

Annex XII

AGREEMENT BETWEEN THAILAND AND THE EXECUTIVE COMMITTEE FOR THE NATIONAL METHYL BROMIDE PHASE-OUT PLAN

1. At its 44th Meeting, the Executive Committee approved in principle a total of US \$2,901,600, excluding agency support costs, as the total funds that will be available to Thailand to achieve the phased reduction and complete phase-out of all controlled uses of methyl bromide (241.8 ODP tonnes). This amount is being approved by the Executive Committee without prejudice to the operation of the Montreal Protocol's mechanism for dealing with non-compliance.
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 Thailand is 183.14 ODP tonnes. Thailand's methyl bromide consumption in 2002 was 241.8 ODP tonnes, excluding 228.6 ODP tonnes that was used for quarantine and pre-shipment applications. Accordingly, Thailand must reduce its consumption of methyl bromide in 2004 to 183.14 ODP tonnes to achieve compliance with the Montreal Protocol's 2002 freeze obligation, and to 146.4 ODP tonnes to achieve compliance with the Protocol's 20 per cent reduction in 2005.
3. Through the implementation of the national methyl bromide phase-out plan, the Government of Thailand commits to a permanent reduction in aggregate consumption of controlled uses of MB to no more than the following levels:

Year	Maximum level of consumption of controlled uses of methyl bromide (ODP tonnes)*
2002**	241.8
2004	183.1
2005	146.6
2006	146.6
2007	146.6
2008	146.6
2009	73.3
2010	73.3
2011	36.6
2012	18.3
2013	0

*Excluding any exemptions for quarantine and pre-shipment applications and critical uses.

** Implementation of the national methyl bromide phase-out plan will ensure that Thailand returns to compliance with its Montreal Protocol methyl bromide obligations by 2004.

4. The Government of Thailand has reviewed the consumption data identified in this 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 methyl bromide consumption be identified at a later date, the responsibility to ensure its phase-out will lie solely with the Government.

5. Thailand commits to permanently sustain the consumption levels indicated in the above table through the use of import restrictions and other policies that it may deem necessary. In exchange for the funding level specified below, Thailand commits to eliminate its total national consumption of controlled uses of methyl bromide in accordance with the limits specified in the above table:

Year	Funding (US\$)	Agency support costs(US \$)	Total (US \$)
2004	546,991	41,024	588,015
2006	1,412,214	105,916	1,518,130
2008	942,395	70,680	1,013,075

6. The Government of Thailand, in agreement with the World Bank, will have the flexibility to organize and implement the project components that it deems most important in order to meet the methyl bromide phase-out commitments noted above. The World Bank agrees to manage the funding for the project in a manner designed to ensure the achievement of the specific methyl bromide reductions agreed upon. The World Bank shall also report back to the Executive Committee annually on the progress in meeting the reductions required by this project.

7. The funding components of this agreement 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 related activities in Thailand.