

***Definition of Least Developed Countries in the context of Article 11a(4) of Directive 2009/29/EC of the European Parliament and of the Council of 23 April 2009, amending Directive 2003/87/EC so as to improve and extend the greenhouse gas emission allowance trading scheme of the Community (O.J. L 140, 5.6.2009, p.77)***

The EU believes that it is important to encourage investment that will reduce emissions in Least Developed Countries (LDCs).

Article 11a(4) of the revised EU ETS Directive provides an incentive to investors to develop CDM projects in the LDCs in recognition of the development benefits associated with these projects. For the purposes of the application of this article, this relates to the list of LDCs as defined by the Committee for Economic Development and endorsed by the Economic and Social Council of the United Nations. This list is updated every three years according to specific criteria (<http://www.un.org/special-rep/ohrlls/ldc/ldc%20criteria.htm>). The list can be found at <[http://www.un.org/esa/policy/devplan/profile/ldc\\_list.pdf](http://www.un.org/esa/policy/devplan/profile/ldc_list.pdf)>. A project in a LDC that is included in this UN list when the project is registered by the CDM Executive Board may continue to generate credits up to 2020 whatever happens to the list. Subject to the general provisions in paragraphs 7 and 9 of Article 11a, this applies to project types that were eligible for use in the Community scheme during the period 2008-2012, including renewable energy or energy efficiency technologies which promote technological transfer and sustainable development.