

**DRAFT****Annex 22****DRAFT VOLUNTARY TOOL FOR HIGHLIGHTING
SUSTAINABLE DEVELOPMENT CO-BENEFITS OF CDM PROJECT ACTIVITIES
AND PROGRAMMES OF ACTIVITIES****COVER NOTE****I. Introduction**

1. A first draft of the voluntary clean development mechanism (CDM) sustainable development declaration tool (SD tool), an example of an output of the tool (SD tool report), and draft user manual for completing the tool (user manual) have been developed. The SD tool is being developed to assist project participants and coordinating/managing entities (CMEs) to declare the sustainable development co-benefits and impacts of a CDM project activity or programme of activities (PoA). The SD tool can be used for all CDM project activities (i.e. small-scale, large-scale, afforestation/reforestation) and PoAs as an alternative to the current free-form sustainable development section of the project design document (PDD) and PoA design document (PoA-DD). The SD tool may be accessed by anybody; however, restrictions will apply as to who may submit an SD tool report with regard to a CDM project activity or PoA.

II. Background

2. At its sixty-seventh meeting, the CDM Executive Board (the Board) considered a concept note¹ on possible options for how project participants could highlight sustainable development co-benefits and negative impacts of CDM project activities within the existing CDM processes and workflows. The options presented were designed to meet the request by the Conference of the Parties serving as the meetings of the Parties to the Kyoto Protocol (CMP), at its seventh session, for the Board to “continue its work and develop appropriate voluntary measures to highlight the co-benefits brought about by clean development mechanism project activities and programmes of activities, while maintaining the prerogative of the Parties to define their sustainable development criteria”.²

3. Following its consideration of the concept note at its sixty-seventh meeting, the Board requested the secretariat to develop a voluntary tool for consideration by the Board at its next meeting, with, among other things, the following features:

- (a) A checklist approach based on best practices and drawing on a wide selection of possible sources;
- (b) Flexibility to include the voluntary tool in existing CDM documents and workflows;
- (c) A project participant or CME may make an initial declaration using the voluntary tool;
- (d) A project participant or CME may choose to update, change or withdraw the initial declaration if circumstances change at any time prior to or after registration of the CDM project activity or PoA.

¹ Annex 13 of the annotated agenda for the sixty-seventh meeting of the Board.

² Paragraph 5 of decision 8/CMP.7.

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4. The secretariat, in collaboration with UNEP Risoe, continued developing the SD tool in accordance with the Board's request. On 8 June 2012 the secretariat held a CDM Roundtable consultation with stakeholders at which an early draft of the SD tool was presented and discussed by stakeholders in a break-out workshop session. The inputs provided by stakeholders at that session have been considered and incorporated into version 0.5 of the SD tool where possible. All inputs have been recorded and will be considered during further development.
5. The voluntary tool is also undergoing an iterative process of selected peer review to ensure the sufficiency and robustness of the criteria (questions) and indicators (answers) that are presented in version 0.5.
6. The SD tool has been developed using a wide selection of possible sources currently known to the development team. However, as the body of literature and expertise on sustainable development is immense, the team may not have taken all relevant sources into account. An attempt has been made to find the right balance between CDM-relevant and non-CDM-relevant sustainable development issues. Similarly, a balance has been sought between standardization and flexibility in the declaration process, while always keeping in mind the need for simplicity and ease of use. The approach taken so far offers standardized questions and a wide choice of answers (multiple choice) for all questions. In addition, a free text facility is available to either add new questions and/or answers or elaborate on those provided.
7. The SD tool comprises approximately 20 questions. The questions are to be answered for a single activity only. There is a sustainable development section and a separate "no harm" section in the SD tool. As it is likely that local stakeholders will need to be consulted in assessing any risks of negative impacts before using the SD tool, the tool also includes a question on how this consultation process was conducted so as to enable project participants to highlight the action taken.
8. When implemented, the use of the tool will be entirely voluntary and can be used by the relevant project participant or CME at any time in the design or life of a CDM project activity or PoA to update the declaration should co-benefits change over time. The SD tool requires the person(s) filling out the questions to identify themselves.
9. Once completed, the SD tool report forms part of the CDM project activity or PoA compendium of documentation (letter of approval, PDD/PoA-DD, monitoring report, etc.), as maintained by the UNFCCC secretariat on its website, including an archive of previous declarations. It is expected that the data provided by the SD tool report will be richer and more complex than the data provided under section A1 in the PDD and section A2 in the PoA-DD.
10. If implemented in an online format, it is expected that the tool will be implemented using a different IT format to the current version. The current IT format is intended to enable a development version of the SD tool in a relatively short period of time.
11. The draft development version (0.5) of the SD tool (found at <https://www.research.net/s/SD_tool_vers5>), a draft example SD tool report (appended to the user manual), and a draft user manual are provided (see appendix 1 to this note) in order for the Board to provide guidance on their further development.

