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EXECUTIVE COMMITTEE OF  
THE MULTILATERAL FUND FOR THE  
IMPLEMENTATION OF THE MONTREAL PROTOCOL  
Twenty-ninth Meeting  
Beijing, 24-26 November 1999

**PROJECT PROPOSAL: PAKISTAN**

This document includes the comments and recommendations of the Fund Secretariat on the following project proposal:

Foam

- Conversion from CFC-11 to water-based technology in the manufacture of rigid polyurethane shoe soles at Jaguar Industries

IBRD

**PROJECT EVALUATION SHEET  
PAKISTAN**

SECTOR: Foam ODS use in sector (1997): 2,088.1 ODP tonnes

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

**Project Titles:**

- (a) Conversion from CFC-11 to water-based technology in the manufacture of rigid polyurethane shoe soles at Jaguar Industries

Project Data	Integral skin
	Jaguar
Enterprise consumption (ODP tonnes)	40.00
Project impact (ODP tonnes)	40.00
Project duration (months)	24
Initial amount requested (US \$)	279,280
Final project cost (US \$):	
Incremental capital cost (a)	140,000
Contingency cost (b)	14,000
Incremental operating cost (c)	125,280
Total project cost (a+b+c)	279,280
Local ownership (%)	100%
Export component (%)	0%
<b>Amount requested (US \$)</b>	<b>279,280</b>
Cost effectiveness (US \$/kg.)	6.98
Counterpart funding confirmed?	
National coordinating agency	Ministry of Environment, Local Government & Rural Development
Implementing agency	IBRD

<b>Secretariat's Recommendations</b>	
Amount recommended (US \$)	279,280
Project impact (ODP tonnes)	40.00
Cost effectiveness (US \$/kg)	6.98
Implementing agency support cost (US \$)	36,306
Total cost to Multilateral Fund (US \$)	315,586

## PROJECT DESCRIPTION

### Sector Background

- Latest available total ODS consumption (1997)	2,088.1	ODP tonnes
- Baseline consumption* of Annex A Group I substances (CFCs)	1,679.4	ODP tonnes
- 1998 consumption of Annex A Group I substances	Not available	
- Baseline consumption of CFCs in foam sector	Not available	
- 1998 consumption of CFCs in foam sector	Not available	
- Funds approved for investment projects in foam sector as of end of 1998	US \$	4,995,531
- Quantity of CFC to be phased out in foam sector as of end of 1998	742.9	ODP tonnes
- Quantity of CFC phased out in foam sector as of end of 1998		0 ODP tonnes

\*Baseline consumption of Annex A controlled substances refers to average of the consumption for the years 1995-1997 inclusive.

1. Jaguar industries used 40 tonnes of CFC-11 in 1998 in the manufacture of polyurethane shoesoles. The production is to be converted to water-based polyester formulations. The project includes retrofit of five low pressure dispensers with temperature control systems (US \$20,000 each). Other costs include trials (US \$20,000), training and technology transfer (US \$20,000) and 10% contingency (US \$14,000). Incremental operating costs for two years are also included (US \$125,280). The comments of the technical reviewer have been taken into account through revisions in the calculation of the incremental operating costs.

### Impact of the project

2. The 40 ODP tonnes to be phased out in the project represents 2.4% of Pakistan's baseline consumption of Annex A Group I substances.

## SECRETARIAT'S COMMENTS AND RECOMMENDATIONS

### COMMENTS

1. The Secretariat and the World Bank have agreed on the project costs.

**RECOMMENDATIONS**

1. The Fund Secretariat recommends blanket approval of the Jaguar Industries project with the funding level and associated support cost indicated below.

	<b>Project Title</b>	<b>Project Funding (US\$)</b>	<b>Support Cost (US\$)</b>	<b>Implementing Agency</b>
(a)	Conversion from CFC-11 to water-based technology in the manufacture of rigid polyurethane shoe soles at Jaguar Industries	279,280	36,306	IBRD