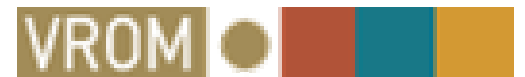


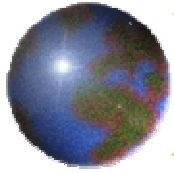
Host Country Requirements for CDM participation

Lex de Jonge

Ministry of Housing, Spatial Planning and the
Environment (VROM)

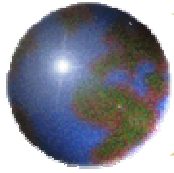
CDM workshop Tanzania January 08





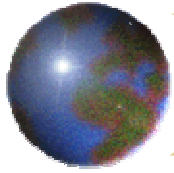
Requirements from EB perspective

- Host Country must have assigned a DNA (Designated National Authority)
- DNA must be notified at UNFCCC
- For each CDM project DNA issues Letter of Approval (LoA), containing following statements:
 - project contributes to sustainable development (SD) in Host Country
 - Host Country is Party to Kyoto Protocol
 - Host Country approves voluntary participation in CDM
 - Host Country authorizes Project Participant(s)



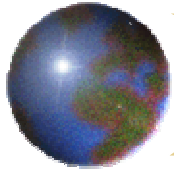
Checks EB on Host Country role

- Is LoA issued?
- Does LoA contain the statements on Sustainable Development (SD), Kyoto Protocol, voluntary participation in CDM (and eventually authorizing project participants)?
- That's all!!
- Assessment of contribution to SD is prerogative of Host Country and is not checked by EB
- Detail or depth of SD assessment is free



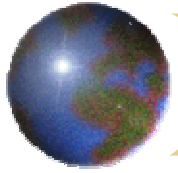
Checks EB on CDM project

- Registration of project:
 - Is all information in PDD complete, adequate and reliable, including inter alia:
 - a paragraph on environmental impacts
 - information on stakeholder consultation
 - Positive validation statement DOE
- Issuance of credits:
 - Accurate and reliable monitoring
 - Positive verification statement DOE



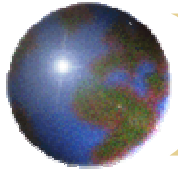
Dutch SD requirements CDM projects

- No serious negative environmental effects
- No serious negative social effects (e.g. child labor)
- No corruption or bribery
- Meet objectives of OECD requirements for multinational companies (e.g. right of labor unions)
- In line with social & environmental safeguard policies of multilateral Banks



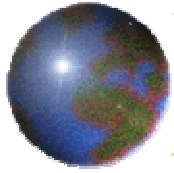
Dutch survey of SD in CDM projects (1)

- Direct SD effects:
 - GHG reduction
 - Increased & reliable access to energy
 - Reduced air pollution
 - Job quality improvement
 - Improved indoor health conditions
 - Improved waste management
 - Technology transfer
 - Reduced soil & water contamination



Dutch survey of SD in CDM projects (2)

- Indirect effects:
 - Job creation
 - Forest conservation
 - Improved competitiveness of industry
 - Poverty alleviation
 - Useful by-products
 - Improved sanitation conditions
 - Benefits to local community
- HFC-23 projects → add SD elements



Conclusion on Host Country SD

- Is Host Country prerogative
- No requirements on type of assessment
- Some countries apply quick scan (couple of weeks)
- Others apply lengthy detailed process
- More time consuming process → loss of credits