

**REVIEW OF THE PROJECT ACTIVITY****Rio Grande do Sul Cooperatives Small Hydro Power Plants (1235)**

At its thirty-seventh meeting the Board agreed to register, subject to satisfactory corrections, the project activity if the DOE (SGS) and the project participant submit a revised PDD and corresponding revised validation report in which:

- (i) Validated evidence is provided to confirm that the CDM was seriously considered prior to the start date of the project activity; and
- (ii) The low financial returns of the project activity are substantiated by means of a validated investment analysis, as the barriers have not been sufficiently substantiated.

At its thirty-ninth meeting the Board could not register the project activity because for the Leste-Ceriluz plant the DOE and project participant have failed to substantiate the additionality of the project activity in the context of the start date of the project activity and the corresponding investment analysis.

-----