



OZONACTION REPORT

Introduction

In order to enable countries to effectively monitor and control trade in ozone depleting substances (ODS) and to prevent illegal trade, which first became a significant problem in the mid-1990s, the Parties to the Montreal Protocol established, in 1997, a system for licensing the import and export of new, used, recycled and reclaimed ODS and ODS-containing mixtures. While a licensing system on its own is not sufficient to eliminate ODS smuggling, it gives the national authorities a way of taking stock of legitimate ODS traders, to allocate import and export permits among the authorised traders and to weed out any unauthorised trade (intentional or unintentional). Such a licensing system is more effective when coupled with a quota system that sets levels of permitted imports and exports.

As part of its work in providing assistance to developing countries to fulfil their commitments under the *Montreal Protocol on Substances that Deplete the Ozone Layer*, the UNEP OzonAction Compliance Assistance Programme (CAP) launched the online 'Informal Prior-Informed Consent' (iPIC) mechanism in 2006 (prior to this it was a paper-based system). This initiative was developed and is maintained by OzonAction to assist developing countries to better manage trade in ODS that are controlled under the Protocol; to facilitate and monitor ODS trade and avoid illegal or unwanted shipments. iPIC is a secure restricted platform that currently has 127 member countries.

“2020 was the most successful year for iPIC since its inception, with almost 1000 queries screening 40,000 tonnes”



THE BENEFITS OF iPIC

- ✓ Quick exchange of information helping clarify the status of intended ODS and HFC shipments and expedite legal trade and prevent illegal or unwanted ODS trade
- ✓ Enables Parties to better monitor the controlled substances entering and/or leaving their territories, ensuring the country's compliance with the Montreal Protocol
- ✓ iPIC is a useful tool which can be used to reduce discrepancies between import and export data, to identify and reduce illegal trade and cases of non-compliance with domestic legislation
- ✓ iPIC contributes to forging valuable links and fosters good working relations between responsible staff in trade partner countries
- ✓ iPIC has helped to clarify the status of many hundreds of suspicious or uncertain shipments since its inception and has been responsible for preventing hundreds of illegal, unauthorised and 'unwanted' shipments.

What is iPIC?

iPIC is a voluntary and informal mechanism of information exchange on intended trade between countries in ODS, ODS-containing mixtures, products and equipment. It enables iPIC member countries to share details of eligible importers and exporters with other iPIC members through a secure online platform. Designated iPIC focal points can also carry out simple consultations with their counterparts in trading partner countries prior to intended shipments of ODS. UNEP's regional iPIC focal points can provide valuable assistance and support to follow-up on specific iPIC consultations.

iPIC initially began as a manual paper-based system and based on its effectiveness, was launched as an online platform in 2006. It is maintained by UNEP OzonAction to help countries facilitate and monitor ODS trade and avoid illegal or unwanted shipments. iPIC has become a global

voluntary initiative used by around 130 countries who wish to strengthen the implementation of their national licensing system for ODS and HFCs. In February 2020 The iPIC platform was re-designed and improved, responding to comments and suggestions from regular users.

The Parties of the Montreal Protocol have recognised iPIC as a tool with the means to combat illegal trade in ODS. The Parties have for example encouraged specific countries to participate in the iPIC process to help overcome the difficulties of being new members. In addition, all Parties were invited to consider participation in iPIC as a means to improve information about their potential imports of controlled substances with the aim of reducing differences between reports of imports and exports of ODS and helping to identify illegal trade or cases of non-compliance with domestic legislation.

The NEW iPIC platform

Following consultations with active users of iPIC Online, in 2020, the platform was completely updated and overhauled to further simplify its use and provide basic and straightforward information to NOUs, trade and customs authorities to facilitate approval of ODS shipments and issuance of appropriate import/export licence.

The new iPIC online system provides member countries with more standardised and personalised access and increased security. The main improvements and advances are:

- ✓ **Now includes HFCs and HFC mixtures in line with the Kigali Amendment**
- ✓ **The new iPIC platform is much easier to use and navigate**
- ✓ **Improved interface, graphical displays and streamlined operation**
- ✓ **Straightforward data entry**
- ✓ **A new secure, restricted-access system of communication with trade partners**
- ✓ **Encrypted password-protected access with improved security**
- ✓ **Graphical display of main data (individual and global)**
- ✓ **All countries can actively and effectively engage in the iPIC process**
- ✓ **An increasingly effective means to prevent illegal and unwanted trade in ODS and HFCs**

UNEP OzonAction encourages all countries that have not yet adopted iPIC to register and use the tool for effective monitoring of ODS, HFCs and other controlled substances. Countries that are registered, but do not regularly use the system are encouraged to have a look at the new updated platform and see how easy it now is to fully engage in the iPIC process.

