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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Forty-third Meeting
Geneva, 5-9 July 2004

COUNTRY PROGRAMME UPDATE: ROMANIA

This document consists of:

- Comments and recommendations of the Fund Secretariat
- Letter from the Government of Romania

ROMANIA COUNTRY PROGRAMME UPDATE

1. The Government of Romania submitted to the 43rd Meeting of the Executive Committee the Romania country programme update, prepared with the assistance of UNIDO, using funds of US \$60,000 approved at the 36th Meeting of the Executive Committee. At the time of preparation of this document, an executive summary of the country programme update had not been received by the Secretariat.

ODS phase-out projects approved for funding

2. So far, the Executive Committee has approved 24 ODS projects and activities for Romania at a total cost of US \$6,123,257, to phase out 1,336.7 ODP tonnes of ODSs. As of December 2003, a total of 1,229.3 ODP tonnes have been phased out and US \$4,969,611 has been disbursed.

ODS consumption and production

3. The ODS baselines for compliance in Romania and allowable ODS consumption and production for 2005-2015 are as follows:

ODS	Baseline	Allowable consumption (ODP tonnes)			
		2005	2007	2010	2015
Consumption					
CFC	675.8	337.9	101.4	0.0	0.0
Halon	3.5	1.8	1.8	0.0	0.0
MB	111.5	89.2	89.2	89.2	0.0
CTC	368.6	55.3	55.3	0.0	0.0
Production					
CFC	10.0	5.0	1.5	0.0	0.0
MB	18.3	14.7	14.7	14.7	0.0
CTC	371.5	55.7	55.7	0.0	0.0

4. The 1999 to 2002 ODS consumption and production data reported by the Government of Romania to the Ozone Secretariat under Article 7 is summarized in the table below:

ODS	ODP tonnes			
	1999	2000	2001	2002
Consumption				
CFC	338.2	360.6	185.7	359.4
HAL	-	1.8	-	-
MB	33.6	20.0	18.1	70.9
Production				
CFC	-	-	-	-
MB	13.2	-	18.1	21.4
CTC	(684.8)	(149.8)	36.7	(29.8)

5. According to the 2003 progress report on the implementation of the Romania country programme, the 2003 ODS consumption in the country is as follows: 36 ODP tonnes of CFCs used in the manufacturing of aerosol products; 326.1 ODP tonnes of CFCs used in the refrigeration servicing sector; 173 ODP tonnes of CTC used as a solvent (15.7 ODP tonnes) and as a process agent; and 64.6 ODP tonnes of methyl bromide (MB). The Government of Romania has agreed to completely phase-out consumption of MB by the end of 2005.

6. In Romania, CFCs, MB, CTC and TCA have been produced in the country. The main characteristics of the production facilities are presented in the table below:

Production facility	Description
Bicapa S.A.- Tarnaveni	Between 1987 and 1995, the company produced CFC-11 and CFC-12 for the domestic market and used as aerosol propellant, foam blowing agent and as refrigerant. CFC production ceased in 1996 during privatization of the company.
S.C. Sinteza S.A.- Oradea	This is the only MB production plant in Romania. The total production is used mainly for fumigation in storage applications. Annual MB production quotas are established on an annual basis.
S.C. Oltchim S.A. - Ramnicu Valcea	The company is the main producer of CTC. Most of the production was exported as feedstock mainly to Greece and China. CTC production for the domestic market is used mainly in metal surfaces, degreasing processes and laboratory applications. Oltchim also has two chemical production facilities that use CTC as process agent.
S.C. Chimcomplex S.A. Onesti	The company is one of the most important producers of chemicals in Romania (chloralkali, organic solvents, synthesis intermediaries, inorganic chlorides, alkyl amines, pesticides, compressed gases). In 1997, the company stopped production of TCA. Technical assistance will be requested for a feasible solution to phase out CTC as a by-product from the production process.

