

interpreted as encompassing two distinct objectives:

1. to verify that the **equipment** is not misused (4 (i));
2. to verify that the **chemicals** are not misused (4 (ii and iii)).

3. **Scope of verification of non-misuse of chemicals**

To verify that the quantities of a chemical listed in Schedule [2] that are produced, processed or consumed are consistent with needs for non-prohibited purposes (CD/881, p. 75, para 4 (ii)), an inspection can be limited to equipment in which the chemical is actually produced, processed or stored, etc. If in this way a material balance is verified, it is also automatically verified that the chemical, at least within this facility, is not diverted or used for purposes prohibited by the Convention (4 (iii)).

The scope of verification of the non-misuse of chemicals listed in Schedule [2] could, therefore, in the Netherlands' view, be limited to inspection of the equipment in which the declared chemical is produced, processed, consumed, stored etc. A very limited definition of facility would be most efficient, e.g. one reactor vessel with supportive equipment.

4. **Scope of verification of non-misuse of equipment**

To verify that a chemical plant is not used to produce any chemical listed in Schedule [1], an inspection team will have to check all relevant parts of a plant. It would be quite ineffective if the inspection team were to limit itself to equipment that had been declared as being used to produce, process or consume Schedule [2] chemicals and overlook equipment within a plant that is just as capable to produce Schedule [2] chemicals and possibly even more capable to produce Schedule [1] chemicals.

For the purpose of verifying the non-production of Schedule [1] chemicals (and preferably also other scheduled chemicals), the scope of the inspection should encompass as many relevant parts of equipment as is feasible. In this case a wide definition of "facility" would therefore be most appropriate e.g. the whole production complex or, if that is unmanageably large, a substantial part of it. In order to avoid any misunderstanding, however, we propose that the word "facility" in the context of routine inspection under article VI [2] and [3] be used only to apply to a single production unit, i.e. the reactor in which the conversion into or from a scheduled chemical takes place plus associated equipment. A chemical plant could, but would not necessarily have to, consist of several facilities.

5. **Two scopes of inspection**

Desiring to address both objectives of routine inspection as mentioned above, we decided to divide our trial inspection in two parts:

- a trial routine inspection with a limited scope, to verify the declared processing of