHTS DROPPED.

UNCLASSIFIED

UNCLASSIFIED
ICAO:09/14/87
ICAO:DSCHIELE
ICAO:ECLAUSSEN:MBR
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AMCONSUL MONTREAL
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STATEMENT OF WORLDWIDE INDUSTRY SUPPORT
FOR REASONABLE INTERNATIONAL ACCORD ON CFCs

The undersigned organizations, representing worldwide industrial users and producers of chlorofluorocarbon chemicals (CFCs), hereby urge delegates to the United Nations Environment Programme (UNEP) Ad Hoc Working Group for the Protection of the Ozone Layer to take into account the following factors in their negotiations on a protocol for the control of CFCs:

- CFCs have contributed substantially to essential improvements in health, safety and quality of life for consumers around the world;
- Reliable recent scientific assessments indicate that there is no significant threat to human health and the environment at or near the current levels of use of CFCs;
- There are only limited acceptable substitutes for current CFCs. The development of other CFC substitutes will take 7-10 years;
- The value of installed equipment relying on CFCs presently in use is valued in the hundreds of billions (US dollars).

They should also take into account the following considerations:

- A limit to the worldwide growth in the rate of emissions of the fully-halogenated CFC compounds should be agreed upon until such time as scientific evidence indicates that there is no significant threat to the earth's protective ozone layer or that more stringent measures are fully justified;
- On the basis of scientific evidence, there is time for a reasonable transition period for the development and testing of new CFC compounds;

- Too rapid or excessive control measures on current CFC uses could create short-term, undesirable economic disruption and risks to the health and safety of workers and consumers;
- User and producer industries are pursuing efforts to develop new CFC compounds and technologies to conserve, recapture and recycle CFCs being used today.

With these considerations in mind, we encourage the UNEP delegates to negotiate an international protocol to:

1. Freeze emissions of the fully-halogenated compounds at or near current levels;
2. Avoid near-term reduction measures that will produce little or no environmental benefit and create unnecessary economic disruption;
3. Provide for timely periodic scientific, economic and technological assessment of the need for and the timing of further ozone protection measures;
4. Take into consideration the different ozone depletion potentials of the various fully-halogenated CFC compounds in administering the protocol;
5. Obtain the broadest participation of nations including current CFC producer and user nations as well as developing nations;
6. Provide limited exemption for increased domestic consumption by developing nations with the understanding that such countries will be encouraged to utilize new CFC compounds and technologies as they are developed;
7. Allow fair trade among complying signatory nations of CFC bulk chemicals and products containing or made with CFCs;
8. Provide appropriate enforceable trade restrictions for non-signatories and non-complying nations.

Page Three
Industry Support

Industry has contributed substantially to the development of scientific understanding through the funding of research on ozone depletion, has implemented extensive precautionary measures, and has promoted the development of responsible global policies for ozone protection including the negotiation of a CFC protocol under the auspices of the United Nations Environment Programme.

User and producer industries will continue their efforts to maintain the integrity of our environment by reducing inadvertent emissions, by recycling or destroying used products, and by conducting the difficult and costly research into new substitute products and their application technology.

*LIST OF THE ASSOCIATIONS THAT SUPPORT THE "STATEMENT OF
WORLDWIDE INDUSTRY SUPPORT FOR REASONABLE INTERNATIONAL
ACCORD ON CFCs"

AUSTRALIA

Aerosol Association of Australia

Pacific Chemical Industries PTY, Ltd

Association of Fluorocarbon Consumers and Manufacturers (AFCAM)

Australian Council Institute of Refrigeration and Air Conditioning
Service Engineers

AUSTRIA

Osterreichische Aerosol-Vereinigung

BELGIUM

Cosmetics Manufacturers' Association (COLIPA)

CANADA

Canadian Advisory Committee for Responsible CFC Regulation

Heating, Refrigerating and Air Conditioning Institute of Canada

Electrical and Electronic Manufacturers Association of Canada

FINLAND

The Construction Polyurethane Industry

FRANCE

Syndicat National des Plastiques Alveolaires
Comite Francais des Aerosols

F.R. GERMANY

Industrie Verband Polyurethan - Hartschaum e.v. (IVPU)

Schaumstoffburo

Verband Kunststoffherzeugende Industrie e.v. (VKE)

Deutscher Kaelte - und Klimatechnischer Verein e.v.

Gesamtverband Kunststoffverarbeitende Industrie e.v.

GREAT BRITAIN

Electronic Components Industry Federation

British Aerosol Manufacturers Association

Federation of British Electrotechnical and Allied Manufacturers (BEAMA)

British Rubber Manufacturers' Association

Association for the Instrumentation, Control and Automation Industry
in the UK (GAMBICA)

British Refrigeration Association (BRA)

Federation of Environmental Trade Associations (FETA)

Heating and Ventilating Contractors Association (HVCA)

British Urethane Rigid Foam Manufacturers Association

Fabric Care Research Association

ITALY

Associazione Itallana Aerosol

JAPAN

Japan Flon Gas Association

NETHERLANDS

Nederlandse Aerosol Vereniging

Vereniging van Werkgevers in de Chemische Wasserijen

Nederlandse Vereniging van Polyurethaan Hardschulm fabrikanten (NVPU)

Nederlandse Philips Bedrijven b.v.

SWEDEN

The Federation of Swedish Wholesalers Importers

The Swedish Plastics Federation

UNITED STATES

Air Conditioning Contractors of America

Air Conditioning & Refrigeration Institute

Alliance for Responsible CFC Policy

American Frozen Food Institute

Association of Home Appliance Manufacturers

American Meat Institute

Chemical Specialties Manufacturers Association

Commercial Refrigeration Manufacturers Association

Grocery Manufacturers of America

International Mobile Air Conditioning Association

Mechanical Contractors Association of America

National Association of Manufacturers

National Commercial Refrigeration Sales Association

National Fisheries Institute

National Grocers Association

National Mechanical Equipment Service and Maintenance Bureau

Polyurethane Foam Association

Society of the Plastics Industry

INTERNATIONAL

Association of Plastics Manufacturers in Europe (APME)

BIT Spathfluor

Federation of European Rigid Polyurethane Foam Association

Flexible Polyurethane Manufacturers' Association (EUROPUR)

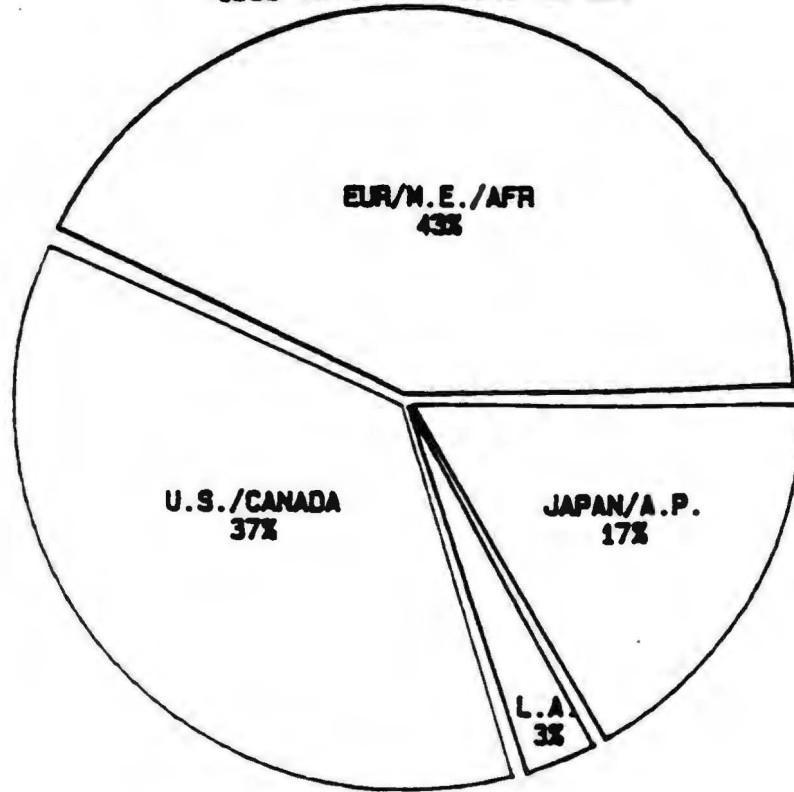
International Confederation of Refrigeration and Air Conditioning
(CIFCA)

European Fluorocarbon Technical Committee (EFCTC - CEFIC Sector Group)

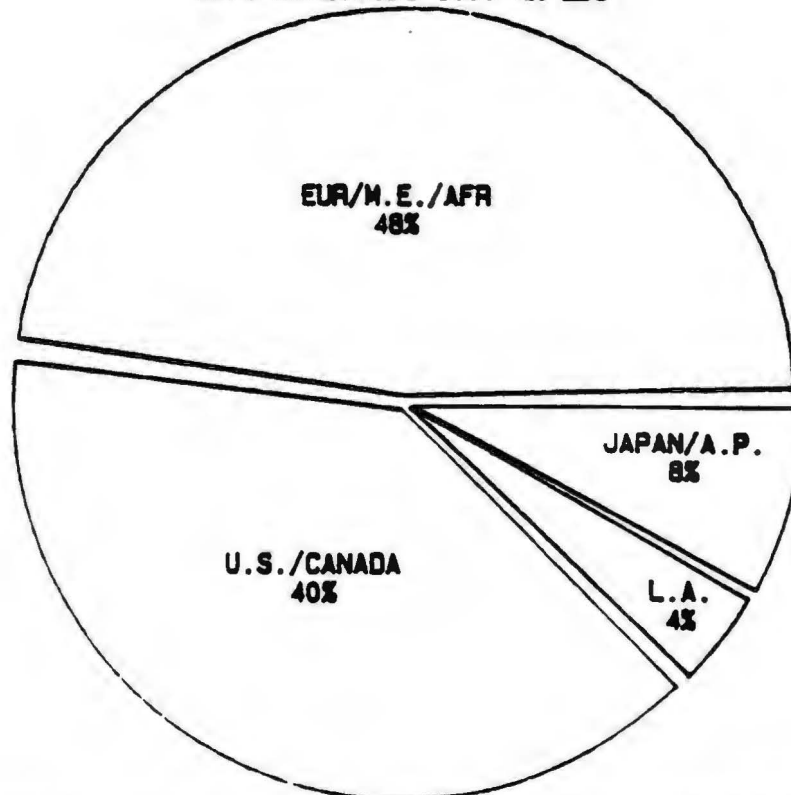
* Collectively, these organizations represent thousands of member companies.

WORLDWIDE FC-11/12/113/114/115 VOLUME BY REGION
(EXCL. USSR/PAC/E. EUR.)

1985 WORLDWIDE 1900 MM LBS

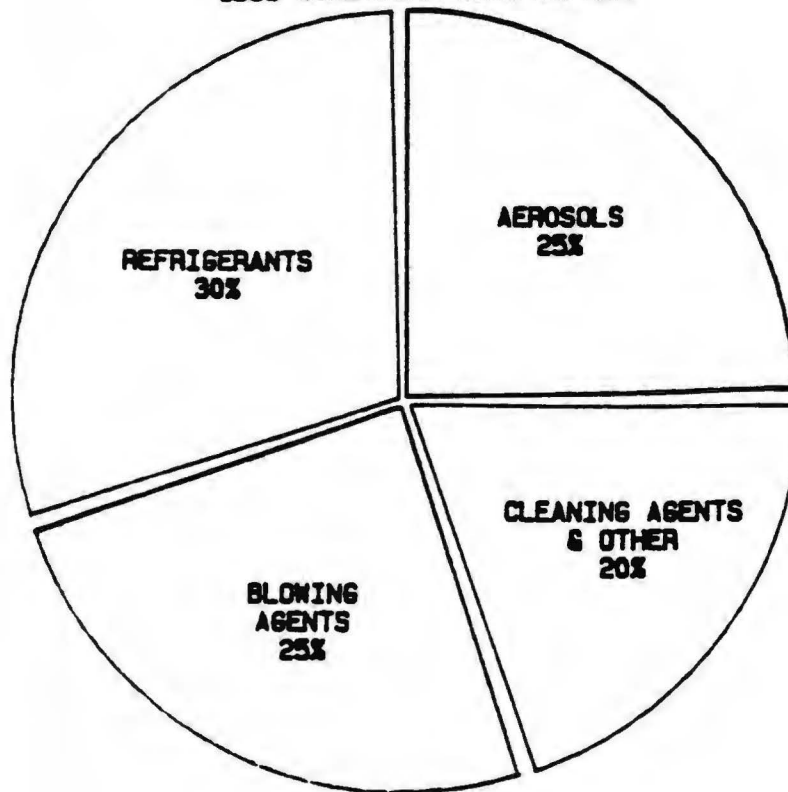


1976 WORLDWIDE 1900 MM LBS

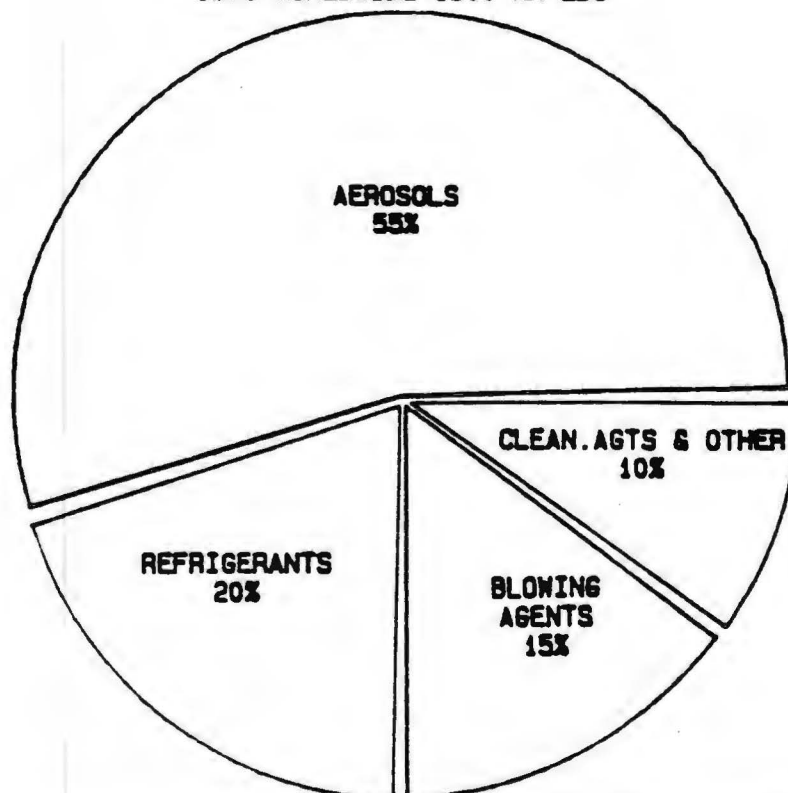


FC-11/12/113/114/115 VOLUME BY INDUSTRY (EXCL. USSR/PRC/E. EUR.)

