(Appendix)

Background

The production and consumption of major ozone depleting substances (ODSs) such as chlorofluorocarbons (CFCs) are to be phased out by 2010 in accordance with the Montreal Protocol on Substances that Deplete the Ozone Layer. However, the recovery and destruction of existing ODSs which have been already produced before the total phase-out are not clearly required under the Montreal Protocol; different countries which are Parties to the Montreal Protocol have different positions with regard to the disposal of unwanted ODSs and the discussion is still going on.

Since the destruction of fluorocarbons, which deplete the ozone layer and have strong greenhouse potentials, is a very effective measure for the global environmental protection, Japan has promoted the recovery and destruction of fluorocarbons from end-of-life equipment, etc. under the Fluorocarbons Recovery and Destruction Law, the Home Appliance Recycling Law, and the End-of-Life Vehicle Recycling Law. As a result, it has accumulated the legislative and technological experience with regard to the destruction of fluorocarbons.

Based upon this experience, the Ministry of the Environment has been working for the establishment of a fluorocarbons destruction facility in Indonesia since 2006 in cooperation with the Ministry of Environment of Indonesia, a private company in Indonesia, and fluorocarbons destruction operators in Japan.

The fluorocarbons destruction facility has recently been completed as the first in Indonesia and was visited by an officer of the Ministry of the Environment of Japan.

Outline of the Fluorocarbons Destruction Facility in Indonesia

Name of Company: PT Holcim Indonesia Tbk. Narogong Plant

Address: Jl. Raya Narogong Km.7 Bogor 16820, Indonesia

P.O. Box 25 Bogor

Type of Fluorocarbons Accepted: CFCs and HCFCs

Destruction Capacity: 50-100kg/hr

Technology Applied: Cement Kiln Incineration
Date of Completion of Work: February 2007

Date of Approval of Operation: 30 August 2007

Achievement of Destruction to date: 9.18 t of CFC-11

Progress to date and Japan's cooperation

In FY 2005, the Ministry of the Environment carried out a survey of unwanted ODS in Asia region and as a result identified needs for the disposal of unwanted ODSs in Indonesia. Following this, the Ministries of the Environment of Japan proposed a cooperation project between Japan and Indonesia, consulting with the Indonesian Government and PT Holcim Indonesia Tbk (under a different company name at the time of initial consultation), which responded positively to the inquiry of interest about the destruction of unwanted ODSs by the Indonesian Government.

In FY 2006, the Ministry of the Environment of Japan invited the officers of the Indonesian Government and the technicians of PT Holcim Indonesia Tbk to Japan in order for them to learn about Japan's legislations on fluorocarbons recovery and destruction and make a site visit to Japanese fluorocarbons destruction facilities. Following this mission, the Ministry of the Environment of Japan, with the cooperation from Japanese fluorocarbons destruction operators, provided technological and legislative advice that was necessary for the modification of the existing cement production facility at PT Holcim Indonesia Tbk for fluorocarbons destruction. In June 2007, the Ministry of the Environment of Japan dispatched experts to the facility.

The modification of the facility for fluorocarbons destruction was completed in February 2007 and the approval for the operation of fluorocarbons destruction by the Indonesian Government was issued after a trial operation and verification on 30 August 2007.

The officer of the Ministry of the Environment visited the facility on 16 November 2007 and acknowledged that the facility is capable of accepting and destroying the fluorocarbons.

Further Steps

The Ministry of the Environment will continue to provide technological and legislative experiences to the Indonesian Government and cooperate for the proper destruction of fluorocarbons in Indonesia. It will also work to make the fluorocarbons destruction more widely available to other developing countries, based on the experiences of this project. Furthermore, the Ministry of the Environment will work to draw the attention of the Parties to the Montreal Protocol to the importance of fluorocarbons destruction and urge global actions to prevent the emissions of these gases.