“The iPIC platform has had a complete makeover”

iPIC ONLINE
OzonAction
UN ENVIRONMENT

Informal Prior Informed Consent
Compliance through Informal prior informed consent on trade of ozone depleting substances and HFCs

UNEP Focal Point | FAQ
How to use iPIC Online

My Recent Licences

Country	Product	Quantity	Value
Country A	Product X	1000	10000
Country B	Product Y	500	5000
Country C	Product Z	200	2000

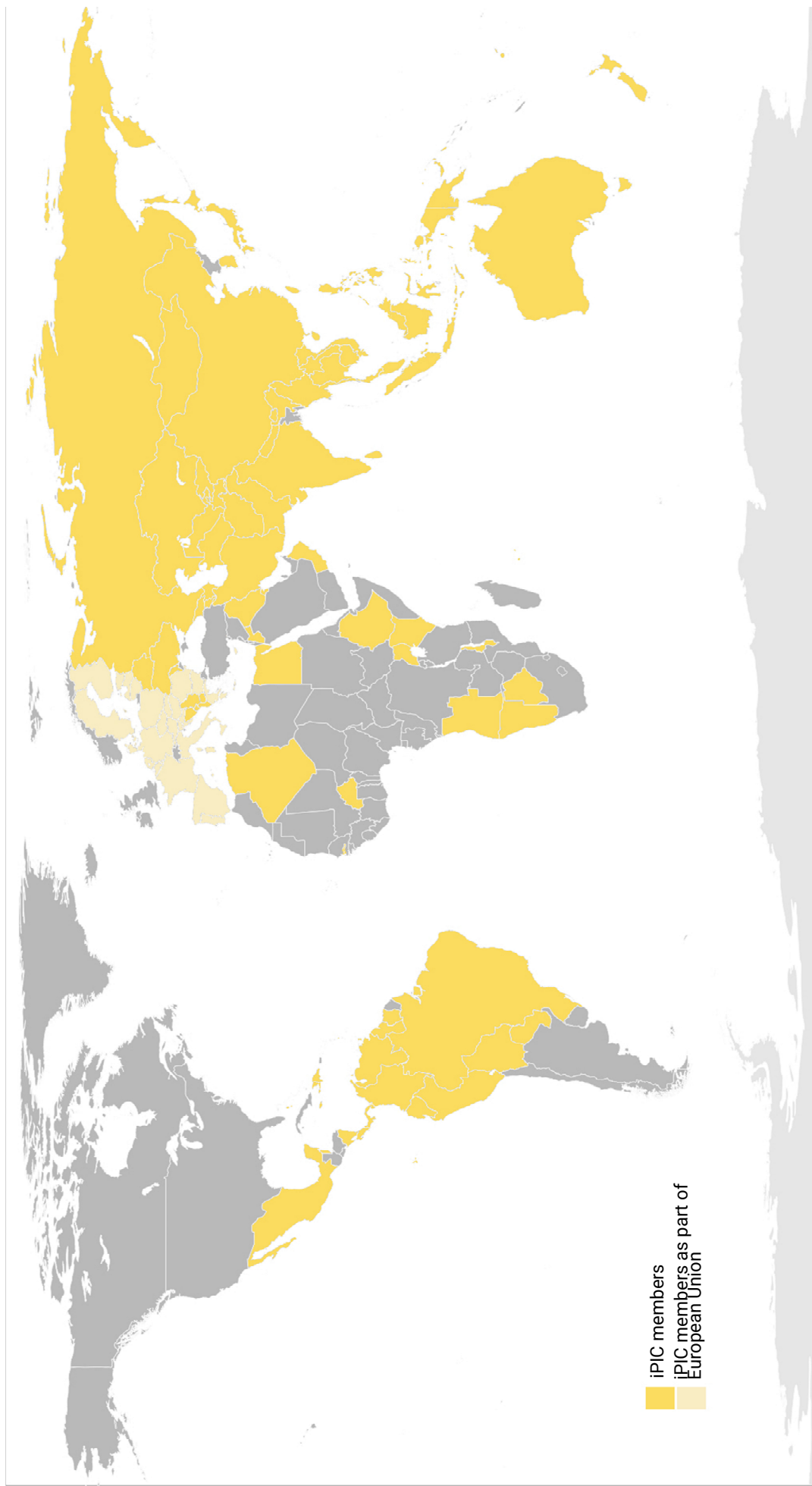
Recent Data

Donut chart showing the distribution of data between two categories.

