

**CDM-PA10258-RULE01**

## Ruling note

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Request for registration for “Clinker Optimization in cement types production at Derba MIDROC cement plant”

Version 01.0



**United Nations**  
Framework Convention on  
Climate Change

1. The CDM-Executive Board decided to reject the above proposed project activity on 04 November 2016, during its ninety-second meeting, in accordance with the "CDM project cycle procedure" (PCP), version 09.0, paragraphs 111, 113, 115 and 117. In accordance with paragraph 118 of the PCP, the ruling shall contain an explanation of the reasons and rationale for the final decision, which are as follows:
  - (a) The DOE (EPIC Sustainability Services Private Limited) failed to substantiate the appropriateness of the ex-ante baseline benchmarks of share of clinker for blended cement (BC) types Portland Limestone Cement (PLC) and Pozzolana Cement (PC) produced in the project activity in accordance with applied methodology ACM0005, version 7.1, step 2.1 and PCP, version 09.0, paragraphs 49 and 50.
  - (b) The relevant requirements are:
    - (i) ACM0005, version 7.1, step 2.1 states that:
      - a. "Data concerning average blending ratio, annual production and import of the relevant cement type(s) in the region shall be collected for one year prior to the start date of CDM project activity"
      - b. "Baseline benchmark of share of clinker per tonne of BC at the start of the project activity ( $B_{Blend,1}$ ) ... is determined as the lowest value among the following approaches: ..."
      - c. "To determine the benchmark for approaches (a) and (b), statistically significant random sampling is done for the high blend brands in the relevant cement type in the region ... If reliable and up to date annual data are available from reputable and verifiable external sources (for example, industry manufacturers association or government agencies), these may be used to determine the benchmark."
    - (ii) PCP, version 09.0, paragraph 49 and 50 states:
      - a. "The DOE may, prior to the submission of a request for registration or publication of the PDD ... seek guidance from the Board on the acceptability of a deviation from selected approved baseline and monitoring methodology..."
      - b. "Alternatively, if the DOE considers that a revision of the methodology would be required to address the project or programme situation, it shall follow the 'Procedure: Development, revision and clarification of baseline and monitoring methodologies and methodological tools'."
  - (c) The reason and rationale for the final decisions is:
    - (i) The BC types PLC and PC were neither produced nor imported in the host country. In this request for registration, the source of their baseline benchmarks of share of clinker (i.e. national standard) does not meet the applied methodology requirements, step 2.1, as highlighted above (i.e. production and import data). The DOE failed to substantiate why a request for deviation of the methodology was not requested prior to the submission of a request for registration, in accordance with PCP, version 09.0, paragraphs 49 and 50.

2. In accordance with paragraph 42 of the CDM Modalities and Procedures (Decision 3/CMP.1), if the project participant wish so, this project activity may be resubmitted for validation and registration provided it meets the requirements for validation and registration.

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### Document information

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<i>Version</i>	<i>Date</i>	<i>Description</i>
01.0	16 December 2016	Initial publication. Related to CDM project cycle procedure, version 09.0 (CDM-EB65-A32-PROC) (Paragraphs 111, 113, 115, 117 & 118).

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