III. Key issues for direction

12. The following are the key issues on which the secretariat is seeking the Board's direction at its sixty-eighth meeting:

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- (a) Are there any sources of information useful as a reference for refining or furthering the current questions, answers and ratings scales?;
- (b) Are there any questions or answers missing or conflicting?;
- (c) Can any questions or answers be better posed or structured, bearing in mind the impact this may have on the extent and quality of the output (reporting)?;
- (d) Is the size (length) of the tool sufficient?;
- (e) Are there any suggestions for how reporting of output from the SD tool should be presented (case-based and/or aggregated summary)?;
- (f) Taking into account user needs and variable accessibility requirements, should the SD tool be implemented:
 - (i) Online;
 - (ii) Online and paper based; or
 - (iii) Only paper based?

IV. Course of action from EB 68

13. It is proposed that, based on the direction received from the Board at its sixty-eighth meeting, the secretariat will further develop the SD tool, SD tool report and user manual, and seek further input from stakeholders via a call for inputs. If approved, a call for inputs would be made in relation to the attached SD tool (version 0.5), example SD tool report (appended to the user manual), and user manual.

14. In addition, the secretariat will continue developing the internal IT workflow which is needed to support the implementation of the SD tool, taking into account the inputs received from stakeholders regarding the features that will ensure that the process is user-friendly.

15. A final draft of the SD tool, SD tool report and user manual, together with draft amended regulatory documents is expected to be presented to the Board for adoption at its sixty-ninth meeting.

V. Expectation of the Board

16. At its sixty-eighth meeting, the Board is expected to:
- (a) Consider and provide input on the SD tool, SD tool report and user manual, with a particular focus as per section III. ;
 - (b) Request the secretariat to launch a call for inputs on the attached SD tool, SD tool report and user manual;
 - (c) Request the secretariat to continue the development of the SD tool, SD tool report and user manual, with a view to presenting a final draft at the Board's sixty-ninth meeting, taking into account stakeholder inputs.

**DRAFT****APPENDIX 1****Draft SD tool user manual****https://www.research.net/s/SD_tool_vers5****(Version 0.5)****I. Introduction**

1. This manual provides an overview of the voluntary online CDM activity Sustainable Development declaration Tool (“SD Tool”) and explains what it is and how to use it. It also elaborates the taxonomy (terminology) used to declare each sustainable development co-benefit of a CDM activity with guidance on how to complete each section.
2. While the SD tool was developed using the best available resources, input from experts and the public, it is not perfect nor will it cater for all eventualities. In an attempt to find the right balance between standardization and flexibility it has been designed with simplicity and ease of use in mind offering a standardized choice (tick box) and free text for most questions.

II. What is the SD tool?

3. The CDM sustainable development tool ("SD Tool") is made available to CDM project participants or coordinating management entity (CME) to aid in the declaration of sustainable benefits and impacts of a CDM project or programme of activity(ies) (PoA) . The SD tool produces a SD declaration report at the end, can be used for all types of CDM activities, small or large, forest or non-forest.
4. The SD tool should be used for a single activity only (project activity or programme of activities). The SD tool can be used at any time in the design or life of a CDM activity or programme of activities also to update the declaration should co-benefits change over time. The SD tool is maintained by UNFCCC secretariat as mandated by the CDM Executive Board (§XX EBXX). The use of the tool is entirely voluntary.

III. How to use the SD Tool?

5. The SD tool comprises of 5 steps (sections) each with a set of questions. All questions have a choice of boxes to be checked. For those boxes checked, a free-text box provided and must be completed to specify the SD co-benefit or impact. This also ensures that a comprehensive and complete SD declaration report is produced at the end. Not all questions require an answer and some sections can where not relevant to the activity, be omitted entirely. As stakeholder engagement is an essential part of any public declaration, a small section is provided to declare how stakeholders were engaged in arriving at the declaration. Similarly the SD tool requires the person(s) using the SD tool (user) to identify themselves and if relevant if they are listed in the modalities of communication for the activity.
6. Should the SD tool not cater for a particular activity or programme co-benefit or impact, free text boxes are provided throughout to provide these.
7. Once completed, the SD tool produces a SD declaration report, which forms part of the activity’s documentation (PDD etc.) as maintained by the UNFCCC secretariat. The SD declaration report can be replaced or amended at anytime. Previous valid SD declarations will be made available on the CDM website.