1985 WORLDWIDE 1900 MM LBS

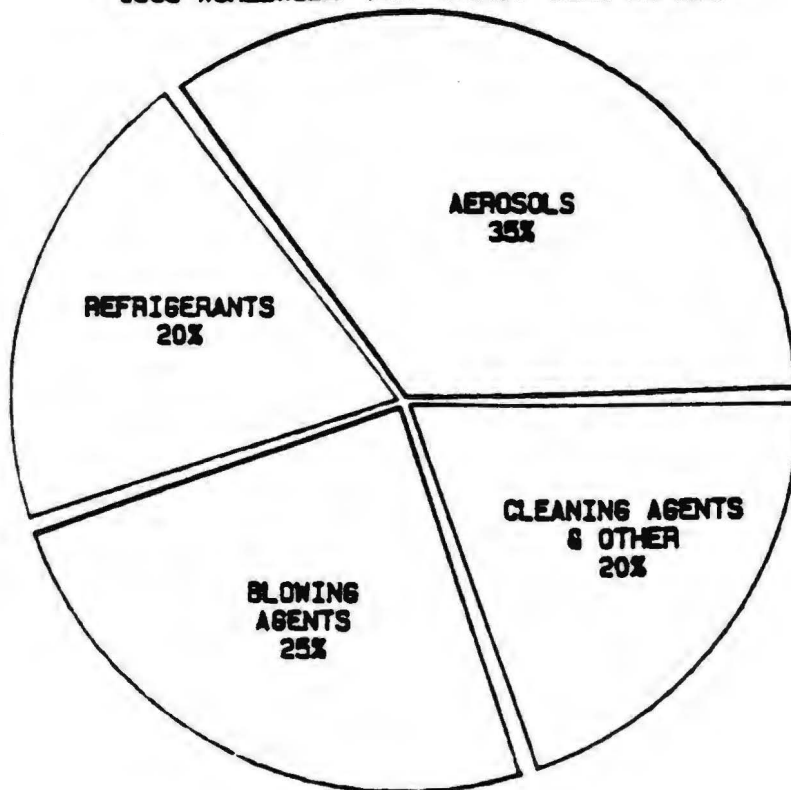


1976 WORLDWIDE 1900 MM LBS

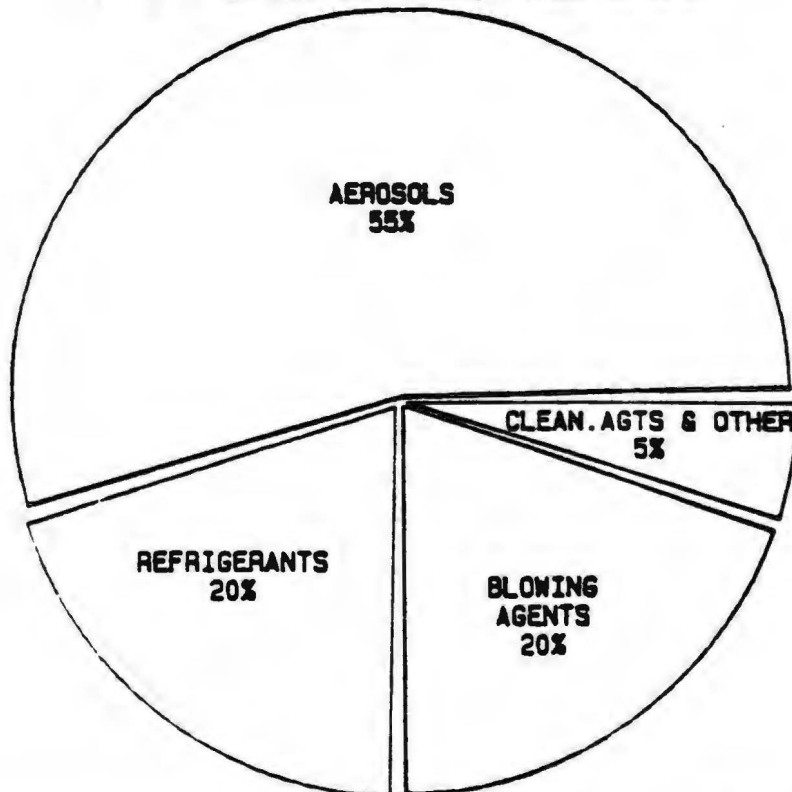


FC-11/12/113/114/115 VOLUME BY INDUSTRY

1985 WORLDWIDE (EX. U.S.): 1250 MM LBS

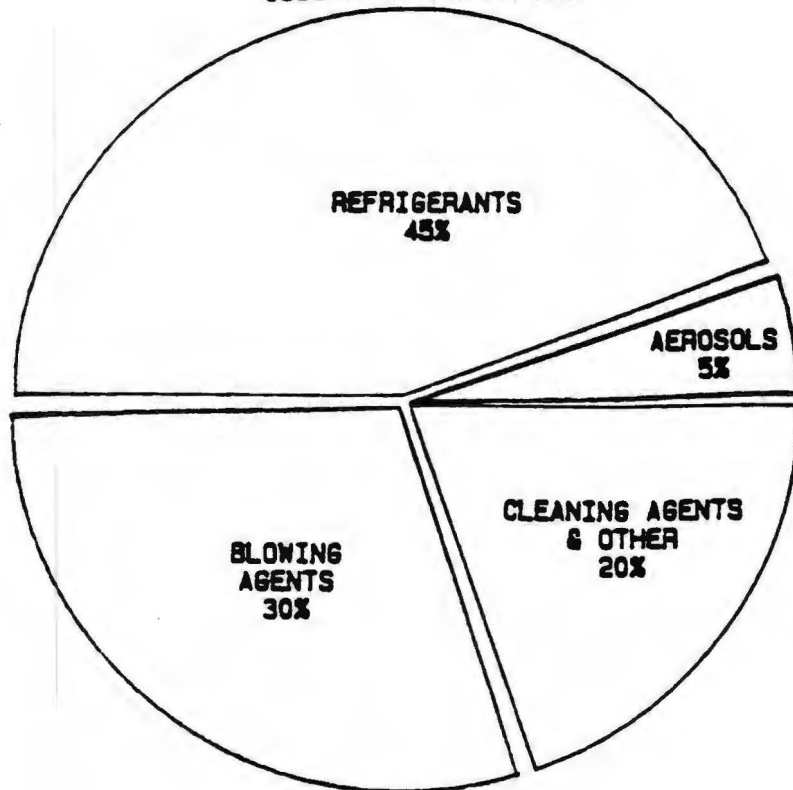


1978 WORLDWIDE (EX. U.S.): 1150 MM LBS

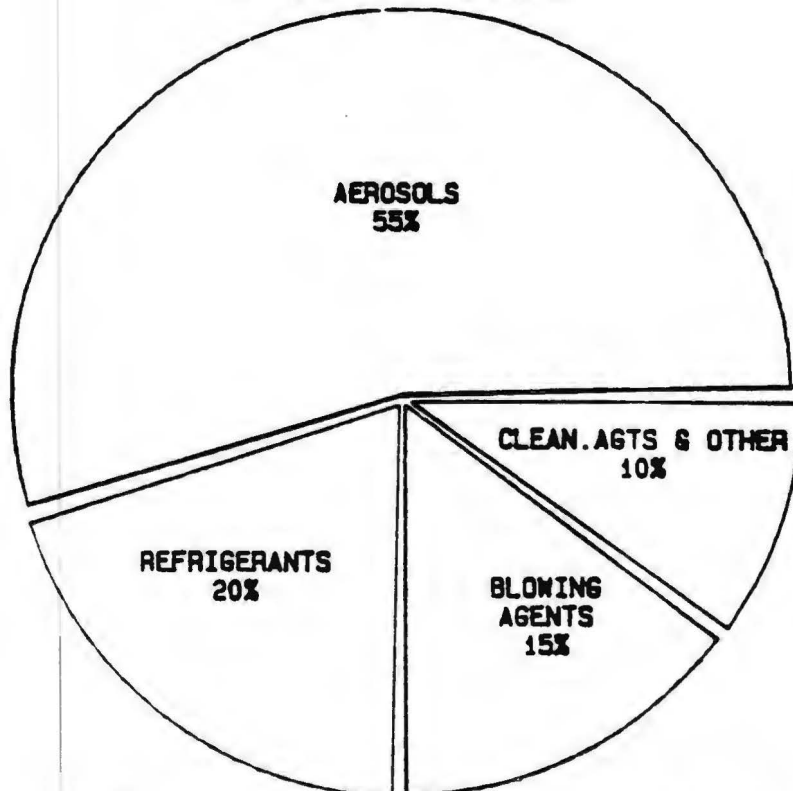


FC-11/12/113/114/115 VOLUME BY INDUSTRY

1985 USA: 650 MM LBS



1976 USA: 750 MM LBS





**Alliance for
Responsible CFC Policy**

Suite 1204
1901 N. Fort Myer Drive
Rosslyn, VA 22209
Telephone: 703-841-9363

CHLOROFLUOROCARBONS



**THE CASE FOR
RESPONSIBLE POLICY**

Foreword

This booklet was produced by the Alliance for Responsible CFC Policy, a broad-based coalition of more than 500 users and producers of chlorofluorocarbons (CFCs).

The Alliance was formed in 1980 to bring a balanced perspective on CFC-related issues. Its main purpose is to ensure that government directives and policies pertaining to CFCs are scientifically sound and balanced, and are economically and socially effective.

The Alliance encourages the use of sound science and thorough evaluation in reaching any decision about CFC regulation. Through publications and contacts with government officials, the Alliance seeks to ensure that the environmental, energy, economic and social consequences of further regulation of CFCs are widely understood.

The objectives of the Alliance are:

1. To promote a formal process for objective review of new science (at least annually) and provide a mechanism to integrate current assessments into the EPA's regulatory decision making.
2. To encourage the EPA to work on international rather than unilateral assessment and resolution of the science and need for action.
3. To encourage Congressional and executive branch guidance to the EPA on this issue.

For further information contact:

Alliance for Responsible CFC Policy
Suite 1204
1901 N. Fort Myer Drive
Rosslyn, VA 22209
Telephone: 703-841-9363

Chlorofluorocarbons (CFCs) are some of the most useful chemical compounds ever devised. They refrigerate our food; air condition our homes, workplaces, cars and public buildings; clean delicate electronic components; help insulate products; sterilize medical equipment and devices — the list is long and diverse.

Yet, CFCs may be banned or their manufacture and use severely restricted because of a theory that they could be harmful to the earth's ozone layer.

The theory, first proposed in 1974, is that CFCs released into the atmosphere rise to the stratosphere, where they break down, releasing chlorine. In a complex chemical system, according to the theory, chlorine could reduce stratospheric ozone, causing an increase in the amount of harmful ultraviolet radiation reaching the earth.

For more than a decade, scientific studies supported by the industry and government have yielded useful information, but more research is needed before the role of CFCs in ozone depletion — if any — is fully understood.

Nevertheless, the United States Environmental Protection Agency (EPA) prohibited the use of CFCs in nearly all aerosol products in 1978, and in 1980 proposed to consider further regulations that would place restrictions on all forms of CFCs. The Alliance for Responsible CFC Policy believes such restrictions would severely impact many industries and curtail the supply of beneficial — even essential — products. Moreover, they would force manufacturers to use substitutes for CFCs that are less efficient, more costly and potentially hazardous. In many cases, no suitable substitutes exist.

The Alliance believes further unilateral restrictions on CFCs are unwarranted and would be ineffective without global cooperation. The EPA's prohibition on aerosol products, for example, curtailed production in the United States, but they are being manufactured and used in increasing quantities worldwide. The Alliance supports continuing scientific investigations and international cooperation to determine whether CFCs do indeed pose a threat to the environment. Scientific studies to date indicate the answer can be found and that the time required will not significantly increase the hazard.

CFCs: Useful, Versatile, Safe

CFCs are man-made compounds of chlorine, fluorine, carbon and sometimes hydrogen.

Formulated to have specific characteristics, each member of the large CFC family is ideally suited for its end use. All are non-flammable, nonexplosive, non-irritating, noncorrosive, stable and low in toxicity — a combination of desirable properties not often found in chemistry.



Refrigeration

\$6 billion*

52,000 jobs**

The first commercial CFC was compounded in 1931, the result of an intensive research effort by a refrigerator manufacturer (General Motors) to find an efficient, safe refrigerant for home use. Ammonia, sulfur dioxide and other refrigerants then in use were considered toxic or presented other hazards.

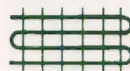
The new compound revolutionized the industry.

The first refrigerant, ice, served well for its time. It kept foods cool so they would last longer, and iced railroad cars made possible the shipment of perishables from distant points. But ice melts and has to be replaced, and that pan under the icebox always seemed to need emptying.

Early chemical refrigerants eliminated these drawbacks and performed the cooling job more efficiently, but their toxicity was an ever-present hazard. Also, some were explosive and/or flammable and most were corrosive.

CFCs captured the home refrigeration market because they are efficient, safe, stable and cost-effective. Another advantage is that they are chemically inert, so they do not damage gaskets, seals or lubricating oils in the refrigeration system. Today 75 percent of the food we eat depends upon the use of CFC refrigerants at some point in the production and distribution chain. In fact, many foods we enjoy would not be available in stores or would cost much more were it not for refrigeration.

Because of their unsurpassed cooling efficiency, CFCs are also widely used in commercial and industrial refrigeration and freezing equipment. Today, with energy efficiency a prime consideration, refrigeration engineers rely on the properties of CFCs in designing units that provide more cooling with less electric current than was thought possible a few years ago.



Air Conditioning

\$12.9 billion

150,000 jobs

Air conditioning makes the difference between comfort and misery when the weather is hot and sticky, but because we take it so much for granted, many of the other benefits it has brought us may not be evident. Consider:

- Air conditioning in hospitals and nursing homes means a more healthful, comfortable environment, more conducive to healing.
- Air conditioned offices and factories make it possible for people to perform at peak efficiency even in the hottest weather.
- A number of important industries could not operate at all without air conditioning: manufacture of pharmaceuticals and photographic and printing films, computer installations, production of electronic equipment, telecommunications.
- Businesses, theaters, shopping malls, sports arenas now operate successfully year-round, regardless of the climate or weather.
- Air conditioning in cars means not only more comfortable travel, but highway safety studies show it contributes to driving safety by reducing heat stress and fatigue.

■ CFCs and air conditioning technology have led to development of energy-efficient heat pumps, solar heat systems and other heat recovery devices.

All these benefits have been made possible largely by CFCs. Air conditioning technology has been based on them, and there are no safe, suitable substitutes.



Plastic Foams

\$2 billion

40,000 jobs

CFCs are important as blowing agents in making insulating, food packaging and cushioning foams out of plastic materials.

Insulating foams made with CFCs have twice the insulating value of fiberglass of the same thickness and also insulate better than foams made with other compounds. The foams are used in refrigerators and freezers, walls and roofs of houses and buildings, refrigerated railway cars and trucks, and in many industrial applications. They save substantial amounts of energy and reduce heating and cooling costs (See "Energy," page 12).

Because of the foams' efficiency, insulating walls can be thinner, which saves materials and provides more usable space. The foams' light weight is also a space- and energy-saving advantage, particularly in insulated trucks and railway cars.

CFC food packaging foams provide insulating value for hot and cold foods and do not absorb liquids or grease. Foam meat trays are becoming familiar in supermarkets. Foam egg cartons cushion the eggs so there is less breakage than with conventional cartons.

Cushioning foams are rapidly replacing the old spring-and-padding construction

of mattresses and upholstered furniture, and the lower cost and greater comfort are boons for the consumer. In cars, airplanes and trains, CFC-blown foams provide superior cushioning in seats and padded areas, such as automobile dashboards.

While other blowing agents are often used for cushioning foams, those made with CFCs provide more softness, resiliency and durability.



Cleaning Agents

Products valued in
the billions of dollars.

More than
10,000 jobs

As microchips and other components of electronic equipment have become smaller and more sophisticated, the need for absolute cleanliness in manufacturing has become critical. CFCs are the cleaning agents of choice, because they remove the smallest contaminants and leave a clean, dry surface. Also, CFCs are safer to use than other cleaning agents, which are more toxic and/or flammable.

In many other industries as well, CFCs are used as cleaning solvents and degreasers, providing the advantage of thorough cleaning without the volume of wastes generated by water and other solvents.



Food Freezants

\$0.4 billion

More than 500 jobs

The food we eat today is more varied year-round, more nutritious and better tasting than it used to be because of freezing, and

CFCs deserve much of the credit. The frozen food revolution was made possible by CFCs, which made refrigerators and freezers safe for home use.

Now, CFC food freezants provide ultra-fast, direct contact freezing of many foods that could not be frozen satisfactorily by the usual "air blast" method. CFCs have energy-saving advantages over other freezants, which require up to eight times the energy needed with the CFC system.



Sterilants

\$0.1 billion

More than 500 jobs

CFCs mixed with a sterilizing agent are widely used in hospitals and in the manufacture of medical equipment and devices. The CFCs make the sterilizing agent nonflammable without affecting its sterilizing ability. Gloves, syringes, catheters and tubing, anesthetic and respiratory equipment, pharmaceuticals and other medical supplies are made sterile by these mixtures.

Fumigants, Pesticides CFCs blended with other chemicals are used as fumigants and pesticides in granaries, warehouses and the holds of ships.

CFCs: The Benefits Are Many

The preceding section mentioned many specific ways in which CFCs benefit society.

In sum, CFCs make important contributions in a number of critical areas today:

Public safety Because CFCs are not flammable, explosive or reactive with other substances and have low toxicity, they are ideal for use in places where substitute compounds might be hazardous to the public.

Public health A year-round supply of nutritious, healthful foods is dependent to a large extent on CFC refrigerants and freezants. Air conditioning creates more healthful indoor environments. Health care facilities and the pharmaceutical industry would be hard put to operate without the benefits made possible by CFCs.

Energy The efficient heat transfer properties of CFCs save substantial amounts of energy in refrigeration, air conditioning and insulation uses. It has been estimated that a United States ban on CFCs could, after 10 years, mean an annual energy penalty equal to 9-12 billion gallons of fuel oil, due to the forced use of less efficient materials.

The economy Besides the goods, services, businesses and jobs made possible by chlorofluorocarbons, products based on CFCs are important exports for the United States, contributing strongly to the nation's balance of trade.

Technology The availability of CFCs has led to important technological innovations, such as energy recuperators, hot water heat pumps, a solar heating system, an innovative cleaning system for electronic components, and a promising new method of cleaning coal which dramatically reduces ash and other pollutants when the coal is burned.

Searching for Answers

Ever since the question of whether CFCs damage the ozone layer was raised in 1974, science, industry and government have engaged in intensive efforts to determine the facts.

The research has focused primarily on the highly complex chemistry of the stratosphere. It is known that ozone acts as a giant filter to screen out some of the sun's harmful ultraviolet rays. The belief is that depletion of the ozone layer could result in increased incidence of some forms of skin cancer and damage to certain food crops and aquatic life.

Studying the stratosphere is extremely difficult, not only because of its distance from the earth (from eight to 30 miles) but also because the concentrations of ozone it contains are subject to frequent and often large natural fluctuations. However, by analysis of samples taken at various places and times through computer modeling, a great deal has been learned about stratospheric chemistry.

It appears that the amount and distribution of ozone in the atmosphere are maintained by a dynamic balance between production (from solar ultraviolet radiation), destruction (by radicals derived from several trace gases) and transport by atmospheric motion. The process is not completely understood.

It is evident, however, that industrial, agricultural and natural processes play a part in production of the trace gases. For example, carbon dioxide is increasing in the atmosphere due to increased burning of fossil fuels. Methane levels are also rising from sources thought to be natural wetlands, rice paddies and fermentation processes in cattle and other ruminants.

A 1986 report to Congress by the National Aeronautics and Space Administration (NASA) describes the current status of atmospheric science: what has been learned, what remains scientifically uncertain and what research still needs to be done.

