

Annex XII

AGREED CONDITIONS FOR PHASE-OUT OF METHYL BROMIDE IN LEBANON

1. The Executive Committee agrees to approve in principle US \$4,421,945 (US \$2,600,000 for the project to be implemented through UNDP and US \$1,821,945 for the project to be implemented through UNIDO) as the total funds that will be available to achieve the commitments noted in this document for the complete phase-out of methyl bromide (methyl bromide) used in the production of vegetables, tobacco, cut flowers and strawberries, subject to the following understandings and considerations:

2. As reported to the Ozone Secretariat, and consistent with information in the project document presented to the Executive Committee, the methyl bromide baseline for compliance for Lebanon is 236.4 ODP tonnes, and the methyl bromide consumption for 2000 is 236.5 ODP tonnes. Accordingly, Lebanon must reduce its 2000 consumption of methyl bromide by at least 47.4 ODP tonnes to achieve compliance with the Protocol 20 per cent reduction in 2005.

3. Reductions in accordance with the terms of the two methyl bromide phase-out investment projects (one for vegetables, tobacco, and cut flowers production to be implemented by UNDP and the other for strawberries production to be implemented by UNIDO), will ensure that Lebanon meets the Protocol's 2005 requirements. Lebanon commits to a permanent national reduction in aggregate consumption of controlled uses of methyl bromide to no more than the following levels of consumption during the 12-month period of the following years:

Year	Maximum level of methyl bromide consumption by crop (ODP tonnes)			
	Vegetables/tobacco/ cut flowers	Strawberries	Total phased out	Consumption level
2001				236.5
2002	25.8	6.0	31.8	204.7
2003	36.0	10.1	46.1	158.6
2004	54.0	14.2	68.2	90.4
2005	36.0	11.1	47.1	43.3
2006	34.3	9.0	43.3	0.0

4. Upon completion of the projects, Lebanon will have completely phased out the use of methyl bromide. Lebanon also commits to permanently sustain the consumption levels indicated above through the use of import restrictions and other policies it may deem necessary. UNDP and UNIDO shall report back annually to the Executive Committee on the progress achieved in meeting the reductions required by the two projects.

5. Following an initial disbursement of US \$800,000 to UNDP for the vegetable, tobacco and cut flower sectors and US \$350,000 to UNIDO for the strawberry sector in the year 2001, funding for later years will be disbursed by UNDP and 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 year's progress report:

	Level of funding (US \$)		
Year	Vegetable/tobacco/cut flower	Strawberries	Total level of funding
2001	800,000	350,000	1,150,000
2002	600,000	421,946	1,021,946
2003	500,000	450,000	950,000
2004	400,000	350,000	750,000
2005	300,000	250,000	550,000

6. The Government of Lebanon will have flexibility in implementing the project components which it deems more important in order to meet its phase out commitment noted above. UNDP and UNIDO agree to manage the funding for this project in a manner designed to ensure that the specific annual reductions agreed are met.