

Final Ruling Regarding the Request for Issuance of CERs

“Straw generation project in Wei county Hebei province, P.R. China” (1546)

The CDM-Executive Board decided to reject the request for issuance for the above project activity on 18th February 2011, for the monitoring period 25/06/2008 - 31/01/2009 under “*Procedures for review of requests for issuance of CERs*”, version 1.3, EB 55 Annex 41, paragraph 24.

The Secretariat has provided the Chair of the Executive Board a proposed final ruling which was made available to the Board following his approval, in accordance with paragraphs 27 and 29 of the procedures.

In accordance with paragraph 28 of the procedures the final ruling shall contain an explanation of the reasons and rationale for the decision to reject issuance.

1. The reasons and rationale for the Board’s decision to reject issuance in this case are as follows:
 - a. the project activity has not been operated as per the PDD since additional biomass (maize stalks) has been utilized during the monitoring period and emission reductions are claimed from the utilisation of maize stalks; and
 - b. there is no clear justification on the increase in operating hours during this monitoring period has been provided in the verification.
2. The request for issuance of CERs is rejected because the verification report is not in compliance with the requirements of
 - a. paragraph 195 of the latest “Clean Development Mechanism Validation and Verification Manual”, version 01.2, EB 55, Annex 1, which states that “The DOE shall identify any concerns related to the conformity of the actual project activity and its operation with the registered project design document.” and
 - b. paragraph 198 (c) which states, “The verification report shall describe the information (data and variables) provided in the monitoring report that is different from that stated in the registered PDD and has caused an increase in estimates of the emission reductions in the current monitoring period or is highly likely to increase the estimates of emission reductions in the future monitoring periods.”.
3. The DOE failed to verify the conformity of the actual project activity and its operation with the registered project design document as follows:
 - a. other type of biomass (maize stalk) has been utilised and emission reductions associated with methane avoidance and electricity generation from the utilisation of this biomass type were claimed, while the registered PDD only considered the cotton straw as biomass fuel in the project activity; and
 - b. the operating hours has been significantly higher than the description in the PDD, however, the DOE did not report how it verified that the increase in operating hours is PP’s optimistic estimation and did not clearly state the possibility of increase in operating hours in the future.
4. Please note, in accordance with paragraph 96 of the Report of the 28th EB Meeting, in cases where the reasons for rejection can be addressed by means of a revised verification report based on a revised monitoring report, the DOE may request permission (including explanation of reasons) to submit a revised request for issuance for the same monitoring



period covered by the rejection. The Board will consider such a request at the subsequent EB meeting following that request in accordance with the procedures and decide on a case-by-case basis. In these cases the Board will provide further guidance, as appropriate. In cases where such a revised request for issuance is also rejected it shall not be possible to resubmit for a third time.

- - - - -

History of the document

Project 1546	Related to EB 59 Meeting Report Paragraph 59 (b) 18 February 2011	Decision Class: Ruling Document Type: Information Note Business Function: Issuance
------------------------	--	---