

TABLE FOR COMMENTS

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0	1	2	3	4	5	6
#	Para No./ Annex / Figure / Table	Line Number	Type of comment ge = general te = technical ed = editorial	Comment (including justification for change)	Proposed change (including proposed text)	Assessment of comment (to be completed by UNFCCC secretariat)

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1	11.(a)(i)		te	<p>Proposed revisions to the TOOL21 “Demonstration of additionality of small-scale project activities” exclude solar photovoltaic technology from the positive list of technologies and project activity types that are defined as automatically additional.</p> <p>This general exclusion seems excessive and is likely to hamper the adoption and implementation of solar photovoltaic technology in countries where this technology is not yet well established; it would instead be more relevant to include specific criteria on countries’ penetration rate of the technology such as in the current version of the “Simplified procedure to demonstrate additionality” (<i>total or percentage share of total installed capacity of the specific technology in the total installed grid connected power generation capacity in the host country</i>).</p> <p>Among other arguments in favour of preserving solar photovoltaic technology’s automatic additionality at small-scale level in low-penetration countries are the following facts:</p> <ul style="list-style-type: none"> • Due to the intermitting nature of solar PV, it is not comparable to other technologies. Its lower value in terms of constant energy generation and dispatchability needs to be compensated. • The countries with less than 2% of Solar PV almost certainly do not have domestic production of solar panels and will need to import the technology, generating an impact on the countries’ trade balances. • LCOE is very susceptible to capital costs and countries where such technologies have not yet been adopted generally suffer from high capital costs and lack of access to capital. • Solar PV requires large upfront capital expenditures, usually in foreign currencies, that generate exposure to exchange rate fluctuations and increase capital costs. 	<p>Maintain solar photovoltaic technology as part of the positive list of technologies and project activity types that are defined as automatically additional for project sizes up to and including the small-scale CDM thresholds, eventually conditional additional country-differentiating criteria like:</p> <ul style="list-style-type: none"> - The percentage share of total installed capacity of the specific technology in the total installed grid connected power generation capacity in the host country is equal to or less than two per cent; or - The total installed capacity of the technology in the host country is less than or equal to 50 MW 	