Big recent imports Disparities

Bar chart comparing imports and exports for various countries. The chart shows a significant disparity for Country D, with imports being much higher than exports.

iPIC member countries



Current iPIC member countries:

Afghanistan, Albania, Algeria, Angola, *Antigua and Barbuda*, Armenia, Australia, Azerbaijan, Bahamas, *Barbados*, Belarus, Belize, Bhutan, Bolivia (Plurinational State of), Bosnia and Herzegovina, Botswana, Brazil, Brunei Darussalam, Burkina Faso, Cambodia, China, Colombia, *Cook Islands*, Costa Rica, *Dominica*, Dominican Republic, Ecuador, Egypt, Ethiopia, European Union, Faroe Islands, Fiji, Gambia, Georgia, *Grenada*, Guyana, Haiti, India, Indonesia, Iraq, Islamic Republic of, Israel, Jamaica, Japan, Jordan, Kazakhstan, Kenya, *Kiribati*, Korea (Republic of), Kuwait, Kyrgyzstan, Lao People's Democratic Republic, Malawi, Malaysia, *Maldives*, *Marshall Islands*, Mauritius, Mexico, *Micronesia (Federated States of)*, Moldova (Republic of), Mongolia, Montenegro, Myanmar, Namibia, *Nauru*, Nepal, New Zealand, Nicaragua, *Niue*, North Macedonia, Oman, Pakistan, *Palau*, Panama, Papua New Guinea, Paraguay, Peru, Philippines, Russian Federation, *Saint Kitts and Nevis*, *Saint Lucia*, *Saint Vincent and the Grenadines*, *Samoa*, Serbia, *Seychelles*, *Singapore*, *Solomon Islands*, Sri Lanka, Suriname, Tajikistan, Thailand, Timor-Leste, *Tonga*, Trinidad and Tobago, Turkmenistan, *Tuvalu*, Uganda, Ukraine, Uzbekistan, *Vanuatu*, Venezuela (Bolivarian Republic of) and Viet Nam.

Information correct as of publication date; countries in *italic* text are not shown due to the map's scale.

This is not an official UN map, for illustration purposes only; borders not authenticated. Map: public domain (Wikimedia)

iPIC in 2020

2020 was a very important year for iPIC. Early in that year we launched the new updated and improved platform. This has proved to be greatly appreciated by users. Additionally, and perhaps connected to this is the fact that 2020 was the most successful year for iPIC since its inception. In 2020, there were 946 queries screened through iPIC. This is a huge jump in usage. In terms of quantity of ODS and other substances this was almost 40,000 metric tonnes screened through iPIC. This is equivalent to 5,800 ODP tonnes or 72 million CO₂-equivalent tonnes of CFCs, HCFCs, carbon tetrachloride (CTC), HFCs and other substances.

The proportion of trade prevented through the iPIC mechanism in 2020, that could be an indicator of illegal or unwanted trade, was relatively low compared to previous years. Of the 40,000 metric tonnes screened, only 1,330 metric tonnes (or 5%, see Figure 1) was recorded as rejected. The quantities that were recorded as “no response/withdrawn” were high - 17,700 metric tonnes (42%). These cases include those where UNEP did not receive an update from the trading countries on the final result of the iPIC queries. It is therefore likely that some proportion of these recorded as “no response/withdrawn” were also rejected.

It is clear that in 2020, the great majority of queries related to HCFCs, both in terms of number of queries (see Figure 2) and quantity of substance in metric tonnes (see Figure 3).