A central point in the report is that the chemical effects of trace substances on atmospheric ozone are strongly coupled and should not be studied in isolation.

The report points out that low ozone levels observed in the winter of 1982-83 appear to be due to natural, rather than man-made causes. A recently observed ozone decrease in the Antarctic is not yet understood, the report states, and further study is needed to determine whether it is significant.

Though atmospheric observations have established the presence of key constituents, the report points out that current computer models do not adequately reproduce the present-day atmosphere. Discrepancies between observations and calculations limit the scientists' confidence in the predictive capability of the models.

The "Greenhouse" Effect

The NASA report deals at some length with the "greenhouse" effect, the predicted warming of the earth which some scientists suggest could have devastating effects, such as severe climate changes and dramatic rises in sea levels.

It is known that the earth's average temperature is determined by the amount of energy it receives from the sun, less the amount reflected and radiated back to space. Certain gases absorb or trap energy leaving the earth's atmosphere, and this may in time lead to higher surface temperatures.

The uncertainties in climate modeling are far greater than for ozone study, and much more must be learned before the predictive capability of the models can be relied upon. Current models predict that CFCs would contribute less than 20 percent of the total greenhouse effect over the next several decades.

Current and Future Needs

The NASA report makes clear that more research is necessary. Recommendations include:

- Continuing laboratory studies of nitrogen and hydrogen chemistry;
- Continued search for possible missing chemistry;
- Identification and quantification of sources and growth trends for major trace gases;
- Improved ground-based and satellite systems to determine ozone and temperature trends more accurately;
- Continued efforts to develop two- and three-dimensional models with interactive chemistry, dynamics and radiation.

In short, the Alliance agrees with NASA's recommendation that more and better information is needed. This can best be obtained by pursuing a balanced strategy of laboratory measurement, atmospheric measurement and modeling of the atmosphere.

In Summary...

Chlorofluorocarbons, because of their utility, safety and unusual combination of desirable properties, have become important in nearly every aspect of modern life.

The Alliance for Responsible CFC Policy believes:

- Any further regulation of CFCs should be undertaken on an international basis, not unilaterally.
- The U.S. government should work under the auspices of the United Nations Environment Programme to consider establishing a reasonable global limit on future production capacity of fully halogenated CFCs.
- Research into the scientific questions raised by the ozone depletion and "greenhouse effect" theories should be diligently pursued by the industry and government.
- There is ample time for the needed research, and any threat can be detected before any significant harm is done to the environment.
- Research should include studies of other substances that may affect the stratosphere, not just CFCs.
- Since computer model calculations of the theoretical effects of CFCs on ozone have been inconclusive and ever-changing, they do not constitute a sound basis for regulation. Actual measurements in the stratosphere are also a necessary part of the decision-making process.
- Voluntary conservation in CFC end uses should be continued and expanded where economically and technologically practical.
- Development of alternative products and processes, particularly for fully halogenated CFCs, should be encouraged.

STATEMENT

OF

KEVIN J. FAY
EXECUTIVE DIRECTOR
ALLIANCE FOR RESPONSIBLE CFC POLICY

UNITED NATIONS ENVIRONMENT PROGRAMME
CONFERENCE OF PLENIPOTENTIARIES
FOR THE PROTOCOL ON CHLOROFLUOROCARBONS

MONDAY, SEPTEMBER 14, 1987
MONTREAL, CANADA

Good Morning:

On behalf of more than fifty industry associations worldwide and their thousands of member companies that either use or produce chlorofluorocarbon chemicals, we welcome you to this Diplomatic Conference on ozone protection. When this treaty is signed this week, we believe that this will establish a precedent for future cooperation among industry, governments, and environmental organizations, on this issue as well as for new endeavors to preserve and protect the global environment we share.

Exactly one year ago this week, the Alliance for Responsible CFC Policy issued its call for a global solution to the concerns for potential ozone depletion.

Based on our belief that no one nation could address these concerns, we urged those attending the initial UNEP meeting in Geneva to develop a global protocol that would both offer protection against potential ozone depletion and provide for ongoing scientific evaluation of the stratosphere. We also reminded those attending that first meeting that we must all be mindful of the economic impact of their actions.

The treaty that is being currently considered does, to a large extent, address these concerns.

But the CFC Alliance has not been alone among its industry colleagues worldwide. As exemplified by the statement of

Page Two

industry support for a reasonable CFC accord we are releasing today, industry users and producers worldwide have recognized the need for this action and pledged their commitment to pursue the technological developments necessary to address the present environmental concerns.

We believe the consensus exhibited by these organizations on this complex environmental and economic issue to be unprecedented and fully expect support for this statement to continue to grow in the next several months.

It is appropriate for us to express our thanks to Dr. Mostafa Tolba and the entire staff of the United Nations Environment Programme for allowing for and encouraging industry participation in these negotiations as official observers. We also appreciate the hospitality of the Canadian government in hosting this Diplomatic Conference.

While there are many issues still to be resolved in the course of the work to be completed this week, we urge that an agreement be reached that is simple, fair, and enforceable. To be effective, such an agreement should obtain the broadest participation of countries as possible, including the major CFC user blocs as well as the developing nations.

We urge the diplomats attending here this week to pursue this spirit of global cooperation mindful that their success will signify not an endpoint, but a transition into a period requiring major technological change and innovation with important economic implications in the name of environmental protection.

Thank you.

ALLIANCE FOR RESPONSIBLE CFC POLICY

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ROSSLYN, VIRGINIA 22209

(703) 841-9363

September 16, 1986

POLICY STATEMENT

Chlorofluorocarbons (CFCs) are widely used by industry and the general public and contribute significantly to the quality of life in the United States and around the world because of their unique and beneficial combination of functional properties and excellent safety characteristics. The Alliance for Responsible CFC Policy was organized in 1980 to ensure that government policies regarding the further regulation of CFCs are responsible and that any such policies are based on sound scientific facts. It was a further objective of the Alliance to encourage that efforts be pursued on an international basis to resolve the scientific uncertainties pertaining to the ozone depletion theory, the role of CFCs, and the need, if any, for global action to protect the ozone layer. Since 1980, significant scientific research has been conducted concerning the ozone depletion theory, the greenhouse effect, and the role of CFCs. Significant scientific uncertainties remain, however, and the research needs have grown much more complex. Based on the theory, current scientific understanding, and reasonable assumptions about future emissions of substances that may modify the ozone layer, no significant modification of the ozone layer is expected during the next few decades, therefore, there is no imminent threat to human health and the environment from current CFC use or emission. On this basis, the Alliance believes that the following position statement provides an outline or responsible U.S. policy with regard to CFCs compatible with current scientific understanding and consistent with the original goals of the Alliance:

- * Recognizing the global nature of the ozone depletion theory, the Alliance supports international resolution of the issue. Additional unilateral regulation of CFCs by the United States would provide little, if any, environmental protection, injure U.S. industry to the benefit of international competition, and may undermine efforts to obtain an international resolution.
- * Additional scientific research is essential. The Alliance supports the atmospheric research recommendations contained in the January, 1986 NASA/World Meteorological Organization Science Assessment.
- * Voluntary conservation in CFC end uses should be continued and expanded where economically and technologically practical.
- * Regulation of specific uses of CFCs is ineffective and discriminatory.
- * Responsible policy dictates, given the scientific uncertainties, that the U.S. government work in cooperation with the world community under the auspices of the United Nations Environment Programme to consider establishing a reasonable global limit on the future rate of growth of fully halogenated CFC production capacity.
- * Development of alternative products and processes should be encouraged to utilize suitable alternatives to fully halogenated CFCs.
- * Research should be continued and expanded to develop substitutes for fully halogenated CFCs.

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Richard C. Barnett - Chairman of the Board

Richard C. Barnett was first elected Chairman of the CFC Alliance in December, 1985. He is Vice President and General Manager of Central Environmental Systems, Inc., a subsidiary business unit of York International Corporation. In addition, Mr. Barnett has responsibility for York Air Conditioning Ltd., York International's Canadian air conditioning business. Mr. Barnett joined Borg-Warner's York Division in 1978 as Executive Vice President for Unitary Products. He assumed responsibility for the Canadian operation in March 1981. In 1986, Borg-Warner spun off the air conditioning business to create an independent public company, York International Corporation, for which Mr. Barnett has general administrative and operating responsibility. Prior to joining Borg-Warner and York International Corporation, Mr. Barnett held several managerial and engineering positions in the unitary products area with General Electric. He holds a BS degree in Mechanical Engineering from Southern Methodist University.

Joseph M. Steed - Science Advisor

Joseph Steed became Science Advisor to the Alliance in July, 1986. Dr. Steed is the Environmental Manager for the Freon Products Division at E.I. Du Pont De Nemours & Co., with the responsibility for developing and implementing all aspects of the stratospheric ozone issue. He began his career with Du Pont in 1979 as a Research Chemist, and has held positions in marketing, as well as production and technological management prior to his current assignment. Dr. Steed is the author of numerous technical publications, primarily in the field of atmospheric photochemical modelling and is the former Chairman of the Chemical Manufacturers Association, Fluoro-carbon Program Panel. He holds BA and MA degrees from Brown University, and a PhD from Harvard University.

Kevin J. Fay - Executive Director

Kevin J. Fay has a strong record of involvement on industry issues, particularly relating to energy and the environment. He has served as the Executive Director since 1982. Prior to this, he served as Assistant Director of Public Affairs for the Air Conditioning and Refrigeration Institute, and as Manager of State Government Affairs for the National Automobile Dealers Association. Mr. Fay is an attorney with the government and public affairs firm of Alcalde, Henderson, O'Bannon & Rousselot. Mr. Fay received his undergraduate degree from the University of Virginia and received his law degree from the American University Washington College of Law in Washington, D.C.

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ARTICLE 2: CONTROL MEASURES

- (for the annual period from 7 months)*
1. Each Party shall ensure that ~~within 12 months~~ of the first day of the month *and* following the date of entry into force of this Protocol, its calculated level of consumption of the controlled substances in Group I of Annex A does not exceed its calculated level of consumption in ~~§1986§ ~~1990~~~~. By the end of the same period, each Party producing one or more of the controlled substances in Group I shall ensure that its calculated level of production of these substances does not exceed its calculated level of production in ~~§1986§ ~~1990~~~~, except that such level may have increased by no more than ~~§10 per cent~~ based on the ~~§1986§ ~~1990~~~~ level. Such increase shall be permitted only so as to satisfy the basic domestic needs of the Parties operating under Article 5 and for the purposes of industrial rationalization between Parties. *thereafter:*
 2. Each Party shall ensure that within three years of the date of entry into force of this Protocol, its calculated level of consumption of the controlled substances listed in Group II of Annex A does not exceed its calculated level of consumption in ~~§1986§ ~~1990~~~~. Each Party producing one or more of these substances shall ensure that its calculated level of production of these substances does not exceed its calculated level of production in ~~§1986§ ~~1990~~~~, except that such level may have increased by no more than ~~§10 per cent~~ based on the ~~§1986§ ~~1990~~~~ level. Such increase shall be permitted only so as to satisfy the basic domestic needs of the Parties operating under Article 5 and for the purposes of industrial rationalization between Parties. The mechanisms for implementing these measures shall be decided by the Parties at their first meeting following the first scientific review.
 3. Each Party shall ensure that by 1 January 1994 its calculated level of consumption of the controlled substances in Group I of Annex A does not exceed annually 80 percent of its calculated level of consumption in ~~§1986§ ~~1990~~~~. Each Party producing one or more of these substances shall by the same date ensure that its calculated level of production of the substances does not exceed annually 80 per cent of its calculated level of production in ~~§1986§ ~~1990~~~~. However, in order to satisfy the basic domestic needs of the Parties operating under Article 5 and for the purposes of industrial rationalization between Parties, its calculated level of production may exceed that limit by up to 10 percent of its calculated level of production in ~~§1986§ ~~1990~~~~.
 4. Each Party shall ensure that by 1 January 1999 its calculated level of consumption of the controlled substances in Group I of Annex A does not exceed 50 per cent of its calculated level of consumption in ~~§1986§ ~~1990~~~~. Each Party producing one or more of these substances shall by the same date ensure that its calculated level of production of these substances does not exceed 50 per cent of its calculated level of production in ~~§1986§ ~~1990~~~~. However, in order to satisfy the basic domestic needs of the Parties operating under Article 5 and for the purposes of industrial rationalization between Parties, its calculated level of production may exceed that limit by up to 15 per cent of its calculated level

of production in ~~1986~~ ~~[1990]~~. This paragraph will apply unless the Parties decide otherwise at a meeting by a two-thirds majority of Parties present and voting ~~representing at least 40 per cent~~ ~~[60 per cent]~~ ~~two-thirds~~ of the total calculated level of consumption of the Parties of these substances. This decision shall be ~~made~~ ~~made~~ in the light of the assessments referred to in Article 6.

5. ~~Any~~ Any Party whose calculated level of production in ~~1986~~ ~~[1990]~~ of the controlled substances in Group I of Annex A was less than 25 kilotonnes/year may, for the purposes of industrial rationalization, transfer to or receive from any other Party, production in excess of the limits set out in paragraphs 1, 3 and 4 provided that the total combined calculated levels of production of the Parties concerned does not exceed the production limits set out in this Article.

7. ~~Any~~ Any transfer of production, ^{under this Article} ~~pursuant to paragraph 5~~ ^{or any addition of production under paragraph 6} shall be notified to the secretariat, no later than the time of the transfer.

9. (a) Based on the assessments made pursuant to Article 6, the Parties may decide whether:

- (i) adjustments to the calculated ozone depleting potentials specified in Annex A should be made and, if so, what adjustments; and
- (ii) further adjustments and reductions of production or consumption of the controlled substances from ~~1986~~ ~~[1990]~~ levels should be undertaken and, if so, the scope, amount and timing of any such adjustments.

(b) Proposals for such adjustments shall be communicated to the Parties by the secretariat at least six months before the meeting of the Parties at which they are proposed for adoption.

(c) In taking such decisions, the Parties shall make every effort to reach agreement by consensus. If all efforts at consensus have been exhausted, and no agreement reached, such decisions shall, as a last resort, be adopted by a two-thirds majority vote of the Parties present and voting ~~representing at least 50 per cent~~ ~~[60 per cent]~~ of the total consumption of the controlled substances of the Parties.

(d) The decisions, which shall be binding on all Parties, shall forthwith be communicated to the Parties by the Depository. Unless otherwise provided in the decisions, the decisions shall enter into force on the expiry of six months from the date of the circulation of the communication by the Depository.

10. ~~Any~~ (a) Based on the assessments made pursuant to Article 6, ^{of this Protocol} and in accordance with the procedure set out in Article 9 of the Convention, the Parties may decide:

- (i) whether any substances, and if so which, should be added to or removed from any annexes to this Protocol; and

(ii) the mechanism, scope and timing of the control measures that should apply to those substances;

(b) Any such decision shall become effective, provided that it has been accepted by a two-thirds majority vote of the Parties present and voting, ~~(representing at least [0 per cent] [60 per cent] [two-thirds] of the total calculated level of consumption of the controlled substances of the Parties).~~

54 (8) [6. Any Parties which are Member States of a regional economic integration organization as defined in Article 1(6) of the Convention may agree that they shall jointly fulfil their obligations under this Article provided that neither their total combined production nor their total combined consumption exceed the levels required by this Article.

The Parties to any such agreement shall inform the Secretariat of the terms of the agreement before the date of the reduction in production or consumption with which the agreement is concerned.]

11. Notwithstanding the provisions contained in this Article, Parties may take more stringent measures than those required by this Article.



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14 September 1987

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Conference of Plenipotentiaries on the
Protocol on Chlorofluorocarbons to the
Vienna Convention for the Protection of
the Ozone Layer

Montreal, 14-16 September 1987

Proposal by the President

New paragraph in Article 2 (*paragraph 6*)

A Party not operating under Article 5 that has facilities for the production of controlled substances listed in Annex A under construction or contracted for prior to 16 September 1987, and provided for in national legislation prior to 1 January 1987, may add the production from such facilities to its 1986 base for purposes of this article, provided that such facilities are completed by 31 December 1990 and that such production does not raise the annual per capita consumption of the controlled substances of this Party above 0.5 kg.



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the Ozone Layer

Montreal, 8 - 11 September 1987

PROPOSAL BY EEC

New Article 2(~~Paragraph 8~~) **paragraph 8**

respecting consumption

(a) Any Parties which are Member States of a regional economic integration organisation as defined in Article 1(6) of the Convention may agree that they shall jointly fulfil their obligations under this Article provided that neither their total ~~production nor their total consumption exceed the levels required by~~ this Article.

(b) The Parties to any such agreement shall inform the Secretariat of the terms of the agreement before the date of the reduction in production or consumption with which the agreement is concerned.

(c) Such agreement will become operative only if all Member States of the regional economic integration organizations and the organizations concerned are Parties to this Protocol and have notified the Secretariat of the manner in which they will jointly implement ~~their consumption obligations under~~ this Article.

calculated level of consumption does not exceed the sum of their individual consumption obligations under

ARTICLE 3: CALCULATION OF CONTROL LEVELS

For the purposes of Articles 2 and 5, each Party shall, for each Group of substances in Annex A, determine its calculated levels of:

- (a) production by:
 - (i) multiplying its annual production of each controlled substance by the ozone depleting potential specified in respect of it in Annex A; and
 - (ii) adding together, for each such Group, the resulting figures;
- (b) imports and exports, respectively, by following, mutatis mutandis, the procedure set out in subparagraph (a); and
- (c) consumption by adding together its calculated levels of production and imports and subtracting its calculated level of exports as determined in accordance with subparagraphs (a) and (b). However, beginning on 1 January 1993, any export of controlled substances to non-Parties shall not be subtracted in calculating the consumption level of ~~any Party~~ *the exporting Party*.



