Pursuant to Article 33 paragraph 1 and 2 of the Law on Air Protection (Official Gazette of Montenegro 25/10), at its session held on 16 December 2010, the Government of Montenegro adopted the following

Decree on substances that deplete the ozone layer and alternative substances

The Decree was published in the Official Gazette of Montenegro 5/2011 of 21 January 2011

I. GENERAL PROVISIONS

Article 1

This Decree prescribes the phasing out of the consumption of substances that deplete the ozone layer, handling of substances that deplete the ozone layer and alternative substances, handling of products that contain such substances or are produced with them, import, export and marketing of such substances and products, handling of such substances after terminating the use of products containing them, method of collecting, using and permanently disposing them, method of labelling products that contain alternative substances and requirements to be met by legal persons and entrepreneurs that are engaged in the maintenance, repair as well as putting out of use the products containing substances that deplete the ozone layer and/or alternative substances.

Article 2

Substances that deplete the ozone layer (hereinafter: controlled substances) are: chlorofluorocarbons, other fully halogenated chlorofluorocarbons, halons, carbon tetrachloride, 1, 1, 1-trichloroethane (methyl chloroform), methyl bromide. hydrochlorofluorocarbons, hydrobromofluorocarbons and bromochloromethane, as well as new controlled substances: dibromodifluoromethane, 1-bromopropane, bromoethane, trifluoroidomethane and chloromethane, whether existing alone or in a mixture, and whether they are virgin, recovered, recycled or reclaimed, including their isomers.

Alternative substances are fluorinated gases (hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride) and their mixtures with the ozone depleting potential equal to zero, but contributing to global warming.

The list of controlled substances, with their chemical formula, ozone depleting factor and tariff code, is given in Appendix 1, attached to this Decree and constituting its integral part.

The list of new controlled substances, with their chemical formula, ozone depleting factor and tariff code, is given in Appendix 2, attached to this Decree and constituting its integral part.

The list of alternative substances referred to in paragraph 2 above, with their chemical formula, global warming potential and tariff code, is given in Appendix 3, attached to this Decree and constituting its integral part.

The list of products which contain controlled substances or are manufactured with them, or which may contain alternative substances or are manufactured with them, is given in Appendix 4, attached to this Decree and constituting its integral part.

Article 3

The terms used in this Decree shall have the following meanings:

1) Montreal Protocol means the Protocol on Substances that Deplete the Ozone Layer to the Vienna Convention on the Protection of the Ozone Layer, as last amended and adjusted;

2) Kyoto Protocol means the protocol to the United Nations Framework Convention on Climate Change;

3) Plan of Elimination of HCFC Substances Depleting the Ozone Layer is the Plan of elimination of hydrochlorofluorocarbons (HCFC substances) of the Government of Montenegro from 2010;

4) ozone depleting factor means the potential effect of any controlled substance on the ozone layer;

5) global warming potential of fluorinated gases means the potential calculated under the methods of the Intergovernmental Panel on Climate Change (IPCC), expressed as an equivalent relative to global warming potential of carbon dioxide;

6) mixtures of alternative substances mean the mixtures consisting of two or more substances, at least one of which is fluorinated gas, except when their total global warming potential is less than 150, calculated under methods referred to in Appendix 3 to this Decree;

7) **production** means the amount of controlled substances produced, excluding recovered, recycled or reclaimed substances, minus the amount destroyed by technologies approved by the Montreal Protocol;

8) consumption means the total amount of production plus imports, minus exports of controlled and/or alternative substances.

