Manual for Submitting CDM Project Activities

to the Interministerial Commission on Global Climate Change, aimed at obtaining a Letter of Approval from the Brazilian Government

Ministry of Science and Technology - MCT General Coordination Office on Global Climate Change - CGMGC Interministerial Commission on Global Climate Change - CIMGC

> Version 2 July 1, 2008



PRESIDENT OF THE FEDERATIVE REPUBLIC OF BRAZIL

LUIZ INÁCIO LULA DA SILVA

MINISTER OF SCIENCE AND TECHNOLOGY

SÉRGIO MACHADO REZENDE

SECRETARY OF POLICIES AND PROGRAMS FOR RESEARCH AND DEVELOPMENT LUIZ ANTÔNIO BARRETO DE CASTRO

EXECUTIVE SECRETARY OF THE INTERMINISTERIAL COMMISSION ON GLOBAL CLIMATE CHANGE

JOSÉ DOMINGOS GONZALEZ MIGUEZ

Interministerial Commission on Global Climate Change General Coordination Office on Global Climate Change Ministry of Science and Technology

Manual for Submitting CDM Project Activities

to the Interministerial Commission on Global Climate Change, aimed at obtaining the Letter of Approval from the Brazilian Government

Copies of this publication are available at:

Ministry of Science and Technology Secretary of Policies and Programs for Research and Development – SEPED General Coordination Office on Global Climate Change Esplanada dos Ministerios Bloco E Sala 268

70067-900 - Brasilia - DF

Phone: 61-3317-7923 and 3317-7523

Fax: 61-3317-7657

e-mail: cpmg@mct.gov.br http://www.mct.gov.br/clima

EXECUTIVE SECRETARY OF THE INTERMINISTERIAL COMMISSION ON GLOBAL CLIMATE CHANGE

JOSÉ DOMINGOS GONZALEZ MIGUEZ

TECHNICAL TEAM

NEWTON PACIORNIK BRANCA BASTOS AMERICANO MAURO MEIRELLES DE OLIVEIRA SANTOS GUSTAVO BARBOSA MOZZER GUSTAVO LUEDEMANN HAISSA LOPES CARLONI ANA CAROLINA AVZARADEL

LEGAL TEAM

HAROLDO DE OLIVEIRA MACHADO FILHO MARCOS WILLIAN BEZERRA DE FREITAS BRUNO KERLAKIAN SABBAG

EDITORIAL TEAM

MARCOS WILLIAN BEZERRA DE FREITAS ANEXANDRA DE ÁVILA RIBEIRO

TRANSLATION FROM THE ORIGINAL PORTUGUESE VERSION BRIAN TAYLOR

GRAPHIC DESIGN, DIAGRAMMING AND COVER

PEDRO RENATO BARBOSA

2nd edition

2nd run (2008): 200 copies

Table of Contents

	Page
Introduction	7
1.Procedures	11
2. Information on necessary documents	13
2.1 PDD (Project Design Document, in English)	13
2.2 DCP (Project Design Document, in Portuguese)	16
2.3 Annex III (Contributions to Sustainable Development)	18
2.4 Letters of Invitation	19
2.5 Validation Report	23
2.6 Validation Report (in Portuguese)	24
2.7 Declarations from Project Participants	24
2.7.1. Person responsible and data for communication with the Executive Secretariat	
2.7.2. Compliance with Environmental Legislation	26
2.7.3. Compliance with Labor Legislation	27
2.8 Situation of the Designated Operational Entity – DOE	28
2.9 Complementary Documents	29
3.Procedures for approved project activities	31
4.Procedures for project activities approved with qualifications	33
5.Procedures for project activities considered under review	35
6.Hypotheses for revoking and annulling the Letter of Approval	37
7. Checklist	39
8. Graph of Deadlines	41
0 Address for conding correspondence	42

Introduction

The objective of this Manual is to facilitate the submission of CDM projects in Brazil, gathering, in a single document, the norms derived from the Interministerial Commission on Global Climate Change, through its Resolutions1.

The Interministerial Commission on Global Climate Change - CIMGC, hereon called the Interministerial Commission, is the Designated National Authority - DNA, the focal point in Brazil for the Kyoto Protocol's Clean Development Mechanism.

