Annex VII

AGREED CONDITIONS FOR PHASE-OUT OF METHYL BROMIDE IN ZIMBABWE

1. The Executive Committee:

   (a) At its 31st Meeting, approved US $904,200 as the total funds available to Zimbabwe to achieve the complete phase-out of methyl bromide (MB) used in cut flowers. The project was completed in 2005 with a total phase-out of 132 ODP tonnes of MB; and

   (b) At its 47th Meeting, approved in principle an additional US $3,724,972 as the total funds available to Zimbabwe to achieve the complete phase-out of MB used in tobacco seedbeds (additional 170 ODP tonnes).

2. As reported to the Ozone Secretariat, and consistent with information in the project document presented to the Executive Committee, the MB baseline for Zimbabwe is 557.0 ODP tonnes. For 2004, Zimbabwe has reported a MB consumption of 184.2 ODP tonnes under Article 7 of the Montreal Protocol, excluding any amount used for quarantine and pre-shipment applications. Accordingly, Zimbabwe is in compliance with the 2005 Montreal Protocol allowable consumption level.

3. Reductions in accordance with the terms of the above-mentioned project and other commitments presented in the project document will ensure that Zimbabwe meets the reduction schedule presented below. In this regard, Zimbabwe will reduce the national consumption of controlled uses of MB to no more than the following levels of consumption in the years listed below:

Year	ODP tonnes
2005	184.2
2006	174.2
2007	134.2
2008	74.2
2009	14.2

4. The project will phase out all remaining soil uses of MB in Zimbabwe, excluding 14.2 ODP tonnes used in the fumigation of stored grains and MB used for quarantine and pre-shipment applications. Zimbabwe commits to permanently sustaining the consumption levels indicated above through the use of import restrictions and other policies it may deem necessary.

5. Funding for the projects will be requested by UNIDO in the following two tranches:

Year	US $
2005	1,862,486
2007	1,862,486

6. The Government of Zimbabwe has reviewed the consumption data identified in the project and is confident that it is correct. Accordingly, the Government is entering into this agreement with the Executive Committee on the understanding that, should additional MB consumption of controlled uses be identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government.

7. Funding disbursement for the projects will be conditional to the project achievement of milestones programmed and the individual reduction schedule listed above. In case of unjustified delays, UNIDO will inform the Executive Committee and will cancel any further release of funds until all problems are solved and the schedule is brought back on track. If unjustified delays continue, the projects may be cancelled.

8. The Government of Zimbabwe, in agreement with UNIDO, will have the flexibility in organising and implementing the project's components which it deems more important in order to meet MB phase-out commitments noted above. UNIDO agrees to manage the funding for the project in a manner designed to ensure the achievement of the specific MB reductions agreed upon. UNIDO shall report back to the Executive Committee annually on the progress in meeting the reductions required by these projects.

9. These agreed conditions between the Government of Zimbabwe and the Executive Committee have taken into account the already approved MB phase-out projects in cut flowers. Subsequently, they supersede the conditions agreed at the 31st Meeting of the Executive Committee.