9) use means the use of controlled and/or alternative substances in producing, servicing or maintaining systems, equipment and devices, including refilling, or in other processes;

10) placing on the market means supplying or making available to third persons, against payment or free of charge, of controlled and alternative substances or products containing such substances or manufactured with them;

11) products manufactured with controlled and/or alternative substances means also the products the use or proper functioning of which is not possible without the presence of such substances, not including those

devices and equipment used for the production, processing, recovery, recycling, reclamation or destruction of those products;

12) virgin substances means the newly manufactured substances that have not previously been used;

13) recovery means the collection of controlled and/or alternative substances from products, equipment and containers, during the servicing, before putting them out of use or before removing them permanently, as well as the storage in special cylinders for that purpose;

14) recycling means the reuse of a recovered controlled and/or alternative substance following a basic cleaning process;

15) reclamation means the reprocessing of a recovered controlled and/or alternative substance through such processes as filtering, drying, distillation and chemical treatment in order to meet the equivalent performance of a virgin substance;

16) leakage detection device means a calibrated mechanical, electrical or electronic device with an alarm for detecting leakage of controlled and/or alternative substances;

17) hermetically sealed system means the system in which all parts of the refrigeration system have been joined by welding, soldering or similar permanent juncture;

18) heat pump means a device or installation that extracts heat at low temperatures from air, water or earth and supplies heat.

II. PHASE-OUT OF CONSUMPTION OF CONTROLLED SUBSTANCES

Article 4

The phase-out of the consumption of controlled substances from Appendix 1 Annex C Group I of this Decree, shall be conducted following the Montreal Protocol and the Plan of Elimination of HCFC Substances Depleting the Ozone Layer (hereinafter: HCFC Substance Elimination Plan) under the following timeframe:

1) annual consumption in the period from 1 January 2013 to 31 December 2013 should not exceed baseline consumption;

2) annual consumption in the period from 1 January 2014 to 31 December 2014 should not exceed 95% of baseline consumption;

3) annual consumption in the period from 1 January 2015 to 31 December 2015 should not exceed 90% of baseline consumption;

4) annual consumption in the period from 1 January 2020 to 31 December 2020 should not exceed 65% of baseline consumption;

5) annual consumption in the period from 1 January 2025 to 31 December 2025 should not exceed 32.5% of baseline consumption;

6) annual consumption in the period from 1 January 2030 to 31 December 2030 should not exceed 2.5% of baseline consumption.

Baseline consumption of controlled substances referred to in paragraph 1 above shall be the average annual consumption in 2009 and 2010.

The consumption of controlled substances referred to in paragraph 1 above shall not be allowed after 1 January 2040.

The HCFC Substance Elimination Plan defines total annual consumption quotas of controlled substances referred to in paragraph 1 above, including the consumption in the period from 1 January 2011 to 31 December 2012.

III. IMPORTS, EXPORTS AND PLACING ON THE MARKET

Article 5

Imports and placing on the market of controlled substances in Appendix 1 Annex A Groups I and II, Annex B Groups I, II and III, Annex C Groups II and III and Annex E Group I of this Decree shall not be allowed.

Imports and placing on the market of new controlled substances from Appendix 2 of this Decree shall not be allowed.

Article 6

Imports and/or exports of controlled substances, alternative substances or products in Appendix 4 to this Decree shall be carried out with the permit issued by relevant environmental protection administrative authority (hereinafter: the Agency).

The permit for imports and/or exports of substances referred to in paragraph 1 above shall be issued for each consignment separately.

The Agency shall issue permit for temporary imports of recovered controlled and alternative substances for the purpose of reclamation, unless their reclamation is not possible in Montenegro.

Article 7

Written application of importer for setting annual quota for controlled substances from Appendix 1 Annex C Group I of this Decree for imports, shall be submitted to the Agency by not later than 1 December of the current year for the following year.

The application for obtaining import permit for controlled substances shall be supported by a document issued by the Agency upon the application referred to in paragraph 1 above.

Article 8

Legal person or entrepreneur performing the imports, exports and placing on the market of controlled and alternative substances shall submit to the Agency proof of imported or exported amounts of controlled and alternative substances (Unified Customs Document) for each issued permit, by not later than three days after the performed imports or exports of such substances.