According to the Marrakesh Accords, which established the bases for the CDM, the DNA must attest to the voluntary participation of project activity participants in the CDM, attest that the project activity contributes towards sustainable development, and finally, issue a letter of approval of the project for national participants in CDM project activities. It was also up to the DNA to inform the CDM Secretariat of the parameters for defining forests for the CDM in Brazil2.

¹ Updated with the following Resolutions from the Interministerial Commission on Global Climate

Resolution no. 1, of September 11, 2003, http://www.mct.gov.br/upd_blob/0023/23430.pdf; Resolution no. 2, of August 10, 2005, http://www.mct.gov.br/upd_blob/0003/3379.pdf;

Resolution no. 3, of March 24, 2006,http://www.mct.gov.br/upd_blob/0006/6701.pdf;

Resolution no. 4, of December 6, 2006, http://www.mct.gov.br/upd_blob/0011/11780.pdf;

Resolution no. 5, of April 11, 2007,http://www.mct.gov.br/upd_blob/0014/14725.pdf; Resolution no. 6, of June 6, 2007,http://www.mct.gov.br/upd_blob/0015/15788.pdf;

Resolution no. 7, of March 5, 2008, http://www.mct.gov.br/upd_blob/0023/23744.pdf; Resolution no. 8, of May 26, 2008, http://www.mct.gov.br/upd_blob/0024/24719.pdf.

² Information also available at: http://cdm.unfccc.int/DNA/ARDNA.html?CID=30.

Besides facilitating the application of these norms, the procedures contained in this Manual also aim at speeding up the analysis process for CDM project activities by the Interministerial Commission and at reducing the total time for procedures necessary for project approval.

Furthermore, the Interministerial Commission acts in respect of acquired rights and perfect legal acts, in compliance with applicable legislation. Along these lines, the Interministerial Commission applies the norms contained in its resolutions, without any retroactive nature, reserving the right to always annul or revoke the Letter of Approval in the event a project activity approved by the Interministerial Commission under the CDM commits an act that is illegal or goes against public interest.

Therefore, the provisions contained in the resolutions published by the Interministerial Commission only apply to those project activities under the Clean Development Mechanism whose validation was initiated after the respective resolution went into effect (date that normally coincides with the publication of the resolution in the Official Federal Gazette).

For such, the Interministerial Commission considers that the beginning of project activity validation under the Clean Development Mechanism is the exact date the Project Design Document was published in the following CDM web site in the Secretariat of the Climate Convention:

http://cdm.unfccc.int/Projects/Validation/index.html.

Thus, in the event a project activity's validation began after the publication of a specific Interministerial Commission resolution in the Official Federal Gazette, the norms contained in this resolution shall be applied to the

project activity as a means to guarantee legal security to project activities hosted in Brazil under the Clean Development Mechanism.

Procedures

With the objective of obtaining approval of project activities under the Clean Development Mechanism – CDM, domestic proponents shall send the following documents³ to the Executive Secretariat of the Interministerial Commission (see address in the section of this Manual), in both print and electronic versions (with identical content):

- ✓ Project Design Document (in English and Portuguese);
- ✓ Annex III;
- ✓ Letters of Invitation to comment;
- √ Validation Report (in English and in Portuguese);
- ✓ Declaration concerning person responsible for communication and contact data;
- ✓ Declaration concerning compliance with environmental legislation;
- ✓ Declaration concerning compliance with labor legislation;
- ✓ Declaration concerning the situation of the

³ Article 3, Resolution no. 1, Articles 1, 2, 3, 5 and Annex to Resolution no. 7.

Designated Operational Entity - DOE.

Any documentation sent to the Executive Secretariat of the Interministerial Commission at the address shown in this Manual must be accompanied by a cover letter to the Executive Secretary listing the attached documents.

Once initial documentation of a project has been delivered, it shall be examined by the Executive Secretariat of the Interministerial Commission to ensure it is complete. A project shall only be considered *submitted* at the first ordinary meeting of the Interministerial Commission subsequent to the documentation protocol, so long as the delivery date for all documents was at least 5 (five) workdays prior to the date of the meeting⁴. The day following the day on which the project is considered submitted, its documentation (PDD, Validation Report and Annex III) will be published on the MCT site (www.mct.gov.br/clima), which is when the 60 (sixty) day period will begin to be counted for the Interministerial Commission to manifest⁵ itself regarding approval, approval with qualifications or for review of the project activity.

⁴ Article 2, Resolution no. 5.

⁵ Article 2, Resolution no. 5.