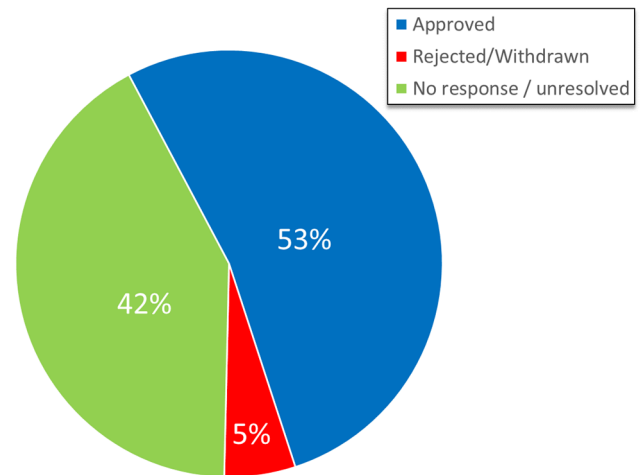


Figure 1 - Proportion of queries screened through iPIC in

When we consider ozone depletion potential (ODP) tonnages, a somewhat different perspective emerges, as is illustrated in Figure 4. While HCFC is still the highest quantity in terms of ODS tonnages screened through iPIC, it is clear that a significant quantity of CFC and CTC was screened in addition to smaller, but significant quantities of Halon and methyl bromide (MeBr). These substances are noteworthy given they have been completely phased-out under the *Montreal Protocol on Substances that Deplete the Ozone Layer*, except for some specific exemptions.

