

MINUTES OF THE XXXVIII MEETING OF THE EMPOWERED STEERING COMMITTEE (ESC) FOR IMPLEMENTATION OF THE MONTREAL PROTOCOL HELD ON 2ND SEPTEMBER, 2013 AT 3.00 P.M. IN ROOM NO. 403 (CONFERENCE ROOM), MINISTRY OF ENVIRONMENT AND FORESTS, PARYAVARAN BHAWAN, CGO COMPLEX, LODHI ROAD, NEW DELHI-110003

The XXXVIII Meeting of ESC for Implementation of the Montreal Protocol was held on 2nd September, 2013 at 3.00 p.m. in Room No 403 (Conference Room), MoEF under the Chairmanship of Dr. V. Rajagopalan, Secretary (E&F). The list of participants is attached at *Annexure-I*.

The Chairman welcomed the participants to the XXXVIII meeting of the ESC and requested the Member Secretary, Dr. A. Duraisamy, Director, Ozone Cell to present the agenda for consideration of the Committee. The following agenda was presented:

Agenda Item No. 1: Adoption of the Agenda.

The Committee adopted the agenda on the basis of the Provisional agenda.

Agenda Item No. 2: Confirmation of Minutes of the XXXVII meeting of the ESC held on 6th June, 2012.

The Committee was apprised of the comments received from the Confederation of Indian Industry (CII) on the issue related to price differential, if any, between the domestic and international prices of HCFC-22 as well as import permits in respect of HCFC blends, above and below the threshold, which will be allowed only to actual users.

The Committee discussed with regard to import permits of HCFC blends and decided to retain the existing sentence in the minutes, as the deletion of above or below the threshold will not make any difference.

With regard to the price differential of HCFC-22, the Committee decided to defer it to the next meeting, as many of the members that attended the last meeting were not present during the meeting.

Hence, the Minutes of the XXXVII ESC held on 6th June, 2012 were confirmed except the issue with regard to price of HCFC-22.

Agenda Item No. 3: Action taken on decision of the XXXVII ESC.

The action taken on the Minutes of the XXXVII Meeting of the ESC was presented and was noted by the Committee.

However, with regard to S. No. 3 (1), a study on Socio-economic impact of CFC phase-out on Indian Industry, with particular emphasis on the issues of concern to Small

and Medium Enterprises (SME) on conversion of Ozone Depleting Substances (ODSs) to non-ODS technology, the Member Secretary informed the Committee that the Indian Industry has successfully switched over to non-CFC technologies and production and consumption of CFCs have already been phased out in the country about 5 years back. It was also mentioned that there are no funds available in the CFC phase-out project for the proposed study.

The Committee decided that since the phase-out of CFCs has already been achieved in the country 5 years back in the year 2008, there is no need to carry out the proposed study.

With regard to S. No. 3 (3), the reconstitution of the Technology and Finance Standing Committee (TFSC), the Committee was informed that as the present term of TFSC is expiring in September, 2013 the new TFSC is being reconstituted to include professionals and experts with relevant expertise and experience.

Agenda Item No. 4: Progress of Implementation Status of the Projects

The Progress of implementation of the following Projects being executed by the Ozone Cell with the support of the Multilateral Fund (MLF) for implementation of the Montreal Protocol were presented:

a) CFC Production Sector Gradual Phase-out.

The Committee was informed that India has successfully phased out the production of CFCs with effect from 1st August, 2008, 17 months prior to the Montreal Protocol Schedule for phase out of production of CFCs, in line with the Accelerated CFC Production Phase out (ACPP) schedule. The Committee was also informed that the contaminated stock of 11.74 MT of CFCs lying with one of the four CFC producers as the part of ACPP and closing stock of 4.58 MT and 19.82 MT of non-pharma grade CFCs co produced as part of Essential Use Nomination (EUN) for the year 2010 with two CFC producers has been successfully incinerated in an environmentally safe manner.

The Committee was informed that the second and the final tranche of US \$ 1.057 million to the four CFC Producers has been approved by the Executive Committee (Ex-Com) of the MLF.

The Member Secretary also informed the Committee that the World Bank, the lead implementing agency, has formally closed the CFC Production Sector Gradual Phase-out project without releasing the funds inspite of repeated communications by the Ozone Cell, MoEF. The Member Secretary further informed that a communication was also sent by the then Joint Secretary, MoEF to the World Bank, Washington Office on the same subject matter.

