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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Forty-eighth Meeting  
Montreal, 3-7 April 2006

**REPORT ON IMPLEMENTATION OF APPROVED PROJECTS WITH SPECIFIC  
REPORTING REQUIREMENTS**

Pre-session documents of the Executive Committee of the Multilateral Fund for the Implementation of the Montreal Protocol are without prejudice to any decision that the Executive Committee might take following issue of the document.

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## Introduction

1. The Government of Germany, UNDP, UNIDO and the World Bank have submitted progress reports on the implementation of the following methyl bromide (MB) projects where specific reporting requirements are contained in several of the agreements, for consideration by the Executive Committee at its 48th Meeting:

- (a) Bolivia: Terminal MB phase-out, excluding QPS applications (1.5 ODP tonnes), approved by the Executive Committee at its 35th Meeting at a total cost of US \$221,032;
- (b) Côte d'Ivoire: Phase-out of the use of MB commodities and storage fumigation, approved by the Executive Committee at its 42nd Meeting at a total cost of US \$222,210;
- (c) Dominican Republic: Phase-out of 141.0 ODP tonnes of MB in melon, flowers and tobacco, approved by the Executive Committee at its 38th Meeting at a total cost of US \$922,900;
- (d) Ecuador: Technology change for the phase-out of MB in the rose plant nursery sector (37.2 ODP tonnes), approved by the Executive Committee at its 38th Meeting at a total cost of US \$597,945;
- (e) Egypt: National phase-out of MB in horticulture and commodities fumigation (185.6 ODP tonnes), approved by the Executive Committee at its 38th Meeting at a total cost of US \$2,750,592;
- (f) Guatemala: Phase-out of MB in the cultivation of melons, tomato, flowers and ornamentals, and strawberries (468 ODP tonnes), approved by the Executive Committee at its 38th Meeting at a total cost of US \$3,257,377;
- (g) Honduras: Phase-out of MB in the melon and banana production sector and tobacco seedlings (213 ODP tonnes), approved by the Executive Committee at its 37th Meeting at a total cost of US \$1,977,454;
- (h) Jordan: Complete phase-out of the use of MB (180.0 ODP tonnes), approved by the Executive Committee at its 29th Meeting at a total cost of US \$3,063,000;
- (i) Kyrgyzstan: Technical assistance project to install alternatives and phase out MB (14.2 ODP tonnes), approved by the Executive Committee at its 41st Meeting at a total cost of US \$300,000;
- (j) Turkey: Phase-out of MB in the dried fig sector (30.0 ODP tonnes), approved by the Executive Committee at its 31st Meeting at a total cost of US \$479,040;
- (k) Yemen: Technical assistance programme for the phase-out of MB in agriculture (9.1 ODP tonnes), approved by the Executive Committee at its 41st Meeting at a total cost of US \$250,000; and

- (1) Region Africa: Technical assistance for MB reductions and the formulation of regional phase-out strategies for low-volume-consuming countries in Africa approved at the 38th Meeting of the Executive Committee (US \$550,000).
2. In addition, the Government of Chile, through the World Bank, the Government of Costa Rica through UNDP, and the Government of Cuba, through the Government of Germany, have submitted specific requests to the Executive Committee regarding the following projects under current implementation:
- (a) Chile: Cancellation of the project for the phase-out of all remaining uses of MB in soil application pest control, approved by the Executive Committee at its 45th Meeting at a total cost of US \$2,547,156;
- (b) Costa Rica: Request for the application for extension of the MB phase-out agreement between the Government of Costa Rica and the Executive Committee, approved by the Executive Committee at its 35th Meeting; and
- (c) Cuba: Request for a change in bilateral implementing agencies (Germany as the lead agency, and France as a bilateral cooperating agency) for the national ODS phase-out plan for CFC, approved by the Executive Committee at its 43rd Meeting.
3. The Secretariat reviewed the progress reports in light of the original project proposals, ODS data reported by the Governments concerned under Article 7 of the Montreal Protocol, and relevant decisions taken by the Executive Committee and the Meeting of the Parties.

#### Structure of the document

4. This document consists of summaries of progress achieved so far in the implementation of the project proposals, comments by the Secretariat and related responses by relevant bilateral and implementing agencies where applicable, and the Secretariat's recommendations.
5. The document is divided into the following three sections:
- Section I: Progress reports submitted by UNIDO on behalf of the Governments of Guatemala and Honduras and the UNDP technical assistance programme for Africa, for which the Executive Committee's guidance on specific issues is sought;
- Section II: Specific requests by the Governments of Chile, Costa Rica and Cuba on phase-out projects that have been approved and are under current implementation for their consideration by the Executive Committee; and
- Section III: Progress reports on MB projects submitted by the Governments of Bolivia, Côte d'Ivoire, Dominican Republic, Ecuador, Egypt, Jordan, Kyrgyzstan, Turkey and Yemen, upon a request by the Secretariat, since specific reports are required for most of them under the agreements, for which the Executive Committee is invited to note the reports.

## **SECTION I: PROGRESS REPORTS FOR WHICH GUIDANCE IS SOUGHT**

### **Guatemala: Phase-out of MB in the cultivation of melons, tomato, flowers and ornamentals, and strawberries (UNIDO)**

#### *Background*

6. At its 47th Meeting, the Executive Committee considered a progress report submitted by UNIDO on behalf of the Government of Guatemala on the MB phase-out project approved by the Executive Committee at its 38th Meeting (paragraphs 5 to 15 of document UNEP/OzL.Pro/ExCom/47/10).

7. Subsequently, the Executive Committee requested the Fund Secretariat and relevant bilateral and implementing agencies to continue considering the feasibility of convening a technical workshop with major melon producers from Costa Rica, Guatemala and Honduras in early 2006. The Executive Committee also requested UNIDO to continue implementing the MB phase-out project in Guatemala and to submit a progress report to the 48th Meeting of the Executive Committee (decision 47/8 (a)).

8. Also, at its 47th Meeting, the Executive Committee approved a project proposal submitted by the Government of Spain as a bilateral contribution to the Fund, to provide policy assistance to support the MB phase-out in Central America with a special focus on Guatemala and Honduras (paragraphs 48 to 57 of document UNEP/OzL.Pro/ExCom/47/13).

#### *Actions taken since the 47th Meeting*

9. Pursuant to decision 47/8 (a), a meeting on the status of MB phase-out in Guatemala was held in Zacapa (melon production area of Guatemala) on 1 and 2 February 2006, with the participation of the Minister of the Environment, representatives of the Ministry of Agriculture and from the five melon producers in Guatemala, the Executive Secretary of the Ozone Secretariat and representatives from the Fund Secretariat, UNEP and UNIDO.

10. At the conclusion of the meeting, it was agreed that technical meetings between melon growers and technical staff from the Government of Spain, UNEP and UNIDO would be held in February-March 2006 to finalize a MB phase-out plan for Guatemala with specific activities to be implemented in the field. Once finalized, the plan would be submitted to relevant Government authorities for approval. It was also agreed that a second meeting, with the participation of melon growers from Costa Rica and Honduras and representatives of the European Union, Spain, and the United States would be held in May 2006.

11. UNIDO continued implementing the field monitoring and project supervision component through the project coordinator and the field expert. In addition to grafting (the main technology on which the project under current implementation was designed), other viable alternatives to MB have been demonstrated in the field and can be implemented immediately.

