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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Forty-first Meeting
Montreal, 17 - 19 December 2003

Addendum

PROJECT PROPOSALS: TURKEY

Plan for phase-out of ODS in the solvent sector (UNIDO)

Replace project evaluation sheet on page 10 with the attached project evaluation sheet.

Add the following paragraphs and replace the recommendation with the following:

54. Following further discussions, UNIDO agreed to reformulate the project on the basis of the remaining consumption in the sector reported by Turkey, namely, 10.8 ODP tonnes of TCA and 13.2 ODP tonnes of CTC. Reported CFC-113 consumption is nil and this part of the project was withdrawn. Additionally, since the application in which BCM is used is not included as a process agent use, the proposal for BCM phase-out was withdrawn on the basis that Turkey could consider a process agent project at a future date if the application became eligible for funding, at a level of consumption not greater than the level currently indicated, that is, 21.34 ODP tonnes.

55. On this basis the project becomes a terminal umbrella project to complete phase-out in the solvent sector in Turkey. The cost for the TCA part which will be used to convert users in the textile industry is US \$415,000 calculated on the basis of the reported consumption of 10.8 ODP tonnes at the threshold TCA value of US \$38.5/kg, plus a technical assistance programme of US \$41,500 which can be used to address additional small users. Since it is now an umbrella project, no management costs are applicable.

56. The CTC used as the ingredient in fire extinguishers was addressed on the basis of the cost-effectiveness threshold for this sector of US \$1.48/kg. Since the ODP of CTC is 1.1, compared to 3 for halon 1211, usually used in the sector, the cost effectiveness was increased by a factor of three and applied to the reported consumption of 13.2 ODP tonnes. This gives a funding level of US \$75,144. The enterprise concerned will provide counterpart funding for the balance of conversion costs.

57. On this basis the total cost of the project is US \$531,644, with an overall cost effectiveness of US \$22.15/kg, based on the reported consumption. However, with this level of funding Turkey has undertaken to phase out a total of 39.2 ODP tonnes of TCA and CTC indicated as being used by the enterprises concerned.

RECOMMENDATION

58. On the basis of the above information, the Executive Committee might wish to consider approving the terminal umbrella project for the solvent sector in Turkey at a total level of funding of US \$531,644 plus agency support costs of US \$39,873, with the conditions that:

- (a) No further funding will be requested from the Multilateral Fund for the phase-out of CFC-113, TCA and CTC in Turkey; and
- (b) Should the phase-out of BCM in applicable process agent uses become eligible for funding, Turkey may submit a proposal for funding, consistent with the rules of the Multilateral Fund applying at the time, for a level of consumption not greater than 21.34 ODP tonnes.

PROJECT EVALUATION SHEET TURKEY

SECTOR: Solvent ODS use in sector (2000-2002): 86.7 ODP tonnes

Sub-sector cost-effectiveness thresholds: n/a

Project Title:

(a) Terminal umbrella project for phase-out of remaining ozone depleting solvents in Turkey

Project Data	Solvent	
	Terminal umbrella project	
Enterprise consumption (ODP tonnes)		
Project impact (ODP tonnes)		24
Project duration (months)		36
Initial amount requested (US \$)		2,423,303
Final project cost (US \$):		
Incremental capital cost (a)		531,644
Contingency cost (b)		
Incremental operating cost (c)		
Total project cost (a+b+c)		531,644
Local ownership (%)		100%
Export component (%)		0
Amount requested (US \$)		531,644
Cost effectiveness (US \$/kg.)		22.15
Counterpart funding confirmed?		n/a
National coordinating agency	National Ozone Unit	
Implementing agency	UNIDO	

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