

# The Montreal Protocol and the Kigali Amendment

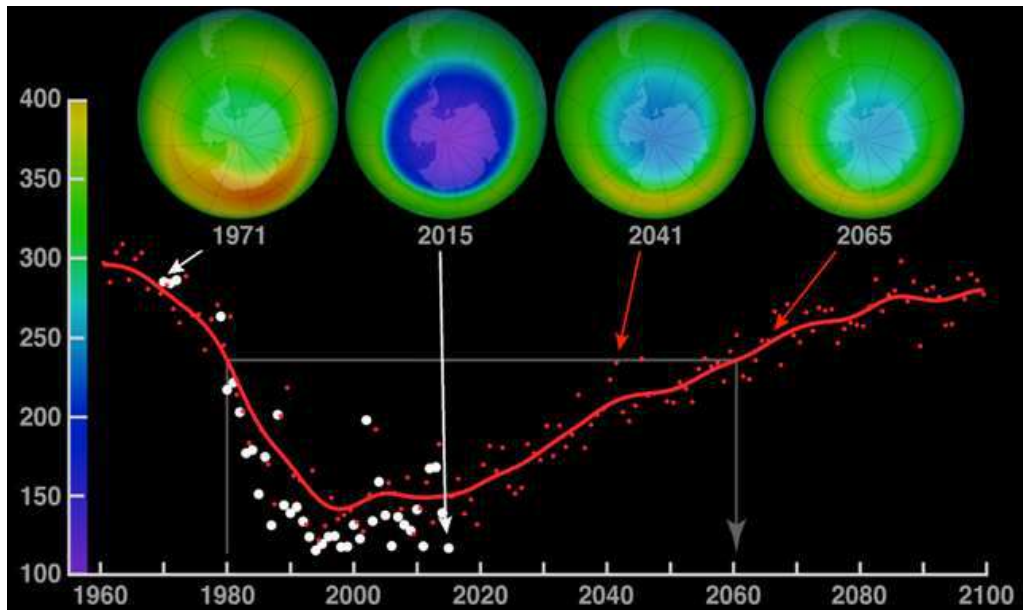
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## Illegal trade

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# Montreal Protocol – 35 years of global action



## Estimated climate benefits:

- Avoided global warming of **almost 1°C** as a result of the Montreal Protocol implementation to date
- Compliance with the Kigali Amendment can avoid **up to 0.5 °C** global warming by the end of the century

## Ozone layer recovery:

- **99%** of ozone depleting substances phased out
- **Gradual recovery** of the ozone layer to its pre-1980 levels by around mid-century