**DRAFT****IV. The steps of the SD Tool**

8. To produce a SD declaration the user follows 5 steps, as shown in Figure 1. The majority of the effort in completing the declaration is contained in steps 2 and 3 (SD co-benefit and negative impact declaration). Each step is explained below:

Table 1: The 5 steps or sections of the SD tool

Step	Section
1	Introduction
2	Sustainable development co-benefits
3	No harm safeguards
4	Stakeholder engagement etc.
5	Contact information & submission

A. Step 1: Introduction**Select a language**

9. The SD tool is available in five UN languages; English, Spanish, Portuguese, Chinese and French. Select the desired language.

Select the type of activity

10. Specify the type of activity (programme of activities or project activity) to make, replace or withdraw a SD declaration.

Select an activity

11. Identify the name or number of the activity. For registered project activities or programme of activities the relevant activity can be selected from the drop down menu using the UNFCCC reference number. For activities at the design stage (without a reference number) please write the exact title of the activity in the free text box.

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Specify the preferred action

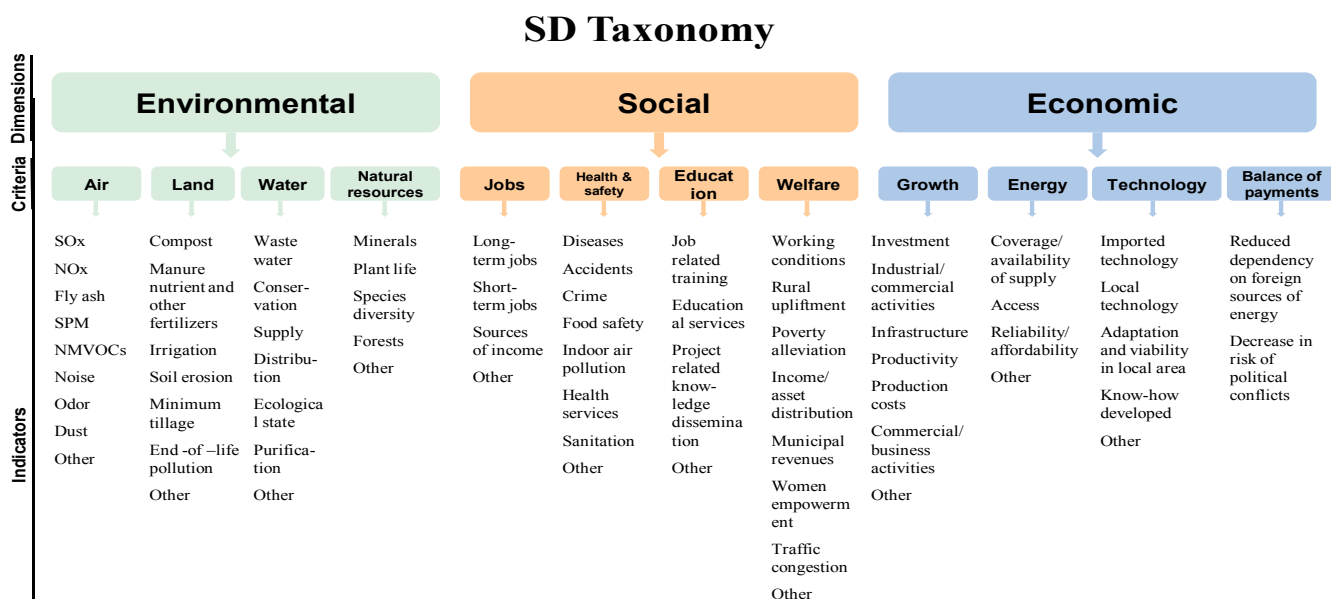
12. Select make a declaration, replace an existing declaration with an updated version or withdraw one or more existing declarations. Confirmation of the withdrawal of existing declaration(s) will require identification.

B. Step 2: SD co-benefits

Declare the SD co-benefits

13. The terminology used in the questions for completing the SD co-benefits declaration are described in the below taxonomy, see figure 2. The taxonomy has three dimensions - environmental, economic and social aspects of SD. The dimensions are based on selected and available literature for sustainability assessment (UN 2007; Ibenholt, Børset et al. 2011; IPPC 2012 etc.). Under each dimension are four criteria, totalling 12 altogether. Each criterion is further divided into a set of indicators (up to 8). The criteria and indicators have been developed from selected and available literature (see a full list in the reference section).

Figure 2. The SD co-benefits taxonomy



14. For each dimension the user is asked, if the CDM activity makes a contribution to the criterion. The choice of answer is: **YES** or **NO**. If the answer is **NO**, meaning the activity does not contribute to the criteria, the SD tool takes the user to the next criteria for that dimension. If the answer is **YES** the user is required to describe **How and to what extent** does the activity contribute to the criteria? Here the user is

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provided with a multiple choice of indicators and a contribution rating scale for each **Highly, Partly or Slightly** or **N/A**. Furthermore, a free text box is provided to explain how exactly the activity contributes to each indicator. If an indicator is chosen (tick box checked) it is required to make use of the text box to explain further. Should the activity have a SD co-benefit that is not catered for, add it under “Other”.