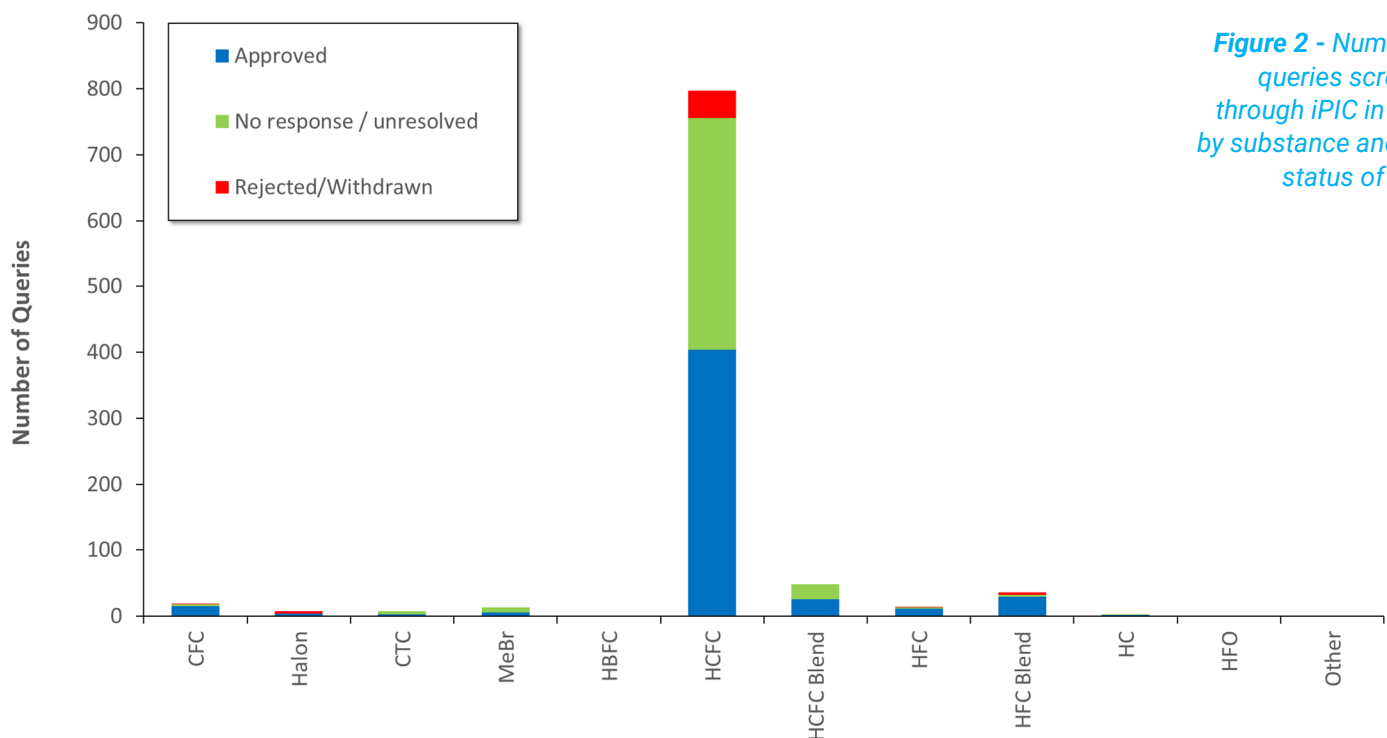
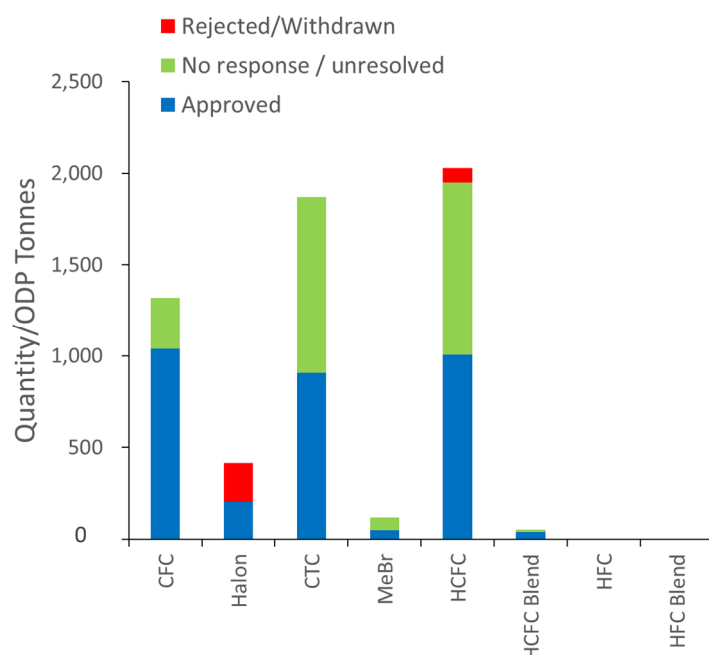
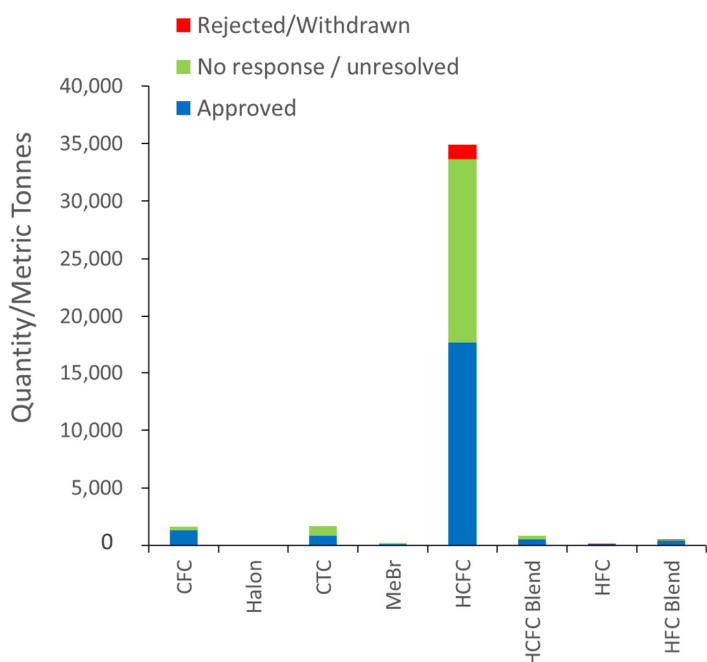


Figure 2 - Number of queries screened through iPIC in 2020, by substance and final status of query



Quantities of substances screened through iPIC in 2020 in metric tonnes (Figure 3, left) and in ODP tonnes (Figure 4, right)

The quantities of CTC screened and subsequently permitted were under exemptions for feedstock purposes. Trades in methyl bromide were permitted for shipment into a number of countries for quarantine and pre-shipment purposes, as well as some feedstock.

Of the halons screened, some were permitted since they were recycled, but three requests were denied since the importer did not hold the appropriate licence and in one case a previously used import licence was attempted to be used. The CFCs screened through iPIC, mainly CFC-113, were imported into Europe from Asia under the appropriate exemptions.

