



CDM project activity registration review form (F-CDM-RR)
(By submitting this form, a Party involved (through the designated national authority) or an Executive Board member may request that a review is undertaken)

Designated national authority/Executive Board member submitting this form	
Title of the proposed CDM project activity submitted for registration	Shalivahana Non-Conventional Renewable Sources Biomass Power Project (591)

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.

- The following are requirements derived from paragraph 37 of the CDM modalities and procedures:*
- The participation requirements as set out in paragraphs 28 to 30 of the CDM modalities and procedures are satisfied;
 - 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;
 - 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;
 - 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;
 - The baseline and monitoring methodologies comply with requirements pertaining to methodologies previously approved by the Executive Board;
 - 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;
 - 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.
- The following are requirements derived from paragraph 40 of the CDM modalities and procedures:*
- 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;
 - 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;
 - 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;
 - 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;
 - 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;
 - 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.
- There are only minor issues which should be addressed by the DOE / project participants prior to the registration of the project.

Section below to be filled in by UNFCCC secretariat

Date received at UNFCCC secretariat	13/10/2006
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Reasons for Request:

Some issues need to be clarified:

- 1) On the description of the project activity it is said that biomass fuel is available in abundance within radii of 50 km of the site plant. In the Validation Report it is said that "surplus biomass is available in the region and that the project activity will not lead to leakage effects elsewhere due to the usage of fossil fuels". Nevertheless one of the main arguments used in the barrier analysis to justify the additionality of the project

activity is that CDM will reduce the project risk related to biomass availability and seasonal prices. This contradiction should be explained: either the biomass is abundant and there is no risk associated with biomass availability and so this is not a barrier to the project activity; or there is a possibility of shortage of biomass and then leakage effects should be considered.

- 2) The analysis of the biomass price risks as one barrier to the project activity is incomplete. They only presented how the biomass prices have raised during the last years. This analysis to be relevant need to include also the same figures for the coal to be compared with the figures for the biomass.
- 3) The explanation of the application of the Methodology AMS-I.D is confusing. In the PDD is said that the methodology used is AMS-I.D Version 8. Nevertheless in Annex-3 of the PDD they make reference to ACM0004 methodology and the description of the methodology used is a mix of ACM0002 including options of AMS-I.D.
- 4) It is not clear how the uncertainty on electricity prices is a barrier to the CDM project and not to the baseline scenario (with coal).
- 5) The project is using many different sources of biomass, including permitted woody biomass (juliflora), which is considered to be renewable biomass by the EB. It was highlighted, in the Validation Report, that if any other source of woody biomass is used that it should be verified by the Verification Team. Nevertheless in the monitoring tables the biomass is considered as only one fuel. There is no possibility to identify the different types of biomass which come into the plant. They will have to clarify how the monitoring system will control different sources of biomass in a way that it will be possible to the Verification Team identify if other woody non renewable biomass was used as a fuel in the plant.