

REPORT ON HOW TO DEFINE "PRODUCTION CAPACITY" 1/

During the 1987 session, consultations were held with Lt. Col. Bretfeld (German Democratic Republic), Dr. Cooper (United Kingdom), Prof. Kuzmin (USSR), Dr. Mikulak (United States), Dr. Ooms (Netherlands) and Prof. Pfirschke (Federal Republic of Germany), as well as with Col. Koutepov (USSR) and Col. Lovelace (United States). This report summarized the results of the consultations, as seen by the rapporteur, Dr. Santesson (Sweden).

Although it was generally felt that it would be desirable to have one definition of "production capacity" applicable all through the Convention, it was also concluded that this might not be possible.

A definition could consist of a verbal part and a mathematical formula to be used for the calculation of the numerical value of the production capacity. Such a single definition, as exemplified below, could be utilized in the Annex to Article V, paragraphs I.A.5 (a) and I.B.7 (cf. in this context CD/CW/WP.148), in Annex 2 to Article VI, paragraph 2 in Annex 3 to Article VI, paragraph 1 (iv), and in the case of "Possible factors identified to determine ... Schedule 2 chemicals", contained in Appendix II.

On the basis of CD/CW/WP.171 and proposals presented during the consultations, the following suggestion was worked out.

Verbal part:

Alt. 1 The production capacity is the annual quantitative potential for manufacturing a specific substance on the basis of the technological process used at a facility where the substance in question is actually produced.

Alt. 2 The production capacity is the annual quantitative potential for manufacturing a specific substance on the basis of the technological process actually used or planned to be used at a facility.

Mathematical formulae:

Production capacity per year =

= $\frac{\text{quantity produced}}{\text{hours of production}}$ x constant x no. of units

or in the case of dedicated units not yet in operation

= $\frac{\text{nameplate or design capacity}}{\text{hours of planned operation}}$ x constant x no. of units

1/ As this material was developed prior to the elaboration of the Annex on Chemicals and the current text of Annex 1 to Article VI terminology and concepts therein do not fully reflect the present stage of negotiations.