C. Step 3: No harm safeguard principles**Declare the no harm safeguards**

15. The declaration of no harm and safeguards are based on 6 principles each with a set of negative impact options, see Table 1. For each principle are set of questions. The principles and negative impact options have been adapted from the UN Global Compact and the Millennium Development Goals (MDG), eight of which 189 Member States of the United Nations have pledged to achieve by 2015.

Table 2: No harm safeguard principles and options

Human rights
The activity risks violating human rights including the rights of indigenous people and members of local communities
The activity is complicit in involuntary resettlement
The activity risks alteration, damage or removal of any critical cultural heritage
Good labor practice
The activity violates employee freedom association and right to collective bargaining
The activity is complicit in forced or compulsory labour such as bonded labour, debt bondage, forced prison labour, slavery, servitude or human trafficking
The activity employs, involves and/or is complicit in any form of child labour
The activity involves discrimination based on gender, race, religion, sexual orientation or any other basis
The activity exposes workers to unsafe or unhealthy work environments
Environmental protection
The activity risks damages to the environment and/or natural habitats including those that are legally protected, officially proposed for protection, identified by authoritative sources for their high conservation value or recognized as protected by traditional local communities
The activity employs a precautionary approach to avoid negative impacts on ecosystems, communities and vulnerable groups
Anti-corruption
The activity risks being involved and/or is complicit in corruption
Land Rights
The activity risks violating existing land rights and land use rights, whether formal or informal

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The activity risks violating free, prior and informed consent as the basis for all negotiated agreements for any compensation, acquisition or voluntary relinquishment of rights by land use owners or owners of CDM operations

Other activity related impacts

Other negative impacts

16. The user is requested to declare if the principle can be **CONFIRMED** for the activity. In the event it cannot the user can either select **NOT KNOWN** or **CONCERNS**. Should the latter be chosen the user is asked to select one of more options per principle and rate the risk **HIGH, MEDIUM, LOW** or **N/A**. Furthermore, the user is also requested indicate the measures used (if any) to mitigate, minimize, prevent or compensate for the negative impacts (option) in the free-text box provided. If compliance with the safeguard is **CONFIRMED** or **NOT KNOWN** the user is directed to the next principle.

D. Step 4: Stakeholder engagement etc.**Statement of engagement of stakeholders**

17. Stakeholder involvement at global and local level is seen as an important means to enhance the credibility of reporting of SD co-benefits and ensure transparency (see Principle 10 of the 1992 Rio Declaration on Environment and Development).

18. To assess the level of stakeholder involvement, the SD tool allows the user to describe whom and how interested or affected parties were consulted in producing the SD declaration. Commonly used consultation activities have been chosen and provided for in the SD tool as illustrated below in Table 2. For each consultation activity tick boxes are available to indicate, which stakeholders were involved and a free-text box is available to further describe the process undertaken.

Table 3: Stakeholder engagement matrix

Stakeholders:	Local communities	Local, national and/or international NGOs	Local policy makers and representatives of local authorities	Local DNA representatives and/or UNFCCC Focal Points	Other persons
Consultative process:					
First meeting held and issues discussed					
Meeting report was produced and distributed					
Documents were available in the local language(s)					
Feedback meeting(s) and/or					

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Stakeholders:	Local communities	Local, national and/or international NGOs	Local policy makers and representatives of local authorities	Local DNA representatives and/or UNFCCC Focal Points	Other persons
Consultative process:					
communications were conducted					
Monitoring of agreed steps presented/reported					
Other means of interaction					

Conformity to legal requirements

19. Should the user wish, they may use the SD tool to state if the activity conforms to the following laws and regulations: 1) local level, 2) regional level, 3) host country national laws, 4) host country sustainable development requirements and 5) other voluntary commitments or industry commitments. The choice of answers is: YES, NO or N/A. A comment box is also available.

Third party assessment

20. Should the user wish, they may use the SD tool to state if they would be willing to allow or have already had an independent third party (e.g. an environmental auditor, a voluntary standards organization, DOE etc.) verify the claims made in the SD declaration. If so, the user is asked to specify the name or type of organization or any relevance details.

E. Step 5: Contact information and submission**Contact information**

21. In order to verify as far as possible that only authorized persons submit an SD declaration, the user is required to provide their name, organisation, tel. number, email address and affiliation to the CDM. These data are important and will be cross checked before the declaration is made public by the UNFCCC.