Information on necessary documents

2.1 PDD (Project Design Document, in English)

The Project Design Document - PDD, in English, must be sent in the form and version determined by the Clean Development Mechanism Executive Board, established under the Kyoto Protocol to the United Nations Framework Convention on Climate Change.

The PDD must be presented in the most appropriate updated form and in the same version sent to the Designated Operational Entity for validation and that will be sent to the CDM Executive Board together with the registration request. Other versions will not be accepted.

There are different forms according to project type: emission reduction project (large scale and small scale) and forestation and reforestation project (large scale and small scale).

For any CDM project activity linked to the National Interconnected System – SIN, supplying or using electricity from the grid, and which applies the ACM0002, AMS-I.D. methodologies and/or the "Tool to calculate the emission factor

for an electricity system" approved by the CDM Executive Board, the single system comprised of the union of SIN subsystems must be adopted as definition of the "Project's Electricity System"⁶.

Emission reduction project (large scale): The form for preparing this document is found on the CDM Executive Board's page. At present, this form is in version 3.1 and it is available at the following electronic address:

http://cdm.unfccc.int/Reference/Documents/cdmpdd/ English/CDM_PDD.pdf

The guide for filling out the PDD form (Guidelines for completing CDM-PDD) is also found on UNFCCC's page, at the following electronic address:

http://cdm.unfccc.int/Reference/Documents/Guidel_P dd_most_recent/English/Guidelines_CDMPDD_NM.pdf

Emission reduction project (small scale): The project classified as a Small Scale Project – SSC must use a simplified version of the form, which is currently in version 3. The SSC-PDD form and the guidelines for filling it out are found at the following electronic addresses:

http://cdm.unfccc.int/Reference/Documents/SSC_PDD/English/SSCPDD_en.pdf

http://cdm.unfccc.int/Reference/Guidclarif/PDD_Guid0 5_F_CDM_SSC_PDD-NM.pdf

⁶ Resolution no. 8.

Forestation and reforestation project (large scale): The form for preparing this document is found on the CDM Executive Board's page. At present, this form is in version 4 and it is available at the following electronic address:

http://cdm.unfccc.int/Reference/PDDs_Forms/PDDs/PDD_AR_form03_v04.pdf

The guide for filling out the PDD form (Guidelines for completing CDM-AR-PDD) is also found on UNFCCC's page, at the following electronic address:

http://cdm.unfccc.int/Reference/Guidclarif/PDD_AR_g uid03 v08.pdf

Forestation and reforestation project (small scale): The forestation and reforestation projects that fit in the Small Scale Project category must use a simplified version of the form, which is currently in version 2. The SSC-AR-PDD form and the guidelines for filling it out are found at the following electronic addresses:

http://cdm.unfccc.int/Reference/PDDs_Forms/PDDs/PDD_SSCAR_form01_v02.doc

http://cdm.unfccc.int/Reference/Guidclarif/PDD_SSCA R_guid01_v04.pdf

There are two forms for the large scale **Programme of Activities**, one which refers to the Programme of Activities
(PoA) and the other which refers to the CDM Programme

Activity (CPA). There are also two forms for small scale activities that follow the same structure.

All of the forms and guidelines for filling them out are found at the following electronic addresses:

http://cdm.unfccc.int/Reference/PDDs_Forms/PoA/ind ex.html

http://www.mct.gov.br/index.php/content/view/61154 .html

2.2 DCP (Project Design Document, in Portuguese)

The Project Design Document – DCP is the translated version of the PDD described above. In Brazil, the document that is legally valid is the Portuguese version, and therefore, that is the version that will be analyzed by the Interministerial Commission. Thus, special attention must be given to ensure the translation is faithful to the English version and that the official nomenclature is used for the institutions and for the terms created under the Kyoto Protocol and that have been duly internalized in Portuguese in the documents made available on the Ministry of Science and Technology's web site: http://www.mct.gov.br/clima.

The official translation of the updated DCP form for **emission reduction and large scale projects** is shown in Annex I of Resolution no. 6. Decision 17/CP.7, which originally regulated this type of project and was endorsed by Decision 3/CMP.1 of the Conference of the Parties serving as the Meeting

of the Parties to the Kyoto Protocol, is translated in Annex I of Resolution no. 1.

