

STRATOSPHERIC OZONE MULTILATERAL FUND

Shielding People from Skin Cancer and Cataracts and the Environment from Ecological Damage

Why the Stratospheric Ozone Multilateral Fund Is Important

The Montreal Protocol, created in 1987 with leadership by the United States under President Reagan, commits industrialized and developing countries to eliminate chlorofluorocarbons (CFCs), hydrofluorocarbons (HCFCs), and other chemicals that damage the earth's protective stratospheric ozone layer, which shields people and the environment from harmful levels of ultraviolet radiation. CFCs, also known as freon, and HCFCs, organic compounds found in air conditioning and refrigerants, were widely used. The Protocol was ratified by 197 countries and has been strengthened repeatedly over the past 30 years, with strong bilateral support under both Democratic and Republican administrations. The Montreal Protocol is considered one of the world's most successful treaties, and with it in place, the ozone layer is projected to recover by around 2075. The Stratospheric Ozone Multilateral Fund was established in 1991 to assist developing countries in meeting their Montreal Protocol commitments.

How the Program Works

The Multilateral Fund is managed by an Executive Committee with equal membership from developed and developing countries; the Fund has dispersed \$3.9 billion (20% from the U.S.) for over 8,600 cost-effective projects, including conversions to alternative technologies in multiple sectors (refrigeration, air conditioning, insulation foam, solvents, aerosols, fire suppression, pest control in agriculture and shipping) and technical assistance, training and capacity building.

These projects and activities are executed by four international agencies (UNEP, UNDP, UNIDO, World Bank), and facilitate the transition to next-generation refrigeration/air conditioning and insulation technologies that U.S. manufacturers have engineered.

Consequences if the Program Is Eliminated or Inadequately Funded

In 2017, parties to the agreement agreed to replenish the Fund for 2018-2020 with \$540M. Of that total, the U.S. committed to contribute \$110M over the three years. U.S. failure to meet its foundational international commitment threatens:

- Progress in global efforts to restore the ozone layer, which protects all Americans from over-exposure to UV radiation and increased risk of skin cancer
- Competitiveness of American chemical and equipment manufacturers developing next-generation technologies
- American credibility in ongoing multilateral negotiations
- Other countries' willingness to meet their own commitments

Demonstrated Successes

Successful implementation of the Montreal Protocol through the Stratospheric Ozone Multilateral Fund is estimated to:

- Prevent approximately two million additional skin cancer cases every year worldwide by 2030, with the highest reductions in the southwestern US and Australia¹.
- Avoid over 22 million cataract cases in the U.S. up to the year 2100

Reductions in cancers and cataracts have been valued at more than 11 times the direct investment costs of phasing out ozone-depleting chemicals. Additional benefits include reduced crop damage and ecological impacts such as damage to phytoplankton that are at the base of oceanic food chains.

Funding for the Stratospheric Ozone Multilateral Fund

FY2016 Baseline Budget: \$8.928 million

FY2017 President's Budget Proposal: \$9.057 million

FY2017 Amount Appropriated: \$8.911 million

FY2018 President's Budget Proposal: \$0

FY2018 Amount Appropriated: \$8.677 million

FY2019 President's Budget Proposal: \$0

FY2019 Amount Appropriated: \$8.736 million

FY2020 President's Budget Proposal: \$0

¹Van Dijk et al., 2013 Skin Cancer Risks Avoided by the Montreal Protocol—Worldwide Modeling Integrating Coupled ClimateChemistry Models with a Risk Model for UV. *Photochemistry and Photobiology*, 2013, 89: pp. 234–246.