

ANNEX V

Agreed Conditions for Phase-out of Methyl Bromide in Jordan

The Executive Committee decides to approve in principle a total of US \$3.4 million in funding for the phased reduction and elimination of all controlled uses of methyl bromide. This is the total funding that would be available to Jordan from the Multilateral Fund for the total permanent cessation of all uses of methyl bromide controlled by the Montreal Protocol (i.e. quarantine and preshipment use is currently exempt from this agreement). The agreed level of funding would be disbursed in instalments in the exact amounts specified in paragraph (b), and on the basis of the following understanding.

- a. This agreement is predicated on the commitment by Jordan that it will not produce methyl bromide. If at any time, Jordan initiates production of methyl bromide, then this agreement becomes void, and all payments made pursuant to this agreement must be returned to the Multilateral Fund.
- b. By this approval, Jordan agrees that in exchange for the funding level specified in paragraph (c), it will reduce its total consumption/imports of methyl bromide (except for quarantine and preshipment uses, which are currently exempt) in accordance with the following schedule.

Total imports of methyl bromide in Jordan will not exceed the following levels in the following years:

180 ODP in 2001; 108 ODP in 2004; 54 ODP tonnes in 2006; 27 ODP tonnes in 2008, 0 tonnes by 2015.

(Note: the 2001 level noted above assumed that Jordan's baseline is equal to or greater than 180 ODP tonnes based on an ODP for methyl bromide of .6, and reported consumption data for 1995, 1996 and 1997 of 180 ODP tonnes, 180 ODP tonnes, and 165 ODP tonnes, respectively. If, by virtue of a lower reported level for 1998, Jordan's baseline should be less than 180 ODP tonnes, compliance with this agreement would require Jordan to meet its baseline number in 2001; the remaining commitments for 2002-2008 would remain unchanged. Further, should the Parties formally change the ODP of methyl bromide during the course of this agreement, Jordan would still be required to meet the metric tonne equivalent of the levels included above assuming a .6 ODP). Finally, should the Parties agree to accelerate the dates of interim reductions or final phase-out of methyl bromide, Jordan agrees to meet either the schedule above, or the new schedule whichever is more stringent.

- c. In order to facilitate Jordan's installation of the system to facilitate meeting the agreed reductions, the Executive Committee decides at its twenty-ninth Meeting to approve US \$3.4 million in funding. The funds will be disbursed as described below.

US \$1 million will be released upon approval at the twenty-ninth Meeting of the Executive Committee. An additional US \$1 million will be disbursed when Jordan demonstrates, based on audited data, that its consumption has achieved 108 ODP tonnes in 2004, or met the target of 108 ODP tonnes, whichever comes first. An additional US \$900,000 will be provided when Jordan has demonstrated that it has met its agreed target of 54 tonnes not later than 2006. The final funding would be made available to Jordan when it has met its target of 27 tonnes not later than 2008, and demonstrated that it has a sustainable plan to maintain and phase out the remainder of its controlled uses of methyl bromide use by 2015.

- d. The Executive Committee wishes to provide Jordan with maximum flexibility in using the agreed funds to meet the reduction requirements agreed in point b. Accordingly, while the Jordanian project may have included estimates of specific funds that were thought to be needed for specific items, the Executive Committee is of the understanding that during implementation, as long as it is consistent with this agreement, the funds provided to Jordan pursuant to this agreement may be used in any manner that Jordan together with Germany believes will achieve the smoothest possible methyl bromide phase-out possible.
- e. Jordan agrees that the funds being agreed in principle by the Executive Committee at its twenty-ninth Meeting for complete cessation of the use of methyl bromide for non-quarantine and preshipment uses is the total funding that will be available to it to enable its full compliance with the obligations it is assuming under paragraphs (a) and (b) above, as well as the obligations it currently has or may in the future assume under the Montreal Protocol, and that no additional Multilateral Fund resources will be forthcoming for any further activities related to the phase-out of methyl bromide. It is also understood that Jordan and the Multilateral Fund and its implementing agencies and bilateral donors will neither provide nor request further Multilateral Fund-related funding for the accomplishment of the total phase out of methyl bromide in accordance with the schedule noted above and the terms of the strategy being approved. This includes but is not limited to funding for farmer compensation and all technical assistance including training.
- f. Jordan understands that if the Executive Committee meets its obligations under this agreement, but Jordan does not meet the reduction requirements outlined in point (b), and the other requirements outlined in this document, the implementing agency and Multilateral Fund will withhold funding for the subsequent tranche of funding outlined in paragraph (c) until such time as the required reduction has been met. In addition, Jordan understands that the Multilateral Fund will reduce the subsequent tranche and therefore, total funding for the methyl bromide phase-out, on the basis of US \$20,000 per ODP tonne of reduction not achieved in any year of this agreement.