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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Forty-second Meeting  
Montreal, 29 March - 2 April 2004

**PROJECT PROPOSAL: LIBYA**

This document consists of the comments and recommendations of the Fund Secretariat on the following project proposal:

Halon

- Phase-out of halon consumption

UNIDO

**PROJECT EVALUATION SHEET  
LIBYA**

SECTOR: Halon ODS use in sector (2001): 532.7 ODP tonnes

Sub-sector cost-effectiveness thresholds: n/a

**Project Title:**

Phase-out of halon consumption

<b>Project Data</b>	<b>Banking</b>
Enterprise consumption (ODP tonnes)	n/a
Project impact (ODP tonnes)	n/a
Project duration (months)	24
Initial amount requested (US \$)	64,600
Final project cost (US \$):	
Incremental capital cost (a)	61,000
Contingency cost (b)	3,600
Incremental operating cost (c)	0
Total project cost (a+b+c)	64,600
Local ownership (%)	100%
Export component (%)	0%
<b>Amount requested (US \$)</b>	64,600
Cost effectiveness (US \$/kg.)	n/a
Counterpart funding confirmed?	TBD
National coordinating agency	National Ozone Unit
Implementing agency	UNIDO

<b>Secretariat's Recommendations</b>	
Amount recommended (US \$)	
Project impact (ODP tonnes)	
Cost effectiveness (US \$/kg)	
Implementing agency support cost (US \$)	
Total cost to Multilateral Fund (US \$)	

## **PROJECT DESCRIPTION**

1. UNIDO is requesting US \$64,600 plus agency fees of US \$5,814 for a halon banking project in Libya. The project consists of two main components: a technical assistance programme and a halon management component. The activities under the technical assistance programme include two halon and fire protection workshops, assistance in technical standards and information, and technical assistance for training of service technicians. The halon management component includes the set up of recycling and recovery equipment.
2. This project aims at promoting the use of non-ODS and non-halon fire protection technology, preventing any safety impact, and reducing the phase-out costs by developing national capacity and implementing a halon management programme in Libya. This project will cooperate with the regional halon management programme.

### Halon Consumption Background

3. In Libya, halons are used to maintain fixed fire fighting systems and handheld portable extinguishers protecting critical installations at oil companies, iron and steel complex, petrochemical companies, power generation facilities and telecommunication companies. The proposal indicated that Libya did not produce halons and fully depended on the imports from other countries. A survey was conducted to collect and verify the ODS consumption in different sectors in Libya in order to prepare a national phase-out plan. The result of the survey identified that the installed capacity of halon 1211 and 1301 was 7.07 and 74.01 metric tonnes respectively. Libya's baseline and latest halon consumption as reported pursuant to Article 7 was 633.1 ODP tonnes and 532.7 (year 2001) respectively.
4. The Government of Libya agreed to phase-out the remaining consumption as part of the national phase-out plan for which the CFC component was approved at the 41<sup>st</sup> Meeting.

## **SECRETARIAT'S COMMENTS AND RECOMMENDATIONS**

### **COMMENTS**

#### Secretariat's comments

5. UNIDO, in close cooperation with the National Ozone Unit, will be responsible for the implementation of the projects but various activities will be subcontracted. Fire protection authorities will assist UNIDO and the National Ozone Unit in implementing the halon phase-out by supporting the introduction of alternatives and ensuring the international standards are applied.
6. The halon bank will be operated by one of the major fire protection companies that is currently performing halon servicing and refilling operations. The company will be selected by UNIDO upon recommendation of the main project stakeholders.

7. The equipment provided in this project will enable the recovery and recycling of both halon 1211 and 1301 and a halon alternative HFC-227.

8. Recovered and recycled halon will be stored and reused within the country, but in the event that the demand for recycled halon is low, the surplus halon would be made available to other halon banks operating in the region.

9. The total capital costs are US \$36,000, plus US \$20,000 for technical assistance, US \$5,000 for programme management, and a contingency fund of US \$3,600.

10. Libya's 2001 consumption (532.7 ODP tonnes) indicates that actions are needed to enable Libya to comply with the 50 per cent reduction in its halon baseline (633.10 ODP tonnes) in 2005.

## **RECOMMENDATIONS**

11. Blanket approval is recommended in the amount of US \$64,600 with agency fees amounting to US \$5,814 on the condition that with the approval of this project, the Government of Libya agrees to ban the import of new halons six months after the installation of the halon equipment and that it will not seek any further assistance from the Multilateral Fund for halon and fire protection sector.

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