



**GUIDELINES FOR DEMONSTRATING ADDITIONALITY OF RENEWABLE ENERGY
PROJECTS \leq 5 MW AND ENERGY EFFICIENCY PROJECTS WITH ENERGY
SAVINGS \leq 20 GWH PER YEAR**

(Version 01)

I. Background

1. In response to request from CMP (see paragraph 24 of further guidance relating to clean development mechanism, Decision 2/CMP.5.) to establish simplified modalities for demonstrating additionality for project activities up to 5 megawatts that employ renewable energy as their primary technology and for energy efficiency project activities that aim to achieve energy savings at a scale of no more than 20 gigawatt hours per year, the CDM Executive Board at its fifty-fourth meeting agreed to approve the following guidelines.

II. Guidelines

2. Project activities up to 5 megawatts that employ renewable energy as their primary technology¹ are additional if any one of the below conditions are satisfied:

- (a) The geographic location of the project activity is in LDCs/SIDs or in a special underdeveloped zone of the host country identified by the Government before 28 May 2010;
- (b) The project activity is an off grid activity supplying energy to households/communities (less than 12 hrs grid availability per 24 hrs day is also considered as 'off grid' for this assessment);
- (c) The project activity is for distributed energy generation with both conditions (i) and (ii) satisfied (see below);
 - (i) Each of the independent subsystem/measure in the project activity is smaller than or equal to 750 kW electrical² installed capacity;
 - (ii) End users of the subsystem or measure are households/communities/SMEs.
- (d) The project activity employs specific renewable energy technologies/measures recommended by the host country DNA and approved by the Board to be additional in the host country (conditions apply: The total installed capacity of technology/measure contributes less than or equal to 5% to national annual electricity generation).

3. Energy efficiency project activities³ that aim to achieve energy savings at a scale of no more than 20 gigawatt hours per year are additional if any one of the below conditions is satisfied:

- (a) The geographic location of the project activity is in LDCs/SIDs or special underdeveloped zones of the host country identified by the Government before 28 May 2010;

¹ All technologies/measures included in approved Type I Small Scale CDM methodologies are eligible to be considered.

² Multiply by 3 to derive thermal units.

³ All technologies/measures included in approved Type II Small Scale CDM methodologies are eligible to be considered.



- (b) The project activity is an energy efficiency activity with both conditions (i) and (ii) satisfied (see below);
 - (i) Each of the independent subsystem/measure in the project activity achieves an estimated annual energy savings of equal to smaller than 600⁴ megawatt hours; and
 - (ii) End users of the subsystem or measure are households/communities/SME.

⁴ Multiply by 3 to derive thermal units.