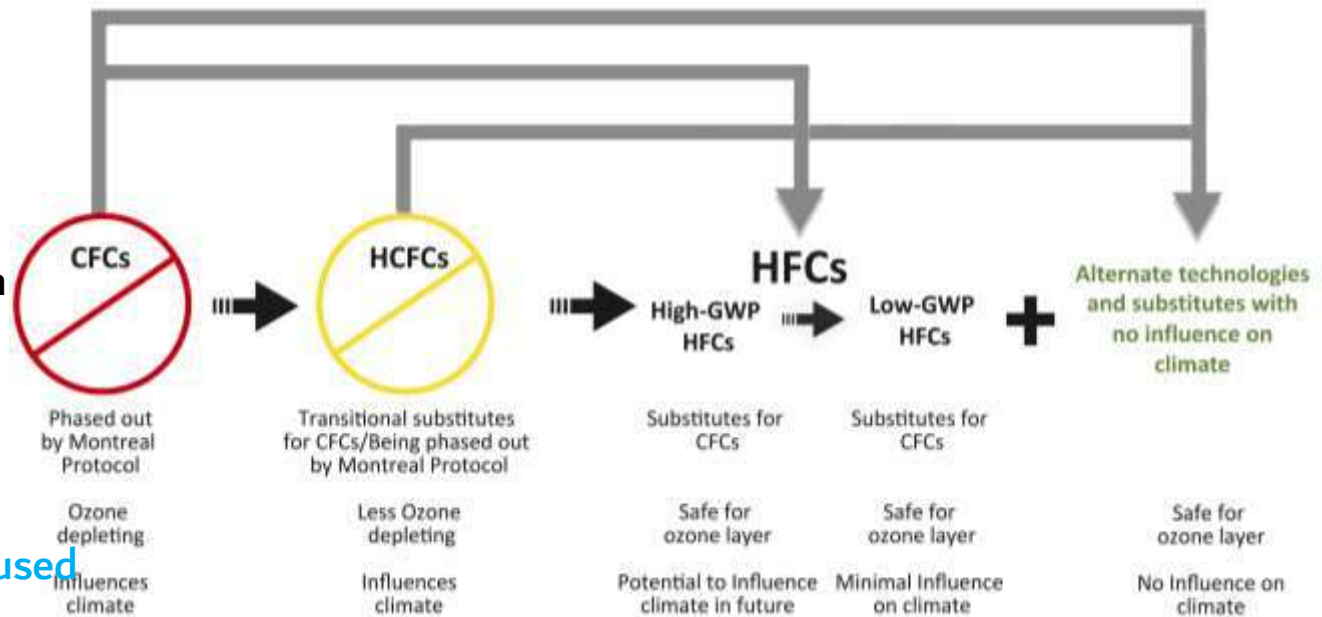
## UV radiations:

- Prevented damages to human health (e.g. **2 million cases of skin cancers per year by 2030**), ecosystems, agriculture, animals and materials from the harmful UV radiation

# Control measures – ODS

1. By 2010, all parties had phased out the consumption and production of **CFCs, halons, carbon tetrachloride and other fully hydrogenated ODS**
2. By 2015, all parties had phased out the consumption and production of **methyl chloroform and methyl bromide** (exemptions for critical uses of MB)
3. By 2020, non-Article 5 parties phased out production and consumption of **HCFCs**, and [Article 5](#) parties had reduced their consumption and production by 35%

4. **HFCs** (ozone friendly but with high GWP) used as substitutes for HCFCs. The Kigali Amendment to the MP set in 2016 a phase-down schedule for HFCs for the next decades.



HCFCs and HFCs mainly used in refrigeration, air conditioning and heating equipment

# Multilateral Fund for the Implementation of the Montreal Protocol (MLF)

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- The Multilateral Fund was established to provide **financial assistance** to Article 5 parties to help with the phase-out of ozone depleting substances, and phase-down of HFCS
- Financed by contributions from non-Article 5 parties. However, other countries are encouraged to contribute as well.
- Provides financial assistance to **144** Article 5 parties
- Provides **targeted assistance to customs officers**, including through the establishment and enforcement of licensing systems to control imports and exports

# Measures for combatting Illegal trade of controlled substances



- ✓ **Licensing** introduced as a mandatory measure
- ✓ Voluntary of proved cases of illegal trade (Decision XIV/7 and XXX/1) for **information exchange**
- ✓ Voluntary reporting of exports and destinations – **data reconciliation** (decisions XVII/16 and XXIV/12)
- ✓ Informal **Prior Informed Consent** between parties
- ✓ Collaboration with WCO and national customs for **HS Codes**
- ✓ Capacity building and technical assistance to Customs and coordination

# Reporting and information sharing

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- **Annual reporting obligations** for Parties on imports, exports, production and destruction of ODS and HFCs (Article 7)
- On a voluntary basis, exporting parties are requested to submit information on **countries of destination**, while importing parties were encouraged to report **import sources** (decisions XVII/16 and XXIV/12): facilitates the exchange of information and the identification of data discrepancies to detect possible cases of illegal trade.
- Illegally traded quantities should not be counted against a party's consumption provided the said quantities were **not placed on the domestic market** (decision XIV/7)

# Voluntary reporting by parties of cases of illegal trade

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➤ **Decision XIV/7:**

- (1) parties encouraged to **report fully proved cases** of illegal trade in ODS;
- (2) Secretariat requested to collect such information and **disseminate it to all parties**;
- (3) Specifies that illegally traded quantities not be counted as consumption provided these quantities are not placed on the domestic market.