Legal person or entrepreneur referred to in paragraph 1 above shall keep a record of:

1) imports of controlled and alternative substances and end-users of such substances, through imported amounts for each substance individually, amounts placed on the market locally by substances and their eventual purposes, existing stocks and other details relevant for establishing the consumption of controlled substances;

2) exports of controlled and alternative substances, through exported amounts for each substance individually, establishing amounts exported to each state individually, amounts of recovered controlled and alternative substances, exported for reclamation, as well as existing stocks of those substances.

Data from the record referred to in paragraph 2 above shall be submitted by the legal person or entrepreneur to the Agency, by not later than 31 January of the current year for the preceding year, on Form 1, attached to this Decree and constituting its integral part.

The data referred to in paragraph 3 above should be kept by the Agency for five years.

Article 9

Legal person or entrepreneur performing the imports and exports of products in Appendix 4 to this Decree shall submit to the Agency proof of imported or exported products (Unified Customs Document) for each issued permit, by not later than three days after the performed imports or exports of such products.

Legal person or entrepreneur performing the imports and exports of products in Appendix 4 to this Decree that contain alternative substances shall submit upon request of the customs authority, during the imports and/or exports, a statement confirming that the product does not contain alternative substances.

The statement referred to in paragraph 2 above shall be submitted on Form 2, attached to this Decree and constituting its integral part.

Article 10

Imports and placing on the market of products in Appendix 4 to this Decree that contain substances from Appendix 1 Annex A Groups I and II, Annex B Groups I, II and III and Annex C Groups I, II and III of this Decree, or are manufactured with such substances, is not allowed.

Imports and placing on the market of products in Appendix 4 Group I of this Decree (refrigeration and air conditioning equipment) that contain controlled substances in Appendix 1 Annex C Group I of this Decree, shall be allowed until 1 January 2012.

IV. IMPORTS FOR SPECIAL PURPOSES

Article 11

Notwithstanding Articles 4 and 5 and Article 10 paragraph 1 of this Decree, the Agency shall approve to a known end-user the imports of specified amount of controlled substances and products containing them or manufactured with them for special purposes: for the protection of human health, flora and fauna or control of certain pests or diseases, state defence and security, transport security, fire protection safety and laboratory and analytical uses, where other more environmentally suitable and technically or economically acceptable substitutes are not available.

In the cases referred to in paragraph 1above, the Agency shall issue permit, with the previous consent of a relevant state administration authority.

Article 12

Metered dose inhalers and medical pumps that contain controlled substances, imported in accordance with Article 11 above, may be placed on the market for the purpose of protection of human health.

Article 13

Controlled substances, imported for state defence and security and fire protection safety purposes in accordance with Article 11 above, may be placed on the market and used solely for the purposes given in Appendix 5, attached to this Decree and constituting its integral part.

Article 14

Controlled substances imported for laboratory and analytical uses in accordance with Article 11 above, may be placed on the market and used solely for that purpose, where they are manufactured with the purity degree given in Appendix 6, attached to this Decree and constituting its integral part.

Controlled substances referred to in paragraph 1 above shall be placed on the market in cylinders or smaller glass ampoules, with a clear indication that such substances deplete the ozone layer and are intended for laboratory or anlaytical uses.

Procedures for the use of controlled substances for laboratory and analytical uses are given in Appendix 7, attached to this Decree and constituting its integral part.

V. HANDLING OF PRODUCTS CONTAINING CONTROLLED AND/OR ALTERNATIVE SUBSTANCES

Article 15

Owner and/or user of products in Appendix 4 Groups I and IV of this Decree (stationary refrigeration and air conditioning equipment, fire protection systems), containing 3 kg or more of controlled or alternative substances, shall notify the Agency in writing of introducing the product into use, within 15 days of the date of such introduction.

Owner and/or user referred to in paragraph 1 above shall ensure that such product is regularly controlled, in order to prevent leakage of controlled or alternative substances.