12. Following a meeting among major MB users and relevant authorities, the Government of Guatemala has proposed the following MB phase-out schedule:

Year	MB consumption (ODP tonnes)
2005	588.0
2006	533.4
2007	485.4
2008	321.0
2009	321.0
2010	321.0
2011	321.0
2012	256.8
2013	205.8
2014	164.4
2015	-

#### Secretariat's comments

13. The 2004 MB consumption reported by the Government of Guatemala under Article 7 of the Montreal Protocol was 484.2 ODP tonnes. This consumption was 7.8 ODP tonnes below the maximum allowable MB consumption to which the Government of Guatemala had committed for 2004 (i.e., 492 ODP tonnes). In 2005, the Government authorized the import of 588 ODP tonnes of MB, which is 260 ODP tonnes above the maximum allowable consumption for Guatemala in 2005 (i.e., 360 ODP tonnes). However, actual import figures have not yet been reported. The MB baseline for compliance is 400.7 ODP tonnes.

14. As a result of the meeting held in Guatemala in early February 2006, the melon growers reconsidered a previous proposal in which MB consumption levels were much higher than the levels committed to by the Government of Guatemala. The Secretariat noted that with the proposed phase-out schedule, the Government of Guatemala will achieve compliance with the 20 per cent reduction level in 2008. However, the revised levels were still higher than those committed to by the Government and endorsed by the Parties (decision XV/34) and the Executive Committee (decision 42/14 (a, b)), as shown in the table below:

Year	MB consumption (ODP tonnes)		
	Proposed schedule	Agreed schedule	Difference
2005	588.0	360.0	228.0
2006	533.4	335.0	198.4
2007	485.4	310.0	175.4
2008	321.0	286.0	35.0
2009	321.0		
2010	321.0		
2011	321.0		
2012	256.8		
2013	205.8		
2014	164.4		
2015	-	-	

#### Secretariat's recommendation

15. In light of the above progress report on the implementation of the MB phase-out project in Guatemala and the comments by the Secretariat, the Executive Committee may wish to request UNIDO to:

- (a) Work closely with the Government of Guatemala to identify measures that could accelerate the phase-out of MB in the country;
- (b) Continue implementing the MB phase-out investment project; and
- (c) Submit a request for a further revision of the phase-out schedule in the project to the first meeting of the Executive Committee following the Meeting of the Parties at which a request by the Government of Guatemala for a revision of the time-specific benchmarks contained in decision XV/34 had been considered.

#### **Honduras: Phase-out of MB in the melon and banana production sector and tobacco seedlings (UNIDO)**

##### *Background*

16. At its 47th Meeting, the Executive Committee considered a progress report submitted by UNIDO on behalf of the Government of Honduras, on the implementation of the MB phase-out project approved by the Executive Committee at its 37th Meeting (paragraphs 16 to 28 of document UNEP/OzL.Pro/ExCom/47/10).

17. In its progress report, UNIDO indicated that, due to problems encountered during project implementation, an additional two years would be required to achieve the proposed reduction in MB consumption and asked, on behalf of the Government of Honduras, to revise the MB phase-out schedule as agreed by the Parties (decision XV/35) and by the Executive Committee (decision 42/14 (c)), as follows:

Year	MB consumption (ODP tonnes)	
	As approved	As proposed
2001	511.2	511.2
2002	412.8	412.8
2003	370.2	366.6
2004	306.0	340.8
2005	207.6	327.6
2006	207.6	295.8
2007	207.6	255.0
2008	207.6	207.6

18. Subsequently, the Executive Committee requested UNIDO to re-submit the request for a revision of the phase-out schedule in the project to the first meeting of the Committee following consideration of the request by the Government of Honduras by the Parties (decision 47/8 (b)).

19. At their 17th Meeting, the Parties to the Montreal Protocol noted that Honduras had submitted a revised plan of action, with the above modified phase-out schedule (decision XVII/34).

#### Secretariat's comments

20. The MB consumption for 2005 has been estimated by the Government of Honduras at 327.6 ODP tonnes, which is 120.1 ODP tonnes above the maximum allowable MB consumption that the Government committed to for 2005 (i.e., 207.5 ODP tonnes). However, 2005 consumption is similar to that in the revised phase-out schedule approved by the Parties at their 17th Meeting. The MB baseline for compliance is 259.4 ODP tonnes.

21. The Government of Honduras is proposing to submit an action plan to achieve the complete phase-out of MB, together with a request for the additional funding required to the 49th Meeting of the Executive Committee. In this regard, the Secretariat notes as follows:

- (a) The total level of funding for the complete phase-out of MB in Honduras agreed by the Secretariat and UNIDO at the 37th Meeting of the Executive Committee was US \$3,783,755 to phase out 407.5 ODP tonnes of MB. Of this total amount, the Executive Committee approved US \$1,977,454 for the phase-out of 213 ODP tonnes of MB by 2005;
- (b) The Executive Committee also noted that at the time the proposed amount of MB would be phased-out (i.e., in 2005) it would consider additional funding of the project (i.e., US \$1,806,301), if it determined that an additional reduction was a priority;

- (c) At their 17th Meeting, the Parties agreed to extend the MB phase-out schedule from 2005 (as proposed in the original project proposal) to 2008;
- (d) The total level of funding that was approved for UNIDO for the implementation of the project has been disbursed (a balance of US \$115 remains unspent); and
- (e) The level of uncommitted financial resources in the Multilateral Fund for 2006 is very limited and is needed to provide additional assistance to some Article 5 countries for achieving compliance with the immediate targets of the Montreal Protocol.

#### Secretariat's recommendation

22. In light of the above description of the MB phase-out project in Honduras and the comments by the Secretariat, the Executive Committee may wish:

- (a) To revise the MB phase-out schedule in the approved project to be consistent with the schedule in decision XVII/34 as follows: 340.8 ODP-tonnes in 2004, 327.6 ODP tonnes in 2005, 295.8 ODP tonnes in 2006, 255.0 ODP tonnes in 2007, and 207.5424 ODP tonnes in 2008; and
- (b) To determine when UNIDO could submit an action plan to achieve the complete phase-out of MB in Honduras, including the funding requirements to achieve complete phase-out.

#### **Region Africa: Implementation of technical assistance for MB reductions and the formulation of regional phase-out strategies for low-volume-consuming countries in Africa**

##### *Background*

23. At its 38th Meeting, the Executive Committee approved a technical assistance programme for MB reductions and the formulation of regional phase-out strategies for low-volume-consuming countries in Africa, to be implemented by UNDP (decision 38/6).

24. Subsequently, the Executive Committee at its 46th and 47th Meetings considered progress reports that were submitted by UNDP (UNEP/OzL.Pro/ExCom/46/19 and UNEP/OzL.Pro/ExCom/47/10). At both Meetings, the Executive Committee requested UNDP to submit a comprehensive report to the 48th Meeting on progress so far achieved in the implementation of the project.

##### *Progress report*

25. Only five countries participating in the regional programme have an established MB baseline. MB consumption data reported by the Governments concerned under Article 7 of the Montreal Protocol are presented in the table below. Currently, all five countries are in compliance with the Montreal Protocol's 2002 MB freeze target.

