

Annex VI

AGREED CONDITIONS FOR THE PHASE-OUT OF METHYL BROMIDE IN CHILE

1. The Executive Committee:
 - (a) At its 32nd Meeting, approved US \$805,000 as the total funds that will be available to Chile to achieve the complete phase-out of methyl bromide (MB) used in the fruit replanting and nursery sectors (76.2 ODP tonnes), to be implemented by UNDP;
 - (b) At its 45th Meeting, approved in principle an additional US \$2,547,156 as the total funds available to Chile to achieve the complete phase-out of MB used in the remaining soil fumigation sectors, excluding quarantine and pre-shipment applications (additional 136.3 ODP tonnes), to be implemented by the World Bank;
 - (c) At its 48th Meeting, noted the cancellation by the Government of Chile of the project for the complete phase-out of MB used in the remaining soil fumigation sectors, excluding quarantine and pre-shipment applications approved at its 45th Meeting.; and
 - (d) At its 60th Meeting, approved an additional US \$1,730,916 as the total funds that will be available to Chile to achieve the complete phase-out of MB used in the horticultural sector (additional 164.4 ODP tonnes), to be implemented by UNIDO and UNEP.
2. As reported to the Ozone Secretariat, MB consumption in 2008 was 164.4 ODP tonnes, excluding MB that was used in quarantine and pre-shipment applications. The MB baseline for compliance is 212.5 ODP tonnes. Chile has achieved compliance with the Montreal Protocol's 20 per cent reduction in 2005.
3. Through implementation of the above projects, Chile commits to achieve the total phase out of all controlled uses of MB by 1 January 2015, thus ensuring compliance with the Protocol's targets. Chile also commits to the use of import restrictions and other policies it may deem necessary to meet the complete phase-out of MB.
4. Disbursement of the funding approved for UNIDO and UNEP for the horticultural sector will be 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:

Year	Total funding (US\$) *		
	UNIDO	UNEP	Total
2010	1,100,000	73,000	1,173,000
2013	557,917		557,917
Total	1,657,917	73,000	1,730,917

* Excluding agencies' support costs.

5. The Government of Chile is entering into this agreement with the Executive Committee on the understanding that, should additional MB consumption be identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government.
6. The Government of Chile, in agreement with UNIDO and UNEP, will have flexibility in organizing and implementing the components of the project which it deems more important to meet the

MB phase-out commitments. UNIDO and UNEP agree to manage the funding for the project in a manner designed to ensure the achievement of the MB phase-out agreed upon. UNIDO and UNEP shall report back annually to the Executive Committee on the progress achieved in putting in place mechanisms to achieve and maintain compliance with the Montreal Protocol schedule.

7. These agreed conditions between the Government of Chile and the Executive Committee supersede the agreement reached between the Government of Chile and the Executive Committee at the 48th Meeting of the Executive Committee.