Article 16

Owner and/or user referred to in Article 15 paragraph 1 above shall ensure that the stationary equipment or systems:

1) with a fluid charge of 3 kg or more of controlled or alternative substances are checked for leakage every 12 months, not including equipment with hermetically sealed systems, which are labelled as such and contain less than 6 kg of controlled or alternative substances;

2) with a fluid charge of 30 kg or more of controlled or alternative substances are checked for leakage every 6 months;

3) with a fluid charge of 300 kg or more of controlled or alternative substances are checked for leakage every 3 months.

Owner and/or user referred to in paragraph 1 above shall install a leakage detection device.

If leakage has been detected during the control of the equipment or systems referred to in paragraph 1 above, such equipment or systems have to be repaired as soon as possible and in any event within 14 days since the date of detecting the leakage.

In the case referred to in paragraph 3 above, owner and/or user shall ensure that the equipment or systems are re-checked within 30 days of the date of the repair.

Article 17

Control of the correctness of the product referred to in Article 15 paragraph 1 above shall be performed by a legal person or entrepreneur authorized to carry out the maintenance and/or repair and putting out of use the products containing controlled and alternative substances.

The authorised legal person or entrepreneur referred to in paragraph 1 above shall draw up a protocol on the control completed on Form 3, attached to this Decree and constituting its integral part.

The protocol referred to in paragraph 2 above shall be kept by the Agency for five years.

VI. HANDLING OF CONTROLLED AND ALTERNATIVE SUBSTANCES AFTER TERMINATING THE USE OF PRODUCTS CONTAINING THEM

Article 18

Controlled and alternative substances contained in products in Appendix 4 Groups I and IV of this Decree, shall be collected, during the maintenance, repair or putting out of use, and in any event at the disposal site at the latest, into a device intended for that purpose, for their recycling, reclamation or destruction.

The collection of controlled and alternative substances referred to in paragraph 1 above shall be carried out by the legal person or entrepreneur authorized for the maintenance and/or repair and putting out of use of the products containing controlled and alternative substances.

Article 19

The collection of controlled and alternative substances, when putting out of use the products in Appendix 4 Groups I and IV of this Decree, except for household products, shall be arranged by the owner and/or user of such products, in the manner prescribed by this Decree.

The collection of controlled and alternative substances, when putting out of use the products in Appendix 4 Group I of this Decree (refrigeration and air conditioning equipment) that are used in households, shall be arranged by the owner and/or user of the disposal site, in the manner prescribed by this Decree.

Article 20

The legal person or entrepreneur authorized for the maintenance and/or repair and putting out of use of the products containing controlled and alternative substances shall temporarily keep the controlled and alternative substances in substance collection cylinders, until further re-use, permanent destruction or storage of such substances.

When recycled or reclaimed substances are used in repairing the products in Appendix 4 Group I of this Decree, the repaired product shall be designated by a label containing details of the name and amount of recycled or reclaimed substance in accordance with regulations governing the labelling of chemicals.

The cylinders containing reclaimed controlled substance before placing them on the market must be designated by a label indicating that the substance has been reclaimed, and showing information of the inventory code of the substance, and name and address of the reclaiming plant. The cylinders referred to in paragraphs 1 and 3 above shall be kept in a dry and cool place and at a distance from any heating source.

The collected controlled and alternative substances that cannot be recycled shall be handled in accordance with regulations governing waste disposal.

Article 21

The legal person or entrepreneur authorized for the maintenance and/or repair and putting out of use of the products containing controlled and alternative substances shall maintain records of the collected substances, handling of such substances and amounts of virgin or recycled substances introduced into the products.

The legal person or entrepreneur referred to in paragraph 1 above shall supply data from the records to the Agency by not later than 31 January of the current year for the previous year, on Form 4, attached to this Decree and constituting its integral part.

The data referred to in paragraph 2 above shall be kept by the Agency for five years.

Article 22

The destruction of controlled substances shall be carried out by applying technologies specified in Appendix 8, attached to this Decree and constituting its integral part.