Modalities of communication confirmation

22. If the user is one the persons listed in latest version of the form Modalities of Communication statement (FCDMMOC) for the activity, the SD tool provides means to confirm this. If not, the user can specify why they are not listed in the M.O.C, i.e. should the activity be in design or validation.

Submission of the data

23. Once the submit button is clicked the data is sent to the UNFCCC and a SD declaration report is generated, cross checked and then posted on the CDM web page for project or programme of activities concerned. An example of the SD declaration report is shown in Annex 1. It is not technically possible to download your own copy of the SD declaration, prior to appearing in the CDM website.

**DRAFT****V. Questions and enquiries**

24. Any feedback or questions can be sent to: Subject: "SD tool", UNFCCC Secretariat, Martin-Luther King Str.8, Bonn, Germany, email: cdm-info@unfccc.int.

VI. Terms of use and disclaimer

25. The declaration contained in this report is made by the project participant named in the report. The Executive Board of the CDM is not required to, and has not approved or endorsed the declaration.

VII. References

26. The content of the SD tool has been guided by the following sources of information (listed in no particular order), inter alia:

- AccountAbility (2011). AA1000 Stakeholder Engagement Standard. Final Exposure Draft, AccountAbility: 52;
- GS (2006). The Gold Standard. Manual for CDM Project Developers. Basel, BASE: 50;
- Ibenholt, K., E. Børset, et al. (2011). International standards and principle for environmental and social management of renewable energy projects in developing countries, Vista Analysis: 176;
- IEG (2010). Safeguards and Sustainability. An Independent Evaluation of World Bank Group Experience, Independent Evaluation Group (IEG) World Bank: 192;
- IFC. (2012). "Performance Standards and Guidance Notes - 2012 edition of IFC's Sustainability Framework." Retrieved 13 June, 2012, from http://www1.ifc.org/wps/wcm/connect/Topics_Ext_Content/IFC_External_Corporate_Site/IFC+Sustainability/Sustainability+Framework/Sustainability+Framework+-+2012/Performance+Standards+and+Guidance+Notes+2012/;
- IPPC (2012). The Wellington Accord, IPCC Working Group III (WGIII) - Mitigation of Climate Change: 49;
- MDG. (2008). "Millenium Development Goal (MDG) Indicators." Retrieved 13 June, 2012, from <http://mdgs.un.org/unsd/mdg/Host.aspx?Content=Indicators/OfficialList.htm>;
- RSB (2010). RSB Principles and Criteria for Sustainable Biofuel Production. Version 2.0, Roundtable on Sustainable Biofuels (RSB): 29;
- UN (2007). Indicators of Sustainable Development. Guidelines and Methodologies, United Nations Commission for Sustainable Development (CSD). Department of Economic and Social Affairs: 99;
- UN. (2012). "UN Global Compact." from <http://www.unglobalcompact.org/AboutTheGC/TheTenPrinciples/index.html>;
- UNFCCC (2011). Benefits of the Clean Development Mechanisms 2011, UNFCCC: 52;
- Watch, C. (2010). The Clean Development Mechanism (CDM) Toolkit - a resource for citizens, activists and NGOs, CDM Watch: 23;

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- WB. (2012). "World Bank Safeguard Policies." from <http://siteresources.worldbank.org/EXTSAFANDSUS/Resources/appA.pdf>;
- CDM project documentation (all registered projects up to March 2012);
- Various studies of DNA SD criteria;
- International Climate Initiative (ICI);
- The Thai Crown Standard;
- The Philippines SD scoring system (in development);
- Forest Stewardship Council (FSC);
- Climate Community and Biodiversity Alliance (CCBA);
- EU Compliance report for letter of approval template;
- World Commission on Dams (WCD);
- International Labour Organization (ILO);
- CDM Watch;
- The International Finance Corporation Performance Standards;
- Hydropower Sustainability Assessment Protocol;
- Equator Principles;
- UN Commission on Sustainable Development (CSD);
- UN Millennium Development Goals (MDGs);
- World Health Organization (WHO);
- Outcome of the UN Conference on Sustainable Development (Rio+20).

**DRAFT****APPENDIX 2****Draft example SD Tool report****Sustainable Development Declaration¹**

Activity information	
Type of CDM activity	Programme of activities
UNFCCC activity reference no.	Not assigned
Title	Rural electrification in “Africa”
Activity status	Under development

Declaration information	
Date of declaration	4 June 2012
Status of declaration	First declaration
Date of previous declaration	-
Declaration language (original language)	English
Third party verification (willing)	Yes
Name of third party or comments	<i>All visits are appreciated - we would like to be involved in the communication locally*</i>

Contact information	
Title	Director
Name	Morten
Surname	Pedersen
Organisation	Coordinator ApS
Tel number (incl. dialling code)	+45 30301015

¹ This SD declaration report produced contains advice, opinions and statements of various information providers. The UNFCCC and the CDM Executive Board does not represent or endorse the accuracy or reliability of any advice, opinion, statement or other information provided by any information provider. Reliance upon any such advice, opinion, statement, or other information shall also be at own risk.