The greatest quantity of rejected requests to import were for HCFCs, comprising over 1000 ODP tonnes (18,000 metric tonnes). Several of these were stopped due to the presentation of false licences and permits. Regular and close communication between the respective iPIC focal points allowed these unlawful activities and potential illegal trade in HCFCs to be prevented.

A more recent development being adopted by some iPIC member countries is the screening of hydrofluorocarbons (HFCs), an option which is now fully integrated in the updated iPIC platform. In 2020, 584 metric tonnes of HFCs and HFCs contained in blends

(mixtures) was screened through iPIC, this is equivalent to 1.4 million CO₂-equivalent tonnes.

Some countries in the Latin America region confirmed the transit of at least 41 ODP tonnes (1.3 million CO₂-equivalent tonnes) of HCFCs through free trade zones and it is noteworthy that these never officially entered their territories and went on to their final destinations.

It is also interesting to note that countries conduct iPIC consultations not only for high volumes of controlled substances but also for very small quantities. Several queries were screened through iPIC for amounts ranging between 1 gram and 1 kilogram of ODS. Some of these requests involved substances no longer permitted to be trade and were thus rejected.

Assistance provided by UNEP regional focal points has proved useful in following up with concerned trade partners in resolving specific cases. For example, UNEP frequently followed up with importing and exporting countries to clarify whether the intended shipments would be acceptable/authorised, thus helping avoid unnecessary delays in the trade or in finalising the consultation.

iPIC through the years



Figure 5. Summary of number of iPIC consultations per year from 2007 to 2020

The iPIC mechanism was originally created in 2000 in the Asia Pacific region. From the original paper-based system, it has grown with time and became a global platform with the release of “iPIC online” in 2006, in terms of members and queries per year. Figure 5, above, illustrates the number of queries from 2007 to 2020. Prior to 2020 the number of queries per year varied somewhat, but averaged around 100 per year. 2020 was a very different year indeed with almost 10 times as many queries compared to the average. The reason for this is not clear, but the new improved platform and surrounding awareness of iPIC could have contributed to this success.

metric tonnages. Over the last ten years iPIC has been used to process thousands of queries to screen over 66,000 metric tonnes of controlled substances (approximately 135 million CO₂-equivalent tonnes). During this period, the iPIC mechanism has prevented many thousands of tonnes of unwanted or illegal shipments of ODS and HFCs. The iPIC statistics collected (and this does not include the many cases where UNEP was not informed of the final outcome of the queries) record that in excess of 6,700 metric tonnes (around 11 million CO₂-equivalent tonnes) of controlled substances were prevented from being illegitimately traded by the using of the iPIC mechanism.

