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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Twenty-eighth Meeting  
Montreal, 14-16 July 1999

Addendum

**PROJECT PROPOSALS: CHINA**

In document UNEP/OzL.Pro/ExCom/28/26 on page 19, after paragraph 6, please add the following:

7. The Secretariat concluded its discussion with the World Bank on incremental costs for measuring equipment, tooling for CNC machining equipment, testing equipment and the salvage value of dedicated and general machining equipment after jointly contacting several suppliers in Article 2 countries to verify the cost of requested equipment. The eligible incremental capital costs were revised accordingly.

8. It was recognized that some measuring equipment which was included in the project at international prices might be obtained locally at a lower cost. It was agreed that this will be investigated during project implementation and that any savings would be returned to the Fund.

**RECOMMENDATIONS**

1. The Secretariat recommends approval of the projects with funding levels and associated support costs as indicated below, with the proviso that the World Bank should investigate the possibility of local purchase of measuring equipment and return any cost savings to the Multilateral Fund.

	<b>Project Title</b>	<b>Project Cost (US\$)</b>	<b>Support Cost (US\$)</b>	<b>Implementing Agency</b>
(a)	Replacement of CFC-12 refrigerant with HCFC-22 in the manufacture of small open type compressors at Wuhan Commercial Machinery Factory	1,457,583	170,334	IBRD
(b)	Replacement of CFC-12 refrigerant with HCFC-22 in the manufacture of semi-hermetic compressors at Yueyang Hengli Air-Cool Equipment Co. Ltd.	1,951,757	224,693	IBRD
(c)	Replacement of CFC-12 refrigerant with HCFC-22 in the manufacture of small and medium sized open type compressors at Zhejiang Commercial Machinery Factory	1,710,295	198,132	IBRD