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Montreal, 14-16 September 1987

ARTICLE 4: CONTROL OF TRADE WITH NON-PARTIES

1. Within one year of the entry into force of this Protocol, each Party shall ban the import of controlled substances from any State not Party to this Protocol.
2. Beginning on 1 January 1993, no Party operating under paragraph 1 of Article 5 may export any controlled substance to any State not Party to this Protocol.
3. Within three years of the date of the entry into force of this Protocol, the Parties shall, following the procedures in Article 10 of the Convention, elaborate in an annex a list of products containing controlled substances. Parties that have not objected to it in accordance with these procedures shall ban, within one year of the annex having become effective, the import of such products from any State not Party to this Protocol.
4. Within five years of the entry into force of this Protocol, the Parties shall determine the feasibility of banning or restricting, from States not Party to this Protocol, the import of products produced with, but not containing, controlled substances. If determined feasible, the Parties shall, following the procedures in Article 10 of the Convention, elaborate in an annex a list of such products. Parties that have not objected to it in accordance with these procedures shall ban or restrict, within one year of the annex having become effective, the import of the products from any State not Party to this Protocol.
5. Each Party shall discourage the export, to any State not Party to this Protocol, of technology for producing and for utilizing the controlled substances.
6. Each Party shall refrain from providing new subsidies, aid, credits, guarantees or insurance programmes for the export to States not Party to this Protocol of products, equipment, plants or technology that would facilitate the production of the controlled substances.
7. Paragraphs 5 and 6 shall not apply to products, equipment, plants or technology that improve the containment, recovery, recycling or destruction of the controlled substances, promote the development of alternative substances, or otherwise contribute to the reduction of emissions of controlled substances.
8. Notwithstanding the provisions of this Article, imports referred to in paragraphs 1, 3 and 4 may be permitted from any State not Party to this Protocol if that State is determined, by a meeting of the Parties, to be in full compliance with Article 2 and this Article, and has submitted data to that effect as specified in Article 7.

ARTICLE 5: SPECIAL SITUATION OF DEVELOPING COUNTRIES

1. Any Party that is a developing country and whose annual calculated level of consumption of the controlled substances is less than 0.3 kilogrammes per capita on the date of the entry into force of the Protocol for it, or any time thereafter within ten years of the date of entry into force of the Protocol shall, in order to meet its basic domestic needs, be entitled to delay its compliance with the control measures set out in paragraphs 1 to 4 of Article 2 by ten years after that specified in those paragraphs. However, such Party shall not exceed an annual calculated level of consumption of 0.3 kilogrammes per capita. Any such Party shall be entitled to use either the average of its annual calculated level of consumption for the period 1995 to 1997 inclusive or a calculated level of consumption of 0.3 kilogrammes per capita, whichever is the lower, as the basis for its compliance with the control measures.

2. The Parties undertake to facilitate access to environmentally safe alternative substances and technology to Parties that are developing countries and assist them to make expeditious use of such alternatives.

3. The Parties undertake to facilitate bilaterally or multilaterally the provision of subsidies, aid, credits, guarantees or insurance programmes to Parties that are developing countries for the use of alternative technology and for substitute products.

ARTICLE 6: ASSESSMENT AND REVIEW OF CONTROL MEASURES

Beginning in 1990, and at least every four years thereafter, the Parties shall assess the control measures provided for in Article 2 on the basis of available scientific, environmental, technical, and economic information. At least one year before each assessment, the Parties shall convene appropriate panels of experts qualified in the fields mentioned and determine the composition and terms of reference of any such panels. Within one year of being convened, the panels will report their conclusions, through the secretariat, to the Parties.

ARTICLE 7: REPORTING OF DATA

1. Each Party shall provide to the secretariat, within three months of becoming a Party, ~~relevant~~ statistical data on its production, imports and exports of each of the controlled substances for the year 1986 or the best possible estimates of such data where actual data are not available.

2. Each Party shall provide statistical data to the secretariat on its annual production (with separate data on amounts destroyed by technologies to be approved by the Parties), ~~exports and imports~~ of such substances for the year during which it becomes a Party and for each year thereafter. It shall forward ~~the~~ ^{such} data no later than nine months after the end of the year to which the data relate.

and exports to Parties and to non-Parties respectively,

ARTICLE 8: NON-COMPLIANCE

At their first regular meeting, The Parties, shall consider and approve procedures and institutional mechanisms for determining non-compliance with the provisions of this Protocol and for treatment of Parties found to be in non-compliance.

ARTICLE 9: RESEARCH, DEVELOPMENT, PUBLIC AWARENESS AND EXCHANGE OF INFORMATION

1. The Parties shall co-operate, consistent with their national laws, regulations and practices and taking into account in particular the needs of the 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 the controlled substances or otherwise reducing their emissions;
- (b) possible alternatives to the 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 the 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: TECHNICAL ASSISTANCE

(in the context of the provisions in Article 4 of the Convention, and)

1. The Parties shall ~~co-operate~~ taking into account in particular the needs of developing countries, ~~in promoting, in the context of the provisions of Article 4 of the Convention,~~ technical assistance to facilitate participation in and implementation of this Protocol.

cooperate and in promoting

2. Any Party or Signatory to this Protocol may submit a request to the secretariat for technical assistance for the purposes of implementing or participating in ~~it~~ the Protocol.

3. At their first meeting, the Parties 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 circumstances 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.

ARTICLE 11: MEETINGS OF THE PARTIES

1. The Parties shall hold meetings at regular intervals. The secretariat shall convene the first meeting of the Parties not later than one year after the entry into force of this Protocol and in conjunction with a meeting of the Conference of the Parties to the Convention, if a meeting of the latter is scheduled within that period.

2. Subsequent ordinary meetings of the Parties shall be held, unless the Parties otherwise decide, in conjunction with meetings of the Conference of the Parties to the Convention. Extraordinary meetings of the Parties shall be held at such other times as may be deemed necessary by a meeting of the Parties, or at the written request of any Party, provided that, within six months of such a request being communicated to them by the secretariat, it is supported by at least one-third of the Parties.

3. At their first meeting, The Parties shall:

- (a) adopt by consensus rules of procedure for their meetings;
- (b) adopt by consensus the financial rules;
- (c) establish the panels and terms of reference referred to in Article 6;
- (d) consider and approve the procedures and institutional mechanisms specified in Article 8; and
- (e) begin preparation of workplans pursuant to paragraph 3 of Article 10.

4. The functions of the meetings of the Parties shall be to:

- (a) review the implementation of this Protocol;
- (b) decide on the adjustments or reductions as referred to in paragraph 5 of Article 2;
- (c) decide on ^{any} ~~the~~ addition to, insertion in or removal from, ^{any} annexes of substances and on related control measures in accordance with paragraph 5bis of Article 2;

- (d) establish, where necessary, guidelines or procedures for reporting of information as provided for in Article 7 and paragraph 3 of Article 9;
- (e) review requests for technical assistance submitted pursuant to paragraph 2 of Article 10;
- (f) review reports prepared by the secretariat pursuant to Article 12 (c);
- (g) assess, in accordance with Article 6, the control measures provided for in Article 2;
- (h) consider and adopt, as required, proposals for amendment of this Protocol *for any annex and for ~~the~~ adoption of any new annex;*
- (i) consider and adopt the budget for implementation ^{ing} of this Protocol; and,
- (j) consider and undertake any additional action that may be required for the achievement of the purposes of this Protocol.

5. The United Nations, its specialized agencies and the International Atomic Energy Agency, as well as any State not party to this Protocol, may be represented at meetings of the Parties as observers. Any body or agency, whether national or international, governmental or non-governmental, qualified in fields relating to the protection of the ozone layer which has informed the secretariat of its wish to be represented at a meeting of the Parties as an observer may be admitted unless at least one-third of the Parties present object. The admission and participation of observers shall be subject to the rules of procedure adopted by the Parties.

ARTICLE 12: SECRETARIAT

For the purposes of this Protocol, the secretariat shall:

- (a) arrange for and service meetings of the Parties as provided for in Article 11;
- (b) receive and make available, upon request by a Party, data provided pursuant to Article 7;
- (c) prepare and distribute to the Parties regularly reports based on information received pursuant to Articles 7 and 9;

- (d) notify the Parties of any request for technical assistance received pursuant to Article ~~8~~¹⁰ so as to facilitate the provision of such assistance;
- (e) encourage non-parties to attend the meetings of the Parties as observers and to act in accordance with the provisions of this Protocol;
- (f) provide, as appropriate, the information and requests referred to in sub-paragraphs (c) ~~and~~ (d) ~~and (g)~~ to such non-party observers; and
- (g) perform such other functions for the achievement of the purposes of the Protocol as may be assigned to it by the Parties.

ARTICLE 13: FINANCIAL PROVISIONS

1. The funds required for the operation of this Protocol, including those for the functioning of the secretariat related to this Protocol, shall be charged exclusively against contributions from the Parties.
2. The Parties, at their first meeting, shall adopt by consensus financial rules for the operation of this Protocol.

ARTICLE 14: RELATIONSHIP OF THIS PROTOCOL TO THE CONVENTION

Except as otherwise provided in this Protocol, the provisions of the Convention relating to its protocols shall apply to this Protocol.

ARTICLE 15: SIGNATURE

This Protocol shall be open for signature by States and by regional economic integration organizations in Montreal on 16 September 1987, in Ottawa from 17 September 1987 to 16 January 1988, and at United Nations Headquarters in New York from 17 January 1988 to 15 September 1988.

ARTICLE 16: ENTRY INTO FORCE

two-thirds

assumption
1. This Protocol shall enter into force on 1 January 1989, provided that at least eleven instruments of ratification, acceptance, approval or accession to the Protocol have been deposited by States or regional economic integration organizations representing at least ~~10~~ ~~60~~ ~~90~~ *two-thirds* per cent of 1986 estimated global production of the controlled substances, and the provisions of paragraph 1 of Article 17 of the Convention have been fulfilled. In the event that these conditions have not been fulfilled by that date, the Protocol shall enter into force on the ninetieth day following the date on which the conditions have been fulfilled.

2. For the purposes of paragraph 1, any instrument deposited by a regional economic integration organization shall not be counted as additional to those deposited by member States of such organization.

3. After the entry into force of this Protocol, any State or regional economic integration organization shall become a Party to it on the ninetieth day following the date of deposit of its instrument of ratification, acceptance, approval or accession.

ARTICLE 17: PARTIES JOINING AFTER ENTRY INTO FORCE

Subject to Article 5, any State or regional economic integration organization which becomes a Party to this Protocol after the date of its entry into force, shall fulfil forthwith the sum of the obligations under Article 2, as well as under Article 4, that apply at that date to the States and regional economic integration organizations that became Parties on the date the Protocol entered into force.

ARTICLE 18: RESERVATIONS

No reservations may be made to this Protocol.

ARTICLE 19: WITHDRAWAL

For the purposes of this Protocol, the provisions of Article 19 of the Convention relating to withdrawal shall apply except with respect to Parties referred to in paragraph 1 of Article 5. Any such Party may withdraw from this Protocol by giving written notification to the Depository four years after assuming the obligations specified in paragraphs 1 to 4 of Article 2. Any such withdrawal shall take effect upon expiry of one year after the date of its receipt by the Depository, or on such later date as may be specified in the notification of the withdrawal.

ARTICLE 20: AUTHENTIC TEXTS

The original of this Protocol, of which the Arabic, Chinese, English, French, Russian and Spanish texts are equally authentic, shall be deposited with the Secretary-General of the United Nations.

IN WITNESS WHEREOF THE UNDERSIGNED, BEING DULY AUTHORIZED TO THAT EFFECT,
HAVE SIGNED THIS PROTOCOL,

DONE AT MONTREAL THIS SIXTEENTH DAY OF SEPTEMBER 1987

ANNEX A

CONTROLLED SUBSTANCES

Group	Substance	Ozone Depleting Potential *
Group I		
	CFC1 ₃ (CFC-11)	1.0
	CF ₂ Cl ₂ (CFC-12)	1.0
	C ₂ F ₃ Cl ₃ (CFC-113)	0.8
	C ₂ F ₄ Cl ₂ (CFC-114)	1.0
	C ₂ F ₅ Cl (CFC-115)	0.6
Group II		
	CF ₂ BrCl (halon-1211)	3.0
	CF ₃ Br (halon-1301)	10.0
	C ₂ F ₄ Br ₂ (halon-2402) (to be determined)	

* These Ozone Depleting Potentials are estimates based on existing knowledge and will be reviewed and revised periodically.



United Nations
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Programme



Distr.
LIMITED



UNEP/IG.79/4/Add.1
15 September 1987

ORIGINAL: English

Conference of Plenipotentiaries on the
Protocol on Chlorofluorocarbons to the
Vienna Convention for the Protection of
the Ozone Layer

Montreal, 14-16 September 1987

Resolution inviting all States to
Adhere to the Vienna Convention on the Protection of the
Ozone Layer and the Protocol in that Connection
(Draft Resolution presented by Egypt)

The Conference

Noting with appreciation that the Montreal Protocol on Substances that Deplete the
Ozone Layer was opened for signature in Montreal on 16 September 1987,

Referring to the Vienna Convention on the Protection of the Ozone Layer
signed in Vienna on the 22 of March 1985,

Bearing in mind the Resolution of the Conference of Plenipotentiaries
on the Protection of the Ozone Layer on the same date which urged at its
6th operative paragraph all states and regional economic integration
organizations, pending entry into force of a protocol, to control their emissions
of CFCs, inter alia in aerosols, by any means at their disposal, including controls
on production or use, to the maximum extent practicable;

1. Calls upon all states and regional international organizations, which have not
done so yet, to respond to operative paragraph 6 of the above mentioned resolution.
2. Appeals to all states, which have not yet done so, to sign and/or to ratify
the Vienna Convention on the Protection of the Ozone Layer,

3. Urges all states which have not participated in the Montreal Conference of Plenipotentiaries to sign and ratify the Montreal Protocol on substances that deplete the Ozone Layer.

4. Requests the Executive Director of UNEP to convey this Resolution to the Secretary General of the United Nations and to circulate it to all member states.



United Nations
Environment
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Distr.
LIMITED



UNEP/IG.79/4
14 September 1987

ORIGINAL: English

Conference of Plenipotentiaries on the
Protocol on Chlorofluorocarbons to the
Vienna Convention for the Protection of
the Ozone Layer

Montreal, 14-16 September 1987

RESOLUTION ON THE EXCHANGE OF TECHNICAL INFORMATION

Suggestion submitted by a number of countries (Argentina, Canada, China
Denmark, Egypt, Ghana, New Zealand, Norway, Senegal, Sweden and Switzerland)

The Conference

Having adopted the Montreal Protocol on Substances that Deplete the
Ozone Layer

Realizing the importance of reducing as quickly as possible the
emissions of these substances

Recognizing the need for an early exchange of information on technologies
and strategies to achieve this

1. Requests - pending the entry into force of the Protocol and the first meeting of the Parties - the Executive Director of UNEP to make appropriate arrangements to facilitate the exchange of information on technology referred to in Articles 8 and 9 of the Protocol;
2. Appeals to interested parties to sponsor, in cooperation with UNEP and at the earliest opportunity, a workshop with the aim of
 - exchanging information on technologies and administrative strategies for reducing emissions of the controlled substances and for developing alternatives
 - identifying areas in which further research and technical development is required;
3. Urges all nations to participate in and contribute to such a workshop and to make expeditious use of the information so gained in order to reduce the emissions of the controlled substances and to develop alternatives.

3047

UNCLASSIFIED
ICAO:9/15/87
ICAO:DSCHIELE
ICAO:SBUTCHER:MBR
ICAO:RBENEDICK
ICAO CG ECON

AMCONSUL MONTREAL
SECSTATE WASHDC, IMMEDIATE

FROM USMISSION ICAO

DEPT. FOR OES, J. NEGROPONTE AN PASS TO WHITE
HOUSE/DPC, R. BLEDSOE, EPA, USTR, COMMERCE, ENERGY.