Figure 6 illustrates quantities screened though iPIC in



Screening of HFCs is now fully integrated in the updated iPIC platform

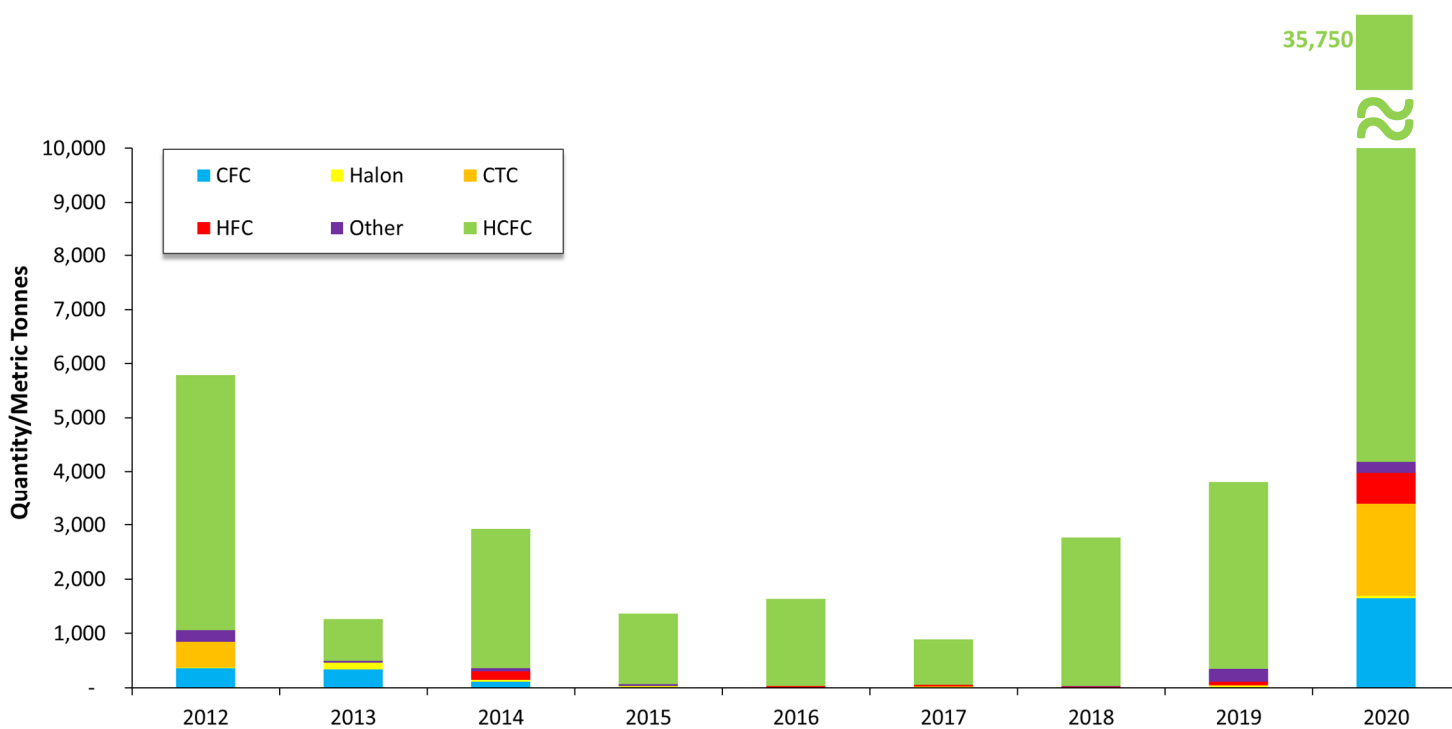


Figure 6. Summary of quantity of substances, in metric tonnes, cleared through iPIC consultations per year from 2007 to 2020. (Note: 2020 data is not plotted to scale)

The Kigali Amendment to the Montreal Protocol was agreed in 2017, which added to the Protocol the phase-down of the production and consumption of HFCs. While trade controls are not yet required in developing countries, HFCs are already being controlled by developed countries and have thus been added to the iPIC mechanism. Figure 7 illustrates quantities screened through iPIC in terms of their global warming potential (CO₂-equivalent tonnes). While queries screened through iPIC over the past 7 years are dominated by HCFCs, it is interesting to note that in

recent years HFCs are starting to be regularly screened through the platform. Most recently in 2020, 584 metric tonnes of HFCs and HFCs contained in blends (mixtures) were screened through iPIC.

While other ODS such as CFCs, halons and CTC frequently appear in small quantities, considerably large quantities were cleared through iPIC in 2020 as shown below.

