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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

Corrigendum

PROJECT PROPOSALS: PAKISTAN

Replace page 2 **with** the following page.

Add paragraphs 9(bis), 9(ter) and 9(quar).

PROJECT EVALUATION SHEET
PAKISTAN

SECTOR: Process Agent ODS use in sector (1999): 100 ODP tonnes

Sub-sector cost-effectiveness thresholds: n/a

Project Titles:

(a) Conversion of carbon tetrachloride (CTC) as process solvent to 1,2-Dichloroethane at Himont Chemicals Ltd.

Project Data	**Process conversion**
	Himont
Enterprise consumption (ODP tonnes)	80.00
Project impact (ODP tonnes)	80.00
Project duration (months)	24
Initial amount requested (US $)	537,929
Final project cost (US $):	
Incremental capital cost (a)	409,012
Contingency cost (b)	40,901
Incremental operating cost (c)	35,788
Total project cost (a+b+c)	485,701
Local ownership (%)	100%
Export component (%)	0%
Amount requested (US $)	485,701
Cost effectiveness (US $/kg.)	6.07
Counterpart funding confirmed?	Yes
National coordinating agency	Government & Rural Development Ozone Cell
Implementing agency	UNIDO

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 $)	

Conversion of Carbon Tetrachloride (CTC) as process solvent to 1,2-dichloroethane at Himont Chemicals Ltd., Lahore

SECRETARIAT'S COMMENTS

COMMENTS

9(bis) The Secretariat discussed with UNIDO the need for a capacity increase of one of the main equipment items, a reactor vessel, on the basis of which its replacement was proposed (US $36,000). Retention of the vessel would have led to a decrease of about 25 per cent in the overall capacity of the production equipment which would have then been out of line with the production capacities elsewhere in the plant. The Secretariat questioned whether this was significant given that the overall level of production of the enterprise had consistently been only 50 per cent of its capacity. UNIDO responded that production usually took place in batches in response to market demand and that at those times the plant may be run closer to full capacity, even though the annual average remains low. UNIDO pointed out that the capacity of this stage of the process involving the use of ODS should be matched to the capacities of other stages which did not involve the use of ODS and were not being changed. Additionally this is the final ibuprofen project in India and Pakistan and all the other ibuprofen projects had been based on conversion of existing installed capacity.

9(ter) The Secretariat also examined the extent of technological upgrade in other process equipment. Financial adjustments of 20 per cent and 50 per cent of various equipment items were made where the equipment proposed represented an improvement over the baseline. This approach was adopted because for other technological or capacity reasons, retrofit or re-use of existing equipment was not possible.

9(quar) All eligibility and cost issues have been resolved with UNIDO and the incremental cost of the project is indicated in the table below. The cost-effectiveness is US $6.07/kg. In keeping with practice in the process agent sector the project has been maintained in the list for individual consideration.

	Project Title	Project Funding (US$)	Support Cost (US$)	Implementing Agency
(a)	Conversion of carbon tetrachloride (CTC) as process solvent to 1,2-Dichloroethane at Himont Chemicals Ltd.	485,701	63,141	UNIDO

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