

 CDM project activity registration review form <i>(By submitting this form, a Party involved (through the designated national authority) or an Executive Board member may request that a review is undertaken)</i>	
Designated national authority/Executive Board member submitting this form	
Title of the proposed CDM project activity submitted for registration	00224 : Grid-connected electricity generation from renewable sources at Supa
Please indicate, in accordance with paragraphs 37 and 40 of the CDM modalities and procedures, which validation requirement(s) may require review. A list of requirements is provided below. Please provide reasons in support of the request for review, including any supporting documentation.	
<input type="checkbox"/> <i>The following are requirements derived from paragraph 37 of the CDM modalities and procedures:</i> <ul style="list-style-type: none"> <input type="checkbox"/> The participation requirements as set out in paragraphs 28 to 30 of the CDM modalities and procedures are satisfied; <input type="checkbox"/> Comments by local stakeholders have been invited, a summary of the comments received has been provided, and a report to the designated operational entity (DOE) on how due account was taken of any comments has been received; <input type="checkbox"/> Project participants have submitted to the DOE documentation on the analysis of the environmental impacts of the project activity, including transboundary impacts and, if those impacts are considered significant by the project participants or the host Party, have undertaken an environmental impact assessment in accordance with procedures as required by the host Party; <input checked="" type="checkbox"/> X The project activity is expected to result in a reduction in anthropogenic emissions by sources of greenhouse gases that are additional to any that would occur in the absence of the proposed project activity, in accordance with paragraphs 43 to 52 of the CDM modalities and procedures; <input checked="" type="checkbox"/> X The baseline and monitoring methodologies comply with requirements pertaining to methodologies previously approved by the Executive Board; <input type="checkbox"/> Provisions for monitoring, verification and reporting are in accordance with decision 17/CP.7, the CDM modalities and procedures and relevant decisions of the COP/MOP; <input type="checkbox"/> The project activity conforms to all other requirements for CDM project activities in decision 17/CP.7, the CDM modalities and procedures and relevant decisions by the COP/MOP and the Executive Board. 	
<input type="checkbox"/> <i>The following are requirements derived from paragraph 40 of the CDM modalities and procedures:</i> <ul style="list-style-type: none"> <input type="checkbox"/> The DOE shall, prior to the submission of the validation report to the Executive Board, have received from the project participants written approval of voluntary participation from the designated national authority of each Party involved, including confirmation by the host Party that the project activity assists it in achieving sustainable development; <input type="checkbox"/> In accordance with provisions on confidentiality contained in paragraph 27 (h) of the CDM modalities and procedures, the DOE shall make publicly available the project design document; <input type="checkbox"/> The DOE shall receive, within 30 days, comments on the validation requirements from Parties, stakeholders and UNFCCC accredited non-governmental organizations and make them publicly available; <input type="checkbox"/> After the deadline for receipt of comments, the DOE shall make a determination as to whether, on the basis of the information provided and taking into account the comments received, the project activity should be validated; <input type="checkbox"/> The DOE shall inform project participants of its determination on the validation of the project activity. Notification to the project participants will include confirmation of validation and the date of submission of the validation report to the Executive Board; <input type="checkbox"/> The DOE shall submit to the Executive Board, if it determines the proposed project activity to be valid, a request for registration in the form of a validation report including the project design document, the written approval of the host Party and an explanation of how it has taken due account of comments received. 	
Section below to be filled in by UNFCCC secretariat	
Date received at UNFCCC secretariat	

Reasons and Background for Request for Review

The project activity (PA) involves the generation of electricity from wind (20 MW) to supply the local grid. The PA uses the methodology ACM002.

The main point is additionality which was also questioned in two public comments. Additionality is mainly based on a barrier analysis: technological and investment. Neither seems to be convincing.

The investment barrier for example is based upon an IRR of 9% without CDM and 9.4% with CDM to be compared to a hurdle rate of 15% .

The validation report is not sufficiently transparent and clear in assessing the acceptance of the additionality of the project activity (B.3.1 of the validation report). It only reflects that the project correctly applies the prescribed "tool for demonstrating additionality" The DOE should qualitatively address the different aspects of the PDD and not just make a desk study.