The Committee was informed that the World Bank is now working for the restructuring of the National CTC Phase out Plan (ODS-IV) Project in order to release the balance funds to the CFC Producers through ODS-IV. The Chairman, ESC advised that this matter be taken up with the World Bank to expedite the release of the second and final tranche of US \$ 1.057 million to all the 4 CFC Producers mentioning that there is no ground to hold the funds as the ACPP project has already been successfully implemented and the producers have met all the conditions of the agreement.

b) National CTC Phase out Plan

The Committee noted that India had successfully phased out the production and consumption of CTC with effect from 1st January, 2010 as per the Montreal Protocol schedule except for feedstock use of ODSs, including CTC, which is not controlled under the Montreal Protocol.

c) National Strategy for Transition to non-CFC MDIs and Plan for Phase-out of CFCs in the Manufacturing of Pharmaceutical MDIs in India.

The Committee noted the successful implementation of the National Strategy for Transition to non-CFC MDIs and Plan for Phase-out of CFCs in the Manufacturing of Pharmaceutical MDIs in India.

d) HCFC Phase out Management Plan (HPMP) Stage-I

The Committee was informed that the 19th Meeting of the Parties (MOP) held in September, 2007 decided to accelerate the Phase out of HCFCs by 10 years with a certain reduction schedule. The HPMP Stage-I has been approved by the 66th Ex-Com for the period from 2012 to 2015 and is being implemented by the UNDP as lead implementing agency to achieve the 2013 freeze and 10% reduction in 2015.

The Chairman advised that the Ozone Cell, MoEF should seek a clarification from UNDP, the lead implementing agency whether the phase-out of HCFCs will be substance (HCFCs)-wise or it would be for various HCFCs together based on the availability of alternative technologies.

Agenda Item No. 5: Consideration of the applications received for Duty Exemption in respect of new or expanded activities with non-ODS technology.

The Committee noted that based on the recommendations of the Technology and Finance Standing Committee (TFSC) and with the approval of Secretary (E&F) as Chairman of the ESC, customs duty certificates in respect of the following enterprises were issued :-

- **M/s Whirlpool of India Ltd., Pune**
- **M/s. Subros Ltd., Noida**
- **M/s SATA Vikas India Pvt. Ltd.**
- **M/s Pranav Vikas (India) Pvt. Ltd.**
- **M/s SATA Vikas India Pvt. Ltd.**

- M/s Sanden Vikas Precision Parts Pvt. Ltd., Neemrana
- M/s SRF Ltd., Dahej
- M/s. Subros Ltd., Noida
- M/s Vikas Altech Pvt. Ltd.
- M/s Global Autotech Ltd., Greater Noida

The details of equipment in respect of each enterprise listed above are given in *Annexure-II*. The Committee accorded ex-post-facto approval for the same.

Agenda Item No. 6: Submission of Article 7 Data

The Committee was informed that the Article 7 Data for the year 2011 was reviewed and recommended by the Standing Committee on Monitoring Chaired by Chairman, Central Pollution Control Board (CPCB) and approved by Secretary (E & F) and Chairman of the ESC. The Committee accorded ex-post-facto approval.

Agenda Item No. 7: Draft Ozone Depleting Substances (Regulation and Control) Amendment Rules, 2013

The Member Secretary briefed the Committee regarding the draft Amendment Rules and its salient features. The Committee was further informed that the comments received on the draft Amendment Rules are being compiled and put up for its finalization. The Committee noted the salient features of the approved proposed draft Ozone Depleting Substances (Regulation and Control) Amendment Rules, 2013.

Agenda Item No. 8: Organization of the International Day for the Preservation of the Ozone Layer.

The Committee noted the organization of the International Day for the Preservation of the Ozone Layer for the year 2012. The Committee also noted the Certificates of Appreciation/Recognition awarded to Ozone Cell of India as well as Dr. A. Duraisamy, Director, Ozone Cell by The Ozone Secretariat for the Vienna Convention and the Montreal Protocol, UNEP for its vital role in protecting the Ozone Layer for generations to come.

The Meeting ended with a vote of thanks to the Chair.

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LIST OF PARTICIPANTS OF THE XXXVIII MEETING OF THE EMPOWERED STEERING COMMITTEE (ESC) HELD ON 2ND SEPTEMBER, 2013 AT 3.00 P.M. IN ROOM NO. 403, CONFERENCE ROOM, MINISTRY OF ENVIRONMENT & FORESTS, PARYAVARAN BHAWAN, CGO COMPLEX, NEW DELHI-110003

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