

Umweltbundesamt | Deutsche Emissionshandelsstelle
Postfach 330022 | 14191 Berlin

RWE Power AG
Herr Uwe Mades
Huyssenallee 2

45128 Essen

Berlin, 13.09.06

Bearbeiter/in: Dr. Karsten Karschunke

Telefon: (0 30) 89 03 – 51 68

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Geschäftszeichen: E 1.5 – 18410 - 0018

Carbon Egypt Ltd.
Mr. Hani Riskalla
2 Simon Bolivar Square
Garden City
Cairo
Egypt
- Reporting -

Carbon Projektentwicklung GmbH
Herr Ferdinand Heilig
Ortsring 41
3485 Grunddorf
Österreich
- Reporting -

Authorization to participate in the project „Catalytic N2O Destruction Project in the Tail Gas of the Nitric Acid Plant of Abu Quir Fertilizer Co.” within the framework of the Clean Development Mechanism

Request of RWE Power AG from July 21st 2006

Dear Sir or Madam,

On above-mentioned request the Federal Environment Agency as the German Designated National Authority authorizes RWE Power AG, Huyssenallee 2, 45128 Essen, to participate in this project. In accordance to Section 8 paragraph 1 of the German Project Mechanisms Act (ProMechG) the Federal Environment Agency has approved this project on September 13th 2006 and has issued a Letter of Approval (Zustimmungsbescheid).

The Federal Environment Agency confirms that

Germany has ratified the Kyoto Protocol (31 May 2002) and
Germany participates voluntarily in the project mentioned above.

Yours Sincerely,
On behalf of the Federal Environment Agency



(Dr. Karsten Karschunke)

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Courtesy Translation

Of the approval notice concerning the project activity

**“Catalytic N2O Destruction Project in the Tail Gas of the Nitric Acid Plant of Abu Quir
Fertilizer Co.”**

Issuer: Federal Environment Agency (FEA); German Emissions Trading Authority

Consignee: RWE Power AG

Application for approval of the project “Catalytic N2O Destruction Project in the Tail Gas of the Nitric Acid Plant of Abu Quir Fertilizer Co.” within the framework of Clean Development Mechanisms from July 17th, received on July 21st 2006

Dear Sir or Madam,

The Federal Environment Agency (FEA) notifies you of the approval of the above mentioned project.

Notification.

The Federal Republic of Germany as investor country grants its approval of the project activity "Catalytic N₂O Destruction Project in the Tail Gas of the Nitric Acid Plant of Abu Quir Fertilizer Co." within the framework of Clean Development Mechanisms.

Notice:

This notification is subject to fees of which you will be notified in a separate letter.

Reasons

I) Facts

On July 17th 2006 RWE Power AG applied for approval of the project activity "Catalytic N₂O Destruction Project in the Tail Gas of the Nitric Acid Plant of Abu Quir Fertilizer Co.". For further details we refer to the project design document version 2, from June 20th 2006, and the validation report no. 611173 by 'TÜV Industrie Service GmbH TÜV SÜD Group', from July 3rd 2006. Together with the application we received the Letter of Approval of the host country Egypt from June 1st 2006. A request for registry has been lodged at the Executive Board on July 3rd 2006.

II) Legal Reasons

The Federal Environment Agency (FEA) is the competent national authority according to Section 10 para. 1 ProMechG.

The authorisation is granted according to Section 8 ProMechG.

In detail it determines:

- 1) The Federal Republic of Germany and Egypt are parties of the Kyoto Protocol.
- 2) The Federal Republic of Germany participates voluntarily in the Clean Development Mechanism (CDM) and the project.
- 3) The final project documentation dating from July 1st 2006 conforms to the formal and substantial requirements of Appendix B and section H of the Annex to Decision 17/CP.7.
- 4) The calculations concerning baseline and project emissions follow the baseline methodology AM0028 ("Catalytic N₂O destruction in the tail gas of Nitric Acid Plants -

version 1"). Based on the calculations in the project documentation it is expected that the project activity will lead to a reduction of greenhouse gas emissions of 7,461,165 tonnes of carbon dioxide equivalents in the validity period from 9/2006 until 8/2012. This also follows from the validation through 'TÜV Industrie Service GmbH TÜV SÜD Group' dating from July 3rd 2006 (Report No. 611173). The validation report approves the registration as CDM-project and confirms the predicted reductions of greenhouse gases.

- 5) The project does not cause severe adverse environmental impacts.
- 6) The host country Egypt confirms with his Letter of Approval from June, 1st 2006, that the project will not be adverse to sustainable development taking into account social, economic and environmental aspects.
- 7) Reasons to deny the authorization according to Section 8 para. 2 ProMechG are not apparent.

Regarding the above-mentioned project all legal requirements are fulfilled.

Therefore the Federal Republic of Germany as investor country represented by the Federal Environment Agency (FEA) grants its approval to the project.

Instruction on rights to appeal

Appeal ("Widerspruch") against this notification can be filed within one month after its announcement. The appeal has to be in written form, in an equivalent electronic form or in form of a memorandum in writing ("zur Niederschrift") and to be addressed to Umweltbundesamt, Bismarckplatz 1, 14193 Berlin. The appeal in an equivalent electronic form requires an electronic signature. For further details please refer to the announcement of the Umweltbundesamt dating from January 20th 2006 ("Bekanntmachung") published in "Bundesanzeiger", issue no. 14 dating from the 20th of January 2006, p. 229.

Yours sincerely,

On behalf of the Federal Environment Agency



Dr. Karsten Karschunke