

ANNEX V

TERMS OF REFERENCE FOR THE REVIEW UNDER PARAGRAPH 8 OF ARTICLE 5 OF THE MONTREAL PROTOCOL

The review referred to in paragraph 8 of Article 5, taking into account Section II, paragraph 4 of Decision IV/18, shall cover the following terms of reference:

1. Consider the schedule of control measures applicable to Article 5 parties and the possible need for revision of the existing schedule of control measures after examining alternative scenarios. The following factors should be taken into account in examining alternative schedules of control measures for Article 5 countries:
 - (a) the financial implications of various phase-out strategies, including comparisons in achieving the targets set in the London and Copenhagen amendments;
 - (b) the actual transfer of resources and technology to Article 5 countries and their absorption thereof, taking into account the operation of the Fund to date determining, inter alia:
 - (i) the actual and approved transfer of resources to Article 5 countries;
 - (ii) the relationship between the availability of controlled substances and the rate of implementation of activities for their phase-out in Article 5 countries;
 - (iii) the rate at which low and non-ozone-depleting-substance technologies are being transferred to or developed by Parties operating under Article 5, including the actual implementation of those technologies; and,
 - (iv) the transfer of non-ODS technologies between Article 5 countries;
 - (c) the technological feasibility of a change in the control measures based on the reports of and discussions with the Chairmen of the Scientific Assessment Panel and the Technology and Economic Assessment Panel; and,
 - (d) the feasibility of achieving the greatest possible reduction in the shortest possible time.
2. The review should take into account:
 - (a) the current plans of Article 5 Parties as articulated in their country programmes.

- (b) document UNEP/OzL.Pro/ExCom/10/36 (Report on the Operation of the Fund adopted at the Tenth Meeting of the Executive Committee), updating the pertinent information;
 - (c) the progress made and problems encountered by Article 5 Parties in implementing their country programmes, determining, on the basis of the country programmes approved by the Executive Committee, the current status of ODS technologies used in Article 5 countries and the current per capita consumption, as well as the likely growth in consumption of ODS in Article 5 countries.
3. In addition, the review should:
- (a) provide information on legislation being enacted in Article 5 countries in consonance with the strategies and action plans included in the country programmes;
 - (b) describe market dynamics impacting the phase-out of controlled substances in Article 5 countries, including determination of the background of the industrial structure of Article 5 countries and the impact of ODS phase-out on the small-scale and informal industrial sector.