Country	MB consumption (ODP tonnes)					
	Baseline	2001	2002	2003	2004	2005 allowable
Congo	0.9	0.0	0.0	1.2	0.0	0.7
D.R. Congo	1.4	1.2	1.3	1.2	0.9	1.1
Nigeria	2.8	2.1	2.0	2.0	1.7	2.2
Sudan	3.0	3.0	3.0	1.8	1.8	2.4
Swaziland	0.6	0.5	0.7	0.0	*	0.5

\* Not yet reported as of 17 January 2006.

26. The following table summarizes the status of implementation of activities for the phase-out of MB in the five countries with MB consumption:

Activities	Sudan	Congo	Nigeria	Congo DR	Swaziland
Contract/ Terms of reference (TOR)	TOR approved. Contract with the ozone office	TOR approved. Contract with the ozone office	TOR approved. Contract signed with the ozone office	TOR and contract approved (2005) but not signed	TOR and contract approved. Contract with the ozone office finalized
MB major uses	Post-harvest (silos)	Pre-harvest (vegetables)	Tea	Tobacco (to be confirmed)	Citrus (in the past)
MB major users	Identified and informed	Identified and informed	Identified	To be identified (preliminary survey)	
National expert	Recruited	Recruited	Recruited	Identified	Recruited
Technical session	Planned, February 2006	(N°2) Planned, February 2006	Under preparation		(N°1) September 2005
Specifications	Ongoing	Yes (equipment ordered)	Pending	Pending	Pending
Policy development consultant (national)	Identified and informed (activities to be implemented)	Identified and informed (activities to be implemented)	Identified and informed (activities to be implemented)	Pending	Identified and informed (activities to be implemented)
Payments	1st and 2nd payments	1st and 2nd payments	-	-	1st payment

27. For the countries without MB consumption, UNDP has modified the work plan proposed in the original project based on discussions with the relevant Ozone Officers. The revised work plan includes a new contract with the Ozone Units covering the engagement of one national legal expert to develop compliance strategies at the national level, and to conduct a workshop (one per country) to present the national strategy to major stakeholders. Each contract requires that a final national report, including financial information and elucidation of the national strategy, be submitted to UNDP. Based on this new work plan, new contracts have been prepared and have been submitted to the countries concerned (August 2005).

28. For countries with MB consumption, UNDP has considered conducting two technical missions for the identification of MB alternative technologies; data analysis and preparation of a national strategy; preparation of specifications and procurement of equipment; training of MB users and technical assistance to ensure proper use of the alternatives; and preparation of final reports and submission of these to UNDP for review and approval.

Secretariat's comments

29. The Secretariat noted that MB reductions have been achieved in all five of the countries with a MB baseline, although the investment component of the technical assistance programme has not yet been implemented. UNDP explained that the reductions in MB consumption so far achieved are partly due to awareness-raising activities that have been implemented since 2003 when the project was approved.

30. The Secretariat suggested that UNDP provide assistance to the Government of Swaziland in reporting its MB consumption to the Ozone Secretariat for 1996 and 2004. Similar assistance was suggested for the Government of Mozambique, as the country has not yet reported its MB consumption for 2004.

31. The Secretariat discussed with UNDP the following issues and specific actions to address them: delays in the implementation of the project in DR Congo; technical assistance that could be provided to Mozambique in 2006, since the country has a MB baseline consumption of 3.4 ODP tonnes and reported consumption of 1.0 ODP tonne in 2003; and whether or not MB consumption in Swaziland is for controlled uses or for quarantine and pre-shipment applications; and a confirmation that the level of funding allocated to each country with MB consumption would allow purchasing of all the equipment required to reduce and maintain MB consumption to at least the 20 per cent reduction required for 2005.

Secretariat's recommendation

32. The Executive Committee may wish to:

- (a) Take note of the progress report on the implementation of technical assistance for MB reductions and the formulation of regional phase-out strategies for low-volume-consuming countries in Africa;
- (b) Request UNDP to continue implementation of the programme in accordance with the 2006 work programme that has been developed and agreed by all major stakeholders, with the following two provisos:
  - (i) To request the Secretariat to send a letter urging the Government of D. R. Congo to sign the contract with UNDP and submit the work programme to UNDP no later than the end of May 2006; and
  - (ii) To request the Secretariat to send a letter to the Government of Swaziland requesting the submission of a report by the end of May 2006 delineating current MB consumption in the country, and differentiating controlled uses and non-controlled uses of MB; and
- (c) Also request UNDP to submit a completion report to the 51st Meeting of the Executive Committee.

## SECTION II: SPECIFIC REQUESTS BY GOVERNMENTS

### **Chile: Cancellation of the project for the phase-out of all remaining uses of MB in soil application pest control**

33. On behalf of the Government of Chile, the World Bank submitted a request for cancellation of the project for the phase-out of all remaining uses of MB in soil application pest control, for consideration by the Executive Committee at its 48th Meeting. The World Bank's request is based on a letter sent on 16 January 2006 by the Executive Director of the National Commission for the Environment of Chile to the Chief Officer of the Fund Secretariat.

#### *Background*

34. At their 16th Meeting, the Parties to the Montreal Protocol noted that Chile was in non-compliance with its obligations under the Montreal Protocol, and requested Chile to submit a plan of action to ensure a prompt return to compliance (decision XVI/22).

35. Consequently, on behalf of the Government of Chile, the World Bank submitted to the 45th Meeting a MB phase-out strategy and plan of action, an investment project addressing all remaining uses of MB in soil applications, and a draft revised Agreement between the Government of Chile and the Executive Committee (UNEP/OzL.Pro/ExCom/45/25). The Executive Committee noted the phase-out strategy, and approved the phase-out project submitted by the World Bank and the revised Agreement (decision 45/39).

36. At their 17th Meeting, the Parties to the Montreal Protocol noted that Chile had submitted a plan of action that committed Chile to reducing its controlled uses of MB consumption from 262.776 ODP tonnes in 2004 to 170.0 ODP tonnes in 2005 and to zero ODP tonnes by 1 January 2015 (decision XVII/29).

#### *Proposed activities*

37. The project for the phase-out of MB in the fruit tree nursery and replant sector (implemented by UNDP) has contributed to reducing the use of MB in Chile from 274.3 ODP tonnes in 2003 to 168.5 ODP tonnes in 2005 (estimated). The Government of Chile is proposing to modify the last phase of this project to enable the country to maintain its compliance targets under the Montreal Protocol (i.e., maintain a MB consumption of 170.0 ODP tonnes) without requesting any additional funding. The activities to be implemented include: additional training for nursery workers in the use of negative pressure steaming; promotional and informative seminars among stakeholders; outreach to MB importers and fumigation companies; and awareness-raising by national technology transfer groups.

Secretariat's comments

38. The Secretariat and the World Bank discussed the requirements to be addressed in order to proceed with a request for cancellation of the MB project by the Executive Committee. The Secretariat requested the following information which was provided by the World Bank:

- (a) An indication of whether or not the Government of Chile had already returned to compliance in 2005 with the Protocol's MB control measures as committed to by Chile in its plan of action submitted to the Parties to the Montreal Protocol.