Controlled substances and products contacting them, except for the products in Appendix 4 Groups I, III and IV of this Decree, shall be collected, if feasible and economically viable, for destruction, recycling or reclamation, or shall be destroyed without prior collection by applying technologies referred to in paragraph 1 above.

The destruction of alternative substances shall be carried out by having fluorinated gases permanently transformed or broken to stable substances that do not belong to greenhouse gases.

VII. LABELLING OF PRODUCTS CONTAINING ALTERNATIVE SUBSTANCES

Article 23

Products or cylinders containing alternative substance and their mixtures cannot be placed on the market unless labelled in accordance with this Decree.

The labelling of products and cylinders referred to in paragraph 1 above shall be performed by a label specifying chemical formula, amount of alternative substance expressed in kilograms and a note: "contains fluorinated gas governed by Kyoto Protocol".

If alternative substances are added into products out of the place of manufacturing and the total amount cannot be established by the manufacturer, the label must indicate data on the filling performed by the manufacturer, space for inserting data on amount of the substances to be added out of the place of manufacturing and space for inserting data on total amount of the substances.

The label referred to in paragraph 3 above must be easily visible, legible and permanent.

If the label referred to in paragraph 3 above is added to the existing label of the product, it shall not be written in letters of smaller size and shall be placed on the part of product or equipment that contain alternative substances or on the part of product or equipment on which refilling or collection is performed.

Refrigeration devices, equipment and heat pumps with foam insulation, where the foaming has been made with alternative substances, cannot be placed on the market unless designated by a label "the foaming was made by fluorinated gases".

Hermetically sealed systems shall be designated by a label referred to in paragraph 2 above, provided they also include the label "hermetically sealed".

VIII. REQUIREMENTS TO BE MET BY LEGAL PERSONS AND ENTREPRENEURS

Article 24

A legal person or entrepreneur may perform maintenance and/or repair and putting out of use of products containing controlled and alternative substances if it meets the following requirements:

1) it has been registered in the Central Registry of the Commercial Court of Podgorica (hereinafter CRCC) or appropriate registry of relevant authority in the home country of a foreign legal person for the conduct of such activities;

2) it has at least one employee with secondary school or university degree, mechanical or technical engineering department, who has completed training in proper handling and servicing of refrigeration and air conditioning devices;

3) it has a device for the collection and/or recycling of controlled and alterative substances and cylinders for collecting them;

4) it has room for keeping cylinders with collected substances.

Upon request of the legal person or entrepreneur meeting the requirements referred to in paragraph 1 above, the Agency shall issue a permit.

Article 25

Application for obtaining permit for the conduct of activities referred to in Article 24 above shall be supported by the following documentation:

- proof of registration with the CRCC or a relevant authority in the home country of the foreign legal person;

- proof of education, or training completed, for employees;

- list of equipment and devices and necessary details;

- documentation on the room for keeping cylinders with collected substances and

- other documentation relevant to the conduct of activities of maintenance and/or repair and putting out of use of the products containing controlled and alternative substances.

Article 26

The Agency shall keep a record of issued permits for the conduct of activities referred to in Article 24 above that shall include:

- name, registered office and registration number of the legal person, or name, surname, address and personal identification number of the entrepreneur;

- number and date of issue or revocation of the permit;

- types of activities that the legal person or entrepreneur is conducting;

- permit validity period and

- other information relevant to keeping a record.

IV. FINAL PROVISIONS

Article 27

This Decree shall supersede the Decree on Substances that Deplete the Ozone Layer (Official Gazette of Montenegro 69/08) on the date of coming into force hereof.

Article 28

This Decree shall come into force on the eighth day following that of its publication in the Official Gazette of Montenegro.

No 03-10687 Podgorica, 16 December 2010

Government of Montenegro

Prime Minister, Milo Đukanović

N.B.: Appendices may be downloaded in PDF format by clicking the following link:

Appendices and forms