E.O. 12356: N/A
TAGS: SENV, ETRD, UNEP
SUBJECT: OZONE PROTOCOL NEGOTIATIONS (MONTREAL)
-- STATUS REPORT

REF: A) MONTREAL 2997 B) MONTREAL 3027

DS
SB
REB
V

1. FOLLOWING IS STATUS AS OF 11:00 TUESDAY FOLLOWING LATE-NIGHT AND EARLY MORNING MEETINGS.

2. ENTRY INTO FORCE AND VOTING: THE US DELEGATION HAS TAKEN A STRONG STAND ON THESE ISSUES, BUT FACED STRONG OPPOSITION. RESOLUTION OF ALL OTHER ISSUES APPEARS TO BE WITHIN REACH. ATMOSPHERE DEVELOPING IS THAT IF THE NEGOTIATIONS STALEMATE ON THIS ISSUE, ALL FINGERS WILL POINT AT U.S. THE USG THEREFORE NOW NEEDS TO DECIDE WHETHER WE CAN ACCEPT THE FOLLOWING PACKAGE:

ART. 15 (ENTRY INTO FORCE): ELEVEN COUNTRIES REPRESENTING TWO-THIRDS OF GLOBAL CONSUMPTION:

ART. 2, PARA 4 (TO CHANGE THE FIFTY PERCENT REDUCTION): TWO-THIRDS OF PARTIES REPRESENTING TWO-THIRDS OF PARTIES' CONSUMPTION;

ART. 2, PARA 5 (FURTHER ADJUSTMENTS AND REDUCTIONS): DECISIONS, WHICH WOULD BE BINDING ON ALL PARTIES, REQUIRE TWO-THIRDS OF PARTIES REPRESENTING FIFTY PERCENT OF PARTIES' CONSUMPTION:

ART. 2, PARA 5BIS (ADDITION OF CHEMICALS): TWO-THIRDS OF PARTIES. NO REQUIREMENT FOR A PERCENTAGE OF CONSUMPTION IS NEEDED. ADDITION OF CHEMICALS WOULD BE SUBJECT TO ARTICLE 9 OF THE CONVENTION, AND THUS WOULD BE BINDING ONLY ON PARTIES WHICH RATIFY THE AMENDMENT.

2. REIO: PARTICIPANTS CONSIDER THIS A MATTER TO BE WORKED OUT BETWEEN THE U.S. AND EC. IN DISCUSSIONS WITH REPRESENTATIVES OF EC COMMISSION AND MEMBER STATES, WE HAVE DEVELOPED LANGUAGE WHICH WOULD PROVIDE THAT PARTIES WHICH ARE MEMBERS OF A REIO MAY JOINTLY FULFIL THEIR OBLIGATIONS UNDER ARTICLE 2 RESPECTING CONSUMPTION PROVIDED (1) THAT THEIR TOTAL COMBINED CALCULATED CONSUMPTION DOES NOT EXCEED

THE LEVELS REQUIRED BY ART. 2; (2) THAT ALL MEMBER STATES OF THE REIO ARE PARTIES TO THE PROTOCOL; AND (3) THAT THE ORGANIZATION HAS NOTIFIED THE SECRETARIAT OF THE MANNER IN WHICH IT WILL IMPLEMENT THIS PROVISION.

5. GRANDFATHER CLAUSE FOR PRODUCTION PLANNED BEFORE ADOPTION OF THE PROTOCOL: SOVIETS WOULD AGREE TO DROP ALL ART. 2 BRACKETED REFERENCES TO 1990 IF THE FOLLOWING ADDITIONAL PARAGRAPH IS ADDED:

QUOTE A PARTY NOT OPERATING UNDER ARTICLE 5 THAT HAS FACILITIES FOR THE PRODUCTION OF CONTROLLED SUBSTANCES LISTED IN ANNEX A UNDER CONSTRUCTION OR CONTRACTED FOR PRIOR TO 16 SEPTEMBER 1987, AND PROVIDED FOR IN NATIONAL LEGISLATION PRIOR TO 1 JANUARY 1987, MAY ADD THE PRODUCTION FROM SUCH FACILITIES TO ITS 1986 BASE FOR PURPOSES OF THIS ARTICLE, PROVIDED THAT SUCH FACILITIES ARE COMPLETED BY 31 DECEMBER 1990 AND THAT SUCH PRODUCTION DOES NOT RAISE THE ANNUAL PER CAPITA CONSUMPTION OF THE CONTROLLED SUBSTANCES OF THE PARTY ABOVE 0.5 KG. END QUOTE

THIS WOULD PROVIDE AN INCENTIVE FOR THE USSR, SOUTH KOREA AND MALAYSIA TO JOIN THE PROTOCOL AND THEREFORE BE OBLIGATED TO REDUCE CONSUMPTION BY 50 PERCENT BY 1999, ALONG WITH THE DEVELOPED COUNTRIES. IF THEY DID NOT JOIN THE PROTOCOL, THEY WOULD NOT BE LIMITED AT ALL. WHILE SOUTH KOREA AND MALAYSIA WOULD IN THAT CASE BE HIT BY THE TRADE ARTICLE, THE USSR, WHICH DOES NOT EXPORT OUTSIDE THE EAST BLOC, WOULD NOT BE AFFECTED BY THE TRADE ARTICLE. THE HEAD USSR REPRESENTATIVES STATES IN A MEETING WITH OVER A DOZEN OTHER DELEGATION HEADS THAT WITH THIS PARAGRAPH, THE SOVIETS COULD SIGN THE PROTOCOL.

THIS PROVISION IS BEING SUBMITTED TO AFTERNOON PLENARY AS PROPOSED BY CONFERENCE PRESIDENT LANG, AND IS LIKELY NOT BE BE OPPOSED.

6. TRADE/DEVELOPING COUNTRIES: NO CHANGE IN PACKAGE DESCRIBED IN REF A, PARA 6.

7. EFFECTIVE DATES: INTENSE DISCUSSION DEVELOPED WHEN IT BECAME CLEAR THAT THE EC INTERPRETED ARTICLE 2 REQUIREMENTS TO BE EFFECTIVE ONLY IN THE YEAR FOLLOWING THE INDICATED DATE (E.G., WE INTERPRETED REQUIREMENT FOR A 20 PERCENT REDUCTION QUOTE BY JANUARY 1, 1994 UNQUOTE AS MEANING THAT FULL-YEAR 1993 CONSUMPTION HAD TO BE 20 PERCENT BELOW 1986 LEVEL; EC INTERPRETED IT TO MEAN FULL-YEAR 1994 CONSUMPTION HAD TO BE 20 PERCENT BELOW 1986). RESULT WAS TO SPLIT THE DIFFERENCE -- NEW TEXT WILL BE CLEAR THAT EFFECTIVE YEAR FOR CALCULATING THE FREEZE IS THE TWELVE MONTHS BEGINNING ON THE FIRST DAY OF THE SEVENTH MONTH AFTER EIF: FOR THE PARA 3 (20 PERCENT) REDUCTION IT WOULD BE JULY 1, 1993-JUNE 30, 1994; AND FOR THE PARA 4 (50 PERCENT) REDUCTION IT WOULD BE JULY 1, 1998-JUNE 30, 1999. STOHR##

OZONE LAYER DIPLOMATIC CONFERENCE - SCHEDULE OF EVENTS - SEPTEMBER 1987

Aug. 24/87

	Tue. 8	Wed. 9	Thurs.10	Fri. 11	Sat. 12	Sun. 13	Mon. 14	Tue. 15	Wed. 16
9:30	8:00-9:30 Registration		Drafting Groups				8:00 Registration	Meeting. 9:30 Tolba/ Heads of delegation meeting	Meeting convenes for final review of text
AM	Technical Negotiations Plenary Working Groups -Control measures -Trade - LCC issue	Working Groups Plenary Discussions	Technical Negotiations on Trade and LDC Issue Discussion on Working Group Reports	Translation to Six Languages		BUS TOUR Departs ICAO 0930	Press Conf. (Tolba)9:00 Meeting opens 10:00		
12:30		LUNCH				Lunch at Chateau Montebello 13:30			
14:00	Technical Negotiations (Plenary)	Working Groups continue	Technical Negotiations Drafting Groups	Review of Meeting Report	FREE TIME	Arrive ICAO 17:00	Discussion on unresolved issues	Translations Working Groups	14:00 -Signing Ceremony -Press Conf. 14:30-approx Press Conf. UNEP(Tolba)/ Chairman (Lang) 15:00-approx McMILLAN -Champagne Ceremony (CANADA to host)15:30
PM	Plenary progress reports		Translation to Languages		(Shopping and Sightseeing in Montreal)	19:00 Du Pont- hosted dinner and show - (Queen Elizabeth Hotel)			
17:30									
E v e n i n g	Press Conf. Usher/ Rummel- Bulska UNEP reception 18:00-19:30 Delegates' Lounge			External Affairs Hospitality ICAO Delegates' Lounge 18:30-20:00			ALCAN Reception and tour of Da Vinci Exhibit 18:30 Musée des Beaux Arts	17:30-buses depart ICAO for Montreal City hall. City of Montreal Reception 18:30	News Coverage anticipated

2997

OUTGOING TELEGRAM

~~CONFIDENTIAL~~

ICAO:09/10/87
ICAO:JSJAMISON
ICAO:BLONG:MBR
ICAO:RBENEDICK
ICAO CG ECON

AMCONSUL MONTREAL
SECSTATE WASHDC, IMMEDIATE

FROM USMISSION ICAO

DEPT. FOR OES, J. NEGROPONTE AND PASS TO EPA,
L. THOMAS AND WHITE HOUSE/DPC, R. BLEDSOE

E.O. 12356: DECL: OADR
TAGS: SENV, ETRD, UNEP
SUG**SUBJECT: OZONE PROTOCOL NEGOTIATIONS (MONTREAL) <<***
-- STATUS REPORT

- 1. (e - ENTIRE TEXT).

INITIALS
DATE
TIME
BY

[Handwritten initials and signatures]

DECLASSIFIED / RELEASED

NLS FOO-013 #43

BY smj, NARA, DATE 1/9/03

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1. FOLLOWING PROVIDES STATUS AS OF 5 P.M. THURSDAY OF FAST-PACED NEGOTIATIONS WHICH HAVE INVOLVED NIGHT SESSIONS SINCE MONDAY. WHILE SIGNIFICANT PROGRESS IS BEING MADE, COMPLEX ISSUES REMAIN. SCHEDULE CALLS FOR AVAILABILITY OF COMPLETE TEXT (WITH BRACKETED LANGUAGE) BY FRIDAY AFTERNOON. HOWEVER, THIS MAY NOT E*BE ACHIEVABLE, AND THERE ARE RUMORS NOW THA**OF WEEKEND SESSIONS. BECAUSE OF UNANTICIPATED DEADLOCKS THURSDAY, UNEP EXECUTIVE DIRECTOR TOLBA CANCELLED TRIP TO ADDRESS WILDLIFE CONFERENCE IN COLORADO, WHICH WOULD HAVE KEPT HIM AWAY FROM COM**CONFERENCE THRU**THURSDAY NIGHT TO SATURDAY NIGHT. USDEL WILL CABLE FULL TEXT IMMEDIATELY AS IT BECOMES AVAILABLE. GIVEN TRADEO**TRADE-OFFS ON LINKAGES AMONG VARIOUS ARTICLES, IT DOES NOT SEEM USEFUL TO SEND TEXT PIECEMEAL. MUCH OF WHAT FOLLOWS REPRESENTS TENTATIVE, INFORMAL F*VIEWS AND DECISIONS, SINCE EVERYONE IS WAITING TO SEE HOW PIECES (DEVELOPED IN NUMEROUS WORKING GROUPS) FIT TOGETHER, AND WHAT TRADE-OFFS CAN BE MADE.

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2. ATMOSPHERICS - NEGOTIATIONS ATTENDED BY 31**
31 COUNTRIES, PLUS EUROPEAN COMMUNITY. IN CONTRAC**
CONTRAST TO PREVIOUS ROUNDS, DEVELOPING COUNTRY
PARTICIPATION IS MUCH MORE ACTIVE AND BETTER
COORDINATED THROUGH ATTENDANCE OF CHINA, PEU**R*
PERU, INDONESIA, KUWAIT, YEMEN, PHILIPPINES AND
TUNISIA IN ADDITION TO ARGENTIA**ARGENTINA, BRAZIL,
COLOMBIA, EGYPT, GHANA, KENYA, MEXICO, AND
VENEZUELA. DISCUSSIONS CHARACTERIZED BY DETERMINED
OPTIMISM THAT EFFECTIVE PROTOCOL CAN AND MUST BE
ACHIEVED BY END OF DIPLOMATIC CONFERENCE NEXT
WEDNESDAY. INDII**INDIVIDUAL EC MEMBER STATES
MUCH MORE OPEN AND ENGAGED TA**THAN IN PAST WHEN
THEY E*DEFERRED TO COMMISSION: AND U.S.<**U.S.-EC
RELATIONSI**RELATIONSI**RELATIONSHIP ALSO CLOSER
AND MORE COOPERATIVE. A MAJOR BREAKTHROUGH IS
JAPAN,**JAPAN, WHICH IS PASSIVELY, IF NOT OPENLY,
SUPPORTING NEARLY ALL U.S. POSITIONS.**POSITIN**
POSITIONS, REPRESENTING CRITICAL CHANGE IN PI**
PRIOR JAPANESE POSITION ON HALONS AND 50 PERCENT
REDUCTIN**REDUCTION. JAPANESE REPS ARE NEARLY
CERTAIN THAT JAPAN WILL SIGN PROTOCOL NEXT WEEK,
BARRING TECHNICAL DELAY IN FINAL INSTRUCTIN**
INSTRUCTION FROM TOKYO.

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3. STATUS AND PRINCIPAL ISSUES (BY ARTICLE).

(A) ARTICLE 1 (DEFINITIONS AND SCOPE) - DEFINITIONS BEING ADJUSTED, IN PARTICULAR TO FIND NON-QUANTITATIVE MEANS OF DEFINING BULK ST**SUBSTANCES (I.E., AS A REPLACEMENT FOR QUOTE 20 PERCENT BY WEIGHT OR VOLUME UNQUOTE EXPRESSION). NO MAJOR PROBLEMS, ALTHOUGH U.K. HAS PROPOSED DEFINITION OF CONTROLLED SUBSTANCES THAT EXCLUDES CFC 502, WHICH CONTAINS 50 PERCENT OF CFC 115. U.S. IS OPPOSING THIS PROPOSAL AND HAS OFFERED ALTERNATIVE DEFINITION.

(B) ARTICLE 2 (CONTO**CONTROL MEASURES O**MEASURES) -

(I) BASE YEAR - SOVIETS ARGUING FOR 1990 BASE YEAR BECAUSE THEIR 1986-1990 NATIONAL PLAN CALLS FOR NEW CFC PRODUCTION CAPACITY TO MEET INTERNAL CONSUMPTION. U.S., EC, NORDICS, CANADA, NEW ZEALAND, OBJECTION**OBJECTING, WHILE TRYING TO EXPLORE OPTIONS WHICH MIGHT ENCOURAGE ASS**ACCESSION BY SOVIETS AS WELL AS OTHER MEDIUM/LOW-CONSUMING GOUNTRIES.** COUNTRIES. THURSDAY A.M. SOVIETS INSISTED ON LEeway TO REACH 0.5 KG. PER CAPA**CAPITA TO ESTABLISH THEIR BASE FOR FUTURE REDUCTIONS, WHICH WOULD IMPLY ADDITION TO GLOBAL PRODUCTION OF APPROXIMATELY 70-80,000 KILOTONS ABOVE EXISTING SOVIET PRODUCTION. THEY ARGUE THAT BECAUSE OF THEIR LOW EXISTING PER CAPITA CONSUMPTION N*AND LOW HISTORIC CONTRIBUTION TO THE OZONE DEPLETION PROBLEMS, THEY SHOULD BE GIVEN FLEXIBILITY TO INCREASE DOMESTIC CONSUMPTION BEFORE EMA**EMBARKING ON PHASE-DOWN SCHEDULE. SOVIETS ARE ADAMANT, BUT ISOLATED. THEY ALSO SEEM TO BE CONCERNED ABOUT NOT SIGNING PROTOCOL, AND SEEM GENERALLY CONFUSED A*BY THE FAST AND COMPLEX PACE OF NEGOTIATIONS ON THE CONTROL ARTICLE IN TOLBA'S QUOTE INFORMAL UNQUOTE WORKING GROUPS, WHA**WHICH ARE HELD ONLY IN ENGLISH.

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(II) REGULATORY MEASURES - SCENARIO OF CFC FREEZE - 20 PERCENT REDUCTION - ADDITIONAL 30 PERCENT REDUCTION APPEAS**APPEARS TO HAVE BEEN ACCEPTED BY ALL. ISSUE REMAINS OVER TIMING, WITH CONSENSUS BUILDING FOR 10-YEAR PERIOD (RATHER TA**TA**THAN 8 YEARS) WITH FIRM ANCHOR DATE OF JANUARY 1, 1999 FOR REACHING E*SECOND REDUCTION STEP (I.E., 50 PERCENT TOTAL REDUCTION). EC (PRESSED BY U.K. AND FRANCE) SUGGESTS FIRST CUT OF 20 PERCENT TO TAKE EFFECT JANUARY 1, 1994, RATHER THAN IN 4 ye**YEARS AFTER ENTRY INTO FORCE (EIF), AS IN PREVIOUS TEXTS. Fre**FREEZE IS NOW AGREED AT ONE YEAR AFTER EIF (SEE ARTICLE 15, BELOW).

(III) HALONS - AFTER MORE**MOVE BY EC COMMISSION, PLUS U.K. AND FRANCE, TO ELIMINATE HALONS FROM PROTOCOL AND COVER THEM MERELY WITH CONFERENCE RESOLUTION CALLING FOR QUOTE FUTURE DECISION BY PARTIES UNQUOTE**UNQUOTE, EC NOW APPARENTLY WILLING TO ACCEPT HALONS WITHIN PROTOCOL, WITH A FREEZE ON CONSUMPTION AFTER THREE YEARS,**YEARS OF EIF, AS IN EARLIER TEXT. THIS WOULD BE IN EXCHNA** EXCHANGE FOR AGREEMENT TO STRETCH OUT 50 PERCENT REDUCTION FROM 8 TO 10 YEARS (SEE PRECEEDIG** PRECEDING PARAGRAPH).