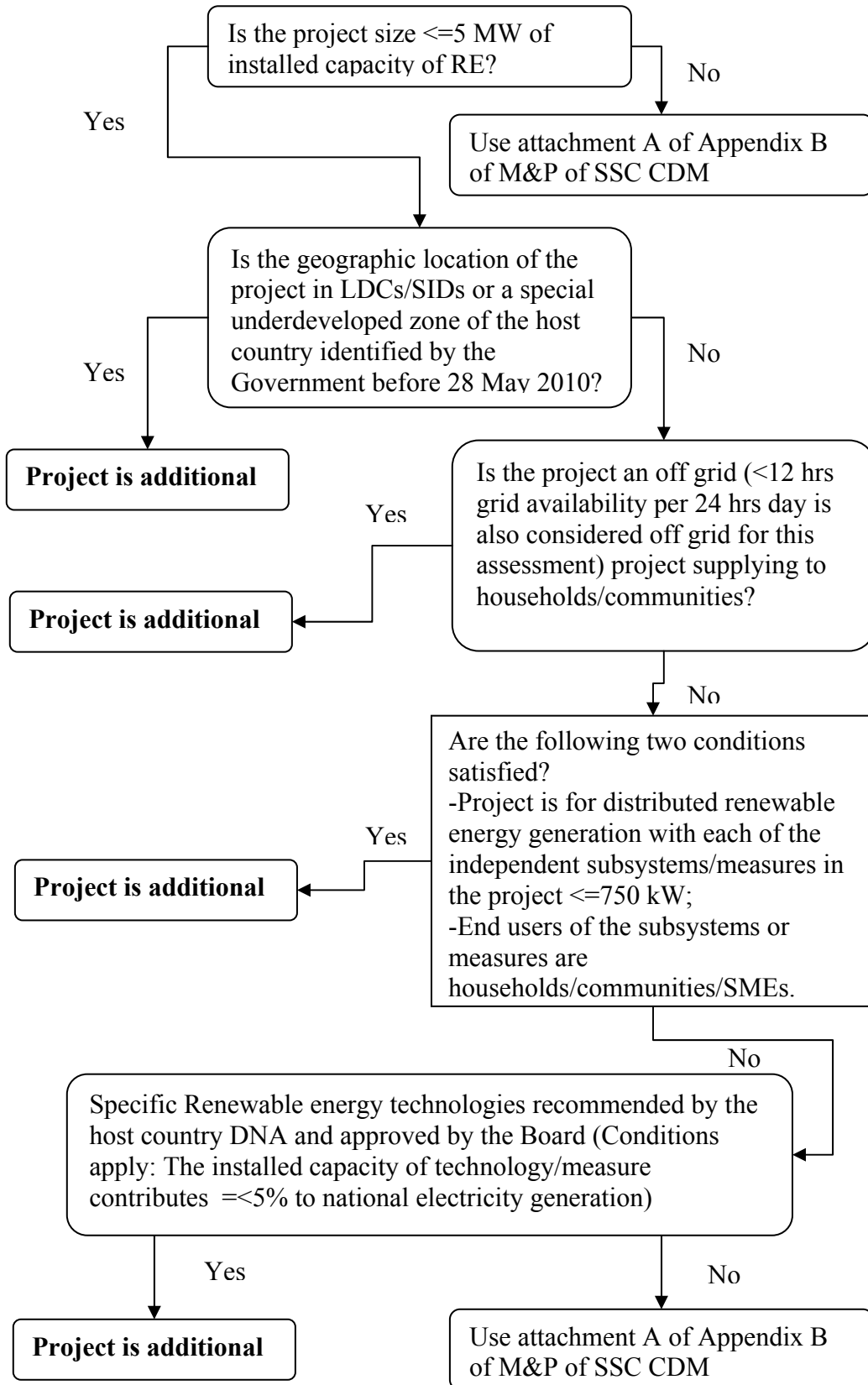


Figure 1: Additionality test for VSSC RE projects

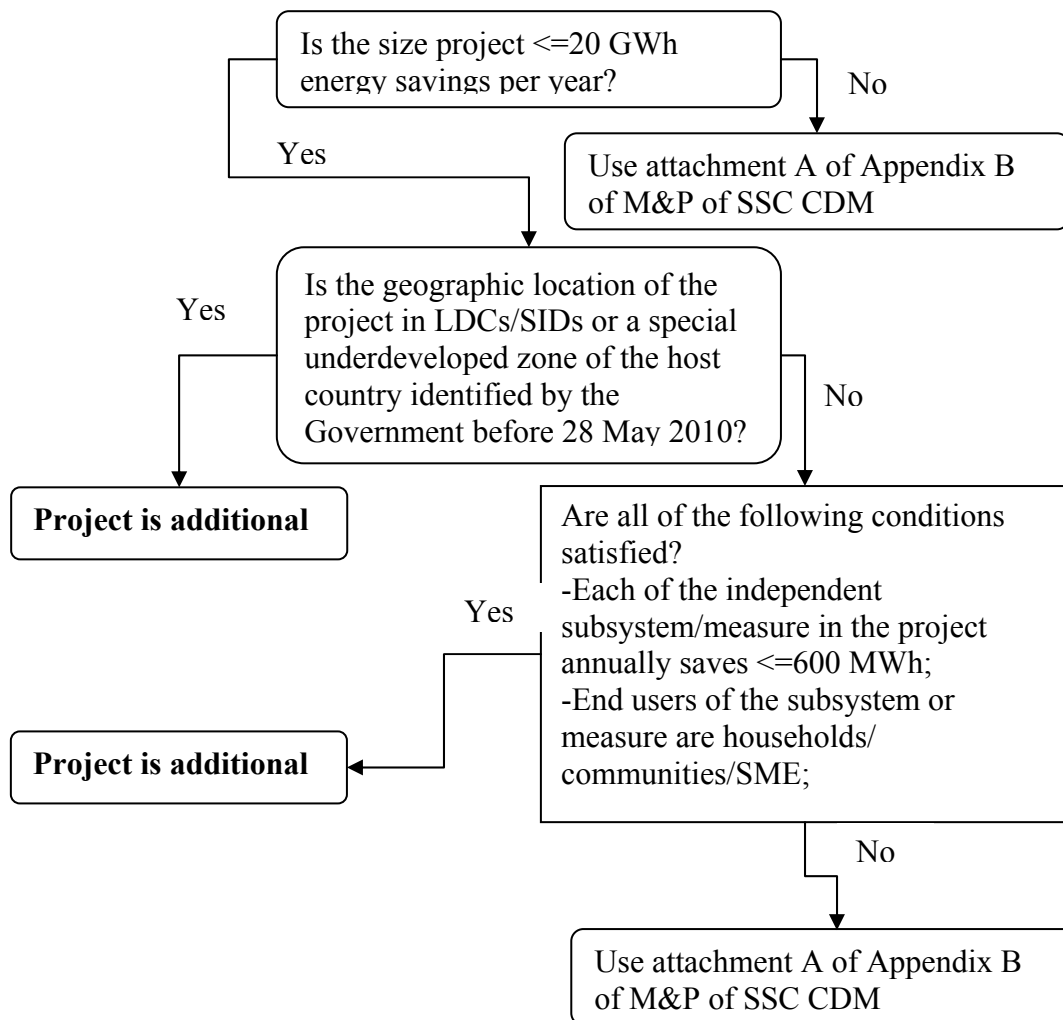


Figure 2: Additionality test for VSSC EE projects

History of the document

Version	Date	Nature of revision
01	EB 54, Annex 15 28 May 2010	Initial adoption.
Decision Class: Regulatory Document Type: Guideline Business Function: Methodology		