Annex 45

Registration

Scope of the review on “Tangshan Jidong Cement Guye District 8 MW Cement Waste Heat Recovery Project” (2731)

1. The Board agreed to undertake a review of the project activity “Tangshan Jidong Cement Guye District 8 MW Cement Waste Heat Recovery Project” (2731).

2. The Board agreed that the scope of the review relating to issues associated with validation requirements shall cover a review to assess the additionality of the proposed project activity, through an assessment of the:

   (a) Investment analysis, in particular, suitability of the benchmark as the:

      (i) Sources of the data used to calculate the return on equity have not been crosschecked;

      (ii) WACC has been validated against 2008 data while the investment decision date is in 2006; and

      (iii) Suitability of WACC as benchmark in the context of the project activity has not been substantiated; and

   (b) Investment barrier as the barriers seem to reflect the barriers to the cement sector, while the project activity is an energy efficiency project in a cement plant.

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