(IV) DECISION-MAKING <* - AFTER INII**INITIAL U.S. EFFORT TO MAKE DECISIONS ON POSSIBLE REVERSAL OF CONR**CONTROLS AND OTHER ADJUSTMENTS TO PROTOCOL (E.G., ADDITIONAL**ADDITION? **ADDITION/SUBTRACTION OF CHEMICALS; FURTHER REDUCTION STEPH**STEPS) TO REQUIRE QUOTE TWO-THIRDS MAJORITY REPRESENTING AT LEAST 90 PERCENT OF GLOBAL CONSUMPTION UNQUOTE WAS RE**UNIVERSALLY REJECTED, U.S. IS CURRENTLY PUSHING FOR 67 PERCENT. DEBATE ON THIS NOT SUFFICIENTLY ADVANCED TO JUDGE LIKELY OUTCOME, WITH MANY COUNTRIES CLEARLY FAVORING NO WEIGHTING FACTOR AT ALL.

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(V) CONTROL QUOTE FORMULA UNQUOTE - FORMULA FOR CONTROLLING PRODUCTION/CONSUMPTION REMAINS** REMAINS A CENTRAL ISSUE, ALTHOUGH PROGRESS HAS BEEN MADE IN RESOLVING SPLIT OVER ADJUSTED PRODUCTION (C EQUALS P PLUS I MINUS #* E) AS FAVORED BY U.S., CANADA, NEW ZEALAND AND NORDICS AND E.C. STRAIGHT PRODUCTION APPROACH. BILATERALS ON SUNDAY AND TOLBA GROUP DISCUSSIONS MONDAY.**MONDAY MADE CLEAR THAT THE EC ARRIVED JUST AS COMMITTED TO PRODUCTION CONTROLS AS U.S., CANADA AND NEW ZEALAND WERE TO CONSUMPTION CONTROLS. NORDICS AND JAPANESE FAVORED CONSUMPTION CONTROLS, BUT MADE CLEAR THEY WERE WILLING TO ACCEPT THE COMBINED CONTROLS IN THE SEVENTH REVIE**REVISED DRAFT TEXT AS A QUOTE COMPROMISEU**COMPROMISE UNQUOTE. USDEL BELIEVES THAT PROPOSAL (DESCRIBED BELOW) REPRESENTS SOUND CONCEPT COMPATIBLE WITH U.S. OBJECTIVES AND INTERESTS. APPROACH T*IS TO PROVIDE FOR GAP BETWEEN CONSUMPTION AND PRODUCTION TARGETS FOR INDIVIDUAL COUNTRIES (AT EACH SA**STAGE OF FREEZE/REDUCTION SCENARIO) WI**WHICH WOULD ALLOW THE EXCELL**ES**EXCESS PRODUCTION CAPACITY TO MEET THE NEEDE**NEEDS OF DEVELOPING COUT**COUNC**COUNTRIES AND ALSO PROVIDE FOR QUOTE RATIONALIA**RATIONALIZATION UNQUOTE OF PRODUCTION AMONG PRODUCING COUNTRIES BY ENABLING, E.G. U.S. TO INCREASE PRODUCTION TO MEET CANADIAN NEEDS IF LATTER LC**CLOSES PLANT WI**WHICH BECOMES INEFFICE**INEFFICIENT AFTER REDUCTION CONTROLS TAKE EFFECT. BECAUSE O*PRODUCTION INCREASES IN SOME S*COUNTRIES WOULD BE OFFSET BY DECREASES IN OTHER COUNTRIES, THE NET EFFECT ON GLOBAL CONSUMPTION WOULD BE NEUTRAL (EXCEPT FOR THE ADDITIONAL CONSUMPTION MEASURES**MARGIN ALLOWED TO LOW-CONSUMING DEVELOPING COUNTRIES (SEE ARTICLE 5 BELOW).

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(C) ARTICLE 3 - CALCULATIN OF***

(C) ARTICLE 3-CALCULATION OF CONTROL LEVELS - ONLY ISSUE INCLUDES CONCERN OF SEVERAL COUNTRIES ABOUT ACCURACY OF OZONE DEPLETION POTENTIALS AND SUBB**SUGGESTION THAT THEY BE DROPPED AS A FACTOR IN CALCULATING EMISSIONS. USDEL BELIEVES THIS WILL BE TURNED ASIDE, AS WE AND OTHERS HAVE ARGUED FOR THE NEED TO INCLUDE DEPLETING POTENTIAL.

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(#**

(E) ARTICLE 5-(LOC**LOW<***

(E) ARTICLE 5-(LOW-CONSUMING COUNTRIES) - USDEL MANAGED TO GET TITLE (AND CONS**CONCEPT) AMENDED TO RESTRICT THIS EXEMPTION?** EXEMPTION/GRACE PERIOD TO DEVELOPING COUNTRIES (I.E., WHICH WOULD E.** ELIMINATE USSR FROM POSSIBLE QUALIFICATIN**QUALIFICATION). DEVELOPING COUNTI**DEVELOP***). DEVELOPING COUNTRIES, LED BY BRAZIL, ARGENTINA, GHANA, VENEZUELA AND CHINA ARE NOW PRESSING FOR CFC CONSUMPTION LEVEL TO BE SET AT 0.3 KG/CAPITAL** KG/CAPITA (RATHER THAN 0.1 OR 0.2 AS IN PREVIOUS TEXT.) USDEL INSISTING ON LOWER NUMBER, BUT PREPARED TO ACD**ACCEPT 0.3 FIGURE IN INTEREST OF ATTRACTING CHINA AND OTHER LDCS. THIS IS CONSISTENT WITH INTERAGENCY DISCUSSIONS IN WASHINGTON LAST WEEK AND U.S. INDUSTRY VIEWS EXPRESSED PRIVATELY DURING THESE NEGOTIATIONS. CONSENSUS HAS BEEN REACHED THAT GRACE PERIOD WILL EXTEND FOR 0*10 YEARS. DURING THAT TIME LDCS THAT REACH AGREED-UPON CONSUMPTION LEVEL AS CONSUMPTION GROWS WOULD THEN BE FROZEN AT THAT LEVEL.

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DEVELOPING COUNTRIES WOULD THEN A*FOLO**FOLLOW THE REDUCTION SCHEDULE TO 80 PERCENT AND THEN 50 PERCENT, DELAYED BY TEN YEARS FROM THE YEARS WHEN OTHER COUNTRIES MUST COMPLY. DEVELOPING COUNR**COUNTRIES NOW ABOVE THE AR**AGREED LEVEL (0.2 OR 0.3) WOULD BE REQUIRED TO REDUCE TO THAT LEVEL BUT NOT TO MAKE FURTHER REDUCTIONS DURING THE INITIAL 10 YEAR GRACE PERIOD.

(F) ARTICLE 6 - (REVIEW AND ASSESSMENT) - USE** USDEL INTRODUCED LANGUATE**LANGUAGE TO ENSURE THAT SCIENTIFIC/TECHNICAL/ECONOMIC REVIEW, AND ASSESSMENTS BY PARTIES, ARE KEPT TO MAIN DECISION O*PON**POINTS OF REGULATORY CONTROL SCHEDULE. WE FURTHER PROPOSED ESTABLISHMENT OF EXPERTS PANEL ON TECHNOLOGY** TECHNILOC**TECHNOLOGICAL/ECONOMIC ASPECTS IN ADDITION TO PREVIOUSLY AGREED-UPON SCIENTIFIC GROUP.

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(G) ARTICLES 7 - 17, DATA-TECHNICAL ASSISTANCE MEETING OF PARTIES, ETC. -<** WITH EXCEPTION OF ARTICLE 15, BELOW, NO MAJOR ISSUES REMAIN. U.K. RAISED DATA CONFIDENTIALITY ISSUE U*EARLY IN WEEK BUT N*HAVE NOT PRESSED ANY LANGUAGE CHANGES: AND JAA**PA**JAPAN QUA**QUESTIONING FINANCIAL MECHANISM.

(H) ARTICLE 15 (ENTRY INTO FORCE) - AS ENVISIONED, THIS REMAINS MAJOR SU**STUMBLING BLOCK. UNEPT** UNEP EX DIR TOLBA CHARACTERIZED EIF AND** THIS A.M. AS QUOTE THE MAJOR PROBLEM, GIVEN TRIO OF FIRMLY HELD POSITIONS UNQO**UNQUOTE. HE DESCRIBED THESE AS QUOTE FAMOUS AND WELL-KNOWN U.S. 90 PERCENT PRODUCTION APPROACH: (2)** WHICH HE OBSERVED HAD NO SUPPORT; (2) TO**THOSE COUNTRIES WHICH FAVOR NO WEIGHTE**WEIGHTING AT ALL; and**AND(3) HIS OWN COMPROMISE OF 60 PERCENT. (ACTUALLY, USSR SUPPORTED 90 PERCENT. EC AND JAPAN APPEAR TO HAVE NO PROBLEM WITH 60 PERCENT.) PROBLEM OF EIF REQUIREMENT WAS EXACERBATED WHEN EC COMMISSION REPRESENTATIVE BRINKHORST ADMITTED THAT EC ASSESSION WOULD NOT CARRY WITH IT THE ABILITY TO BRING IN AND COMMITT ALL MEMBER NATIONS. RATHER, MEMBER STATES ENJOY SOVERI**SOVEREIGNTY OF JOINING OR NOT JOINING, SO THAT EACH WOULD B*PROBABLY JOIN SEPARATELY** SEPERATELY**SEPARATELY, ADDITION T*** SEPARATELY, ADDING THEIR VOTES AND INDIVIDUAL CONSUMPTION PERCENTAGES SERIALY. THUS, THE IMPRESSION OF U.S. AND ALL OTHERS UP O*UNTIL NOW THAT WHEN E.C. JOINS IT WIL**WOULD REPRESENT OVER 40 PERCENT OF GLOBAL PRODUCTION WAS ERRONEOUS. AT THIS POINT ANY SUPPORT O*U.S. HOPED TO E*GET FOR SOMETHING CLOSE TO 90 PERCENT REQUIREMENT EVAPORATED. BRINKHORST STATED THAT THE 9 EC MEMBERS IN ATTENA** ATTENDANCE WILL ALL SIGN AND RATIFY. (NON<** (NON-ATTENDEES ARE IRELAND, GREECE AND PR**PORTUGAL.)

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HE ALSO PROPOSED ADDING QUOTE DATES CERTAIN UNQUOTE TO ENTRY INTO FORCE AND THE CONR** CONTROL SCHEDULE WIHI**WHICH WOULD CALL FOR E.**E.G., EIF TO OCCUR BY JANUARY 1, 1989 WITH THE FREEX** FREEZE TWELVE MOT**MONTHS LATER AND REDUCTION STEPS AS DESCRIBED ABOVE. (EIF WOULD STILL BE SUBJECT TO NUMBER OF RATIFICATION AND PERCENTAE** PERCENTAGE OF GLOBAL CONSUMPTION REQUIRED.) WHILE LARGELY SU**SYMBOLIC, THE EIF DATE WOULD HELF** HELP THE COMMISSION AND MORE PROGRESSIVE EC MEMBERS TO HEL**GENERATE PRESSURE ON OTHER EC MEMBERS TO RAI**RATIFY (ACCORDING TO BRINKHORST AND REPS OF FRG, BELGIUM AND E*DENMARK). NEGOTIATIO** NEGOTIATORS**NEGOTIATIONS CONTINUING ON THIS IEEU** ISSUE, WITH U.S. HOLDING FIRM TO ITS 90 PERCENT POSITION. THIS WO**WILL UNDDOU**UNDOUBTEDLY BE ONE OF SEVERAL ISSUES A*CARRIED OVER T*INTO DIPLOMATIC CONFERENCE. IT IS CLEAR THAT MOST COUNTRIES WILLING TO ACCEPT 11 countr88** COUNTRY RATIFICATIONS, RATHER THAN 9, TO BRING PROTOCOL, INTO EFFECT.

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(I) REIO ISSUE: THE EC REMAINS INSISTENT THAT THE PROTOCOO**R*PROTOCOL INCLUDE PROVISIONS WHICH PERMIT REIO-MEMBER STATES TO FULFU**FULFILL THEIR OBLIGATIONS UNDER ARTICLE 2 (CONTROL MEASURES) JOINTLY. THEIR NEW PROPOSAL LIMITS JOINT TREATMENT ONLY TO MEMBER STATES OF SUCH ORGANIZATIONS THAT ARE PARTIES TO THE PROTOCOL AND REQUIRES THAT SUCH STATES' JOINT PRODUCTION/CONSUMPTION NOT EXCEED LEVELS SET IN ARTICLE 2. SIGNIFICANTLY, THE NEW PROPOSAL DOES NOT PROVIDE FOR GROUP COMPLIANCE FOR ARTICLE 4 (CONTROL OF TRADE WITH NON-PARTIES). PROTOCOL WILL MOST LIKL**LIKELY BE QUOTE MIXED UNQUOTE AGREEMENT FOR THE EC, THAT IS, BOTH THE ORGANIZATION AND MEMBER STATES WILL BECOME PARTIES. EC COMMISSION REPRESENA**REPRESENTATIVES HAVE INDICATED THAT THEY EXPECT ALL OR VIRTUALLY ALL EC-MEMBER STATES TO JOIN THE PROTOCOL, AND HAVE STRESSED THE STRONG ENFORCEMENT ROLE THE COMMISSION INTENDS TO PLAY VIS-A-VIS ITS MEMBER STATES REGARDING IMPLEMENTATION OF TE**THE PROTOCOL. U.S. AND OTHER DELEGATIONS HAVE(**ARE STUDYING THE NEW EC PO**PROPOSAL IN CONJUNCTION WITH OTHER DEVELOPMENTS. STOHR##

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NLS FOO-013 # 44

WHITE HOUSE SITUATION ROOM

BY smf, NARA, DATE 1/9/03

PAGE 01 OF 03

PRT: BLESDFE
SIT: EOB VAX

<PREC> IMMEDIATE <CLAS> CONFIDENTIAL <DTG> 111252Z SEP 87

FM AMCONSUL MONTREAL

TO SECSTATE WASHDC IMMEDIATE 0515

~~CONFIDENTIAL~~ SECTION 01 OF 04 MONTREAL 02997

FROM USMISSION ICAO

DEPT. FOR OES, J. NEGROPONTE AND PASS TO EPA,
L. THOMAS AND WHITE HOUSE/DPC, R. BLEDSE

E.O. 12356: DECL: OADR

TAGS: SENY, ETRD, UNEP

SUBJECT: OZONE PROTOCOL NEGOTIATIONS (MONTREAL)

-- STATUS REPORT

1. ~~CONFIDENTIAL~~ - ENTIRE TEXT).

2. FOLLOWING PROVIDES STATUS AS OF 3 P.M. THURSDAY OF FAST-PACED NEGOTIATIONS WHICH HAVE INVOLVED NIGHT SESSIONS SINCE MONDAY. WHILE SIGNIFICANT PROGRESS IS BEING MADE, COMPLEX ISSUES REMAIN. SCHEDULE CALLS FOR AVAILABILITY OF COMPLETE TEXT (WITH BRACKETED LANGUAGE) BY FRIDAY AFTERNOON. HOWEVER, THIS MAY NOT BE ACHIEVABLE, AND THERE ARE RUMORS NOW OF WEEKEND SESSIONS. BECAUSE OF UNANTICIPATED DEADLOCKS THURSDAY, UNEP EXECUTIVE DIRECTOR TOLBA CANCELLED TRIP TO ADDRESS WILDLIFE CONFERENCE IN COLORADO, WHICH WOULD HAVE KEPT HIM AWAY FROM CONFERENCE THURSDAY NIGHT TO SATURDAY NIGHT. USDEL WILL CABLE FULL TEXT IMMEDIATELY AS IT BECOMES AVAILABLE. GIVEN TRADE-OFFS ON LINKAGES AMONG VARIOUS ARTICLES, IT DOES NOT SEEM USEFUL TO SEND TEXT PIECEMEAL. MUCH OF WHAT FOLLOWS REPRESENTS TENTATIVE, INFORMAL VIEWS AND DECISIONS, SINCE EVERYONE IS WAITING TO SEE HOW PIECES (DEVELOPED IN NUMEROUS WORKING GROUPS) FIT TOGETHER, AND WHAT TRADE-OFFS CAN BE MADE.

3. ATMOSPHERICS - NEGOTIATIONS ATTENDED BY 31 COUNTRIES, PLUS EUROPEAN COMMUNITY. IN CONTRAST TO PREVIOUS ROUNDS, DEVELOPING COUNTRY PARTICIPATION IS MUCH MORE ACTIVE AND BETTER COORDINATED THROUGH ATTENDANCE OF CHINA, PERU, INDONESIA, KUWAIT, YEMEN, PHILIPPINES AND TUNISIA IN ADDITION TO ARGENTINA, BRAZIL, COLOMBIA, EGYPT, GHANA, KENYA, MEXICO, AND VENEZUELA. DISCUSSIONS CHARACTERIZED BY DETERMINED OPTIMISM THAT EFFECTIVE PROTOCOL CAN AND MUST BE ACHIEVED BY END OF DIPLOMATIC CONFERENCE NEXT WEDNESDAY. INDIVIDUAL EC MEMBER STATES MUCH MORE OPEN AND ENGAGED THAN IN PAST WHEN THEY DEFERRED TO COMMISSION; AND U.S.-EC RELATIONSHIP ALSO CLOSER AND MORE COOPERATIVE. A MAJOR BREAKTHROUGH IS JAPAN, WHICH IS PASSIVELY, IF NOT OPENLY, SUPPORTING NEARLY ALL U.S. POSITIONS, REPRESENTING CRITICAL CHANGE IN PRIOR JAPANESE POSITION ON HALONS AND 50 PERCENT

REDUCTION. JAPANESE REPS ARE NEARLY CERTAIN THAT JAPAN WILL SIGN PROTOCOL NEXT WEEK, BARRING TECHNICAL DELAY IN FINAL INSTRUCTION FROM TOKYO.

