

Checklist: key things to check before developing a CDM project

This list is not exhaustive. It indicates additional information that may need to be checked to determine whether the project will be a viable CDM project. Detailed PIN and CDM feasibility study development will also be needed.

Emission reduction estimates
Is there a transparent calculation of estimated Emissions Reductions?
What level of certainty do you attach to this CER estimate?
What are the factors that could affect CER generation, e.g. weather, seasonality, supply of fuel, equipment down-time for maintenance or repair, other disruptions to project operation, etc
Are the CER estimations based on a realistic and conservative assessment of how long it will take to get the project up and running, and how long it will take to get the project registered?
TECHNOLOGY & OPERATION
Is the CDM activity part of the project developer's core business?
Does the project developer have sufficient knowledge/experience working with this type of technology (e.g. have they operated similar CDM projects before)?
TIMESCALE
What is the starting date of the project activity? Is there clear evidence of CDM consideration before this date?
What factors could potentially delay operation start (this will affect how quickly CER revenues can be generated)?
Sustainable development test
Does the project have clear environmental benefits? Does it meet the DNA sustainable development criteria?
Have studies been carried out to determine the environmental impact of the project?
Is the project dependent on maintaining a concession(s) to operate?
Has the Project obtained all the necessary permits (including environmental licenses) to begin construction/operation?
METHODOLOGY
Is there an approved methodology FULLY applicable to project activity?
Any applicability conditions that present problems?
Simplicity of methodology: Is the methodology easy to apply?
Is the company able to provide all the data needed? Is data publicly available and accessible, e.g. data to calculate the grid emission factor
Is any information required from third parties that could present a difficulty?
Does the project boundary encompass a large number of individual sites? If so, can all these sites supply the necessary data for monitoring?
ADDITIONALITY
Financial Additionality: is the project IRR/NPV/Unit cost of service likely to show that it is not profitable without CDM?
Barrier analysis: Is there strong evidence of real and preventative barriers that would stop the project from being built without CDM related financing? e.g.: <ul style="list-style-type: none"> • Financing barriers: are there any difficulties in gaining financing for this or similar projects? • Technological barriers: e.g. access to skills or technology; significant risks associated with

the technology that cannot be easily overcome by financial means, etc?

MONITORING & Data

Are all the parameters that need to be monitored for the methodology already routinely monitored by the company?

Has the project developer had previous experience with data collection, management, QA/QC, and archiving?

Is any additional monitoring equipment required?

Will the project developer need assistance in installing the extra equipment?

Are any important monitoring meters located outside of the company's control (e.g. grid connected projects: meter may belong to electricity company)?

Is additional monitoring training likely to be needed?

Is the company organised enough to be able to collect data and documents for the validator? Are there adequate document management systems/QA (e.g. ISO) systems in place?

LEGAL ISSUES

Ownership of CERs