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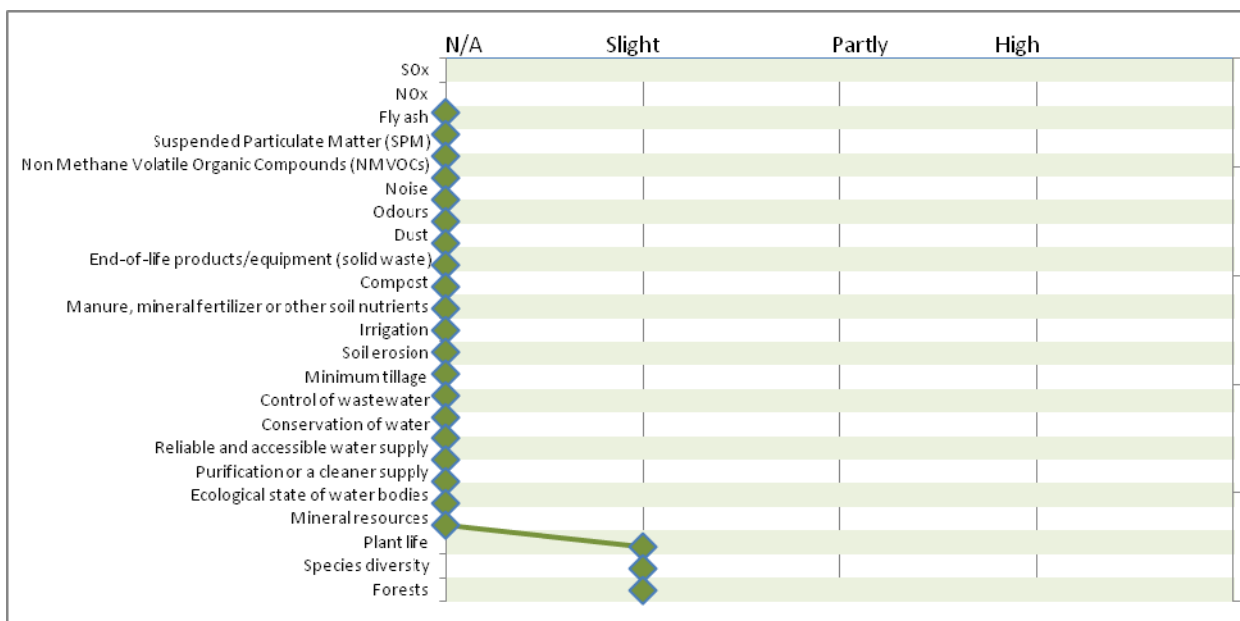
Contact information	
Email address	pedersenm@yahoo.com
Affiliation to CDM	Project developer
Listed in F-CDM-MOC	No

*All original text is in italics

A. Environmental co-benefits

No air, land or water co-benefits were declared and no additional benefits were raised.

Natural resources	The programme of activities protects or enhance depletable natural resources		
	Indicator	Specification	Extent
	Plant life	<i>Preservation of forest cover through reduced deforestation</i>	Slight
	Species diversity	<i>Preservation of forest cover and animal habitats through reduced deforestation</i>	Slight
	Forests	<i>Preservation of forest cover through reduced deforestation</i>	Slight

The extent of the environmental co-benefits:



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B. Social co-benefits

All available social co-benefits were declared, and no additional benefits were raised.

The programme of activities creates new employment, through:		
Indicator	Specification	Extent
Employment	New long-term jobs	High
	<i>New long term job positions in the investment project, as well as in the maintenance and administration of the project in the long term</i>	
	Number of new long-term jobs created	20
	New short-term jobs	High
	<i>Temporary jobs in the construction phase</i>	
	Number of new short-term jobs created	10
	Income generation	High
	<i>Provided more stable energy supply, there will be new opportunities for shops and factories</i>	
	Other employment opportunities	High
	<i>Provided more stable energy supply, there will be new opportunities for other types of businesses</i>	
The programme of activities results in health and safety improvements, through:		
Health and safety	Disease prevention	High
	<i>Improved health facilities</i>	
	Reduction of accidents	High
	<i>Light will also be available during night hours, which will reduce the number of accidents</i>	
	Reduction of crime	High
	<i>Lighting in the area (for instance in market place) will help to reduce the occurrence of crime</i>	
	Preservation of food	High
	<i>Better preservation of food, including access to refrigerators at household level, as well as cooling facilities at factories</i>	
	Reducing health damaging pollution	High
	<i>Changing the lights from kerosene lamps to CFL/LED light bulbs</i>	
	Health services	High
	<i>Better electricity provision at health centers and dispensaries will make significant contribution to improved health care</i>	