The World Bank advised that it has received a note from the Government of Chile indicating that, based on preliminary imports, MB use for soil fumigation in 2005 was 168.2 ODP tonnes (not official data), which is below the target of 170.0 ODP tonnes in the plan of action approved by the Parties in their decision XVII/29; and

- (b) An indication of the Government of Chile's commitment to be in compliance with the Protocol's MB control measures through the phase-out process.

The World Bank advised that the plan of action approved under decision XVII/29 commits Chile to reducing MB consumption from 262.776 ODP tonnes in 2004 to 170.0 ODP tonnes in 2005, and to zero ODP tonnes by 1 January 2015, except for critical uses that may be authorized by the Parties after that date.

39. UNDP has assisted the Government of Chile in revising the Agreement with the Executive Committee to reflect the cancellation of the project for the phase-out of all remaining uses of MB in soil application pest control. This Agreement is contained in Annex I to the present document.

Secretariat's recommendation

40. The Executive Committee may wish to:

- (a) Approve the cancellation of the project for the phase-out of all remaining uses of MB in soil application pest control at a total cost of US \$2,547,156 plus agency support costs of US \$191,036 for the World Bank;
- (b) Request the World Bank to return to the Multilateral Fund US \$691,703 plus agency support cost of US \$51,878 associated with the first tranche of the project that was approved by the Executive Committee at its 45th Meeting;
- (c) Consider approving the revisions to the Agreement between the Government of Chile and the Executive Committee as contained in Annex I to the present document, noting Chile's commitment to comply with the Montreal Protocol targets for controlled uses of MB; and
- (d) Request UNDP to continue implementing the project for the phase-out of MB in the fruit tree nursery and replant sector with the modifications proposed by the Government of Chile, and submit a progress report to the 51st Meeting of the Executive Committee.

**Costa Rica: Total MB phase-out used as a fumigant in melons, cut flowers, bananas, tobacco seedbeds and nurseries, excluding QPS applications**

41. On behalf of the Government of Costa Rica, UNDP submitted a request for the extension of the MB phase-out Agreement between the Government of Costa Rica and the Executive Committee for consideration at the 48th Meeting. UNDP had also submitted a request amounting to US \$969,057 for the implementation of the fourth tranche of the MB phase-out project.

*Background*

42. At its 35th Meeting, the Executive Committee approved in principle funding for a project to adopt alternatives in melon, cut flowers, banana, tobacco seedbeds and nurseries, leading to total MB phase-out in Costa Rica (UNEP/OzL.Pro/ExCom/35/36 and Corr.1), to be implemented in accordance with the Agreement between the Government of Costa Rica and the Executive Committee. The Committee also approved US \$1,211,321 plus agency support costs for UNDP for implementation of the first tranche of the project (decision 35/43). At its 43rd Meeting, the Executive Committee considered a progress report for the first tranche of the MB phase-out project submitted by UNDP, together with the second and third work programmes. The two tranches were approved with the understanding that the Government of Costa Rica:

- (a) Would reduce its national aggregate consumption to 296.1 ODP tonnes by the end of 2005; and
- (b) Would not return to the Executive Committee with a possible request for re-evaluation under decision Ex.I/2 of the 1st Extraordinary Meeting of the Parties, if at all, unless 130.8 ODP tonnes had been phased out by the end of 2005 (decision 43/26).

*Progress report*

43. More than 140 activities have been implemented in phasing out MB in the melon sector, including: on-site validation of alternative technologies, procurement of equipment and farm materials and farmers training. For the flowers sector, recommendations on soil management and reduction of pest pressures have been provided, as well as training to farmers in the use of alternative technologies. Alternatives to MB uses for tobacco and vegetable seedling production have been validated. Awareness raising activities have also been implemented.

44. As of December 2005, of the total funding so far approved (US \$3,149,435), US \$1,813,308 has been disbursed, of which US \$849,000 has been committed against 2006 activities, and the remaining US \$487,127 allocated for future activities.

*Proposal by the Government*

45. The Government of Costa Rica has requested a modification to the MB phase-out schedule agreed with the Executive Committee for the following reasons:

- (a) Underestimation of the level of MB consumption in Costa Rica at the time the project was developed;

- (b) A delay of over two years between project approval by the Executive Committee and the start of actual implementation, and the additional time required to adapt alternative technologies in the various production areas in the country; and
- (c) External pressures from competing producers in the Central American region.

46. On this basis, the Government of Costa Rica is requesting an extension of the MB phase-out schedule associated with the melon sector only, noting that the phase-out of MB in the flowers and other agricultural sectors will be achieved by 2008 as originally proposed, and no additional funding is being requested. The proposed phase-out schedule is shown in the table below:

Year	MB consumption (ODP tonnes)	
	As approved	As proposed
2002	342.0	342.0
2003	342.0	342.0
2004	253.2	298.8
2005	253.2	273.6
2006	169.8	253.2
2007	169.8	210.0
2008	0.0	174.0
2009		114.0
2010		0.0

#### Secretariat's comments

47. According to the data reported by the Government of Costa Rica under Article 7 of the Montreal Protocol, MB consumption has been reduced from 390.0 ODP tonnes in 2000 to 288.2 ODP tonnes in 2004. Preliminary data indicate that MB consumption in 2005 was comparable to the 2005 allowable level of consumption of 274.0 ODP tonnes.

48. The Secretariat noted that the total amount of MB that has been reduced since the project was approved in 2001 is 136.5 ODP tonnes. This amount is 6.3 ODP tonnes more than that established in decision 43/26 (i.e., the phase-out of 130.8 ODP tonnes by the end of 2005).

49. The Secretariat also noted delays in the introduction of full-scale viable alternative technologies in the melon sector and discussed with UNDP modalities for accelerating implementation procedures. In this regard, UNDP agreed to address this issue when submitting future work programmes with associated funding requests. The request for the 4th tranche is to be submitted to the 49th Meeting of the Executive Committee.

#### Secretariat's recommendation

50. The Executive Committee may wish to:

- (a) Consider approving the revisions to the Agreement between the Government of Costa Rica and the Executive Committee as contained in Annex II to the present document; and

- (b) Request the Government of Costa Rica and UNDP to include in all future work programmes, procedures for accelerating the introduction of full-scale viable alternative technologies in the melon sector.

**Cuba: Request for a change of bilateral implementing agencies for the national ODS phase-out plan for CFC**

51. At the 47th Meeting of the Executive Committee, the representative of Cuba presented a request to transfer the projects assigned to Germany and France under its national CFC phase-out plan to UNDP, and to appoint UNDP as the lead agency for implementation of the plan (paragraphs 213 to 216 of document UNEP/OzL.Pro/ExCom/47/61). Following a discussion, the Executive Committee decided to request the Government of Cuba to resubmit its proposal to the Secretariat for subsequent consideration at its 48th Meeting (decision 47/56).

*Background*

52. The National CFC Phase-Out Plan for Cuba was approved at the 43rd Meeting of the Executive Committee at a total cost of US \$2,145,000 plus agency support costs for the Governments of Germany (lead agency), Canada and France, and for UNDP (decision 43/27). The first and second funding tranches were approved at the 43rd and 45th Meetings of the Executive Committee. Of this level of funding, US \$266,680 (including agency support costs) was approved for the Government of Germany and US \$452,000 (including agency support costs) for the Government of France.

