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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Fifty-ninth Meeting
Port Ghalib, Egypt, 10-14 November 2009

PROJECT PROPOSAL: SEYCHELLES

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

Phase-out

- Terminal ODS phase-out management plan (third tranche) France

PROJECT EVALUATION SHEET – MULTI-YEAR PROJECTS

Seychelles

(I) PROJECT TITLE	AGENCY
CFC phase out plan	France

(II) LATEST ARTICLE 7 DATA (ODP Tonnes)					Year: 2008
CFC: 0	CTC: 0	Halons: 0	MB: 0	TCA: 0	

(III) LATEST COUNTRY PROGRAMME SECTORAL DATA (ODP Tonnes)											Year: 2008		
Substances	Aerosol	Foam	Halon	Refrigeration		Solvent	Process Agent	MDI	Lab Use	Methyl Bromide		Tobacco fluffing	Total Sector Consumption
				Manufacturing	Servicing					QPS	Non QPS		
CFC													0.
CTC													0.
Halons													0.
Methyl Bromide													0.
Others													0.
TCA													0.

(IV) PROJECT DATA			2006	2007	2008	2009	2010	Total
Montreal Protocol Consumption Limits		CFC	1.4	0.4	0.4	0.4	0.	
Maximum Allowable Consumption (ODP Tonnes)		CFC	1.4	0.4	0.4	0.4	0.	
Project Costs (US\$)	France	Project Costs		120,000.	60,000.	13,000.		193,000.
		Support Costs		15,600.	7,800.	1,690.		25,090.
Total Funds Approved in Principle (US\$)		Project Costs		120,000.	60,000.	13,000.		193,000.
		Support Costs		15,600.	7,800.	1,690.		25,090.
Total Funds Released by the ExCom (US\$)		Project Costs		120,000.	60,000.	0.		180,000.
		Support Costs		15,600.	7,800.	0.		23,400.
Total Funds Requested for Current Year (US\$)		Project Costs				13,000.		13,000.
		Support Costs				1,690.		1,690.

(V) SECRETARIAT'S RECOMMENDATION:	Blanket approval
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PROJECT DESCRIPTION

1. On behalf of the Government of Seychelles the Government of France, as the lead implementing agency, has submitted to the 59th Meeting of the Executive Committee a request for funding for the third and final tranche of the terminal phase-out management plan (TPMP) at a total cost of US \$13,000 plus agency support costs of US \$1,690. The submission also includes a progress report on the implementation of the TPMP during 2008 and 2009, and the implementation programme for 2010. The project is being implemented by the Government of Germany.

Background

2. The TPMP for Seychelles was approved by the Executive Committee at its 51st Meeting, to completely phase out CFC consumption in the country by 2009. Total funding of US \$193,000 plus agency support costs of US \$25,090 was approved in principle by the Executive Committee. At the same meeting, the Executive Committee approved US \$120,000 plus agency support costs of US \$15,600 for France. At its 55th Meeting, the Executive Committee approved the second tranche at a total cost of US \$60,000 plus agency support costs of US \$7,800.

Progress report on the implementation of the second tranche of the TPMP

3. Following approval of the second tranche of the TPMP, the following activities were implemented: training of 37 refrigeration servicing technicians in the use of hydrocarbon-based refrigerants; training programme for 73 customs officers; retrofit of 30 CFC-based refrigeration systems to alternative refrigerants with approximately 40 kg of CFC-12 recovered. As of September 2009, of the US \$180,000 approved for the first tranche, US \$129,669 had been disbursed or committed. The balance of US \$50,331 will be disbursed in 2010.

Plan of action for the third tranche of the TPMP

4. The Government of Seychelles commits to implementing the following activities under the third work programme of the TPMP: additional training of customs officers and 35 refrigeration servicing technicians; and continued implementation of the incentive programme for the commercial refrigeration sector to address about 500 small CFC-based refrigeration systems still in operation. There will also be assistance to provide non-halon-based fire-fighting equipment, and monitoring and reporting on the activities proposed in the TPMP.

SECRETARIAT'S COMMENTS AND RECOMMENDATION

COMMENTS

5. The Government of Seychelles has reported zero consumption of CFCs since 2004 under Article 7 of the Montreal Protocol. The Secretariat sought clarification from France on whether the Government of Seychelles will be able to sustain zero consumption of CFCs beyond 2009 through the activities proposed in the final tranche of the TPMP. Germany, as the bilateral agency implementing the project, confirmed that the Government will be able to maintain zero consumption beyond 2009, taking into account the CFC import bans in place.

6. In light of the reported difficulties with importing hydrocarbons, the Secretariat asked whether a constant supply of these refrigerants has been secured. The Government of Germany reported that, through the TPMP project, Seychelles has imported small amounts of hydrocarbon-based refrigerants from Canada and Australia. Only small quantities have been imported, which prove quite expensive. There are other non-CFC refrigerants more easily available in the country, such as HFC-R410a, HFC-134a and HCFC-22. Germany also reported that it has been working with Seychelles and other

countries in the region to establish a stable supply chain for hydrocarbon-based refrigerants. In November 2009, a gas supplier in South Africa will start stockpiling large quantities of hydrocarbon refrigerants (i.e., R-290 and R-600a) to supply all countries in the region.

7. Technical issues related to the proposed programme to retrofit 500 small CFC-based refrigeration systems still in operation in the country were discussed in light of the remaining lifetime of the equipment and the feasibility of utilizing the CFC-12 recovered so far to service this equipment up until the end of its useful life. Germany pointed out that the refrigeration servicing sector in Seychelles used to reuse the CFC-12 that was recovered. However, the Government has banned the use of recovered CFCs as well. Accordingly, very old refrigeration systems will be replaced, thus ceasing any use of CFC-12 in the future.

8. The eligibility of providing technical assistance to the halon sector was also discussed, as halons have been phased out since 1994 and no activities related to this sector were included in the TPMP. Germany indicated that the Government decided to use part of the funds available under the TPMP to transport the halons contained in hand-held systems to the halon bank in South Africa. This will ensure that all halons along with CFCs will be completely phased out.

9. Noting that funding for the preparation of the HPMP was approved by the Executive Committee at its 58th Meeting (to be implemented by the Government of Germany), the Secretariat also suggested that, during the implementation of the final tranche of the TPMP, Germany should consider advising the Government on undertaking some preliminary activities to facilitate the phase-out of HCFCs in due time. On this issue, it was noted that the Government of Seychelles is very keen to phase out HCFCs and to move away from HFCs.

RECOMMENDATION

10. The Fund Secretariat recommends that the Executive Committee:

- (a) Takes note of the progress report on the implementation of the second tranche of the terminal phase-out management plan in Seychelles; and
- (b) Approves the 2010 annual implementation programme.

11. The Secretariat further recommends blanket approval of the third tranche of the TPMP for Seychelles, with associated support costs at the funding level shown in the table below, on the understanding that the Government of France will submit a progress report on the 2010 annual implementation programme to the 62nd Meeting of the Executive Committee:

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	Terminal phase-out management plan (third tranche)	13,000	1,690	France
