



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.


FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org



D00095

100

United Nations Industrial Development Organization

Distr.
LIMITED

ID/WG.35/17
21 April 1969

ORIGINAL: ENGLISH

Investment Promotion Conference
for Tunisian Industry
Tunis, 28 - 30 May 1969

TENTATIVE DATA ON MANUFACTURE OF PLASTIC TUBING 1/

presented by

the Project Promoters

1/ The views and opinions expressed in this paper are those of the project promoters and do not necessarily reflect the views of the secretariat of UNIDO. This document has been reproduced without formal editing.

id.69-1393

We regret that some of the pages in the microfiche copy of this report may not be up to the proper legibility standards, even though the best possible copy was used for preparing the master fiche.

200001

NOTE

This document consists only of a bare summary of information on the project; it is designed to provide for potential foreign investors no more than a profile upon which to formulate a preliminary assessment of interest in principle. It does NOT pretend to be a complete description or to limit in any way productive discussion, investigation or negotiation between interested parties.

Once they have expressed positive interest, foreign partners normally prefer to be involved in the detailed investigation of the project. The Tunisian National Centre for Industrial Studies as well as UNIDO under its Industrial Investment Promotion Programme will also be pleased to assist both local sponsors and foreign contributors with further elaboration and additional studies as required.

I. BRIEF DESCRIPTION OF THE PROJECT

This is a project for the manufacture of tubing and piping in rigid P.V.C. of small diameter principally for use in electrical supply, plumbing and small-bore water supply. This tubing is in rigid P.V.C. and must not be confused with hoses (for watering) which are manufactured by Comptoir National de Plastique out of flexible P.V.C.

The proposed investment covers:

Production

An Extrusion Machine for rigid P.V.C. and ancillary equipment (cutting, lining, etc.)

(This type of extrusion is normally two-line. It produces in parallel the most complex profiles and tubes).

It consists of a control box, a twin screw extruder, a calibration device, a cooling system, drilling rollers, cutters and finally a table for measuring and stacking.

Daily production capacity 60 Kg of rigid P.V.C.

Raw material Imported P.V.C. compound.

Labour force 4

Investment

	<u>Dinars</u>	<u>.\$</u>
(a) Land (1,000 m ² at 0.5 Dinars (\$1)	500	1,000
(b) Buildings (250 m ² at 30 Dinars (\$60)	7,500	15,000
(c) Plant and equipment:		
- One extrusion machine		
- Ancillary equipment (cutting, lining)	40,000	80,000
(d) C.i.f. charges, installation costs, technical assistance, customs duty	5,000	10,000
(e) Contingencies	2,500	5,000
(f) Working capital	10,000	20,000
	<u>65,500</u>	<u>131,000</u>

Financing suggested by Promoters

	<u>Dinars</u>	<u>\$</u>
Equity capital	35,500	71,000
Long- and medium-term loan	30,000	60,000
	<hr/>	<hr/>
	65,500	131,000
	<hr/>	<hr/>

Tentative Profitability Study by Promoter

A. Expenses

(a) Raw material (50 tonnes at 300 Dinars)	15,000	30,000
(b) Labour:		
4 semi-skilled workmen at 600 Dinars per annum 2,400	4,800	
Admin. personnel	1,900	3,800
	<hr/>	<hr/>
	4,300	8,600
(c) General overhead expenses including electricity and fuel	2,000	24,000
(d) Cost of Finance Interest at 8 % on 30,000 Dinars	2,400	4,800
(e) Depreciation:		
Buildings, 7,500 Dinars over 15 years ...	500	1,000
Plant, 45,000 Dinars over 3 years	5,600	11,200
	<hr/>	<hr/>
	39,200	79,600
	<hr/>	<hr/>

These costs can be broken down into:

Fixed costs	12,300	25,600
Variable costs ..	27,000	54,000
	<hr/>	<hr/>
	39,300	79,600
	<hr/>	<hr/>

* This is a matter for discussion with interested parties.

II. FACTUAL DATA

1. Requested External Contribution

(a) Financing: Extrusion machinery and ancillary equipment to be supplied on credit to the c.i.f. value of \$90,000

or

(b) Joint venture: Extrusion machinery and ancillary equipment to be provided by foreign partner as subscription to equity - percentage to be negotiated.

(c) Know-how: To be provided by foreign supplier of equipment or raw material or by foreign partner.

2. Tunisian Contribution

The sponsor of the project is the Société Nationale d'Investissement (S.N.I.), the principal development bank in Tunisia with a capital of \$3,000,000 and more than 20,000 shareholders. It is proposed that this project should form part of the activities of SICOAC (Société Industrielle et Commerciale des Cuvrages en Imbriante-Ciment), an important Tunisian manufacturer of piping and tiles in asbestos/cement. SICOAC is suggested either as the purchaser of the machinery or as the Tunisian partner in a joint venture.

III. THE MARKET

P.V.C. tubing is not yet in common use in Tunisia so this project involves launching a new product. But studies already undertaken indicate that its adoption will be rapid.

In any case the project will not prejudice the project for soldered tubing already agreed, the use of plastic tubing being different and fairly limited, as the market is estimated to start at 50 tonnes or the equivalent of 250 tonnes of steel tubing.





18. 1. 72