Annex X

AGREED CONDITIONS FOR PHASE-OUT OF METHYL BROMIDE IN MACEDONIA

The Executive Committee agrees to approve US $1,075,207 as the total funds that will be available to achieve commitments noted in this document for the phase reduction in the use of methyl bromide in Macedonia subject to the following understandings and considerations:

As reported to the Ozone Secretariat, and consistent with information in the project document presented to the Executive Committee, Macedonia had consumption of 27.2 ODP tonnes of methyl bromide in 1999. In accordance with the data submitted to the Secretariat by Macedonia for the years 1995-1998, Macedonia has a methyl bromide baseline of 12.2 ODP tonnes. Accordingly, Macedonia must reduce its 1999 consumption of methyl bromide by at least 15.0 ODP tonnes to achieve compliance with the Protocol's 2002 freeze obligation and by at least 17.4 ODP tonnes to achieve compliance with the Protocol's 2005, 20 per cent reduction.

Reductions in accordance with the terms of this project, and the other commitments presented in the project document, will ensure that Macedonia meets that requirement, and exceeds subsequent phase out requirements of the Montreal Protocol.

Specifically, Macedonia commits to reduce its total national consumption of controlled uses of methyl bromide to no more than the following levels during the 12-month period of the following listed years:

2001-2002	12.2 ODP tonnes
2002-2003	9.7 ODP tonnes
2003-2004	7.8 ODP tonnes
2004-2005	zero

In addition, Macedonia commits to sustain this phase-out of methyl bromide through the use of bans in the use of methyl bromide for all non-exempt methyl bromide uses. The specific reductions in consumption noted above will be those achieved through this project. Since this project constitutes a sector phase out, there will be no additional projects that will be submitted for the methyl bromide sector.

UNIDO shall report back to the Executive Committee annually on the progress in meeting the reductions required by this project, as well as on annual costs related to the use of the floating system inputs being purchased with the project funds.

Following initial disbursement of 30 per cent in the year 2000-2001, funding for later years in the project will be disbursed by UNIDO in accordance with the following schedule, and with the understanding that a subsequent year's funding will not be disbursed until the Executive Committee has favourably reviewed the prior years progress report.

2002 – 2003	25 per cent of funds
2003 – 2004	25 per cent of funds
2004 – 2005	20 per cent of funds

Finally, UNIDO agrees to manage the funding for this project in a manner designed to ensure that the specific annual reductions agreed are met.