4. STATUS AND PRINCIPAL ISSUES (BY ARTICLE).

(A) ARTICLE 1 (DEFINITIONS AND SCOPE) - DEFINITIONS BEING ADJUSTED, IN PARTICULAR TO FIND NON-QUANTITATIVE MEANS OF DEFINING BULK SUBSTANCES (I.E., AS A REPLACEMENT FOR QUOTE 20 PERCENT BY WEIGHT OR

VOLUME UNQUOTE EXPRESSION). NO MAJOR PROBLEMS, ALTHOUGH U.K. HAS PROPOSED DEFINITION OF CONTROLLED SUBSTANCES THAT EXCLUDES CFC 502, WHICH CONTAINS 50 PERCENT OF CFC 113. U.S. IS OPPOSING THIS PROPOSAL AND HAS OFFERED ALTERNATIVE DEFINITION.

(B) ARTICLE 2 CONTROL MEASURES) -

(I) BASE YEAR - SOVIETS ARGUING FOR 1990 BASE YEAR BECAUSE THEIR 1986-1990 NATIONAL PLAN CALLS FOR NEW CFC PRODUCTION CAPACITY TO MEET INTERNAL CONSUMPTION. U.S., EC, NORDICS, CANADA, NEW ZEALAND, OBJECTING, WHILE TRYING TO EXPLORE OPTIONS WHICH MIGHT ENCOURAGE ACCESSION BY SOVIETS AS WELL AS OTHER MEDIUM/LOW-CONSUMING COUNTRIES. THURSDAY A.M. SOVIETS INSISTED ON LEeway TO REACH 0.5 KG. PER CAPITA TO ESTABLISH THEIR BASE FOR FUTURE REDUCTIONS, WHICH WOULD IMPLY ADDITION TO GLOBAL PRODUCTION OF APPROXIMATELY 70-80,000 KILOTONS ABOVE EXISTING SOVIET PRODUCTION. THEY ARGUE THAT BECAUSE OF THEIR LOW EXISTING PER CAPITA CONSUMPTION AND LOW HISTORIC CONTRIBUTION TO THE OZONE DEPLETION PROBLEMS, THEY SHOULD BE GIVEN FLEXIBILITY TO INCREASE DOMESTIC CONSUMPTION BEFORE EMBARKING ON PHASE-DOWN SCHEDULE. SOVIETS ARE ADAMANT, BUT ISOLATED. THEY ALSO SEEM TO BE CONCERNED ABOUT NOT SIGNING PROTOCOL, AND SEEM GENERALLY CONFUSED BY THE FAST AND COMPLEX

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FROM USMISSION ICAO

DEPT. FOR OES, J. NEGROPONTE AND PASS TO EPA,
L. THOMAS AND WHITE HOUSE/DPC, R. BLEDSE

E.O. 12356: DECL: OADR

TAGS: SENY, ETRD, UNEP

SUBJECT: OZONE PROTOCOL NEGOTIATIONS (MONTREAL)

PAGE OF NEGOTIATIONS ON THE CONTROL ARTICLE IN TOLBA'S QUOTE INFORMAL UNQUOTE WORKING GROUPS, WHICH ARE HELD ONLY IN ENGLISH.

(I) REGULATORY MEASURES - SCENARIO OF CFC FREEZE - 20 PERCENT REDUCTION - ADDITIONAL 30 PERCENT REDUCTION APPEARS TO HAVE BEEN ACCEPTED BY ALL. ISSUE REMAINS OVER TIMING, WITH CONSENSUS BUILDING FOR 10-YEAR PERIOD (RATHER THAN 8 YEARS) WITH FIRM ANCHOR DATE OF JANUARY 1, 1999 FOR REACHING SECOND REDUCTION STEP (I.E., 50 PERCENT TOTAL REDUCTION). EC (PRESSED BY U.K. AND FRANCE) SUGGESTS FIRST CUT OF 20 PERCENT TO TAKE EFFECT JANUARY 1, 1994, RATHER THAN IN 4 YEARS AFTER ENTRY INTO FORCE (EIF), AS IN PREVIOUS TEXTS. FREEZE IS NOW AGREED AT ONE YEAR AFTER EIF

(SEE ARTICLE 15, BELOW).

(II) HALONS - AFTER MOVE BY EC COMMISSION, PLUS U.K. AND FRANCE, TO ELIMINATE HALONS FROM PROTOCOL AND COVER THEM MERELY WITH CONFERENCE RESOLUTION CALLING FOR QUOTE FUTURE DECISION BY PARTIES UNQUOTE, EC NOW APPARENTLY WILLING TO ACCEPT HALONS WITHIN PROTOCOL, WITH A FREEZE ON CONSUMPTION AFTER THREE YEARS OF EIF, AS IN EARLIER TEXT. THIS WOULD BE IN EXCHANGE FOR AGREEMENT TO STRETCH OUT 50 PERCENT REDUCTION FROM 8 TO 10 YEARS (SEE PRECEDING PARAGRAPH).

(IV) DECISION-MAKING - AFTER INITIAL U.S. EFFORT TO MAKE DECISIONS ON POSSIBLE REVERSAL OF CONTROLS AND OTHER ADJUSTMENTS TO PROTOCOL (E.G., ADDITION/SUBTRACTION OF CHEMICALS; FURTHER REDUCTION STEPS) TO REQUIRE QUOTE TWO-THIRDS MAJORITY REPRESENTING AT

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WHITE HOUSE SITUATION ROOM

PAGE 02 OF 03

LEAST 90 PERCENT OF GLOBAL CONSUMPTION UNQUOTE WAS UNIVERSALLY REJECTED, U.S. IS CURRENTLY PUSHING FOR 67 PERCENT. DEBATE ON THIS NOT SUFFICIENTLY ADVANCED TO JUDGE LIKELY OUTCOME, WITH MANY COUNTRIES CLEARLY FAVORING NO WEIGHTING FACTOR AT ALL.

(V) CONTROL QUOTE FORMULA UNQUOTE - FORMULA FOR CONTROLLING PRODUCTION/CONSUMPTION REMAINS A CENTRAL ISSUE, ALTHOUGH PROGRESS HAS BEEN MADE IN RESOLVING SPLIT OVER ADJUSTED PRODUCTION (C EQUALS P PLUS I MINUS E) AS FAVORED BY U.S., CANADA, NEW ZEALAND AND NORDICS AND E.C. STRAIGHT PRODUCTION APPROACH. BILATERALS ON SUNDAY AND TOLBA GROUP DISCUSSIONS MONDAY MADE CLEAR THAT THE EC ARRIVED JUST AS COMMITTED TO PRODUCTION CONTROLS AS U.S., CANADA AND NEW ZEALAND WERE TO CONSUMPTION CONTROLS. NORDICS AND JAPANESE FAVORED CONSUMPTION CONTROLS, BUT MADE CLEAR THEY WERE WILLING TO ACCEPT THE COMBINED CONTROLS IN THE SEVENTH REVISED DRAFT TEXT AS A QUOTE COMPROMISE UNQUOTE.

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L. THOMAS AND WHITE HOUSE/DPC, R. BLEDSOE

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#2987

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~~CONFIDENTIAL~~ SECTION 04 OF 04 MONTREAL #2987
FROM USMISSION ICAO

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WHITE HOUSE SITUATION ROOM

PAGE 03 OF 03

DEPT. FOR DES, J. NEGROPONTE AND PASS TO EPA,
L. THOMAS AND WHITE HOUSE/DPG, R. BLEDSOE
E.O. 12356: DECL: OADR
TAGS: SERV, ETRD, UNEP
SUBJECT: OZONE PROTOCOL NEGOTIATIONS (MONTREAL)
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NEGOTIATIONS CONTINUING ON THIS
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THE PROTOCOL INCLUDE PROVISIONS WHICH
PERMIT REIO-MEMBER STATES TO FULFILL THEIR
OBLIGATIONS UNDER ARTICLE 2 (CONTROL MEASURES)
JOINTLY. THEIR NEW PROPOSAL LIMITS JOINT TREATMENT
ONLY TO MEMBER STATES OF SUCH ORGANIZATIONS THAT
ARE PARTIES TO THE PROTOCOL AND REQUIRES
THAT SUCH STATES' JOINT PRODUCTION/CONSUMPTION
NOT EXCEED LEVELS SET IN ARTICLE 2. SIGNIFICANTLY,
THE NEW PROPOSAL DOES NOT PROVIDE FOR GROUP
COMPLIANCE FOR ARTICLE 4 (CONTROL OF TRADE WITH
NON-PARTIES). PROTOCOL WILL MOST LIKELY BE
QUOTE MIXED UNQUOTE AGREEMENT FOR THE EC, THAT IS,
BOTH THE ORGANIZATION AND MEMBER STATES WILL BECOME
PARTIES. EC COMMISSION REPRESENTATIVES
HAVE INDICATED THAT THEY EXPECT ALL OR VIRTUALLY
ALL EC-MEMBER STATES TO JOIN THE PROTOCOL, AND HAVE
STRESSED THE STRONG ENFORCEMENT ROLE THE COMMISSION
INTENDS TO PLAY VIS-A-VIS ITS MEMBER STATES
REGARDING IMPLEMENTATION OF THE PROTOCOL. U.S.
AND OTHER DELEGATIONS ARE STUDYING THE NEW
EC PROPOSAL IN CONJUNCTION WITH OTHER DEVELOPMENTS.
STOHR
BT
02997



United Nations Environment Programme



Distr.
LIMITED



UNEP/IG.79/4*
15 September 1987

ORIGINAL: English

Conference of Plenipotentiaries on the
Protocol on Chlorofluorocarbons to the
Vienna Convention for the Protection of
the Ozone Layer

Montreal, 14-16 September 1987

RESOLUTION ON THE EXCHANGE OF TECHNICAL INFORMATION

Suggestion submitted by a number of countries (Argentina, Canada, China, Denmark, Egypt, Ghana, Netherlands, New Zealand, Norway, Senegal, Sweden, Switzerland, United States, Union of Soviet Socialist Republics)

The Conference

Having adopted the Montreal Protocol on Substances that Deplete the Ozone Layer

Realizing the importance of reducing as quickly as possible the emissions of these substances

Recognizing the need for an early exchange of information on technologies and strategies to achieve this

1. Requests - pending the entry into force of the Protocol and the first meeting of the Parties - the Executive Director of UNEP to make appropriate arrangements to facilitate the exchange of information on technology referred to in Articles 8 and 9 of the Protocol;
2. Appeals to interested states to sponsor, in cooperation with UNEP and at the earliest opportunity, a workshop with the aim of
 - exchanging information on technologies and administrative strategies for reducing emissions of the controlled substances and for developing alternatives, taking into account Annex II, para. 2. of the Convention
 - identifying areas in which further research and technical development is required;
3. Urges all interested parties to participate in and contribute to such a workshop and to make expeditious use of the information so gained in order to reduce the emissions of the controlled substances and to develop alternatives.

* Reissued for technical reasons.



United Nations
Environment
Programme



Distr.
LIMITED



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15 September 1987

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DRAFT RESOLUTION ON REPORTING OF DATA

(CANADA AND UNITED STATES)

Convinced that the timely reporting of complete and accurate data on the production and consumption of controlled substances is critical to the effective and efficient implementation of this protocol,

The Conference therefore

1. Calls upon all signatories to take expeditiously all steps necessary to acquire data and report on the production, import and export of controlled substances in a complete and timely fashion in accordance with Article 7 of the Protocol and taking into account Article IV(i) of the Convention
2. Invites signatories to consult with other signatories, and to seek advisory assistance from the United Nations Environment Programme, and other relevant International Organizations, as required, in designing and implementing data reporting systems.
3. Call upon the Executive Director of UNEP to convene within six months after the adoption of the Resolution a meeting of governmental experts to make recommendations with the assistance of experts from relevant International Organizations for the harmonization of data on production, imports and exports to ensure consistency and comparability of data on controlled substances.



United Nations Environment Programme



INFORMATION

VIENNA CONVENTION FOR THE PROTECTION OF THE OZONE LAYER CONCLUDED AT VIENNA ON 22 MARCH 1985

(As of 15 September 1987)

The following States have signed, ratified or accepted the Vienna Convention for the Protection of the Ozone Layer on the date shown:

<u>State</u>	<u>Signature</u>	<u>Ratification</u>	<u>Acceptance</u>	<u>Accession</u>
Argentina	22 March 1985			
Austria	16 Sept. 1985	19 August 1987		
Belgium	22 March 1985			
Burkina Faso	12 Dec. 1985			
Byelorussian Soviet Socialist Republic	22 March 1985		20 June 1986	
Canada	22 March 1985	4 June 1986		
Chile	22 March 1985			
Denmark	22 March 1985			
Egypt	22 March 1985			
Finland	22 March 1985	26 Sept. 1986		
France	22 March 1985			
Germany, Federal Republic	22 March 1985			
Greece	22 March 1985			
Guatemala				11 Sept. 1987
Italy	22 March 1985			
Luxembourg	17 April 1985			
Mexico	1 April 1985	14 Sept. 1987		
Morocco	7 Feb. 1986			
Netherlands	22 March 1985			
New Zealand	21 March 1986	2 June 1987		
Norway	22 March 1985	23 Sept. 1986		
Peru	22 March 1985			
Spain				Sept. 1987*
Sweden	22 March 1985	26 Nov. 1986		
Switzerland	22 March 1985			
Ukrainian Soviet Socialist Republic	22 March 1985		18 June 1986	
Union of Soviet Socialist Republics	22 March 1985		18 June 1986	
United States of America	22 March 1985	27 Aug. 1986		
United Kingdom of Great Britain and Northern Ireland	20 May 1985	15 May 1987		
European Economic Community	22 March 1985			



United Nations
Environment
Programme



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UNEP/IG.79/3/Rev.3/ CRP 4
15 September 1987

ORIGINAL: English

Conference of Plenipotentiaries on the
Protocol on Chlorofluorocarbons to the
Vienna Convention for the Protection of
the Ozone Layer

Montreal, 14-16 September 1987

Article 4

Submitted by USSR

1. bis /Nothing in this Article shall prevent any Party from fulfilling binding commitments for exports or imports of controlled substances from and to any State not Party to this Protocol arising from agreements between that Party and any State not a Party entered into before 16 September 1987, provided that such exports shall not be subtracted in calculating the consumption level for any Party.]

18TH STORY of Level 1 printed in FULL format.

The Associated Press

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September 15, 1987, Tuesday, AM cycle

SECTION: International News

LENGTH: 655 words

HEADLINE: Agreement Reached at Ozone -Protection Conference

BYLINE: By JEFF BRADLEY, Associated Press Writer

DATELINE: MONTREAL

KEYWORD: Canada- Ozone

BODY:

A last-minute compromise between the United States and European Common Market broke a logjam Tuesday night to produce an historic agreement to protect the Earth's ozone layer.

"Very happy," declared Lee Thomas, administrator of the U.S. Environmental Protection Agency, after a tense day of negotiating.

While subject to formal approval by 46 nations at a plenary session of the U.N.-sponsored conference on Wednesday, key players expressed confidence the protocol would be signed.

Once ratified, the pact would freeze consumption and production of chlorofluorocarbons at 1986 levels by 1990; reduce them 20 percent by Jan. 1, 1994, and cut back another 30 percent by Jan. 1, 1999.

Chlorofluorocarbons, used in aerosols, refrigerator coolants and plastic foam, float into the stratosphere and attack the ozone layer.

The holes in the ozone, a 20-mile belt of protective gas around the earth, permit the sun's ultraviolet rays to reach the Earth, causing skin cancer and potentially damaging crops and weather patterns.

Scientists estimate 3 to 7 percent of the ozone layer has been destroyed, and a huge 40-percent hole has been discovered over the Antarctic.

The United States is the world's largest producer, responsible for 30 percent. It banned chlorofluorocarbons in aerosols in 1978 but the chemicals are more difficult to replace in other products. DuPont estimates it will take five to seven years to find a non-toxic substitute.

A related group of chemicals, halons, used in high-tech fire extinguishing systems, causes up to 10 times as much damage as chlorofluorocarbons. Their production will be frozen in 1992 pending more research.

The Associated Press, September 15, 1987

Developing countries would have a 10-year grace period under the pact, and the Soviet Union would be allowed to expand production by opening plants it is too late to cancel under its centrally planned economy, said conference chairman Winfried Lang of Austria.

Thomas said the United States would move quickly to ratify the pact.

"I fully intend to send it to the U.S. Congress as a strong protocol, and one in the best interests of the world and the United States," he told reporters.

Canadian Environment Minister Tom McMillan said other countries "cheered on" U.S. and EEC negotiators in the final stages.

He said the pact "isn't the final word" but would begin to reverse the damage.

Geoffrey Webb, international director of Friends of the Earth, commented: "Science indicates we need an 85 percent reduction to stabilize the problem. At the same time, we applaud these nations for coming together to take this first step."

The U.S.-EEC compromise was proposed by New Zealand and was referred to Washington and EEC headquarters in Brussels for political approval.