➤ **Decision XXXI/3:** parties encouraged to discover and prevent the illegal production, import, export and consumption of controlled substances and **report fully proved cases of illegal trade**.

➤ **Decision XXXIV/8:**

- (1) parties encouraged to facilitate the **exchange of information** to prevent illegal trade of controlled substances by **reporting fully proved cases** and, if possible, to provide **information about illegal trade**.
- (2) Secretariat requested to **compile and regularly summarize the practices & the approaches** by national authorities to identify and address such cases.

# Reported cases of illegal trade - database

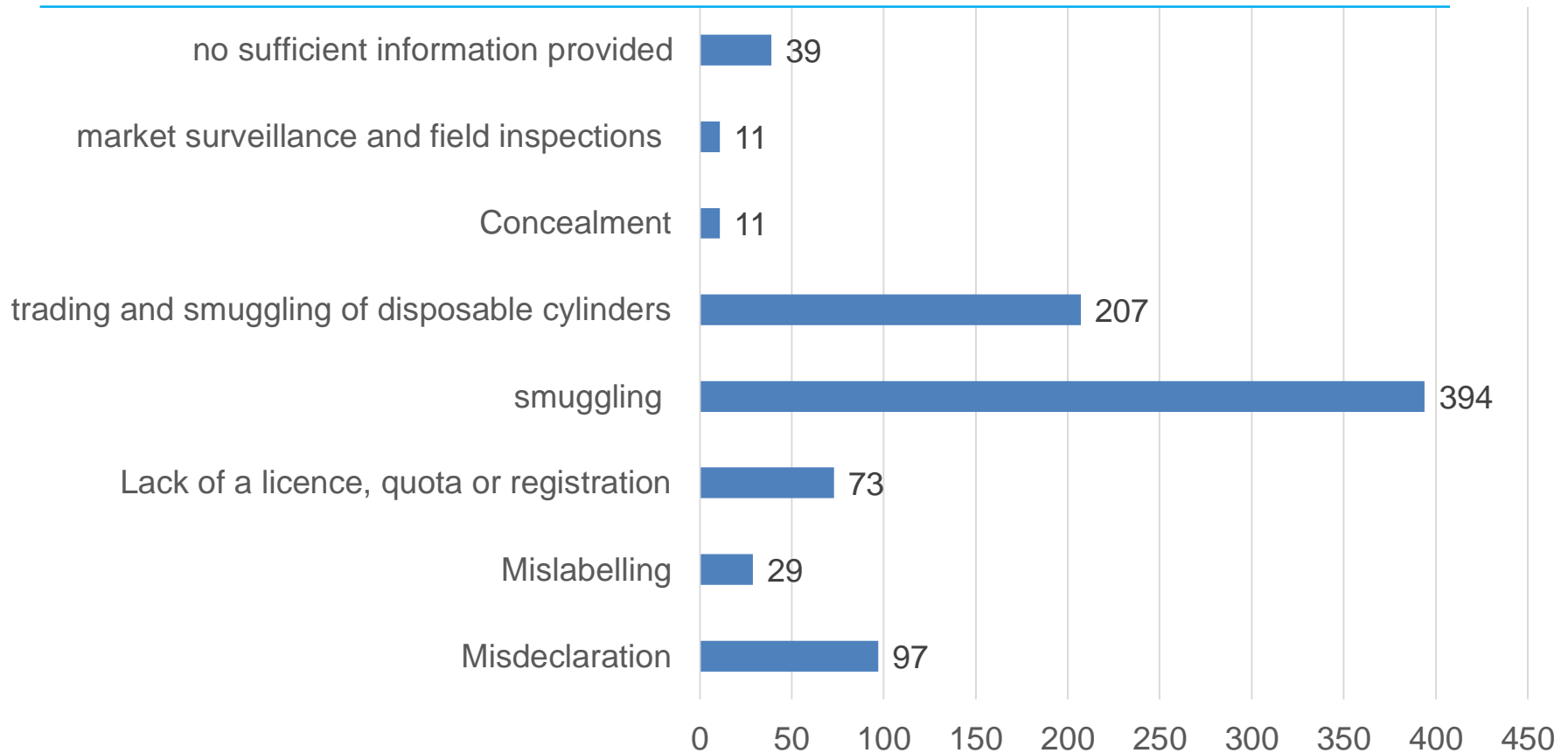
<https://ozone.unep.org/countries/additional-reported-information/illegal-trade>



