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EXECUTIVE COMMITTEE OF
THE MULTILATERAL FUND FOR THE
IMPLEMENTATION OF THE MONTREAL PROTOCOL
Twenty-third Meeting
Montreal, 12-14 November 1997

Corrigendum

PROJECT PROPOSALS: ARGENTINA

This corrigendum is issued to replace pages 3, 6, 11 and 18 with the attached pages.

PROJECT EVALUATION SHEET ARGENTINA

SECTOR: FOAMS ODS use in sector (1992): 1,484 ODP tonnes

Sub-sector cost-effectiveness thresholds: Integral Skin US \$16.86/kg
Rigid US \$7.83

Project Titles:

- (a) CIFOR S.A. conversion to non CFC technology in the manufacture of molded foam
- (b) STRAPUR conversion to non CFC technology in the manufacture of integral skin and flexible molded foam
- (c) FRUEHAUF elimination of the use of CFC's in the manufacture of rigid foam blocks for insulated trailers
- (d) BONANO elimination of the use of CFC's in the manufacture of sandwich polyurethane panels and spray foams

Project Data	Integral Skin		Rigid	
	Cifor	Strapur	Fruehauf	Bonano
ODS phase-out (ODP tonnes)	8.2	15	27	72
Proposed project duration (months)	24	24	24	24
Incremental capital cost (US \$)	99,000	170,500	132,000	456,500
- including contingency (%)	10	10	10	10
Incremental operational cost (US \$)	33,000	42,000	43,000	0
Total project cost (US \$)	132,000	212,500	175,000	456,500
Local ownership (%)	100	95	100	100
Export component (%)				
Amount requested (US \$) {Original}	138,250	253,000	208,000	489,500
{Revised}	132,000	212,500	175,000	456,500
Cost effectiveness (US \$/kg)	16.10	14.17	6.48	6.34
National Coordinating Agency	OPROZ			
Implementing Agency	UNDP			
Technical review completed?	Yes	Yes	Yes	Yes

Secretariat's Recommendations:				
Amount recommended (US \$)	132,000	212,500	175,000	456,500
Project impact (ODP tonnes)	8.2	15.0	27.0	72
Cost effectiveness (US \$/kg)	16.10	14.17	6.48	6.34
Implementing Agency support cost (US \$)	17,160	27,625	22,750	59,345
Total cost to Multilateral Fund (US \$)	149,160	240,125	197,750	515,845

12. The chosen interim replacement is pentane as blowing agent. The capital costs of equipment modification and plant conversion amount to US \$405,000. Trials, technology transfer and training amount to US \$40,000. Capital costs also include contingency (US \$44,500). No incremental recurrent costs or benefits are being sought or claimed under this project.

SECRETARIAT'S COMMENTS AND RECOMMENDATIONS

COMMENTS

1. The costs of the Cifor project have been agreed, while those of Strapur, Früehauf and Bonano are still under discussion based on expert advice to the Secretariat. The outcomes of this discussion will be communicated to the Sub-Committee on Project Review.

RECOMMENDATION

1. The Fund Secretariat concluded its discussions with UNDP on all the issues outlined in the Secretariat's comments, and recommends blanket approval of all the projects with the funding levels and associated support costs as indicated below.

Project Title	Project Cost US \$	Support Cost US \$	Implementing Agency
(a) CIFOR S.A. conversion to non CFC technology in the manufacture of molded foam	132,000	17,160	UNDP
(b) STRAPUR conversion to non CFC technology in the manufacture of integral skin and flexible molded foam	212,500	27,625	UNDP
(c) FRUEHAUF elimination of the use of CFC's in the manufacture of rigid foam blocks for insulated trailers	175,000	22,750	UNDP
(d) BONANO elimination of the use of CFC's in the manufacture of sandwich polyurethane panels and spray foams	456,500	59,345	UNDP

PROJECT EVALUATION SHEET **ARGENTINA**

SECTOR: REFRIGERATION ODS use in sector (1992): 783 ODP tonnes
 Sub-sector cost-effectiveness thresholds: Commercial US \$15.21/kg
 Domestic US \$13.76/kg

Project Title:

