

Annex XV

**AGREED CONDITIONS FOR THE PHASE-OUT OF METHYL BROMIDE
IN YEMEN**

1. The Executive Committee:

- (a) At its 41st Meeting, approved US \$250,000 as the total funds available to Yemen in order to achieve the 2005 allowable level of methyl bromide consumption (phase-out of 9.1 ODP tonnes); and
- (b) At its 56th Meeting, approved in principle an additional US \$601,450 as the total funds that will be available to Yemen to achieve the complete phase-out of controlled uses of methyl bromide in soil fumigation (35.9 ODP tonnes).

2. As reported to the Ozone Secretariat, the methyl bromide baseline for compliance for Yemen is 54.5 ODP tonnes; the 2007 methyl bromide consumption was 35.7 ODP tonnes. Accordingly, Yemen has achieved compliance with the Montreal Protocol's 20 per cent reduction in 2005.

3. Reductions in accordance with the terms of the above-mentioned projects and other commitments presented in the project document will ensure that Yemen meets the reduction schedule presented below. In this regard, Yemen will reduce the national consumption of controlled uses of methyl bromide, excluding quarantine and pre-shipment applications, to no more than the following levels of consumption in the years listed below:

Year	MB phase out (ODP tonnes)	Allowable consumption (ODP tonnes)
2008 - 2009	5.9	30.0
2010 - 2011	10.0	20.0
2012 - 2013	10.0	10.0
2014 - 2015	10.0	0

4. Yemen commits to permanently sustaining the consumption levels indicated above through the use of import quotas and other policies it may deem necessary.

5. Funding for the project will be disbursed by the Government of Germany in line with the following budget breakdown:

Year	Project (US \$)	Agency fee (US \$)
2008	201,450	25,509
2010	200,000	25,325
2012	200,000	25,325
Total	601,450	76,159

6. The Government of Yemen has reviewed the consumption data identified in all sectors covered by the projects and is confident that it is correct. Accordingly, the Government is entering into this agreement with the Executive Committee on the understanding that, in case any additional methyl bromide consumption is identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government of Yemen.

7. The Government of Yemen, in agreement with the Government of Germany, will have flexibility in organizing and implementing the project's components that it deems more important in order to meet the methyl bromide phase-out commitments noted above. The Government of Germany agrees to manage

the funding for the project in a manner designed to ensure the achievement of the specific MB reductions agreed upon. The Government of Yemen may choose to accelerate the methyl bromide reduction schedule without penalty to the project budget.

8. The Government of Germany shall report annually to the Executive Committee on the progress achieved in meeting the methyl bromide reductions required in all sectors, as well as on annual costs related to the use of the alternative technologies selected and the inputs purchased with the project funds.