



**CDM project activity/programme of activities registration request review  
form (CDM-REGR-FORM)  
(Version 03.0)**

**Section 1. General Information**

<b>Designated national authority/Executive Board member submitting this form (Name in print)</b>	
<b>Title and UNFCCC reference number of the proposed project activity or programme of activities (PoA) submitted for registration</b>	3776 Low Pressure Gas Recovery Project of Shandong Changyi Petrochemical Co., Ltd., China

**Section 2. Basis for review request**

*Please indicate, in accordance with paragraphs 37 and 40 of the CDM modalities and procedures (the annex to decision 3/CMP.1), which validation requirements may require review. Please tick the appropriate boxes in the list of requirements below. For requesting a review of a proposed afforestation or reforestation project activity or PoA, please refer to paragraphs 12 and 15 of the CDM modalities and procedures for afforestation and reforestation project activities (the annex to decision 5/CMP.1), and tick the equivalent boxes below mutatis mutandis.*

*The following are requirements derived from paragraph 37 of the CDM modalities and procedures:*

- ☐ The participation requirements as set out in paragraph 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 of 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 3: Comments supporting review request

*Please elaborate the reason for requesting a review on the requirements you indicated in section 2 above.*

1. The DOE is requested to further explain how it has validated the prevailing practice barrier in line with the VVM version 01.2 paragraph 33 and 117. In doing so, the DOE is requested to provide its validation opinion based on independent investigations and the DOE should also provide information on the number of refineries/petrochemical plants in the region, and whether there are industrial processes with similar or comparable technologies to the project activity in the region.
2. The DOE is requested to further explain how it has validated the investment analysis in particular: (a) why it has not considered the saving from the coal usage given that the PA replaces the coal with the waste gas; and (b) the suitability of the input values in line with the VVM version 01.2 paragraph 111, in particular: (i) the steam cost, as it is not clear whether it has considered the waste gas used for steam generation; (ii) other manufacturing fee, other managing fee and repair fee as it is not clear what cost components fall under these categories and how such costs are applicable for the project activity; (iii) waste gas amount, as the historical data show a higher value and an increasing trend; (iv) the amount of steam consumption; (v) the amount of instrument air consumption; and (vi) the amount of recirculating cooling water consumption.
3. The DOE is requested to further explain how it has validated the sensitivity analysis, in particular: (1) the unlikelihood of the variation of waste gas selling price and the annual operational cost in the sensitivity analysis in line with the VVM version 01.2 paragraph 111 (e); and (b) the exclusion of waste gas amount in as the key parameter given that it constitutes more than 20% of project revenue (EB51 Annex 58 paragraph 17).
4. The DOE is requested to further explain how it has validated the common practice analysis in line with the VVM version 01.2 paragraph 119 and 120.
5. The DOE is requested to further explain how the representative element process is appropriate in line with the AM0055 v1.2 page 10 (the methodology conservatively requires to determine which is the representative element process where the efficiency will be more affected by using waste gas).
6. The DOE is requested to further explain why monitoring of parameters related to the steam consumption, instrument air and cooling water consumption by the project activity are not included, given that the PDD indicates the use of such utilities in the project activity.

Date received at UNFCCC secretariat

24 Jan 11