53. According to the Agreement between the Government of Cuba and the Executive Committee, funding for the third implementation tranche (i.e., the 2006 work programme) should be requested at the 48th Meeting, and include US \$113,000 for the Government of Germany, US \$226,000 for the Government of France and US \$173,075 for UNDP.

*Actions taken since the 47th Meeting*

54. In order to avoid any further delays in the implementation of the Cuba phase-out plan that could result in non-compliance with the obligations under the Protocol, the Secretariat suggested to the Government of Germany that it consider undertaking the following actions:

- (a) Preparation and submission of a succinct report of the activities undertaken by both Germany and France since the approval of the phase-out plan at the 43rd Meeting of the Executive Committee. The report should include, *inter alia*, the outcomes of bilateral discussions between the Government of Germany and UNDP addressing all outstanding technical and cost issues related to the first two funding tranches; modalities for the transfer of the 2006-2009 work programmes of Germany and France to UNDP; and a detailed financial report indicating the level of funding not yet obligated and/or disbursed to Cuba;
- (b) Assist UNDP in reviewing the Agreement between the Government of Cuba and the Executive Committee;

- (c) Assist UNDP in the preparation of the 2006 work programme to facilitate the transition from Germany and France as bilateral agencies without further delays in the implementation of the plan; and
- (d) Once the financial report is completed, all unspent resources by the Governments of Germany and France should be returned to the Multilateral Fund. These resources could then be requested by UNDP to complete implementation of outstanding activities approved under the first two tranches of the phase-out plan.

55. At the time of finalizing this document, UNDP was still discussing outstanding issues with all stakeholders involved in the phase-out plan for Cuba and was in the process of drafting a revised Agreement between the Government of Cuba and the Executive Committee. The results of the discussions will be communicated to the Executive Committee prior its 48th Meeting.

Secretariat's recommendation

56. Pending.

**SECTION III: PROGRESS REPORTS TO BE NOTED**

57. This section covers single tranche MB phase-out plans with agreements containing specific reporting requirements for most of them.

**Bolivia: Terminal MB phase-out, excluding QPS applications (UNDP)**

*Background*

58. On behalf of the Government of Bolivia, UNDP submitted a terminal MB phase-out plan (excluding QPS applications) as a technical assistance programme for the complete phase-out of controlled uses of MB to the 35th Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom/35/29). At that Meeting, the Committee approved the project at a total level of funding of US \$221,032 (excluding agency support costs), according to the conditions stipulated in an Agreement with the Government of Bolivia (decision 35/42).

*Progress report*

59. A national MB policy and legal framework was established in 2004 (Supreme Decree 27562). Equipment and farm materials to implement the alternative technologies have been installed, and training programmes for MB users and for organizations that train farmers have been completed. An important outcome of the project was the purchasing of nationally manufactured boilers, resulting in a cost-effective and sustainable approach for phasing out MB. As of December 2005, a total of US \$179,883 has been disbursed.

Secretariat's comments

60. The MB consumption reported by the Government of Bolivia under Article 7 of the Montreal Protocol has decreased from 1.5 ODP tonnes in 2001 to zero consumption in 2004. The MB baseline for compliance is 0.6 ODP tonnes.

61. The proposed date of the completion of the project was December 2005. In this regard, the Secretariat requested UNDP to submit a completion report no later than the 49th Meeting of the Executive Committee, taking into account that the complete phase-out of MB has been achieved through the implementation of the project, and that the Government of Bolivia was in the process of finalizing a monitoring work plan and a handbook on Bolivia's phase-out experience.

#### Secretariat's recommendation

62. The Executive Committee may wish to take note of the progress report on the terminal MB phase-out plan, excluding QPS applications in Bolivia, on the understanding that UNDP will submit the project completion report prior to the 49th Meeting of the Executive Committee.

#### **Côte d'Ivoire: Phase-out of the use of MB in commodities and storage fumigation (UNIDO)**

##### *Background*

63. On behalf of the Government of Côte d'Ivoire, UNIDO submitted an investment project for the phase-out of the use of MB for commodities and storage fumigation to the 42nd Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom/42/30). At that Meeting, the Committee approved the project at a total level of funding of US \$222,210 (excluding agency support costs), according to the conditions stipulated in the Agreement with the Government of Côte d'Ivoire (decision 42/26).

##### *Progress report*

64. The technology selected for the replacement of MB in the original project proposal (ecofume technology) could not be registered, and UNIDO, in consultation with the local fumigation companies, decided to use solid phosphine as an alternative. The equipment required for the implementation of the selected technology (phosphine) has been purchased and delivered, and training programmes for fumigation technicians have been conducted. As of December 2005, a total of US \$165,513 has been disbursed.

##### *Further activities to be undertaken*

65. Due to the situation prevailing in Côte d'Ivoire it is not possible to plan in advance the delivery of additional equipment and additional training for fumigators. Currently, UNIDO staff are in contact with the companies that are fumigating cocoa beans, providing technical assistance and a consultancy service (the trade in cocoa beans is still taking place).

#### Secretariat's comments

66. The MB consumption reported by the Government of Côte D'Ivoire under Article 7 of the Montreal Protocol has decreased from 18.0 ODP tonnes in 2001 to zero consumption in 2004. UNIDO indicated that no consumption of MB for controlled uses occurred in 2005. The amounts of MB available in the country are only used to comply with import requirements for quarantine treatment. Currently, non-QPS fumigation is done with phosphine.

Secretariat's recommendation

67. The Executive Committee may wish to take note of the progress report on the phase-out the use of MB commodities and storage fumigation in Côte d'Ivoire.

**Dominican Republic: Phase-out of 141.0 ODP tonnes of MB in melon, flowers and tobacco (UNIDO)**

*Background*

68. On behalf of the Government of the Dominican Republic, UNIDO submitted to the 38th Meeting of the Executive Committee an investment project for the total phase-out of MB use in soil fumigation (UNEP/OzL.Pro/ExCom/38/30 and Add.1). The Executive Committee approved the project proposal without prejudice to the operation of the Montreal Protocol's mechanisms dealing with non-compliance issues, since in 2001 the Dominican Republic appeared not to be in compliance with the 2002 MB freeze target (decision 38/39).

*Progress report*

69. The institution to implement training programmes for farmers and technicians and to provide technical and logistical support at the local level has been selected. Since then, an agreement with the major MB users in the country to replace MB with metham sodium has been reached. All flower farmers were contacted and specific agreements with six flower companies were reached, and equipment to implement alternative technologies has been purchased. A Decree establishing the Government's commitment to phase-out consumption of ODS including MB in the country has been issued, and awareness programmes have been organized. As of December 2005, a total of US \$518,087 has been disbursed.

Secretariat's comments

70. According to the data reported by the Government of the Dominican Republic under Article 7 of the Montreal Protocol, MB consumption has been reduced from 176.4 ODP tonnes in 2000 to 30.6 ODP tonnes in 2004. The Secretariat noted that the 2005 consumption level of 23.0 ODP tonnes (preliminary) is already 81.0 ODP tonnes below the Dominican Republic's MB baseline (i.e., 104.2 ODP tonnes). The total phase-out of MB is expected to be achieved by the end of 2006.

Secretariat's recommendation

71. The Executive Committee may wish to take note of the progress report on the phase-out of MB in melon, flowers and tobacco in the Dominican Republic.

