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Executive Committee of
the Multilateral Fund for the
Implementation of the Montreal Protocol

Eighteenth Meeting
Vienna, 22-24 November 1995

PROJECT PROPOSAL: SEYCHELLES

This document includes the Comments from the Fund Secretariat on the following project:

- Reduction of consumption, recovery and recycling of CFC-12

UNIDO

**PROJECT EVALUATION SHEET
SEYCHELLES**

SECTOR: **REFRIGERATION
CFC RECOVERY AND RECYCLING**

ODS use in sector (1993): 3.5 ODP tonnes

Project Title:

Reduction of consumption, recovery and recycling of CFC-12

Project Data	Recovery and recycling
ODS phase-out (ODP tonnes)	2.7
Proposed project duration (Yrs)	3
Incremental capital cost (US \$)	112,320
Contingency (%)	10
Incremental operational cost (US \$)	18,000
Total project cost (US \$)	130,320
Local ownership (%)	-
Export component (%)	-
Amount requested (US \$) { Original	188,205
{ Revised	130,320
Cost effectiveness (US\$/kg)	48.3
National Coordinating Agency	Ministry of Foreign Affairs, Planning and Environment
Implementing Agency	UNIDO
Technical review completed?	Yes

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 \$)	

PROJECT DESCRIPTION

1. The total CFC consumption in the country is 3.5 tonnes for servicing refrigeration systems. The project will minimize the release of CFCs during servicing and disposal of refrigeration equipment through: an aggressive programme of finding and repairing refrigerant leaks, changing the maintenance procedures and practices of CFC charging and handling, and implementation of a national programme for recovery and recycling of refrigerant.
2. A recovery and recycling network comprising 10 recovery and recycling machines will be established, at a cost of US \$61,200. The recovered CFC will be reused in equipment of the same type as that from which it was removed. The recovery and recycling machines will be located in the six main islands of the 115 islands that comprise the country, where the tourism and fishing activities are concentrated. These are the two major economic activities in the country, which are fully dependent on the use of CFCs.
3. A training programme will be provided to complement the supply of the recovery and recycling equipment, at a cost of US \$30,000, and will include practical demonstration on recovery and recycling equipment, detecting and repairing system leaks, and good service practices in the handling of refrigerants during installation, servicing and dismantling of refrigeration systems. The programme will benefit from other training workshops held by UNIDO.
4. To ensure the success of the programme, a monitoring system will be implemented, at a cost of US \$18,000 for a three-year period, to ensure that the most effective use of the recovery and recycling equipment is attained. The title of ownership of the equipment will be kept by the Ozone Unit throughout the duration of the project (3 years) and then transferred to the users, subject to final evaluation of the activities carried out by the individual users.

SECRETARIAT'S COMMENTS

1. The project was first submitted for the consideration of the Executive Committee at its Seventeenth Meeting at a cost of US \$261,700. While the total CFC consumption in the country is very low (3.5 tonnes), the cost-effectiveness of the original programme was very poor (US \$96.9/kg). During project review, UNIDO and the Secretariat agreed to defer the project and resubmitted it to the Eighteenth Meeting of the Executive Committee.
2. Subsequently, UNIDO reviewed the project proposal. While the total cost of the project was adjusted to US \$130,320, its cost effectiveness is still poor (US \$48.3/kg).
3. The Executive Committee may wish to consider how to deal with recovery and recycling projects in very small-ODS consuming countries where ODS is mostly used for servicing refrigeration systems. The Committee may wish to review this project in the light of the discussion paper on the phasing out of ozone depleting substances in low-ODS consuming countries submitted by UNEP to the 18th Meeting (UNEP/OzL.Pro/ExCom/18/65).