

Letter of Approval
concerning
Qinan Hydro Power Project
and
Carbon Asset Management Sweden AB

PREAMBLE

Whereas:

- A. Sweden has ratified the Kyoto Protocol to the United Nations Framework Convention on Climate Change on May 31, 2002.
- B. The Swedish Energy Agency has been appointed Designated National Authority for the Clean Development Mechanism.
- C. *Carbon Asset Management Sweden AB* ("the Applicant") has applied to participate in the *Qinan Hydro Power Project* ("the Project activity").

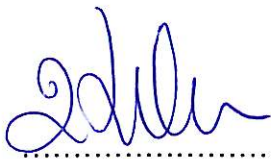
NOW THEREFORE the undersigned as legal and authorized representative of the Government of Sweden declares that:

DECLARATION:

1. Sweden *approves* the Project activity as a Clean Development Mechanism (CDM) project in accordance with Article 12 of the Kyoto Protocol and the relevant rules, decisions, guidelines, modalities, and procedures thereunder and confirms that the participation in the Project is voluntary.
2. Sweden *authorizes* the Applicant to participate in the Project activity in accordance with the Kyoto Protocol, the Marrakech Accords and the relevant rules, decisions, guidelines, modalities, and procedures thereunder.
3. Sweden *affirms* that any public funding for the Project activity does not result in a diversion of Sweden's official development assistance and is separate from and is not counted towards Sweden's financial obligations as a Party.

Eskilstuna 2008-06-24

For and on behalf of
The Government of Sweden



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Zofia Lublin
Acting Director General
Swedish Energy Agency