

Annex III

**AGREEMENT FOR THE CFC TERMINAL PHASE-OUT MANAGEMENT
PLAN FOR JAMAICA**

1. The Executive Committee approves a total of US \$380,000 in funding for the phased reduction and complete phase-out in the consumption of Annex A, Group I substances used in Jamaica. This is the total funding that would be available to Jamaica from the Multilateral Fund for the total elimination of CFC use in Jamaica. The agreed level of funding would be paid out in instalments in the exact amount of US dollars specified in paragraph 2, and on the basis of the understanding set out in this agreement.

2. By this agreement, Jamaica commits that in exchange for the funding level specified below in Table 1, it will eliminate its total CFC consumption in accordance with the annual consumption limits given in Table 2.

Table 1: Funding levels and profile under TPMP

	2002	2003	2004	2005	Total
Agreed funding for annual programmes (US \$'000)					
Component I (Gov't of Canada programme):	135		45	60	240
Component II (UNDP programme):	70		70		140
Agency support costs (US \$'000)					
Component I (Gov't of Canada programme):	17.55		5.85	7.8	31.2
Component II (UNDP programme):	9.1		9.1		18.2
Totals	231.65	0	129.95	67.8	429.4

Table 2: Maximum Allowable Consumption for Annex A Group I (CFCs) ODP tonnes

Year	Maximum CFC consumption*
July 2002-June 2003	48
July 2003-June 2004	32
July 2004-June 2005	16
July 2005-December 2005	4.2
2006	0
2007	0
2008	0
2009	0
2010	0

* These limits represent the ones stipulated in Jamaica's current Licensing System

3. The Executive Committee also agrees, in principle, that the funds will be provided at the last meeting of the Executive Committee in 2002 and the first meetings of the Executive Committee in 2004 and 2005, in accordance with the above table, for the exact amounts listed in

the table and on the basis of an annual implementation plan for the following implementation period, subject to the performance requirements contained in this agreement. On this basis, the payment indicated in year 2002 will be for activities to be undertaken in the remainder of 2002 and 2003, 2004 funding for activities to be undertaken in 2004, and 2005 funding for activities to be undertaken in 2005.

4. Payments noted in Table 1, other than the 2002-2003 implementation programme, will be released based on confirmation that the agreed phase-out amounts targets noted in the Table 2 for the previous year have been achieved and it has been verified that the activities planned for the previous year were undertaken in accordance with the annual implementation plan. Hence, payment in 2004 for the 2004 implementation plan would be released based on confirmation that the July 2002- June 2003 consumption target has been met and all 2002 –2003 implementation plan activities has been completed, and so on for future years.

5. The Government of Jamaica agrees to ensure accurate monitoring of the phase-out. The Government of Jamaica will provide regular reports, as required by its obligations under the Montreal Protocol and this Agreement. Consumption figures provided under this agreement will be consistent with Jamaica's reports to the Ozone Secretariat under Article 7 of the Montreal Protocol.

6. The Government of Jamaica also agrees to allow independent verification audits as provided for in this agreement, and in addition, external evaluation as may be directed by the Executive Committee, to verify that annual CFC consumption levels correspond to those agreed in Table 2 and that implementation of the sector plan as scheduled and agreed in annual implementation programmes.

7. The Jamaica Terminal CFC Phase-out Management Plan, which supports this Agreement, the Jamaica Country Programme and other related documentation, may include estimates of specific funds that were thought to be needed for specific items. Notwithstanding this, the Executive Committee wishes to provide Jamaica with maximum flexibility in using the agreed funds to meet the consumption limits agreed in the Table 2. The Executive Committee has the understanding that during implementation, as long as it is consistent with this Agreement, the funds provided to Jamaica pursuant to this Agreement may be used in any manner that Jamaica believes will achieve the smoothest possible CFC phase-out, consistent with operational procedures as agreed between the Government of Jamaica, the Government of Canada as lead Implementing Agency and UNDP in the Terminal Phase-out Management Plan and, as indicated in the annual implementation programmes.

8. The Government of Jamaica agrees that the funds being agreed in principle by the Executive Committee at its 37th Meeting for the complete phase-out of Annex A, Group I substances are the total funding that will be available to Jamaica to enable its full compliance with the reduction and phase-out as agreed with the Executive Committee of the Multilateral Fund, and that no additional Multilateral Fund resources will be forthcoming for any related activities. It is also understood that, aside from the agency fees referred to in paragraph 10 below, the Government of Jamaica, the Multilateral Fund, and its Implementing Agencies, and bilateral donors will neither request nor provide further Multilateral Fund related funding for the accomplishment to the total phase-out of CFCs.

9. The Government of Jamaica agrees that if the Executive Committee meets its obligations under this Agreement but that the Government of Jamaica does not meet the reduction requirements outlined in paragraph 2 and other requirements outlined in this document, the Implementing Agencies and the Multilateral Fund will withhold funding for subsequent tranche of funding outlined in paragraph 2 until such time as the required reduction has been met. It is clearly understood that the fulfilment of this agreement depends on the satisfactory performance of its obligations by both the Government of Jamaica and the Executive Committee. In addition, Jamaica understands that regarding all reduction targets beginning with the 2002-2003 annual period, in paragraph 2 of this agreement, the Multilateral Fund will reduce the subsequent tranche and therefore the total funding for CFC phase-out on the basis of US \$15,000 per ODP tonnes of reduction not achieved in any year.

10. The Government of Canada has agreed to be the lead Implementing Agency for the implementation of this Terminal Phase-out Management Plan, with UNDP providing support for the implementation of component II of the TPMP, the retrofit and replacement programme for end-users. The TPMP's implementation will be completed in December 2005. A fee of a total of 13% of the annual funds has been agreed in accordance with provisions of this Agreement and distributed between the two Implementing Agencies as shown in Table 1. As Implementing Agencies, the Government of Canada and UNDP will each be responsible for the following, within the context of their TPMP components:

- (a) ensuring performance and financial verification in accordance with specific Government of Canada and UNDP procedures and requirements as specified in Jamaica Terminal CFC Phase-out Management Plan;
- (b) reporting annually on the implementation of the annual implementation programmes;
- (c) providing verification to the Executive Committee that the control targets listed in Table 2 and the associated activities have been met;
- (d) ensuring that technical reviews undertaken by the Government of Canada and UNDP are undertaken by appropriate independent technical experts;
- (e) assisting Jamaica in the preparation of annual implementation programmes, which will incorporate achievements in previous annual programmes;
- (f) carrying out required supervision missions;
- (g) ensuring the presence of an operating mechanism to enable effective, transparent implementation of the programme, and accurate data reporting;
- (h) verification for the Executive Committee that CFC consumption has been completed based on the schedule listed in Table 2;

- (i) ensuring that disbursement are made to Jamaica based on agreed performance targets in the project and provisions in this Agreement; and,
- (j) provide policy development assistance when required.

11. The funding components of this Decision shall not be modified on the basis of future Executive Committee decisions that may affect the funding of any other consumption sector projects or any other related activities in the country.