Thomas said he was concerned about setting a precedent by recognizing the EEC as an economic entity, rather than having the 12 Common Market countries enter the protocol individually.

He said this would have left open the possibility that some EEC nations might have ignored the treaty.

EEC delegation chief Laurens Jan Brinkhorst argued that under the Treaty of Rome establishing the trading bloc, trade matters are under the jurisdiction of the EEC and separate nations don't even tabulate exports and imports within the Community.

The impasse was broken with a special clause giving the EEC overall responsibility, but only if each of the 12 member countries ratify the pact.

The U.S. chemical industry was concerned that treating the EEC as a bloc would give some competitors the chance to boost production and grab export sales.

Within the EEC, Britain, France, Greece, Italy, the Netherlands, Spain and West Germany produce the offending chemicals.

The U.S. delegation compromised on another key issue. It first sought treaty ratification by nations responsible for 90 percent of the world's chlorofluorocarbons, but was ready to accept a figure closer to two-thirds, delegates said.

Pending Treaty Worries Chlorofluorocarbon Industry

Makers and Users Hunt for Substitutes Less Harmful to Earth's Ozone

By ELLIOTT D. LEE

Staff Reporter of THE WALL STREET JOURNAL.

About 40 nations are working this week to complete a treaty designed to protect the Earth's ozone layer by limiting the emission of some of the chemicals known as chlorofluorocarbons into the atmosphere.

The prospect has the five U.S. makers of the chemicals and thousands of users in a wide range of industries wondering what to do until substitutes reach the market in five to 10 years.

"The treaty may jeopardize the life of existing equipment and is going to cause us to spend a lot on engineering new products," says Richard C. Barnett, chairman of the Alliance for Responsible CFC Policy, a group of some 500 makers and customers of chlorofluorocarbons, also known as CFCs. "Beyond that, we aren't sure what the impact will be," he adds.

U.S. manufacturers sell about \$750 million of the compounds annually to about 5,000 customers in the refrigeration, air-conditioning, automotive, plastic-foam and electronics industries, according to the alliance.

Those industries in turn produce each year \$27 billion in goods and services directly dependent on chlorofluorocarbons. Moreover, some \$135 billion of installed equipment and products require the availability of the compounds for maintenance and repair, according to the alliance.

The treaty, being negotiated under the auspices of the United Nations Environmental Program, would take effect in 1989, when world-wide emissions of the most commonly used chlorofluorocarbons would be capped at 1986 levels. The treaty also is expected to call for phasing in by 1996 a 50% cut in emissions based on 1986 levels, pending the outcome of continuing scientific findings on the ozone-depletion problem.

A dispute at the treaty conference in Montreal continued yesterday over how many countries need to agree to the treaty for it to take effect, but a U.N. official said he hoped a compromise could be reached by tomorrow.

Huge Impact Predicted

The economic impact of the cap alone could be huge, with prices at least doubling for existing compounds, alliance officials say. They predict that consumers will pay more for such things as automobile air conditioners and that some companies that rely heavily on the chemicals, such as foam-insulator contractors, could be forced out of business.

Chlorofluorocarbons are synthetic compounds of chlorine, fluorine, carbon and sometimes hydrogen that are ideal for use in refrigeration, air-conditioning and insulation systems and as industrial solvents because they don't burn, explode or corrode, and don't irritate or poison people.

The problem occurs when chlorofluorocarbons escape or are released into the atmosphere. Scientists believe the compounds travel to the ozone layer that protects the Earth from ultraviolet rays and decompose, releasing chlorine that attacks the ozone.

If trends in use of the compounds continue, scientists theorize that people would be exposed to increased ultraviolet radiation, which could lead to more skin cancers and other environmental damage.

Developing less-destructive compounds is the ultimate answer, says the alliance. But the group says the available substitutes—chlorofluorocarbons that wouldn't be covered by the treaty because they

don't deplete the ozone as much—are generally neither as safe for workers and consumers nor as adaptable to a broad range of industrial uses as existing compounds.

One substitute, CFC 22, is already in significant use for certain commercial and residential air-conditioning systems, says the alliance's Mr. Barnett, who is also vice president and general manager of York International Corp., a York, Pa.-based maker of air-conditioning equipment. But CFC 22 has qualities that make it too costly or inappropriate for most other applications.

Years of Tests Required

Industry officials estimate that substitutes now available or under development could be used in 50% to 60% of current applications of CFC 11 and CFC 12, the two compounds most often employed in refrigeration, air-conditioning and insulation products. But bringing most of those substitutes to market will require two to three years of toxicity tests plus time to adapt equipment and develop production capacity. Only two of the five U.S. makers, Du Pont Co. and Allied-Signal Inc., are developing alternatives.

For example, Du Pont, which accounts for 20% to 25% of world chlorofluorocarbon production and is the largest domestic producer, has stepped up development of CFC 134a, a compound that doesn't contain ozone-depleting chlorine, but which researchers hope will perform as well as current compounds in a wide range of applications, though at much higher cost. Allied-Signal is also working on CFC 134a.

Despite the time it will take to bring any product to market, Du Pont says it isn't too worried about business disruptions. "We figure five to seven years will allow for an orderly phase-out (of restricted compounds) and an orderly phase-in of new materials," a spokesman says. "And that assumes you don't run into any real problems along the way."

Pennwalt Corp., on the other hand, is moving aggressively to adapt a commercially available product for use as an immediate replacement for CFC 12.

"Of the five domestic CFC producers, we have the only available alternative product for some uses of CFCs," claims Peter McCarthy, a vice president of the Philadelphia-based company with 8% to 10% of the domestic chlorofluorocarbon market.

Pennwalt says the product, a blend of CFC 142b and CFC 22, was developed as a substitute for a propellant in aerosol cans in 1978, after the U.S. acted unilaterally to control aerosol uses of chlorofluorocarbons. The company says the blend could conceivably replace all CFC 12.

Some industry analysts, however, say Pennwalt will have a big selling job because its product costs twice as much as current compounds and customers might not see the blend as a long-term solution to their problems. Nevertheless, "There will be a market out there when regulation occurs," asserts Peter M. Miller, manager of Pennwalt's chlorofluorocarbon division.

The case of automobile air conditioners illustrates some of the problems chlorofluorocarbon users have with existing substitutes. "Basically, there is nothing we can dump into our existing air conditioning unit without developing new compressors, lubricants and hoses," says Gerald F. Stofflet, assistant director of automotive emission control at General Motors Corp.'s environmental activities staff.

Moreover, he says, GM isn't interested in using an interim compound until a better substitute comes along, and "the only other option is to buy higher priced CFC 12

or not offer air conditioning. Anyway you go, the consumer gets hit" because the costs would be passed along, he adds. But Mr. Stofflet says the increase of \$15 a unit probably wouldn't be noticed much in air conditioners that cost \$600 to \$700 each.

Companies are also exploring ways to recover and recycle the chemicals that would be limited by the treaty. Alliance officials say this would be relatively easy to accomplish in the electronics industry. But GM's Mr. Stofflet says it will take almost as long to develop commercially the recovery

ery of chlorofluorocarbons from automobile air conditioners as it will to develop acceptable substitutes.

For other major users, neither substitutes nor recovery hold out much hope in the short term. Some makers of polyurethane foam insulation, for example, won't have an acceptable substitute for five to seven years, says Dennis Ross, a vice president with Celotex Corp., a Tampa, Fla.-based building materials unit of Jim Walter Corp.

Foam Companies Threatened

Moreover, because chlorofluorocarbons account for anywhere from a quarter to two-fifths of the cost of the finished product, foam companies, unlike auto makers, are very sensitive to price moves. "We feel like the bug flying in the middle of an interstate that knows it's not going to make it to the side of the road without getting squashed," says L.L. Cockrell, co-owner of RPC Industries Inc., a Hampton, Va., foam-blowing contractor. "If the price of foam doubles or quadruples, a lot of workers will be out on the street, and businesses will have \$100,000 of scrap in the backyard," he adds.

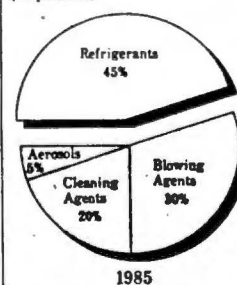
The alliance opposes those parts of the pending treaty calling for emission reductions. It argues that the cap at 1986 levels would be sufficient to head off a depletion problem and spur industry to develop adequate substitutes far less threatening to the ozone layer. The alliance doesn't expect the treaty to reflect its view.

Despite their reservations, alliance officials say the treaty is better than any potential unilateral U.S. action, which, they argue, would harm the U.S.'s competitiveness abroad. Several bills are before Congress that call for the U.S. to phase out use of certain chlorofluorocarbons in short order.

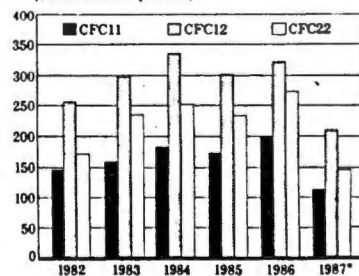
"Those measures are Draconian and could potentially cause more problems for the economy than solve for the environment," says the alliance's Mr. Barnett.

U.S. Production of Chlorofluorocarbons

Volume by application
(In percent)



Refrigerants
(In millions of pounds)



Source: Alliance for Responsible CFC Policy; International Trade Commission

*First six months

Ozone Treaty Nears, but Obstacles Remain

Most delegates at meeting are still optimistic.

By PHILIP SHABECOFF

Special to The New York Times

MONTREAL, Sept. 14 — Negotiators from 43 nations neared agreement today on a treaty to first limit and later roll back global consumption of chemicals that threaten the earth's protective ozone shield.

But several serious obstacles remained in the way of a treaty signing ceremony, scheduled for this Wednesday. One major roadblock is a demand by the United States that no country be bound by the treaty until countries representing 90 percent of world production sign it.

Manfried Lang, head of the Austrian delegation and chairman of the working group that drafted the protocol said today that "there will be no protocol" if the United States insists on the 90 percent figure.

At the end of today's meeting of chief delegates, Lee M. Thomas, administrator of the Environmental Protection Agency and head of the United States delegation, said that there was room for compromise on the United States position.

Another problem is the insistence of the Soviet Union that its production of ozone-destroying chemicals be frozen not at 1986 levels, sought by the other countries, but at consumption levels prevailing when its current five year plan expires in 1990.

But most of the delegates and observers here said they were optimistic that the protocol would be adopted and ratified. "We must not fail, for nothing less than the future of the planet earth is at stake," said Canada's Environment Minister, Tom McMillan.

The proposed treaty deals with chlorofluorocarbons or CFC's, chemicals used in refrigeration, air conditioning, plastic foams, aerosol

sprays, cleaning agents for electronic products and a wide variety of other products. Their use in aerosol sprays has been banned in the United States.

The draft protocol would freeze consumption by developed countries at 1986 levels starting Jan. 1, 1990; it would reduce consumption by 20 percent by Jan. 1, 1994, and by as much as an additional 30 percent by Jan. 1, 1999.

However, the draft would allow total global production of these chemicals go up by as much as 10 percent over the next 10 years in order to meet the needs of the developing countries for industrial growth. The draft protocol would also freeze consumption of halons, chemicals used as fire suppressants, by Jan. 1, 1994, but would not require any roll-backs in their use.

Dire Predictions

Both CFC's and halons combine chemically with and destroy ozone in the upper atmosphere. That ozone shields the earth's surface from ultraviolet radiation from the sun.

The United States Environmental Protection Agency has projected that if the deterioration of the ozone layer is unchecked, the result will be millions of additional cases of skin cancer and cancer deaths, increased eye disease, damage to human immune systems, crop losses, depletion of aquatic resources and an increase in global warming.

Mustafa K. Tolba, executive director of the United Nations Environment Program, under whose auspices these negotiations were convened, said that if the protocol were adopted it would be a signal achievement because "it proves that we can act when our scientists tell us that we are facing a distant threat; it proves that we can move before the full magnitude of the disaster is upon us."

But Dr. Tolba also pointed out in a speech opening today's meeting of chief delegates, that the formula envisioned in the draft protocol "is not enough to stop ozone modification entirely." He said that even if the agreement takes effect, the earth's ozone shield will be depleted by at least 2 percent by the middle of the next century. Scientists say such a decrease would lead to increased cases of skin cancer and other human illness as well as damage to natural systems.

Both environmental and industry groups attending this meeting as observers praised the draft protocol although both had reservations.

Rafe Pomerance, a senior associ-

ate of the World Resources Institute, an environmental research and policy group based in Washington, called the agreement a "significant first step." He noted that only a year ago that there was not a single proposal before the governments of the world to limit production of ozone-destroying chemicals.

Proposal Is Called Inadequate

But Mr. Pomerance and other environmental representatives here said that the actions called for in the draft protocol would not be enough to stabilize the ozone layer. They insisted that an 85 percent reduction in CFC production over the next five years is necessary to stop further deterioration of the ozone layer.

Mr. Pomerance said that because of anticipated increases in consumption by the developing countries, total global consumption is likely to decrease by only 35 percent by the end of the century rather than by the 50 percent specified by the protocol. A United States official said that actual reduction by the year 2000 is likely to be in the 40 to 45 percent range if the protocol is observed.

The preamble to the draft agreement says sets as an "ultimate objective" the elimination of chemicals that deplete the ozone layer, but only if technically and economically feasible. The agreement leaves open, however, the possibility of new mandatory reductions in the consumption of these chemicals if new scientific evidence indicates that such action is required.

Scientists are gathering data about the growing hole in the ozone layer that appears over the Antarctic each year. Environmentalists here said that their findings could provide the basis for additional restrictions on CFC's and halons.

Representatives of United States and European chemical trade associations said today that the provisions of the draft protocol could help protect the environment without any undue economic or trade disruptions.

However, Kevin Fay, executive director of the Alliance For Responsible Trade Policy, a United States trade group, said that its adoption could cost industry and ultimately the consumer, billions of dollars for the development of safe, alternative products.

The industry representatives said that an international industry group was being formed to study cooperatively the toxicology of alternatives to CFC's.

CFC Producers
in Order of
Production

EEC*
United States*
Japan
Soviet Union
Australia
Canada

*Together comprise
80% of production

CFC Consumers
in Order of
Consumption

United States
EEC
Japan

Countries
Participating
in Negotiations

Argentina
Australia
Austria
Belgium
Canada
Colombia
Denmark
Egypt
Finland
France
FRG
Ghana
Hungary
Italy
Japan
Kenya
Luxembourg
Malaysia
Mexico
Netherlands
New Zealand
Nigeria
Norway
Philippines
Poland
Portugal
Spain
Sweden
Switzerland
Thailand
USSR
U.S.
UK
Venezuela
Yugoslavia

MAJOR CFC PRODUCING NATIONS*

United States
European Economic Community
Japan
Soviet Union
Australia
Canada

CFC PRODUCERS - DEVELOPING COUNTRIES

Brazil
Mexico
Argentina
India
Venezuela
China

MAJOR CFC CONSUMING NATIONS*

United States
European Economic Community
Japan

POTENTIAL EXPORTERS OF CFC PRODUCTS - DEVELOPING NATIONS

Korea
Taiwan
Singapore
Malaysia
Egypt

POTENTIAL CFC CONSUMING NATIONS - DEVELOPING COUNTRIES

Brazil
Mexico
Argentina
India
China
Egypt

* See attachment figure.

COUNTRY PARTICIPATION

KEY:

1. Signed Vienna Convention
2. 1st UNEP Technical Workshop (Rome)
3. 2nd UNEP Technical Workshop (Leesburg)
4. 1st Negotiating Session
5. 2nd Negotiating Session
6. 3rd Negotiating Session

COUNTRY PARTICIPATION

	1	2	3	4	5	6
✓ Argentina	X			X	X	X
✓ Australia			X	X	X	X
✓ Austria	X	X	X	X	X	X
✓ Belgium	X	X	X	X	X	X
Birkin Faso	X					
✓ Brazil			X	X	X	
Byelorussian SSR	X					
✓ Canada	X	X	X	X	X	X
China		X	X			
Chile	X					
✓ Colombia					X	X
✓ Denmark	X	X	X	X	X	X
✓ Egypt	X	X	X	X	X	X
✓ Finland	X	X	X	X	X	X
✓ France	X	X	X	X	X	
✓ FRG	X	X	X	X	X	
✓ Ghana						X
Greece	X					
✓ Hungary			X	X		X
✓ Italy	X	X	X	X	X	X
✓ Japan		X	X	X	X	X
✓ Kenya		X	X		X	X
Kuwait		X	X			
✓ Luxembourg	X					X
Malawi		X				
✓ Malaysia			X		X	X
✓ Mexico	X			X	X	X

	1	2	3	4	5	6
Morocco	X					
Mozambique			X			
✓Netherlands	X	X	X	X	X	X
✓New Zealand	X				X	X
✓Nigeria		X	X		X	X
✓Norway	X	X	X	X	X	X
Peru	X					
✓Philippines				X	X	
✓Poland					X	X
✓Portugal				X		
✓Spain					X	
✓Sweden	X	X	X	X	X	X
✓Switzerland	X			X	X	X
✓Thailand					X	
Turkey		X				
Ukranian SSR	X					
✓USSR	X	X	X	X	X	X
✓U.S.	X	X	X	X	X	X
✓UK	X	X	X	X	X	X
✓Venezuela						X
✓Yugoslavia		X	X		X	

Total countries participating: 48