The official translation of the DCP form for **emission** reduction and small scale projects is shown in Annex II of Resolution no. 3. The version shown in Portuguese serves as a basis for the translation since the DCP must always be presented in its latest version adopted by the CDM Executive Board and there may be a gap between the English and Portuguese versions as a result of the time needed for translation and publication on the site.

The official translation of the DCP form for **large scale forestation and reforestation projects** is shown in Annex IV of Resolution no. 2. The version shown in Portuguese serves as a basis for the translation since the DCP must always be presented in its latest version adopted by the CDM Executive Board. Decision 19/CP.9, which originally regulated this type of project and was endorsed by Decision 5/CMP.1 of the Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol, is translated in Annex I of Resolution no. 1

2.3 Annex III (Contributions to Sustainable Development)

The project's contributions to sustainable development must be described in a separate document, commonly called "Annex III", since it is defined in Annex III of Resolution no. 1. This information will guide the discretionary decision by members of the Interministerial Commission to approve, if such is the case, the proposed project activity, taking into consideration the criteria mentioned below.

Annex III must emphasize project activity contributions for each of the five aspects: local environmental sustainability, development of working conditions and the net generation of jobs; income distribution; training and technological development; and regional integration and articulation with other sectors. It is important to emphasize the contributions that can indeed be attributed to implementation of project activity, clearly separating them from other possible benefits that stem from other activities by project proponent companies. It is worthwhile noting that reductions in greenhouse gas emissions do not configure a contribution to local, but to global, environmental sustainability.

This information must be coherent with what is found in other presented documents (PDD or Validation Report) and it must be shown in a clear and objective manner. The contribution of project activity towards sustainable development will be analyzed based on information provided in Annex III. It is not obligatory for this contribution to serve all five aforementioned parameters, because this will vary

according to the scope of each project activity proposed under the CDM.

If the Interministerial Commission understands that the proposed CDM project activity contributes towards Brazil achieving sustainable development, it will issue a Letter of Approval. Otherwise, this activity can be placed under review or it may be approved with qualifications, as will be analyzed further ahead.

2.4 Letters of Invitation

Copies of the letters of invitation to comment that were sent to stakeholders involved, interested in and/or affected by project activities must be sent⁷.

If the project activities are in just one or several townships, within the geographical boundaries of a single state (State/Federal District), the letters of invitation must be sent to at least the following stakeholders:

- ✓ City hall of each involved township⁸;
- ✓ City council of each involved township;
- √ State environmental body;
- ✓ Municipal environmental bodies;

⁷ Article 3, Resolution no. 7.

 $^{^{\}circ}$ In the case of the Federal District, respecting the cumulative competence established in the Federal Constitution.

✓ Brazilian NGO Forum and Social Movements for the Environment and Development – FBOMS (http://www.fboms.org.br), currently at the following address:

SCS - Quadra 08 - Bloco B-50 - Edificio

Venancio 2000 - Sala 105

CEP 70333-900 - Brasilia-DF

- ✓ Community associations whose purposes are direct or indirectly related to the project activity;
- ✓ The State Attorney General of the state involved, or, depending on the case, the Attorney General for the Federal District and Territories;
- ✓ Federal Attorney General.

If project activities involve more than one state and are submitted to the Interministerial Commission in a single Project Design Document, through bundling, the letters of invitation must be sent to at least the same stakeholders described above, for each project activity included in the bundling, considering the geographic boundary of each township and state involved.

If the boundary of a project activity extends beyond the boundaries of more than one state or the Federal District, but it does not involve bundling, and it is submitted to the CIMGC in a single PDD, through bundling, the letters of invitation must be sent to at least the following stakeholders:

- ✓ Government of each state or Federal District involved;
- ✓ Legislative assembly of each state involved, or in the case of the Federal District, the Legislative Chamber;
- √ Federal environmental body;
- ✓ State environmental bodies involved;
- ✓ Brazilian NGO Forum and Social Movements for the Environment and Development – FBOMS (http://www.fboms.org.br), currently at the following address:

- ✓ National entities whose purposes are direct or indirectly related to the project activity;
- ✓ The State Attorney Generals of the states involved, or, depending on the case, the Attorney General for the Federal District and Territories;
- √ Federal Attorney General

In all of the aforementioned cases, letters of invitation must be clearly addressed to each of the stakeholders listed above. They must be sent by mail, with return receipt, or in person, at least 15 (fifteen) days before beginning the

validation process, so that any comments received can be incorporated into the Validation Report to be submitted to the Executive Secretariat of the Interministerial Commission.

