

**Annex 27****Registration****Scope of the review on
“Tangshan Jidong Cement Matoushan Matishan 25 MW Cement Waste heat Recovery
Project” (2587)**

1. The Board agreed to undertake a review of the project activity “Tangshan Jidong Cement Matoushan Matishan 25 MW Cement Waste heat Recovery Project” (2587).
2. The Board agreed that the scope of the review relating to issues associated with validation requirements shall cover a review to assess the:
 - (a) Additionality of the project activity through an assessment of the:
 - (i) Suitability of the WACC as an appropriate benchmark for the project activity in accordance with the paragraph 13 of the Guidance on the Assessment of Investment Analysis version 2.1, in particular, application of WACC for similar projects with similar risks, developed by the same company; and
 - (ii) Existence of the investment barriers to the project activity in accordance with “Tool for the demonstration and assessment of additionality, version 5.2”, especially the nature of the bank loan, in particular, whether the bank loan is dependent on gaining the CDM status;
 - (b) Application and determination of the baseline methodology through the assessment of the means of calculation of f_{cap} in line with the ACM0012 v3.1, in particular, use of data of another similar clinker production line (Sanyou 1) to calculate the theoretical recoverable energy.

Project 2587	EB 51, Annex 27, 04 December 2009	Decision Class: Ruling Document Type: Scope of Review Business Function: Registration
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