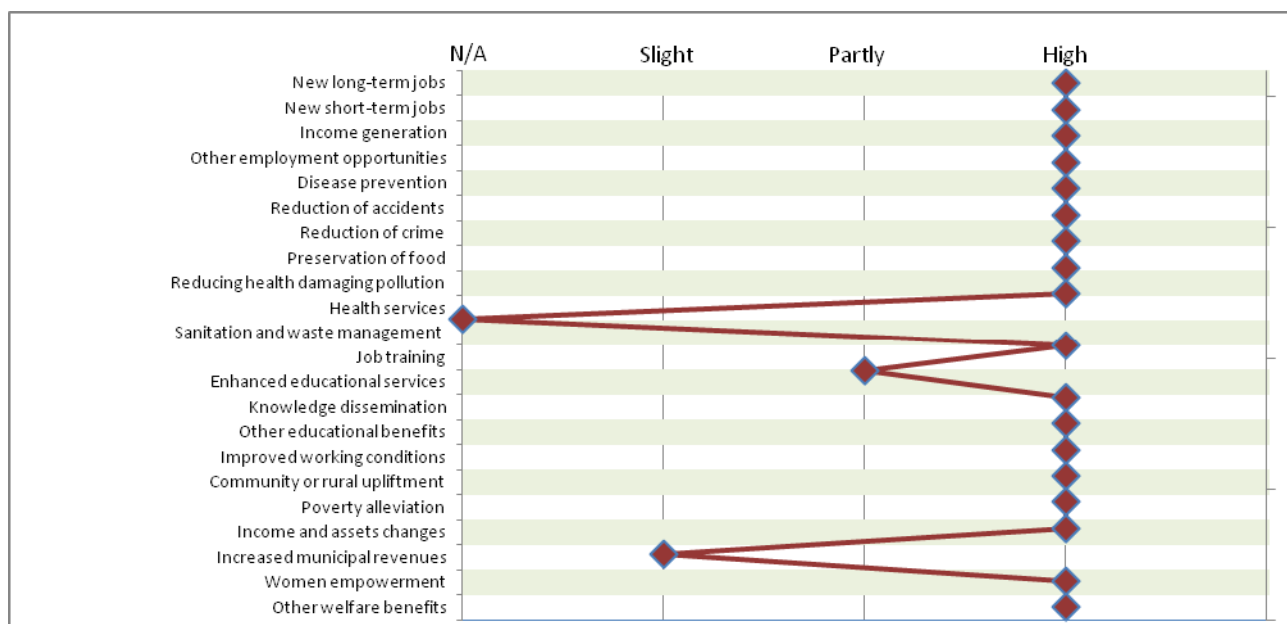
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Education	The programme of activities facilitates education, dissemination of information, research or increase awareness, through:		
	Job training	<i>Job related training will be an integrated part of the project</i>	High
	Enhanced educational services	<i>Project will provide improved possibilities for education and training</i>	Partly
	Knowledge dissemination	<i>Dissemination of knowledge regarding the electricity systems, administrative systems and payment systems</i>	High
	Other educational benefits	<i>Access to electricity will increase the possibilities of using media such as TV, radio, mobiles, which will improve access to information and knowledge</i>	High
Welfare	The programme of activities improves the welfare of people, through:		
	Improved working conditions	<i>Working conditions in less polluted environment</i>	High
	Community or rural upliftment	<i>The project will focus on securing sustainable development in the rural areas</i>	High
	Poverty alleviation	<i>The project will focus on securing sustainable development in the rural areas, through access to clean energy and creating new jobs that will help to alleviate poverty</i>	High
	Income and assets changes	<i>The electricity generation will create new frame for income generation</i>	High
	Increased municipal revenues	<i>Since project is focused on local development, it will deliver increased municipal revenues</i>	Slight
	Women empowerment	<i>It is a priority to include women in the decision-making process of the project</i>	High
	Other welfare benefits	<i>The project will in general deliver an increased living standard, especially for women and children</i>	High



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The extent of the social co-benefits:

