

ANNEX III

Agreed conditions for funding methyl bromide phase-out project in Argentina

The Executive Committee agrees to approve US \$3.183 million 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 Argentina, 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, Argentina had consumption of 505 tonnes of methyl bromide in 1998. This sum excludes some 31 tonnes which Argentina states that it uses for quarantine purposes. In accordance with the data submitted to the Secretariat by Argentina for the years 1995-1998, Argentina has a methyl bromide baseline of 411 tonnes. Accordingly, Argentina must reduce its 1998 consumption of methyl bromide by at least 94 tonnes to achieve compliance with the Protocol's 2002 freeze obligation. Reductions in accordance with the terms of this project, and the other commitments presented in the project document, will ensure that Argentina meets that requirement, and exceeds subsequent phase out requirements of the Montreal Protocol.

Specifically, through this project (which will phase out over 65 per cent of 1998 consumption of methyl bromide), as well as the ancillary intent expressed in this project proposal and the commitments made in this document, Argentina commits to reduce total national consumption of controlled uses of methyl bromide to no more than the following levels in during the 12-month period of the following listed years:

2001	471.9 tonnes (505 baseline consumption - 33.1 tonnes)
2002	405.8 tonnes (reduction of 66.1 tonnes from 2001 level as in project document)
2003	306.6 tonnes (reduction of 99 tonnes from 2002 level as in project document)
2004	174.4 tonnes (reduction of 132.2 tonnes as in project document)

In addition, Argentina commits to sustain this phase-out of methyl bromide through the use of bans in the use of methyl bromide for, at least, the uses covered by this project. The specific reductions in consumption noted above will be those achieved through this project. Argentina may have additional projects approved that will add to the reductions noted above.

In the context of the extensive training that is being carried out in the implementation of this project, UNIDO agrees to educate related farmers on ways to limit the use of metam sodium through the enhanced use of IPM techniques. UNIDO shall also 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 metam sodium and the use of the steam boilers being purchased with the project funds. Following initial disbursement of 33 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 33%

2003 34%

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