Policy measures

7. The Government of Romania has enacted several legal instruments related to the phase-out of ODSs. Specifically:

- (a) Decision 91/1995 for the completion of the denomination and classification of goods in the Customs Import Tariff and the description and classification of ozone-depleting substances;
- (b) Decision 243/1995 for the establishment of the national committee for the protection of the ozone layer;
- (c) Ministerial Order 506/1996 for the approval of the procedures for regulating the import and export of ODS substances, products and equipment listed in relevant annexes of the Montreal Protocol (import and export of ODSs in bulk is allowed only on the basis of an environmental agreement issued on a case-by-case basis); and

- (d) Law 159/2000 regarding the trade regime and introduction of restrictions to the use of halogenated hydrocarbons that deplete the ozone layer. The General Customs Directorate has the obligation to transmit 30 days prior to the end of the year a report on the on the amounts of ODSs imported/exported for the preceding year, including information on the nature, the commercial, technical, and chemical denomination of ODS, the quantities, and the related country, the registration number of the environmental agreement. Also, all companies that produce, import, export or use ODS are obliged to report statistical data on their activities.

ODS phase-out plan

8. The Government of Romania has prepared a national strategy to achieve a timely and sustainable phase-out of the remaining ODSs used and produced in the country. The main components of the strategy are: strengthening the national implementation capabilities, implementation of the investment projects listed in the table below, and additional training of refrigeration technicians.

Project	Description
Aerosol sector	
Phase out of CFC-12 at Mebra pharmaceutical production at Brasov	39.6 tonnes of CFC-12 (estimated cost of US \$100,000)
Solvent sector	
Sectoral phase out of CTC used at Chimcomplex Onesti and Arpechim Pitesti plants	80 ODP tonnes of CTC used as a solvent and for metal degreasing
Production sector	
Conversion of CTC production to other chlorinated solvents at Olchim Ramnicu Valcea	Production capacity is 44,000 ODP tonnes
Conversion of CTC production as a by-product at Chimcomplex Onesti	During the production process, 320 tonnes of a mixture containing 25 per cent of CTC is obtained as a by-product
Closure of the CFC production capacity at Bicapa Tarnaveni	Production capacity: 3,900 ODP tonnes of CFC 12 and 850 ODP tonnes of CFC-11
Closure of MB production at Sinteza - Oradea Company	Installed capacity is 90 ODP tonnes

SECRETARIAT'S COMMENTS AND RECOMMENDATIONS

COMMENTS

9. The Secretariat noted that the 2002 consumption and production of each ODS as reported by the Government of Romania under Article 7 is below the respective baselines for compliance. To achieve the 2005 compliance targets from the 2002 consumption and production levels, Romania will need to phase-out 21.5 ODP tonnes of CFC consumption and 6.7 ODP tonnes of MB production.

10. The remaining consumption of CFCs eligible for funding (as at the 42nd Meeting of the Executive Committee) is 145.8 ODP tonnes.

RECOMMENDATIONS

11. The Fund Secretariat recommends approval of the Romania country programme update, noting that approval of the country programme does not denote approval of the projects identified therein or their funding levels.



MINISTRY OF ENVIRONMENT AND WATERS MANAGEMENT PROTECTION
Waste Management and Hazardous Substances Directorate - Ozone Unit

the 30th of March 2004

Subject:

Romania - Up-dated Country Programme

Dear Ms. Maria NOLAN,

We are referring to the Up-date of the Country Programme for the phase-out of ODS Project, carried out by UNIDO as leading agency, approved for Romania by the 36th Meeting of the Executive Committee, held in March 2002.

Project has been successfully implemented, and we have the pleasure in forwarding the Up-dated CP, English version, in order to be approved by the Multilateral Fund.

We inform you that the Romanian Government has approved the Up-dated Country Programme version, by Governmental Decision No. 58 / 22 January 2004, and we are including a copy of the Official Journal of Romania, which published the Decision.

Sincerely yours,

Rodica Ella MOROHOI

Ozone Unit / Romania

Cleared,

Elena DUMITRU

Director,
Waste Management and
Chemicals Directorate

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