- (a) Elimination in the use of CFCs in the manufacture of display cabinets and polyurethane panels for cold stores and walk-in coolers at EUROFRIO
 (b) Elimination in the use of CFCs in the manufacture of commercial refrigerators and display cabinets at TREVI
 (c) Elimination in the use of CFCs in the manufacturing plants of domestic refrigerators at GEPASA SA and GESAL SRL
 (d) Elimination in the use of CFCs in the manufacturing plant of domestic refrigerators at LOBATO SAN LUIS SA
 (e) Elimination in the use of CFCs in the manufacturing plant of domestic refrigerators at WHIRLPOOL ARGENTINA.
 (f) Elimination of CFCs in the manufacturing plant of domestic refrigerators at BAMBI SA
 (g) Elimination of CFCs in the manufacturing plant of domestic refrigerators at FRARE SA

Project Data		Commercial		Domestic				
		Eurofrio	Trevi	Gepasa/ Gesal	Lobato San Luis SA	Whirlpool	Bambi	Frare
ODS phase out (ODP tonnes)		26	3.54	26	19.4	90.64	30.6	32
Proposed project duration (months)		24	24	24	12	18	24	24
Incremental capital cost (US\$)		393,250	118,000	1,125,464	653,138	787,250	568,007	591,864
- including contingency (%)		10	10	10	5	10	10	10
Incremental operational cost (US\$)		(15,900)	14,000	23,329	13,234	617,431	not requested	not requested
Total project cost (US\$)		377,350	132,000	1,148,793	666,372	1,404,681	568,007	591,864
Local ownership (%)		100	100	100	100	61.5	100	100
Export component (%)						0	0	0
Amount requested (US\$) {Original}		395,500	53,850	764,375	513,860	1,349,443	568,007	591,864
{Revised}		377,350		550,400	410,683	863,879		
Cost effectiveness (US\$/kg.)		14.51	15.21	13.76	13.76	9.53	11.14	12.03
National Coordinating Agency		OPROZ						
Implementing Agency		UNDP		World Bank			UNIDO	
Technical review completed?		Yes						
Secretariat's Recommendations								
Amount recommended (US \$)		377,350	53,850	550,400	410,683	863,879	515,258	514,384
Project Impact (ODP tonnes)		26	3.54	26	19.4	90.64	30.6	32
Cost effectiveness (US \$/kg)		14.51	15.21	13.76	13.76	9.53	10.94	10.45
Implementing Agency support cost (US\$)		49,055	7,000	71,552	53,389	112,304	66,983	66,870
Total cost to Multilateral Fund		426,405	60,850	621,952	464,072	473,183	582,238	581,254

- (f) **Elimination of CFCs in the manufacturing plant of domestic refrigerators at BAMBI SA**
- (g) **Elimination of CFCs in the manufacturing plant of domestic refrigerators at FRARE SA**

1. The Secretariat and UNIDO discussed the eligibility and incrementality of the requested equipment and services.
2. The costs were revised to accurately reflect baseline situation.

RECOMMENDATIONS

1. The Fund Secretariat concluded its discussions with UNDP and the World Bank on all the issues outlined in the Secretariat's comments, and recommends blanket approval of the projects with associated support cost at the funding level shown in the table below.

Project Title	Project Cost US \$	Support Cost US \$	Implementing Agency
(a) Elimination in the use of CFCs in the manufacture of display cabinets and polyurethane panels for cold stores and walk-in coolers at EUROFRIO	377,350	49,055	UNDP
(b) Elimination in the use of CFCs in the manufacture of commercial refrigerators and display cabinets at TREVI	53,850	7,000	UNDP
(c) Elimination in the use of CFCs in the manufacturing plants of commercial refrigerators at GEPASA SA and GESAL SRL	550,400	71,552	World Bank
(d) Elimination in the use of CFCs in the manufacturing plant of commercial refrigerators at LOBATO SAN LUIS SA	410,683	53,389	World Bank
(e) Elimination in the use of CFCs in the manufacturing plant of domestic refrigerators at WHIRLPOOL ARGENTINA.	863,879	112,304	World Bank
(f) Elimination of CFCs in the manufacturing plant of domestic refrigerators at BAMBI SA	515,258	66,983	UNIDO
(g) Elimination of CFCs in the manufacturing plant of domestic refrigerators at FRARE SA	514,384	66,870	UNIDO