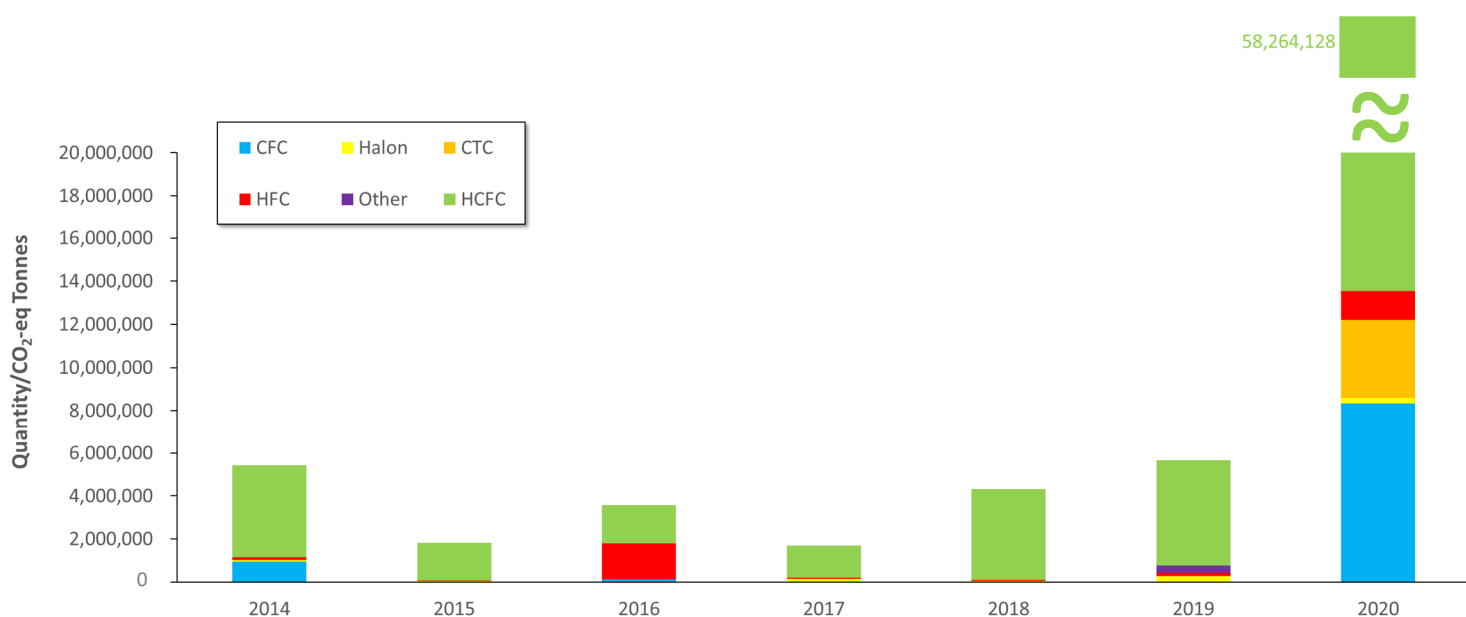


Figure 7. Summary of quantity of substances, in CO₂-equivalent tonnes, cleared through iPIC consultations per year from 2014 to 2020. (Note: 2020 data is not plotted to scale)

Participating in iPIC

At the 24th Meeting of the Parties to the Montreal Protocol all Parties were invited to consider participation in iPIC as a means to improve information about their potential imports of controlled substances with the aim of reducing the difference between reports of imports and exports of ODS and helping to identify illegal trade (Decision XXIV/12).

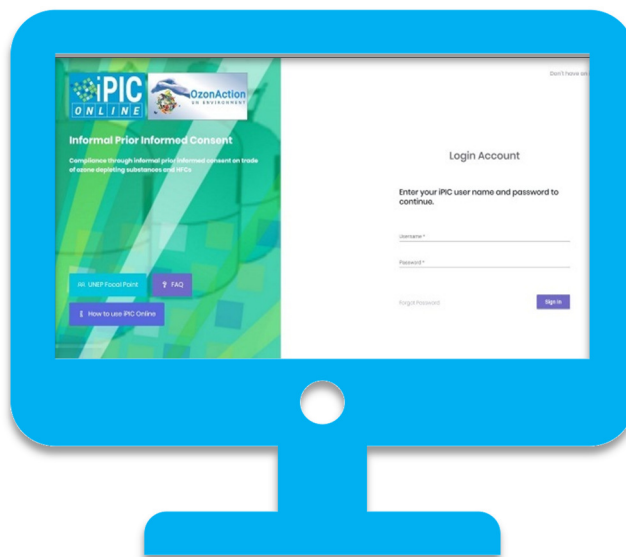
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The effectiveness of iPIC can be progressively improved by being more widely adopted and utilised.

Participation in iPIC is simple. Upon request from a country, UNEP initiates the process by creating a new member page and account for that country. The designated focal points receive a notification message by email containing their access information for the iPIC online system and a link to validate. The country is now an iPIC member and as such now has access to iPIC online and all the relevant information including the contact information of all iPIC focal points.

“iPIC has been used to screen over 66,000 metric tonnes of controlled substances”

www.ozonaction.org/ipic



To find out more:



Visit the **iPIC Online** platform at: www.ozonaction.org/ipic

See the flyer introducing the new iPIC platform:

<https://wedocs.unep.org/bitstream/handle/20.500.11822/31484/8127NewIPICflyer.pdf?sequence=1&isAllowed=y>

UNEP's regional iPIC focal points can provide valuable assistance and support to follow-up with specific enquiries and can respond to any questions. Contact your UNEP OzonAction Regional Coordinators: <https://www.unep.org/ozonaction/networks>

Contact the iPIC Administrators:
unep-ozonaction-ipic@un.org

