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

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Corrigendum

PROJECT PROPOSALS: CHINA

This corrigendum replaces pages 3 and 5 of document UNEP/OzL.Pro/ExCom/22/28.

**PROJECT EVALUATION SHEET
CHINA**

SECTOR: Foams ODS use in sector (1991): 17,773 ODP tonnes
Sub-sector cost-effectiveness thresholds: Extruded Polystyrene Foam 8.22 US \$/kg

Project Titles:

- (a) Elimination of CFC-12 in the from flexible slabstock foam manufacture of EPS at Zhoushan Fuchuan Plastic Products Factory in Beijing.
(b) Elimination of CFC-12 in the from flexible slabstock foam manufacture of EPS sheet at Zhejiang Wanpeng Clique Co., Ltd, Wu Yi City, Zhejiang Region.

Project Data	EPS	EPS
	Zhoushan Fuchuan	Zhejiang Wanpeng
ODS phase-out (ODP tonnes)	61	121
Proposed project duration (Yrs)	2	2
Incremental capital cost (US \$)	452,650	479,930
Contingency (%)	10	10
Incremental operational cost (US \$)	37,900	24,620
Total project cost (US \$)	490,550	504,550
Local ownership (%)	100	100
Export component (%)	0	0
Amount requested (US \$) {Original}	490,550	504,550
{Revised}		
Cost effectiveness (US \$/kg)	8.04	4.17
National Coordinating Agency	National Environmental Protection Agency (NEPA)	
Implementing Agency	UNDP	
Technical review completed?	Yes	Yes

Secretariat's Recommendations:		
Amount recommended (US \$)	403,711	412,666
Project impact (ODP tonnes)	61	120
Cost effectiveness (US \$/kg)	6.62	3.44
Implementing Agency support cost (US \$)	52,482	53,647
Total cost to Multilateral Fund (US \$)	456,193	466,313

2. After the necessary adjustments to the capital cost and recalculation of the incremental operational costs (CFC-12: US \$1.7/kg; Butane: US \$1.02/kg), the following project costs were agreed.

	Zhejiang	Zhoushan
Incremental Capital Cost	471,130	444,950
Incremental Operational Savings	-58,464	-41,239
Total Project cost	412,666	403,711

Impact of Projects on Meeting the 1999 Freeze

3. The project document indicates: "In order to achieve the 1999 freeze at the average ODS consumption level of 1995 to 1997 China needs to phase-out 8,000 ODP tonnes in 1997, 7,000 ODP tonnes in 1998, and 3,000 ODP tonnes in 1999. This project will phase-out 61 ODP tonnes and will make a significant contribution to China's ODP phase-out plan."

RECOMMENDATION

1. The Fund Secretariat recommends blanket approval of the projects with the funding levels and associated support costs as indicated below.

Project Title	Project Cost US \$	Support Cost US \$	Implementin g Agency
(a) Elimination of CFC-12 in the from flexible slabstock foam manufacture of EPS at Zhoushan Fuchuan Plastic Products Factory in Beijing.	403,711	52,482	UNDP
(b) Elimination of CFC-12 in the from flexible slabstock foam manufacture of EPS sheet at Zhejiang Wanpeng Clique Co., Ltd, Wu Yi City, Zhejiang Region	412,666	53,647	UNDP