**Ecuador: Demonstration project for testing MB alternatives in soil treatment for the flower growing industry; and technology change for the phase-out of MB in the rose plant nursery sector (World Bank)**

*Background*

72. At its 40th Meeting, the Executive Committee decided to reclassify the demonstration project approved at the 26th Meeting as a technical assistance project. The demonstration project covered testing MB alternatives in soil treatment for the flower growing industry in Ecuador at a total cost of US \$244,244 plus agency support costs of US \$31,752 for the World Bank (UNEP/OzL.Pro/ExCom/26/33). It was noted that the technical assistance programme would achieve additional phase-out of 15.0 ODP tonnes (decision 40/13 (e)).

73. At its 38th Meeting, the Executive Committee approved an investment project on technology change for the phase-out of MB in the rose plant nursery sector in Ecuador, at a total cost of US \$597,945 plus agency support costs of US \$75,774 for the World Bank. Implementation of the project would lead to the phase-out of 37.2 ODP tonnes by the end of 2005 (UNEP/OzL.Pro/ExCom/38/31 and Add.1).

*Progress report*

74. The following activities are under implementation through the technical assistance programme: field and laboratory tests in several farms; a report on alternatives to MB and a small booklet summarizing the main results for summer flowers; and a MB seminar to make MB users aware of alternatives to MB. So far, US \$161,075 has been disbursed.

75. The progress report on the MB phase-out project in the rose plant nursery sector indicates that flower production without MB started in July 2004 and the baseline equipment was destroyed in December 2004. The alternative technology implemented consists of planting the grafted roses grown in a greenhouse in small boxes containing coconut substrate that does not need fumigation. The report also indicates that the total funds available (i.e., US \$597,945) have been disbursed. According to the World Bank, the total cost associated with implementation of the project was US \$1,188,863. The cost difference was covered by the beneficiary company (namely civil works and part of training costs).

Secretariat's comments

76. The MB consumption reported by the Government of Ecuador under Article 7 of the Montreal Protocol has decreased from 369.8 ODP tonnes in 2001 to zero consumption in 2003 and 2004. The MB baseline for compliance is 66.2 ODP tonnes. In 2005, the Government authorized the import of 51 ODP tonnes of MB; however, to date this amount is not yet registered in the Customs records (this issue is currently under analysis).

Secretariat's recommendation

77. The Executive Committee may wish to take note of the progress reports submitted by the World Bank on the implementation of the technical assistance programme for testing MB alternatives in soil treatment for the flower growing industry and the project for the technology

change for the phase-out of MB in the rose plant nursery sector in Ecuador, on the understanding that the World Bank will submit project completion reports prior to the 51st Meeting of the Executive Committee.

### **Egypt: National phase-out of MB in horticulture and commodities fumigation (UNIDO)**

#### *Background*

78. On behalf of the Government of Egypt, UNIDO submitted to the 38th Meeting of the Executive Committee a project for national phase-out of methyl bromide in horticulture and commodities fumigation, at a total cost of US \$8,457,260 (as submitted) to phase-out 377.7 ODP tonnes of MB (UNEP/OzL.Pro/ExCom/38/32 and Add.1). The Executive Committee decided to approve the project at a reduced level of funding of US\$2,750,592, plus agency support costs of US \$312,565 for UNIDO, on the understanding that Egypt will meet the MB freeze on consumption during 2003 and 2004 through implementation of the project, bringing the total aggregate national consumption in controlled uses of MB to a sustainable level of 190.4 ODP tonnes. The Executive Committee also noted the commitment by the Government of Egypt to completely phase-out its MB consumption by 2009 provided that a second portion of the project (agreed funding of US \$2,259,408) is approved (decision 38/41).

#### *Progress report*

79. Consultancy services and logistical support for implementation of the project have been secured. Grain fumigation with aluminium phosphine has been tested with good results; in future fumigations additional fumigation sheets and phosphine-measuring devices will be provided, to reduce dosage application rates. Several MB alternative technologies have been selected in cooperation with the major stakeholders (i.e., strawberry and vegetable sectors). As of December 2005, a total of US \$521,615 has been disbursed.

#### *Further activities to be undertaken*

80. The following activities have been proposed to be undertaken in the next two years:

- (a) In the first semester of 2006, soil fumigation alternative chemicals in combination with virtual impermeable film will be implemented in strawberry nurseries, and on vegetables and cut flowers;
- (b) Technical specifications for the equipment and farm materials required for the long-term alternative technologies will be developed with major stakeholders, and equipment procured in the second semester of 2006;
- (c) Technical specifications for the procurement of a full package of equipment and training needed for the application of phosphine fumigation for commodities fumigation will be developed. Equipment for two grain storage sites will be procured;
- (d) A national workshop to finalize the project's strategy and inform all MB users about the country's commitments on MB reduction will be organized in 2006; and

- (e) Training and technical assistance will be provided to staff in 2006 from the Agriculture Research Centre and major MB users. In 2007, training programmes will be extended to small farmers.

#### Secretariat's comments

81. According to the data reported by the Government of Egypt under Article 7 of the Montreal Protocol, MB consumption has been reduced from 432.0 ODP tonnes in 2001 to 219.0 ODP tonnes in 2004. Preliminary data indicate that MB consumption in 2005 was 188.4 ODP tonnes, which is slightly below the 2005 allowable consumption level (i.e., 190.4 ODP tonnes).

82. The Secretariat noted that the amount of MB that has been phased out so far has been achieved mainly through policy measures and awareness activities implemented by the Government, and not through actual implementation of MB alternative technologies. However, it also noted remedial actions taken in 2005 to accelerate implementation of the project.

83. As of December 2005, of the US \$2.75 million that was approved for implementation of the phase-out project, only US \$0.52 million has been disbursed. In 2006, the disbursement of an additional US \$1.30 million is proposed to purchase equipment and implement the training programme. This will bring the total disbursement to only US \$1.82 million, which is US \$0.67 million below the level of disbursement in the project proposal. UNIDO reported that the level of funding remaining after 2006 will be used to procure and deliver additional equipment in 2007, until the complete disbursement of the project fund.

#### Secretariat's recommendation

84. The Executive Committee may wish to take note of the progress report on the implementation of the project for national phase-out of MB in horticulture and commodities fumigation, on the understanding that UNIDO will submit a progress report to the 51st Meeting of the Executive Committee.

### **Jordan: Complete phase-out of the use of MB (Government of Germany)**

#### *Background*

85. On behalf of the Government of Jordan, the Government of Germany submitted to the 29th Meeting of the Executive Committee an investment project for the total phase-out of MB use in soil fumigation (UNEP/OzL.Pro/ExCom/29/19). The Executive Committee decided to approve the project at a total level of funding of US \$3,063,000 (excluding agency support costs), according to conditions stipulated in an Agreement between the Government of Jordan and the Executive Committee (decision 29/34), to achieve complete phase-out of MB by 1 January 2015.

