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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

25th January, 2013

C-Quest Capital Malaysia Global Stoves Limited (CQC)
Brumby Centre,
Lot 42
Labuan
Malaysia
Attention: Mr. Ken Newcombe

Dear Sir,

LETTER OF APPROVAL FOR THE PROGRAMME OF ACTIVITIES:

PoA: Improved Cookstoves Program for Malawi and cross-border regions of Mozambique

Reference is made to the request by C-Quest Capital Malaysia Global Stoves Limited (CQC) and Total LandCare (TLC) Malawi, as the Project Participants, 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 herself to render such assistance as may be necessary in the future registration, certification, issuance and transfer of the emission reductions generated by PoA: Improved Cookstoves Program for Malawi and cross-border regions of Mozambique for the purposes of the UNFCCC and the Kyoto Protocol. 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, C-Quest Capital Malaysia Global Stoves Limited (CQC) and Total LandCare (TLC) Malawi, both Project Participants to the PoA, are hereby issued this Letter of Approval. C-Quest Capital Malaysia Global Stoves Limited (CQC) is authorized to act as the Coordinating Managing Entity for this PoA. Find attached recommendations made by the DNA (Annex 1), which the Project Participants are encouraged to address within 6 months of issuance of this Letter of Approval. This Letter of Approval is issued in accordance with the Project Design Document CPA-MAL-001, Version of 28/11/2012 as uploaded on the DNA website www.nccpmw.org

7. By acceptance of this Letter of Approval, C-Quest Capital Malaysia Global Stoves Limited indemnifies the DNA against any loss that C-Quest Capital Malaysia Global Stoves Limited may suffer as a result of implementing 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.
DIRECTOR OF ENVIRONMENTAL AFFAIRS
DESIGNATED NATIONAL AUTHORITY FOR CDM



Annex 1

OBSERVATIONS FROM THE CLEAN DEVELOPMENT MECHANISM (CDM) TECHNICAL COMMITTEE

Following the successful review of the Programme Design Document (PDD), the CDM Technical Committee for Malawi made the following observations and recommendations:

1. The developer should put in place a mechanism that should replace all imported materials used in the making of the stoves with locally made materials within a specified time period.
2. The developer should work with Academic and Research institutions to ensure technology transfer at national level.
3. An Environmental Impact Assessment is not required for this project. However, an Environmental Management Plan should be prepared to indicate how the Project intends to address negative environmental impacts that the project may bring about such as clay mining.
4. The project should include an afforestation or reforestation component which should be additional to the on-going activities the developer is already implementing since the cookstoves will still use woodfuel.