The beginning of the validation process is considered the day the Project Design Document was made available for international stakeholder consultation on the CDM web site at the Secretariat of the Climate Convention:

http://cdm.unfccc.int/Projects/Validation/index.html.

Copies of the letters of invitation sent to the Interministerial Commission must be accompanied by proof of receipt by the addressees. If in the event any of the stakeholders does not exist, a letter must be attached justifying the lack of the corresponding letter of invitation.

The letters of invitation must⁹:

 I - contain the name and type of project activity, as shown on the project design document - PDD;

II - inform the specific electronic address for the web site where copies can be obtained, in Portuguese, of the last available PDD version in question, as well as the description of the project activity's contribution towards sustainable development, as per Annex III of Resolution no. 1, ensuring that this page remains accessible at least until conclusion of the project activity registration process at the CDM Executive Board; and

⁹ Article 3, clause 5, Resolution no. 7.

III - provide an address so stakeholders who do not have access to the Internet can request, in writing, and in a timely manner, a printed copy of the documentation mentioned above from the project proponent.

2.5 Validation Report

The Validation Report for the project activity prepared by the Designated Operational Entity, in the form to be submitted to the CDM Executive Board, in English, must also be submitted to the Interministerial Commission¹⁰.

The report must make clear and unequivocal reference to the PDD version that is being analyzed, as well as the methodology version used, which must have been approved and published by the CDM Executive Board.

The Validation Report cannot make any qualification or have any pending corrective action. The fact the Letter of Approval is only issued by the Brazilian Government after Validation must not be shown as a pending issue in the Validation Report, and it must be explained in the Validation Report with the following: "Prior to the submission of the Project Design Document and the Validation Report to the CDM Executive Board, the Project will have to receive the written approval of voluntary participation from the DNA of Brazil, including the confirmation that the Project assists the country in achieving sustainable development." ¹¹.

¹⁰ Article 3, clause III, Resolution no. 1.

2.6 Validation Report(in Portuguese)

The document to be presented is the translation into Portuguese of the "Validation Report" prepared by the Designated Operational Entity that will be forwarded to the CDM Executive Board together with the request for project registration, as referred to in the above item. In Brazil, the document that is legally valid is the Portuguese version, and therefore, that is the version that will be analyzed by the Interministerial Commission. Thus, special attention must be given to ensure the translation is faithful to the English version and that the official nomenclature is used for the institutions and for the terms created under the Kyoto Protocol and duly internalized in Portuguese in the documents made available on the Ministry of Science and Technology's web site: www.mct.gov.br/clima.

2.7 Declarations from Project Participants

The following declarations must be delivered in their original copies:

2.7.1. Person responsible and data for communication with the Executive Secretariat

This is a declaration signed by all national project participants¹¹ or separate declarations with the same content, stipulating who is responsible and the data for contacting the Executive Secretariat of the Interministerial Commission¹², which must be done in the following terms¹³:

DECLARATION

(The project participant), in compliance with clause IV, Article 3, Resolution no. 1, of the Interministerial Commission on Global Climate Change, hereby declares that:

The person responsible for communication with the Executive Secretariat of the Interministerial Commission on Global Climate Change for project (name and location of the project), is (Company name and CNPJ), represented by (Name, nationality, marital status, profession), who can be contacted at (address, phones, fax, e-mail).

Date:

Signature of the legal representative for each national participant in the project activity.

Each participant who signs this declaration must forward documents that prove his/her legitimacy for such¹⁴.

¹¹ Article 4, Resolution no. 4.

¹² Article 5, Resolution no. 7 and Article 4, Resolution no. 3, with text given by Article 6, Resolution no. 7.

¹³ Annex to Resolution no. 7.

Article 6, Resolution no. 7.

2.7.2. Compliance with Environmental Legislation

This is a declaration signed by the national participants in the project that attests to compliance of the proposed CDM project activity with the environmental legislation in force in the country¹⁵, accompanied by documents that attest to said compliance up to the moment the documents are submitted.

The declaration must be as follows16:

DECLARATION OF COMPLIANCE WITH ENVIRONMENTAL LEGISLATION

(Company Responsible for the Project), in compliance with Article 3, V, Resolution no. 1, of the Interministerial Commission on Global Climate Change, hereby declares that:

- 1) It is aware of the environmental legislation in force and pertinent to the project (project name and location) in the diverse phases of (study, implementation, operation, deactivation).
- 2) Copies of the environmental licenses and documents that attest to compliance with the environmental legislation up to the present moment are attached to this declaration.