[Workshop.11/2/Add.1](#): Summary of illegal trade practices and the approaches taken by national authorities to identify and address such cases

Party	Seizure date	Substances traded	Volume	Importing/exporting country	Illegal trade details	Action taken	Remarks
Bulgaria	5 June, 2019	R-404A, HFC-134a	604kg	From Türkiye to Netherlands	The shipment papers were incorrect, and the goods were not declared.	The goods were seized and handed over to the State for subsequent destruction. An administrative procedure was initiated, and a penalty of 23,090 BGN (about 11,800 Euros) imposed.	50 non-refillable cylinders seized
	10 December, 2019	HFC-32, R-404A	634.5 kg	from Türkiye and China	The shipment papers were incorrect, and the goods were not declared. Method of concealment: the goods were wrapped in black plastic bags and hidden amongst items of used furniture.	The entire quantity was seized.	60 non-refillable cylinders
	14 January, 2020	HFC-134a	12,977.6 kg	From Türkiye to Hungary	The shipment papers were incorrect, and the goods were not declared and hidden amongst the declared goods.	The case was referred to the prosecutor. The entire quantity was seized.	966 non-refillable cylinders
	5 May, 2020	R-404A, HFC-134a	490kg	From Türkiye to Germany and Netherlands	The shipment papers were incorrect, and the goods were not declared and hidden amongst the declared goods.	The goods were seized and handed over to the State for subsequent destruction. An administrative procedure was initiated, and a penalty of 14,530 BGN (about 7,265 Euros) imposed.	40 non-refillable cylinders seized

# Methods of illegal trade of controlled substances



- 533 cases (> 95%) involved illegal imports, and 26 cases (<5%) referred to illegal exports
- A sizeable portion of illegal trade is facilitated by the use of disposable cylinders

# Common means of detection

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- ✓ Customs inspections: document inspection, physical inspection, risk profiling, random checks - 329 cases (59%)
  - random checks (esp. at land borders - 208 cases (37%))
- ✓ Investigation, special law enforcement operations - 26 cases (5%)
- ✓ Tips-off and intelligence - 20 cases (4%)
- ✓ Data monitoring and analysis for discrepancies-- 5 cases
- ✓ Post-clearance audit - 4 cases
- ✓ No information - 151 cases (27%).



# Enforcement actions and penalties

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Seizure (temporary deprivation of goods)	321
Confiscation (permanent removal from possession)	145
Administrative proceedings	403
<i>Monetary fine (ranging from 25\$ to 40,000\$)</i>	<i>146</i>
<i>Suspension and revocation of licences and registration</i>	<i>5</i>
<i>re-export</i>	<i>26</i>
<i>storage and/or destruction at offender's cost</i>	<i>4</i>
<i>warning, notification and education</i>	<i>11</i>
Criminal court proceedings/charges	23
<i>arrests</i>	<i>14</i>
<i>imprisonment (up to 12 months)</i>	<i>4</i>
Ongoing investigation	8

Thank you

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