Annex 2

Draft guidelines for demonstrating additionality in A/R CDM project activities

Version 01

I. Background

1. In response to request from CMP (see paragraph 40 of further guidance relating to the clean development mechanism, Decision 3/CMP.6.) to examine alternative approaches to the demonstration and assessment of additionality, the CDM Executive Board agreed to approve the following guidelines.

II. Guidelines

- 2. The proposed A/R CDM project activities and CPAs under a PoA that are implemented on areas of land where the conditions (a) or (b), and both of the conditions (c) and (d) apply:
 - (a) The proposed A/R CDM project activity generates no financial benefits other than CDM related income;
 - (b) The proposed A/R CDM project activity generates non-CDM financial benefits (e.g. fodder, fuelwood, collection of honey) that do not exceed 10% of the CDM revenue;
 - (c) Afforestation/reforestation without financial benefits is not a common practice in the region;
 - (d) There are no enforced mandatory applicable laws and regulations¹ that lead to the establishment of a forest

shall be considered additional.

History of the document

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Business Function: Methodology		

Event if <u>enforced mandatory applicable laws and regulations</u> exists, PP may show that, based on an examination of current practice in the region in which the mandatory law or regulation applies, those applicable mandatory legal or regulatory requirements are systematically not enforced and that non-compliance with those requirements is widespread, i.e. prevalent on at least 30% of area of the smallest administrative unit that encompasses the project area. In this situation, the proposed A/R CDM project activities could be considered additional, depending on the identification of at least one of the conditions listed in this guideline.