Date:

Signature of the legal representative for each national participant in the project activity.

Each participant who signs this declaration must forward documents that prove his/her legitimacy for such¹⁷.

¹⁵ Article 3, Clause V, Resolution no. 1; Article 5, Resolution no. 3, and Article 4, Resolution no. 4.

¹⁶ Annex IV to Resolution no. 3.

¹⁷ Article 5, Resolution no. 3.

2.7.3. Compliance with **Labor Legislation**

This is a declaration signed by the national participants in the project that attests to compliance of the proposed CDM project activity with labor legislation in force in the country¹⁸.

The declaration must be as follows¹⁹:

DECLARATION OF COMPLIANCE WITH LABOR LEGISLATION

(Company Responsible for the Project), in compliance with Article 3, V, Resolution no. 1, of the Interministerial Commission on Global Climate Change, hereby declares that:

1) It is aware of the labor legislation pertinent to the project (project name and location) and it is in compliance with the labor legislation in force.

Date:

Signature of the legal representative for each national participant in the project activity.

Each participant who signs this declaration must forward documents that prove his/her legitimacy for such²⁰.

¹⁸ Article 3, Clause V, Resolution no. 1; Article 5, Resolution no. 3, and Article 4, Resolution no. 4.
¹⁹ Annex IV to Resolution no. 3.

²⁰ Article 5, Resolution no. 3.

2.8 Situation of the Designated Operational Entity - DOE

A declaration must be delivered from the Designated Operational Entity responsible for the Validation Report, on letterhead paper, showing it is duly accredited at the CDM Executive Board under the Kyoto Protocol to the United Nations Framework Convention on Climate Change, and that it is fully established in national territory, with the capability to ensure compliance with requirements pertinent to Brazilian legislation²¹. It is also suggested that documentation be presented that proves the legitimacy of the signer of the declaration to sign on behalf of the Designated Operational Entity.

The following model can be used:

DECLARATION OF THE DESIGNATED OPERATIONAL ENTITY

(The Designated Operational Entity), in compliance with Article 4, Resolution no. 1, of the Interministerial Commission on Global Climate Change, hereby declares that:

- 1) It has been accredited at the Clean Development Mechanism Executive Board on (date), and this accreditation is in force on the current date for the following specifc scopes: xxx.
- 2) It has been fully established in Brazil since (date) at (address and phone).
- 3) It has the capability to ensure compliance with requirements pertinent to Brazilian legislation.

Date:

Signature of the person responsible for the Designated Operational Entity.

²¹ Article 4, Resolution no. 1.

2.9 Complementary Documents

The inclusion of complementary documents that may eventually demonstrate the contributions of the project to the sustainable development cited in Annex III is recommended. Any other document those responsible for the project want to include for a better understanding of the above items may also be presented as complementary documentation.

Procedures for approved project activities

If a project activity is considered approved, the Letter of Approval will be issued and sent immediately after the Interministerial Commission meeting that decided on its approval, dispatched by the Minister of Science and Technology, as soon as possible, to the national proponents of the CDM project activity.

Procedures for project activities approved with qualifications

If a project activity is considered approved with qualifications, the Executive Secretariat of the Interministerial Commission will forward an official letter to the person responsible for the communication, indicating the qualifications that must be eliminated for the Letter of Approval to be issued. The national proponents of the project activity shall satisfy the qualifications made by the Interministerial Commission in up to 60 (sixty) days after receiving this official letter, otherwise the project activities may be considered not submitted²².

A project activity shall be considered approved with qualifications if its contribution to sustainable development is considered adequate by the members of the Interministerial Commission, but publishing errors or other inconsistencies of lesser importance are verified²³.

The Letter of Approval will be issued immediately after the corrections have been considered satisfactory by the Executive Secretariat of the Interministerial Commission. If necessary, another official letter may be sent to the project proponents requesting additional explanations.

²² Article 7, paragraph 2, Resolution no. 3.

²³ Article 7, Resolution no. 3.

Procedures for project activities considered under review

If a project activity is considered under review, the Executive Secretariat of the Interministerial Commission will forward an official letter to the person responsible for the communication, indicating the demands that must be fulfilled, as determined by the Interministerial Commission. The national proponents of the project activity shall satisfy the demands made by the Interministerial Commission in up to 60 (sixty) days after receiving this official letter, otherwise the project activities may be considered not submitted²⁴.

