

Telephone: +265 1 771111
Tele fax No: +265 1 773379

Our Reference No: EAD/99/07/26A
Your Reference No:

Communications should be addressed to:
The Director of Environmental Affairs



ENVIRONMENTAL AFFAIRS DEPARTMENT
LINGADZI HOUSE
CITY CENTRE
PRIVATE BAG 394
LILONGWE 3
MALAWI

3rd August 2012

The General Manager
Green Development AS
Trosviksodden 8, 1392 Vettre,
Norway.
Attention: Mr. Havard Norstebo

Dear Sir,

**LETTER OF APPROVAL FOR PROJECT:
PoA FOR THE REDUCTION OF EMISSIONS FROM NON-RENEWABLE FUEL FROM
COOKING AT HOUSEHOLD LEVEL.**

Reference is made to the request by Green Development AS for a letter of approval for the above mentioned project from the Designated National Authority for the Clean Development Mechanism (CDM) of Malawi.

2. Malawi ratified the United Nations Framework Convention on Climate Change (UNFCCC) on 21st April 1994, acceded to the Kyoto Protocol on 26th October 2001 and is in compliance with its obligations under these international instruments.

3. Environmental Affairs Department is the Designated National Authority (DNA) for the CDM in Malawi, and is the body authorised to issue Letters of Approval for CDM projects.

4. As the authorised representative of the DNA of Malawi, I hereby:

- confirm that the project assists Malawi in achieving sustainable development;
- approve this project for the purpose of Article 12 of the Kyoto Protocol;
- confirm that Malawi's participation in the CDM and CDM project is voluntary;

5. By this endorsement and approval, Malawi is committing itself to render such assistance as may be necessary in the future registration, certification, issuance and transfer for the purposes of the UNFCCC and the Kyoto Protocol, of the emission reductions generated by PoA for the Reduction of Emissions from Non-Renewable Fuel from Cooking at Household Level. For this purpose, this DNA will cooperate with the CDM Executive Board and relevant operational entities, to facilitate the processes under Article 12 of the Kyoto Protocol, with the objective of achieving issuance of and transfer of Certified Emission Reductions (CERs) from the said Project.



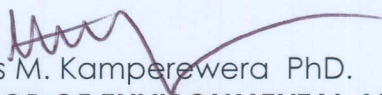
6. Accordingly, and in line with the DNA's directive, your organisation, Green Development AS in collaboration with Agri-Business Consulting is hereby issued this letter of approval. However, the authorisation granted in terms of this Letter of Approval is conditional upon satisfactory addressing of issues raised in Annex 1 (attached), and the project development being in accordance with the Project Design Document version 1 (CDM-SSC-CPA-DD) – version 01 as uploaded on the DNA website www.nccpmw.org

7. By its acceptance of this Letter of Approval, Green Development AS indemnifies the DNA against any loss that Green Development AS may suffer as a result of their implementation of the Project.

8. Kindly keep us posted of stages of development of the project for our monitoring purposes during implementation phase.

9. This letter of approval is issued in two originals, in the English language.

Yours sincerely,



Aloysius M. Kamperewera PhD.
ACTING DIRECTOR OF ENVIRONMENTAL AFFAIRS
DESIGNATED NATIONAL AUTHORITY FOR CDM



Annex 1

OBSERVATIONS FROM THE CLEAN DEVELOPMENT MECHANISM (CDM) TECHNICAL COMMITTEE

Following the review of the Programme Design Document, the CDM Technical Committee made the following observations and recommendations, to be addressed prior to project implementation:

1. The developer needs to conduct a baseline study for Malawi which should indicate standard practices and the kind of cookstoves that are currently in use in the project area (disaggregated into percentage of population using each kind of cookstove).
2. This baseline study should also include an energy baseline study to indicate the target group's energy needs and willingness to pay for energy services. The developer could liaise with Department of Energy Affairs on availability of this information. Prices of the cookstoves and the fuels to be used should be indicated in the local currency and should be affordable for the target communities to ensure successful implementation of the project.
3. The meeting noted that in Malawi, Ethanol is produced at the sugar factories in Nkhotakota and Chikhwawa districts therefore implementation of the proposed project in these districts could ensure that the fuel is readily available and is purchased at affordable prices.
4. There is need to build local capacity in manufacturing / assembling the stoves so as to create job opportunities in the country and also to make the cookstoves more affordable.
5. It is a requirement to train users and local entrepreneurs on how to use the stoves since the cookstoves use inflammable fuels.

