



06 August 2002

## **World Bank: Russia Ends Production of Ozone Depleting Substances**

### **Donors provide \$17.3 million in compensation to 7 enterprises**

The World Bank announced August 6 that \$17.3 million will be paid to compensate seven Russian enterprises that have ceased producing chlorofluorocarbons (CFCs) and halons, the most potent substances found to deplete Earth's ozone layer.

The funds are being provided by a special group of donors including Austria, Denmark, Finland, Germany, Italy, Japan, Norway, Sweden, the United Kingdom, and the United States, according to the following World Bank press release:

#### **World Bank Group Washington, D.C.**

August 6, 2002

### **World Bank Pays Final Compensation To Seven Russian Enterprises**

**Moscow, August 6, 2002** - The World Bank today announced payment of US\$17.3 million in compensation to seven Russian enterprises which have ceased production of chlorofluorocarbons (CFCs) and halons, the most potent ozone depleting substances (ODS).

"The end of ODS production in Russia represents a major milestone in international efforts to eliminate substances destroying the world's stratospheric ozone layer," says Ian Johnson, World Bank Vice President for Environmentally and Socially Sustainable Development. Russia was once one of the world's largest producers of ozone depleting substances. In 1998, it accounted for half the world's production capacity of CFCs and halons.

The funds for the compensation payment to the seven enterprises come from a group of donors organized by the World Bank known as the Special Initiative for ODS Production Closure. It includes 10 donor countries and the Global Environment Facility (GEF). This payment brings to \$25 million the group's total compensation to Russian enterprises. Donor countries are Austria, Denmark, Finland, Germany, Italy, Japan, Norway, Sweden, United Kingdom, and the USA.

A World Bank team verified the production closures in May 2002 and its report was subsequently endorsed by the Special Initiative Technical Review Group (SITRG), an independent body of international experts with donor representation. This triggered the World Bank's disbursement of the final US\$17.3 million payment. The World Bank will continue to monitor implementation for the next five years.

"The ending of ODS production in Russia completes the phase out of CFCs and halons in developed countries as required by the Montreal Protocol," says Michael Harris, Chairman of the SITRG. "Phase out in the developing world will benefit from the experience gained through the Special Initiative. The powerful combination of international funding and international technical expertise provides a successful model

for other global environmental projects."

*end text*

---

This site is produced and maintained by the U.S. Department of State's Office of International Information Programs ([usinfo.state.gov](http://usinfo.state.gov)). Links to other Internet sites should not be construed as an endorsement of the views contained therein.

[back to top](#) ▲

---

[IIP Home](#) | [Index to This Site](#) | [Webmaster](#) | [Search This Site](#) | [Archives](#) | [U.S. Department of State](#)