



Ozone protection

Operation of the *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989*

This annual report is prepared in accordance with section 68 of the *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989* and covers the operation of the Act from 1 July 2006 until 30 June 2007.

Ozone depletion is a major global environmental problem. Left unchecked, deterioration of the ozone layer will allow higher doses of ultra violet band B (UVB) radiation to penetrate the earth's atmosphere and will greatly increase the incidence of skin cancer and eye cataracts, as well as affecting plants, animals and aquatic life.

The international community's response to ozone depletion has been cohesive and effective. Research indicates that the rate of ozone depletion has slowed and scientists predict a full recovery of the ozone layer in the mid-latitudes by around 2050 and over the Antarctic in the period 2060–2075. This predicted recovery depends on full compliance with internationally agreed phase-out targets for the use of ozone depleting substances.

Australia meets its international obligations to phase out the use of ozone depleting substances and to control the use of synthetic greenhouse gas replacements through the *Ozone Protection and Synthetic Greenhouse Gas Management Act 1989*.

Montreal Protocol

The 1987 Montreal Protocol aims to promote international cooperation in developing and implementing specific measures to control the consumption and production of ozone depleting substances. Australia ratified the Montreal Protocol in May 1989. The protocol was amended in 1990, 1992, 1995, 1997 and 1999. Australia has ratified all amendments. The protocol establishes total phase-out dates for controlled substances. This year Australia continued to meet or exceed its international obligations under the Montreal Protocol. Australia has met, or is well in advance of meeting, all reduction obligations. Australia will essentially phase out the import of hydrochlorofluorocarbons by 2015, five years ahead of our international obligations. In doing so, Australia will consume almost 5,000 ODP tonnes (or 63 per cent) less hydrochlorofluorocarbons than allowed for under the Montreal Protocol in the period from 1996 to 2020.



Purpose of the Act

The purpose of the Act is to:

- implement the provisions of the 1985 Vienna Convention for the Protection of the Ozone Layer and the 1987 Montreal Protocol on Substances that Deplete the Ozone Layer
- institute specific controls on the manufacture, import, export, distribution and use of ozone depleting substances
- encourage Australian industry to replace, and achieve a faster and greater reduction in the use of, ozone depleting substances
- control the manufacture, import, export and use of synthetic greenhouse gases that are used to replace ozone depleting substances, to give effect to Australia's obligations under the United Nations Framework Convention on Climate Change
- promote the responsible use of ozone depleting substances and synthetic greenhouse gases to minimise their impact on the atmosphere.

Operational aspects of the Act

Licensing

The Act establishes a licensing system to enable Australia to meet its international requirements under the Montreal Protocol and the United Nations Framework Convention on Climate Change. The Act manages the phase-out of ozone depleting substances and establishes consistent requirements for synthetic greenhouse gases that are used to replace ozone depleting substances. The Act:

- prohibits the import, export or manufacture of chlorofluorocarbons (CFCs), halons (halon 1211, 1301 and 2402), carbon tetrachloride, methyl chloroform, bromochloromethane and hydrobromofluorocarbons (HBFCs) without an essential use licence or used substance licence
- establishes a system of controlled substance licences and reporting requirements for the import, export or manufacture of hydrochlorofluorocarbons (HCFCs), methyl bromide, hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs) consistent with Australia's obligations under the Montreal Protocol and United Nations Framework Convention on Climate Change
- establishes a licensing system for the import of refrigeration and air conditioning equipment that contains an HFC or HCFC refrigerant charge (pre-charged equipment), thereby applying the same conditions and responsibilities for the import of these substances in equipment as apply to their import in bulk form.

Revenue

The Act establishes administrative fees for licences issued under the Act, with the fees set under the Ozone Protection and Synthetic Greenhouse Gas Management Regulations 1995. The Act also establishes the Ozone Protection and Synthetic Greenhouse Gas (SGG) Account to allow revenue from the licensing system, import levies and the National Halon Bank to be directed towards the cost of the Act's administration, ozone depleting substance phase-out programmes, emission minimisation programmes, and the operation of the National Halon Bank.

End use Regulations

The Act creates Regulation-making powers to allow the Australian Government to develop end use controls on purchase, sale, handling, storage and disposal of ozone depleting substances and synthetic greenhouse gases.

National end use Regulations have been implemented for the use of ozone depleting and synthetic greenhouse gases in the refrigeration and air conditioning and fire protection industries, and for control of methyl bromide as a feedstock and its use as a fumigant for approved critical uses and quarantine and pre-shipment uses.

These Regulations will ensure Australia meets its phase-out responsibilities under the Montreal Protocol and will lead to reduced emissions of ozone depleting substances and synthetic greenhouse gases through the establishment of national knowledge, skills and working standards for industry.

The Australian Refrigeration Council and the Fire Protection Association of Australia are the industry boards that assist with the administration of licensing in the refrigeration and air conditioning industry and fire protection industry respectively.

Operational achievements in 2006–07

Licences issued

There are four types of licence that can be issued under the Act: controlled substance, essential use, used substance, and pre-charged equipment. There is one type of exemption: section 40 (essential use).

Licences for controlled substances, used substances, essential uses and pre-charged equipment are granted for a period of up to two years. The current licensing period ends on 31 December 2007.

Essential use exemptions are granted for a period of up to one year. All current permits will expire on 31 December 2007.

As of 30 June 2007 there were 733 active licences for the 2006–2007 licensing period.