#### *Progress report*

86. According to the progress report submitted by the Government of Germany on behalf of the Government of Jordan, several significant results have been achieved to date. In

September 2000, the Ministry of Agriculture adopted a first tentative phase-out schedule aimed at restricting MB imports. The project introduced viable MB alternatives implemented through over 390 field demonstrations, and almost 200 extension activities attended by nearly 5,000 farmers. Six nurseries were enabled by the project to produce grafted seedlings. Since 2005, small MB cans (0.68 kg capacity) have been banned. Technology transfer and MB use has been monitored and the number of MB users has been reduced from some 557 in the Jordan Valley alone to 95 throughout the country. Public awareness materials and extension fact sheets covering all of the proposed technologies have been produced, and a Web page has been established ([www.ncartt.gov.jo](http://www.ncartt.gov.jo)). As of December 2005, a total of US \$1,603,634 has been disbursed.

87. During project implementation, some MB users tried to lobby for increases in the yearly import quotas. With the exception of 2004, when high critical-use exemptions were requested by non-Article 5 countries, the national institutions involved in MB phase-out, under the guidance of the Ozone Unit, managed to keep the MB reduction schedules on track.

*Further activities to be undertaken*

88. The following activities have been proposed to be undertaken in the next two years: an additional 81 demonstration activities on solarization, biofumigation, grafting, direct seeding and soilless culture technologies; and 48 extension activities, including field days, workshops, and field surveys.

Secretariat's comments

89. The MB baseline consumption for Jordan has been calculated at 180 ODP tonnes. Data reported by the Government of Jordan under Article 7 of the Montreal Protocol and the maximum allowable levels of MB consumption in the country are presented in the table below:

MB consumption (ODP tonnes)	2000	2001	2002	2003	2004	2005
Article 7 data	105.3	105.6	90.6	80.1	80.1	60.0*
Agreement (allowable level)	180.0				108.0	
Licensed importation	104.7	105.7	91.4	79.9	78.6	60.0

(\*) Preliminary figures

90. The Secretariat noted that the annual MB phase-out targets committed to by the Government of Jordan have been surpassed.

Secretariat's recommendation

91. The Executive Committee may wish to take note of the progress report on the implementation of the complete phase-out of the use of MB in Jordan.

**Kyrgyzstan: Technical assistance project to install alternatives and phase out MB (UNDP)***Background*

92. At its 41st Meeting, the Executive Committee approved a technical assistance project to install alternatives and phase-out MB, submitted by UNDP on behalf of the Government of Kyrgyzstan, (UNEP/OzL.Pro/ExCom/41/40 and Corr.1), at a total cost of US \$300,000 (excluding agency support costs), on the understanding that the Government of Kyrgyzstan would not seek additional funding for the phase-out of controlled uses of MB (decision 41/47).

*Progress report*

93. Project implementation only began in 2005. An international technical expert has been selected and has visited the country; a workshop for major MB stakeholders was conducted in April 2005; project staff received training in Russia; the bidding process for the equipment required for the alternative technologies has been completed and part of the equipment has been purchased (the remainder of the equipment will be procured in 2006).

94. In order to maximize resources and ensure regional coordination, UNDP explored the possibility of including national experts in training workshops for MB users in the region, funded by the GEF (logistics for this cooperation are being finalized). The Ozone Unit published a handbook on the implementation of alternatives to MB and legislative initiatives to control and ban the use of MB are being prepared. As of December 2005, a total of US \$51,349 has been disbursed.

Secretariat's comments

95. The MB consumption reported by the Government of Kyrgyzstan under Article 7 of the Montreal Protocol has decreased from 13.8 ODP tonnes in 2003 to 10.5 ODP tonnes in 2004. The MB baseline for compliance is 14.2 ODP tonnes. It is expected that MB consumption will be completely phased-out by the end of 2008.

96. The Secretariat noted that the implementation of the investment component of the project (i.e., introduction of alternative technologies) has been delayed. On this basis, the reductions so far achieved in MB consumption in Kyrgyzstan may not be sustainable in the long-term. In order to address this issue, UNDP agreed to accelerate implementation of the investment component of the project and report back to the Executive Committee at the end of 2006.

Secretariat's recommendation

97. The Executive Committee may wish to take note of the progress report on terminal MB phase-out, excluding QPS applications in Kyrgyzstan, on the understanding that UNDP will submit a progress report on the implementation of the project to the 50th Meeting of the Executive Committee.

**Turkey: Phase-out of MB in the dried fig sector (World Bank)***Background*

98. On behalf of the Government of Turkey, the World Bank submitted a project for the phase-out of MB in the dried fig sector to the 31st Meeting of the Executive Committee (UNEP/OzL.Pro/ExCom/31/47 and Add.1). At that Meeting, the Committee approved the project at a total level of funding of US \$479,040 (excluding agency support costs), on the understanding that the Government would ensure that total national aggregate MB consumption in the sector would be permanently reduced to a level no higher than its 1999 national aggregate consumption, less the phase-out proposed in the project (decision 31/38).

99. At its 35th Meeting, the Executive Committee approved in principle an additional US \$3,408,844 plus agency support costs of US \$255,663 for UNIDO to phase-out 292.2 ODP tonnes of MB used in protected tomato, cucumber, and carnation crops, in accordance with an agreement between the Government of Turkey and the Executive Committee (decision 35/45). Upon completion of these two projects, the remaining level of MB consumption in Turkey will be 20.4 ODP tonnes.

*Progress report*

100. The project included the installation of high-pressure carbon dioxide equipment and the use of magnesium phosphide in combination with heat as alternative technologies. This modified atmosphere system was used in September 2005, to treat some 1,000 tonnes of figs. The project will be completed at the end of 2006. At that time the World Bank will submit a project completion report.

Secretariat's comments

101. The Secretariat noted that, since 2001, MB consumption as reported by the Government of Turkey under Article 7 to the Montreal Protocol has been below the maximum level of consumption committed to by the Government in its agreement with the Executive Committee, as shown in the table below. The MB consumption baseline is 479.7 ODP tonnes.

Year	MB consumption (ODP tonnes)	
	Maximum agreed level	Reported consumption (Article 7)
2000	342.6	342.6
2001	332.6	43.8
2002	293.4	280.8
2003	225.4	185.4
2004	167.4	90.6
2005	78.4	
2006	20.4	

Secretariat's recommendation

102. The Executive Committee may wish to take note of the progress report on the implementation of the project for the phase-out of MB in the dried fig sector in Turkey, on the

understanding that the World Bank will submit the project completion report prior to the 51st Meeting of the Executive Committee.

**Yemen: Technical assistance programme for the phase-out of MB in agriculture (Government of Germany)**

*Background*

103. On behalf of the Government of Yemen, the Government of Germany submitted to the 41st Meeting of the Executive Committee an investment project for the phase-out of 52.8 ODP tonnes of MB in agriculture, at a total cost of US \$1,445,630, excluding agency support costs (UNEP/OzL.Pro/ExCom/41/64 and Corr.1). The Executive Committee decided to approve the project as a technical assistance programme at a cost of US \$250,000 plus agency support costs of US \$32,500 to phase out 9.1 ODP tonnes of MB, on the understanding that approval of the project was without prejudice to the operation of the Montreal Protocol's mechanisms dealing with non-compliance issues (decision 41/25).

104. The original request by the Government of Yemen for the total phase-out of MB in soil fumigation is to be reviewed following the completion of the approved technical assistance project at the end of 2006.

