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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Thirty-fifth Meeting  
Montreal, 5-7 December 2001

### PROJECT PROPOSALS: CONGO DR

This document consists of the comments and recommendations of the Fund Secretariat on the following project proposals:

Foam:

- Phasing out of CFC-11 in the manufacture of flexible slabstock foam at Complast SPRL by conversion to methylene chloride UNDP
- Phasing out of CFC-11 in the manufacture of flexible slastock foam at M.K. SPRL by conversion to methylene chloride UNDP

**PROJECT EVALUATION SHEET  
CONGO, DR**

SECTOR: Foam ODS use in sector (2000): 260 ODP tonnes

Sub-sector cost-effectiveness thresholds: Flexible US \$6.23/kg

**Project Titles:**

- (a) Phasing out of CFC-11 in the manufacture of flexible slabstock foam at Complast SPRL by conversion to methylene chloride
- (b) Phasing out of CFC-11 in the manufacture of flexible slabstock foam at M.K. SPRL by conversion to methylene chloride

Project Data	Flexible slabstock	
	Complast	M.K. SPRL
Enterprise consumption (ODP tonnes)	42.70	26.00
Project impact (ODP tonnes)	38.00	26.00
Project duration (months)	36	36
Initial amount requested (US \$)	236,740	161,980
Final project cost (US \$):		
Incremental capital cost (a)	188,000	114,000
Contingency cost (b)	18,800	11,400
Incremental operating cost (c)	-15,980	24,400
Total project cost (a+b+c)	190,820	149,800
Local ownership (%)	100%	100%
Export component (%)	0%	0%
<b>Amount requested (US \$)</b>	190,820	149,800
Cost effectiveness (US \$/kg.)	5.02	5.76
Counterpart funding confirmed?	Yes	Yes
National coordinating agency	Ministry of Land Affairs, Environment and Tourism	
Implementing agency	UNDP	

<b>Secretariat's Recommendations</b>		
Amount recommended (US \$)	190,820	149,800
Project impact (ODP tonnes)	38.00	26.00
Cost effectiveness (US \$/kg)	5.02	5.76
Implementing agency support cost (US \$)	24,807	19,474
Total cost to Multilateral Fund (US \$)	215,627	169,274

## PROJECT DESCRIPTION

### Sector background

- Latest available total ODS consumption (2000)	692.00 ODP tonnes
- Baseline consumption of Annex A Group I substances (CFCs)	ODP tonnes
- Consumption of Annex A Group I substances for the year 2000	607.00 ODP tonnes
- Baseline consumption of CFCs in foam sector	Not reported
- Consumption of CFCs in foam sector in 2000	260.00 ODP tonnes
- Funds approved for investment projects in foam sector as of end of July 2001	0
- Quantity of CFC to be phased out in investment projects in foam sector as of end of July 2001	Not applicable
- Quantity of CFC phased out from approved investment projects in the foam sector as of end of July 2001 (including CFC phased out in projects not yet reported as completed)	Not applicable
- Quantity of CFCs in approved ongoing investment projects in the foam sector as of end of July 2001	Not applicable
- Quantity of CFCs remaining to be phased out in the foam sector as of end of July 2001	260.00 ODP tonnes
- Quantity of CFCs to be phased out in investment projects being submitted to the 35 <sup>th</sup> ExCom (December 2001).	58.30 ODP tonnes
- Quantity of CFCs remaining to be phased out in the foam sector by the end of 2001	201.70 ODP tonnes

### Flexible Slabstock Foam

#### Complast SPRL, M.K. SPRL

1. Complast operates two foam plants for the production of flexible slabstock foam for furniture and mattresses, a Laaderberg Maxfoam continuous machine at one plant and a TEC MAC boxfoam machine at the other. M.K. operates a continuous Viking 400 Maxfoam machine. Both companies will convert their production to the use of methylene chloride. The total incremental capital cost of conversion of the continuous machines are US \$151,000 for Complast and US \$156,000 for M.K. These include US \$33,000 for trials at each company and US \$5,000 and US \$10,000 for technology transfer at Complast and M.K., respectively. The incremental capital cost of the conversion of the boxfoam at Complast is estimated to be US \$87,600 including trial cost of US \$6,600 and technology transfer and training cost of US \$5,000.

2. Incremental operating savings of US \$15,980 is realized in the two Complast projects while the M.K. project incurs incremental operating cost of US \$24,000. The duration of each project is 2 years and 9 months.

## SECRETARIAT'S COMMENTS AND RECOMMENDATIONS

### COMMENTS

3. The two foam projects meet the relevant requirements of Executive Committee Decision 33/2.

4. The Secretariat and UNDP discussed the technical issues identified during the review of the projects and reached conclusion on the costs. The agreed grants are as follows:

Complast	US \$190,820
M.K.	US \$149,800

### RECOMMENDATIONS

5. The Fund Secretariat recommends blanket approval of the Complast SPRL and M.K. SPRL projects with the funding levels and associated support costs indicated in the table below.

	Project Title	Project Funding (US\$)	Support Cost (US\$)	Implementing Agency
(a)	Phasing out of CFC-11 in the manufacture of flexible slabstock foam at Complast SPRL by conversion to methylene chloride	190,820	24,807	UNDP
(b)	Phasing out of CFC-11 in the manufacture of flexible slabstock foam at M.K. SPRL by conversion to methylene chloride	149,800	19,474	UNDP

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