Table 1: Active licences as at 30 June 2007

Type of licence	Number
Import and export HCFC	8
Import and export methyl bromide	5
Import and export HFC and PFC	14
Import refrigeration and air conditioning equipment containing an HCFC or HFC refrigeration charge	695
Export CFC—essential use licence to facilitate the re-export of bulk CFC no longer required in Australia	0
Import and export used or recycled CFC, halon, carbon tetrachloride and methyl chloroform—used substance licence	1
Section 40 exemptions ¹	10

¹ Section 40 exemptions are issued only to enable the import of certain products and equipment containing or designed to contain certain ozone depleting substances that are essential for medical or other purposes and for which practical alternatives are not available in Australia.

The Ozone Protection and Synthetic Greenhouse Gas Regulations 1995 permit the use of methyl bromide for quarantine and preshipment uses, critical non-quarantine and preshipment uses that have been approved through the Montreal Protocol and as a feedstock (i.e. an intermediate substance which is used to manufacture other chemicals). A permit to use methyl bromide as a feedstock is granted where the user demonstrates that it is a genuine feedstock use. Three such permits were issued in 2006–07. These permits are issued on a calendar year basis.

Australia's imports of ozone depleting substances remain below the limits set through the Montreal Protocol. Bulk imports of ozone depleting gases into Australia during the 2006 calendar year amounted to an equivalent of 163 ozone depleting potential (ODP) tonnes, a decrease of 70 ODP tonnes from 2005. The import of ozone depleting substances, for use as refrigerants, solvents and fire extinguishing agents, remained in line with the structured quota reduction system. In addition, an estimated 25 ODP tonnes of ozone depleting refrigerants were incorporated in pre-charged equipment imported in 2006.

Imports of bulk synthetic greenhouse gases into Australia during the 2006 calendar year were 5,056.34 kilotonnes of carbon dioxide equivalent; imports of synthetic greenhouse gases incorporated in pre-charged equipment were 2,170 kilotonnes of carbon dioxide equivalent.

Revenue

The Act provides for licence and exemption application fees to be levied.

Table 2: Licence and exemption fees

Type of licence/exemption	Fee
Controlled substance	\$15,000 per licence period
Essential use	\$3,000 per licence period
Used substance	\$15,000 per licence period
Pre-charged equipment	\$3,000 per licence period
Section 40	\$3,000 per exemption period

Levies on import and manufacturing activity under a controlled substance licence are payable each quarter under the *Ozone Protection and Synthetic Greenhouse Gas (Import Levy) Act 1995* and the *Ozone Protection and Synthetic Greenhouse Gas (Manufacture Levy) Act 1995* according to the quantity and ozone depleting potential of HCFCs imported or manufactured; or the quantity of methyl bromide, HFC or PFC imported or manufactured (see Table 3). Australia has not manufactured ozone depleting substances since 1996, and has never manufactured HFCs or PFCs.

Table 3: Activity fees

Licensed activity	Fee
Import HCFCs	\$3,000 per ODP ¹ tonne
Import HFCs and PFCs	\$165 per metric tonne
Import methyl bromide	\$135 per metric tonne

¹ Ozone depleting potential (ODP) is a comparative measure using CFC as a base level of 1. For example 1 metric tonne of methyl bromide equals 0.6 ODP tonne.

Licence fees and levies are set at the level estimated to be the cost to the Australian Government of administering the legislation and undertaking programmes associated with phase-out and emission minimisation. These fees are held in the Ozone Protection and Synthetic Greenhouse Gas (SGG) Account.

The purpose of the account is to reimburse the Australian Government for the costs associated with:

- administration of the Act and Regulations
- furthering the ozone depleting substances phase-out, and ozone depleting substance and synthetic greenhouse gas emission minimisation programmes
- management of the National Halon Bank.

Funds received during 2006–07 from operation of the National Halon Bank and licence fees and levies are shown in Table 4. Spending on emission minimisation and phase-out programmes was low this year as efforts were focused on implementing amendments to the legislation.

Table 4: Ozone Protection and SGG Account receipts and expenditure

Activity	Amount received (\$) in 2006–07
Controlled substance licence fees:	
Methyl bromide licence fees	0
HFCs licence fees	75,000.00
Pre-charged equipment licence fees	591,000.00
Section 40 exemption fees	6,000.00
Levies:	
HCFCs	464,747.85
Methyl bromide	54,771.60
HFCs	470,126.88
Pre-charged equipment	404,374.23
National Halon Bank:	
Commercial revenue	725,482.75
Total	2,791,503.10
Account	Expenditure
Grants	0
Salary and administration	92,057.59
Total minus expenditure	2,699,445.72

Projects funded from the Ozone Protection and SGG Account

No new projects were approved for funding in 2006–07. A \$1 million programme to assist refrigeration and air conditioning technicians to comply with the Regulations was advertised in May 2007. A wider emission minimisation and phase-out programme is being developed for consideration in 2007–08.

Montreal Protocol’s Multilateral Fund

Australia provides financial assistance, through the Montreal Protocol’s Multilateral Fund, to assist developing countries to comply with the phase-out requirements under the protocol. Australia also provides direct technical and financial assistance to other countries in the region. For example, this year Australia continued to assist Pacific Island countries to meet their obligations under the Montreal Protocol, including helping them to develop legislation to control the imports of ozone depleting substances and to develop training for customs officers. Funding for these projects is provided through Australia’s international aid programme.



INSTRUCTIONS FOR USE

1. Carefully pour waste oil into the back tank
2. Place unwanted containers and oil filters onto the draining hold point located directly in front of you.
3. If there are no available hold points on the draining facility, remove a drained container and place it to one side.

Do not pour waste detergents into this facility

Do not pour acids or chlorine into this facility

Do not pour solvents around this facility

Do not pour into this facility.

EMERGENCY Phone : 000

