

**Annex 45****Registration****Scope of the review on****“Tangshan Jidong Cement Guye District 8 MW Cement Waste Heat Recovery Project” (2731)**

1. The Board agreed to undertake a review of the project activity “Tangshan Jidong Cement Guye District 8 MW Cement Waste Heat Recovery Project” (2731).
2. The Board agreed that the scope of the review relating to issues associated with validation requirements shall cover a review to assess the additionality of the proposed project activity, through an assessment of the:
  - (a) Investment analysis, in particular, suitability of the benchmark as the:
    - (i) Sources of the data used to calculate the return on equity have not been crosschecked;
    - (ii) WACC has been validated against 2008 data while the investment decision date is in 2006; and
    - (iii) Suitability of WACC as benchmark in the context of the project activity has not been substantiated; and
  - (b) Investment barrier as the barriers seem to reflect the barriers to the cement sector, while the project activity is an energy efficiency project in a cement plant.

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Project 2731	EB 51, Annex 45, 04 December 2009	<b>Decision Class:</b> Ruling <b>Document Type:</b> Scope of Review <b>Business Function:</b> Registration
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