C. Economic co-benefits

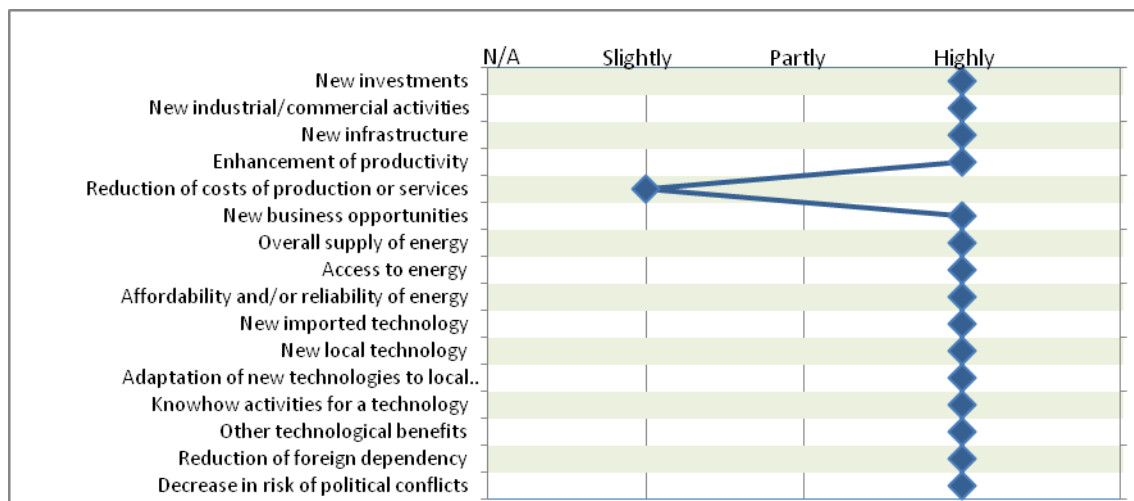
All available economic co-benefits were declared, and no additional benefits were raised.

The programme of activities supports economic development and/or stability, through:		
Indicator	Specification	Extent
New investments	<i>Investment in the project</i>	High
New industrial/commercial activities	<i>With stable energy supply provided, new investments can be initiated, but conditioned by the interest and possibilities of the private sector</i>	High
New infrastructure	<i>Establishment and maintenance of new energy infrastructure will be an integrated part of the project</i>	High
Enhancement of productivity	<i>The access to cleaner and more reliable energy supply will help to enhance the productivity of the existing production facilities</i>	High
Reduction of costs of production or services	<i>The energy costs might be decreased for some households and businesses, depending on the starting situation</i>	Slight
New business opportunities	<i>A significant number of new commercial activities is expected to improved availability of electricity supply</i>	High



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Energy	The programme of activities improves energy availability and/or access, through:		
	Overall supply of energy	<i>Improved coverage and availability will be secured through the establishment of the project</i>	High
	Access to energy	<i>Improved access will be secured through the establishment of the project</i>	High
Technology	Affordability and/or reliability of energy	<i>A more stable energy supply system will be constructed. The affordability will increase over time.</i>	High
	The programme of activities results in a change in technology, through:		
	New imported technology	<i>The solar technology will be imported. Also consumer goods imported as a consequence of the project - for instance CFL/LED bulbs.</i>	High
	New local technology	<i>It is expected that part of the needed equipment will be produced in Malawi</i>	High
	Adaptation of new technologies to local circumstances	<i>Project intends to adapt part of the technologies to local circumstances, mainly to ensure easy maintenance</i>	High
Balance of payments	Knowhow activities for a technology		High
	The programme of activities contributes to improving the country's balance of payments, through:		
	Other technological benefits	<i>The rural community could be partial owners of the new renewable energy facilities</i>	High
	Reduction of foreign dependency	<i>Increased energy production in the country based on locally available renewable energy</i>	High
	Decrease in risk of political conflicts	<i>Increased energy production in the country based on locally available renewable energy</i>	High

**DRAFT****The extent of the economic co-benefits:****C. Negative impacts**

All no harm safeguards were declared, no other negative impacts were declared and no concerns were raised.

No harm safeguard principle declaration	
The project respects the rights of indigenous peoples & members of local communities and does not involve involuntary resettlement, alteration, damage or removal of any critical cultural heritage	Confirmed
The project respects employee freedom of association, no forced or compulsory labour, no child labour, no discrimination, safe and healthy work environment.	Confirmed
The project employs the precautionary approach to avoid negative impacts to the environment and/or natural habitats, ecosystems, communities and vulnerable groups.	Confirmed
The project does not involve nor is complicit in corruption.	Confirmed
The project respects land rights	Confirmed

D. Stakeholder involvement declaration

In completing this declaration the programme of activities engaged local communities and local policy makers and representatives of local authorities through feedback meeting(s) and/or communication.

Additional stakeholder engagement, included: “Main issues have been discussed at stakeholder meetings in 5 villages”.

**DRAFT****E. Conformity to applicable laws and regulations**

The programme activity conforms to applicable local laws, regulations, or by-laws.

The programme activity conforms to applicable regional laws.

The programme activity conforms to applicable host country national laws.

The programme activity conforms to applicable host country sustainable development.

The programme activity has not committed to any industry or other voluntary requirements.