*Progress report*

105. At the time of approval of the technical assistance programme, Yemen was in non-compliance with its 2002 MB freeze level, since its MB baseline was 1.1 ODP tonnes. Upon a request by the Government of Yemen, at their 16th Meeting the Parties to the Montreal Protocol agreed to revise Yemen's MB baseline to 54.5 ODP tonnes (decision XVI/31 (d)).

106. According to the progress report submitted by the Government of Germany on behalf of the Government of Yemen, two workshops on soil solarization and bio-fumigation (as alternative technologies to MB) have been conducted, with the participation of agricultural engineers and experts. Specific on-site training courses for 83 selected farmers on solarization (two courses) and bio-fumigation (one course), have also been conducted. Legislation for controlling the import and use of MB has been passed and measures to implement this legislation are under preparation. As of December 2005, a total of US \$84,490 has been disbursed.

*Further activities to be undertaken*

107. The activities to be undertaken in 2006 include: expanding the training programme for experts and farmers in the application of alternative technologies; encouraging local manufacturers and traders to provide materials required for a sustainable introduction of the proposed MB alternatives at the national level; and enforcing the new MB phase-out legislation and regulations.

Secretariat's comments

108. According to the data reported by the Government of Yemen under Article 7 of the Montreal Protocol, MB consumption has been reduced from 52.8 ODP tonnes in 2002 to 42.0 ODP tonnes in 2004. Preliminary data indicate that an additional 4 ODP tonnes of MB may have been phased out in 2005. The Secretariat noted that the estimated 2005 consumption level of 38.0 ODP tonnes is already 16.5 ODP tonnes below Yemen's MB baseline.

Secretariat's recommendation

109. The Executive Committee may wish to take note of the progress report on the technical assistance programme for the phase-out of MB in agriculture in Yemen.

## **Annex I**

### **DRAFT REVISED AGREED CONDITIONS FOR THE PHASE-OUT OF METHYL BROMIDE IN CHILE**

1. The Executive Committee:
  - (a) At its 32nd Meeting, approved US \$805,000 as the total funds that will be available to Chile to achieve the complete phase-out of methyl bromide (MB) used in the fruit replanting and nursery sectors (76.2 ODP tonnes), to be implemented by UNDP;
  - (b) At its 45th Meeting, approved in principle an additional US \$2,547,156 as the total funds available to Chile to achieve the complete phase-out of MB used in the remaining soil fumigation sectors, excluding quarantine and pre-shipment applications (additional 136.3 ODP tonnes), to be implemented by the World Bank; and
  - (c) At its 48th Meeting, noted the cancellation by the Government of Chile of the project for the complete phase-out of MB used in the remaining soil fumigation sectors, excluding quarantine and pre-shipment applications approved at its 45th Meeting.
2. As reported to the Ozone Secretariat, MB consumption in 2004 was 262.8 ODP tonnes, excluding MB that was used in quarantine and pre-shipment applications. The MB baseline for compliance is 212.5 ODP tonnes. Accordingly, Chile must reduce its 2004 consumption of MB by 50.3 ODP tonnes and by an additional 42.5 ODP tonnes, to achieve compliance with the Montreal Protocol's 2002 freeze obligation and with the 20 per cent reduction in 2005, respectively.
3. Through implementation of the project for the phase-out of MB in the tree replant and tree nursery sectors, Chile commits to reducing its total national consumption of controlled uses of MB to 170.0 ODP tonnes in 2005, thus ensuring compliance with the Protocol's 20 per cent reduction. Chile also commits to permanently sustaining the consumption level of 170.0 ODP tonnes between 2005 and 1 January 2015 through the use of import restrictions and other policies it may deem necessary.
4. The Government of Chile is entering into this agreement with the Executive Committee on the understanding that, should additional MB consumption in the fruit replanting and nursery sectors be identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government.
5. The Government of Chile, in agreement with UNDP, will have flexibility in organizing and implementing the components of the project which it deems more important to meet the MB phase-out commitments noted above. UNDP agrees to manage the funding for the project in a manner designed to ensure the achievement of the specific MB reductions agreed upon. UNDP

shall report back annually to the Executive Committee on the progress achieved in putting in place mechanisms to achieve and maintain compliance with the Montreal Protocol schedule.

6. These agreed conditions between the Government of Chile and the Executive Committee supersede the agreement reached between the Government of Chile and the Executive Committee at the 45th Meeting of the Executive Committee.

## Annex II

### DRAFT REVISED AGREED CONDITIONS FOR THE PHASE-OUT OF METHYL BROMIDE IN COSTA RICA

1. The Executive Committee at its 35th Meeting, approved in principle US \$4,845,283 as the total funds that will be available to the Government of Costa Rica to achieve the complete phase-out of methyl bromide (MB) used for all purposes (426.9 ODP tonnes), excluding quarantine and pre-shipment applications (QPS), according to a revised phase-out schedule approved at its 48th Meeting.

2. As reported to the Ozone Secretariat, and consistent with information in the project document presented to the Executive Committee, the MB baseline for compliance for Costa Rica is 342.5 ODP tonnes, and the average MB consumption for the years 1998-2000 was 426.9 ODP tonnes, excluding quarantine and pre-shipment applications. Accordingly, Costa Rica must reduce its consumption of MB to 342.5 ODP tonnes to achieve compliance with the Montreal Protocol's 2002 freeze obligation, and to no more than 274 ODP tonnes in 2005 to achieve compliance with the Protocol 20 per cent reduction..

3. Reductions in accordance with the terms of this project, as revised by the Executive Committee at its 48th Meeting, will ensure that Costa Rica will meet the reduction schedule listed below. In that regard Costa Rica commits, through the implementation of this project, to reduce total national consumption of controlled uses of MB to no more than the following levels of consumption in the years listed below:

2002	342.5 ODP tonnes
2003	342.5 ODP tonnes
2004	342.5 ODP tonnes
2005	274.0 ODP tonnes
2006	253.2 ODP tonnes
2007	210.0 ODP tonnes
2008	174.0 ODP tonnes
2009	114.0 ODP tonnes
2010	0.0 ODP tonnes

4. The project will phase out all uses of MB in Costa Rica, excluding QPS applications. Costa Rica will not request any further assistance from the Multilateral Fund projects for the non-QPS MB sector in order to achieve this phase-out. The phase-out will be permanently sustained through the use of import restrictions and other policies deemed necessary. UNDP shall report back annually to the Executive Committee on the progress achieved in meeting the reductions required in the project.

5. Funding for the projects will be disbursed by UNDP in line with the following yearly budget breakdown and with the understanding that a subsequent year's funding will not be disbursed until the Executive Committee has favourably reviewed the prior year's progress report:

2001	US \$1,211,321
2004	US \$1,938,114
2006	US \$969,057
2008	US \$726,791

6. The Government of Costa Rica has reviewed the consumption data identified in this project and is confident that it is correct. Accordingly, the Government is entering into this agreement with the Executive Committee on the understanding that, should additional consumption be identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government.

7. The Government of Costa Rica, in agreement with UNDP, will have flexibility in organizing and implementing the project components which it deems more important in order to meet its phase-out commitment noted above. UNDP agrees to manage the funding for this project in a manner designed to ensure the achievement of the specific MB reductions agreed for the sector.

8. These revised agreed conditions supersede those reached between the Government of Costa Rica and the Executive Committee at the 35th Meeting of the Executive Committee.

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