

March 8, 2011

CDM Executive Board
P.O. Box 260124
D-53153 Bonn, Germany

Subject: Call for public inputs on the “Guidelines for demonstrating additionality of renewal energy projects ≤ 5 MW and energy efficiency projects with energy saving ≤ 20 GWh per year”.

Dear Members of the CDM Executive Board,

The Carbon Finance Unit of the World Bank welcomes the opportunity to contribute to the discussions on the revision and broadening of the Guidelines for demonstrating additionality of renewal energy (RE) projects up to 5 megawatts and energy efficiency (EE) projects with energy saving up to 20 gigawatt hours per year (hereafter referred to as the *Guidelines*).

This submission supports the expansion of the *Guidelines* to Type III activities and Program of Activities (PoA) in order to promote and facilitate the development of the CDM in the area of small and micro activities in particular in Least Developed Countries (LDCs) and other poor regions in non-Annex 1 countries.

Against this background we suggest the following:

1. Expansion of the modalities

2.1 Expansion to type III activities:

The suggested criteria to be fulfilled for Type III activities are the following:

If the size of the entire project is equal or less than 20,000 tCO₂e/y, a project is additional if **one** of the following conditions is satisfied:

- a) The geographical location of the project activity is in LDCs/SIDs or special underdeveloped zones of the host country;
- b) The type III project activity fulfills both conditions:
 - Each of the independent subsystems/measures in the project activity achieves emission reductions equal or smaller than 600 tons of CO₂e/year.
 - The end users of the subsystem or measure are households/low income communities/SMEs.

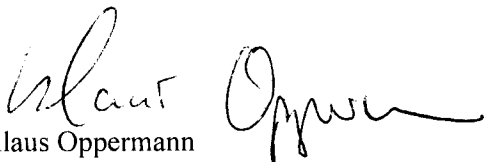
2.2 Expansion to Program of Activities (PoA)

The suggested criteria to be fulfilled for PoAs are the following:

A PoA and its included subsystems/measures are additional if **one** of the following conditions is satisfied:

- a) The subsystems/measures fulfill the criteria ≤ 5 MW (renewable energy), ≤ 20 GWh (energy efficiency) or ≤ 20 kt/y emissions reductions (category III activities) **and** the PoA and all included subsystems/measures are located in LDCs/SIDs or special underdeveloped zones of the host country.
- b) The size of each independent subsystem/measure in the project activity is equal or smaller to the following thresholds: 750 kW for RE; 600 MWh for EE activities; 600 tCO₂e/year for type III activities **and** the end users of the subsystems/measures are households/low income communities/SMEs.

We will be pleased to provide further information and clarifications at your request.



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