A project activity shall be considered under review if its contribution to sustainable development needs additional explanations, according to the members of the Interministerial Commission, or publishing errors or other inconsistencies of importance are verified²⁵.

The Letter of Approval will be issued immediately after the corrections have been deemed satisfactory by the members of the Interministerial Commission at its meeting following the response to the official letter. For this analysis to occur at the very next meeting, the response must be received at least 10 (ten) workdays in advance²⁶.

²⁴ Article 8, paragraph 2, Resolution no. 3.

²⁵ Article 8, Resolution no. 3.

²⁶ Article 3, Resolution no. 5.

Hypotheses for revoking and annulling the Letter of Approval

If the Interministerial Commission becomes aware of illegalities or acts contrary to public interest attributed to the CDM project participants, it can:

✓ Request additional information from other public entities to instruct the review of the project activity, as well as request the project activity proponents to submit additional documents and information besides those requested by the Interministerial Commission resolutions²⁷.

If, after issuing the Letter of Approval for a specific CDM project activity, a new fact comes to light that reveals illegalities or acts contrary to public interest, the Interministerial Commission can:

✓ Annul or revoke the referred to Letter of Approval, where the annulment will occur due to illegalities in the process for obtaining the Letter of Approval or related to the project activities and revocation shall occur if an act or situation contrary to public interest is determined²⁸.

In the cases of annulment or revocation of the Letter of Approval issued, the Executive Secretariat of the

²⁷ Article 1, Resolution no. 4.

²⁸ Article 2, Resolution no. 4.

Interministerial Commission will send an official letter to the person responsible for project activity communication, informing about the Interministerial Commission's decision and presenting the reasons on which it is based. After the decision has been handed down, the right to defense can be exercised, in writing, within a period of 15 (fifteen) days, counted from the date the communication regarding annulment or revocation of the Letter of Approval was received. After this period has elapsed and analysis of the defense, in writing, has been conducted by the members of the Interministerial Commission at its subsequent ordinary meeting, the president of the Interministerial Commission shall issue a definitive decision, within a period of 15 (fifteen) days, which will be sent by official letter to the person responsible for project activity communications, indicating the reasons on which the decision is based.

In the case of a definitive decision on the annulment or revocation of the Letter of Approval, the Executive Secretariat of the Interministerial Commission shall inform the said decision to the CDM Executive Board, and in the event the project activity has yet to be registered, it shall also request its review before that Board²⁹.

It is worth noting that the Interministerial Commission, in its operations, respects the applicable constitutional norms and infra-legal laws and norms that govern Public Administration's actions, whereby the Administered is guaranteed the right to defense and to petition, respecting the principles of advertising and motivation of administrative acts.

²⁹Article 3, Resolution no. 4.

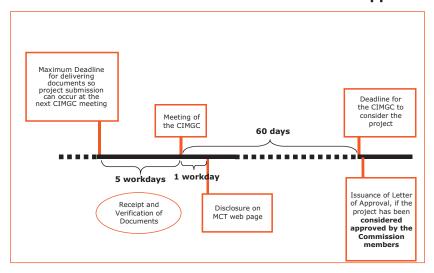
Checklist

The table below is a summary of the documents that must be presented in print and electronic version (with at least one document in each group), and it serves as a check list. For further information on each item, check the body of this Manual.

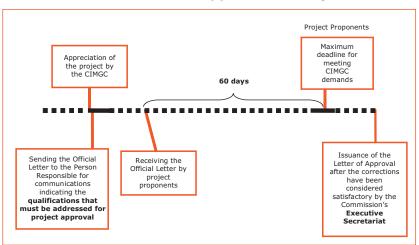
Documents	Print Version	Electronic Version
Project Cover Letter		
(1) PDD (<i>Project Design Document</i> , in English)		
(2) DCP (Project Design Document, in Portuguese)		
(3) Annex III (Contributions to Sustainable Development)		
(4) Letters of Invitation		
(5) Validation Report		
(6) Validation Report (in Portuguese)		
(7) Declarations from Project Participants (originals)		
Person responsible for communication and contact data		
Compliance with Environmental Legislation		
3. Compliance with Labor Legislation		
(8) Situation of the DOE		
(9) Complementary Documents		

Graph of Deadlines

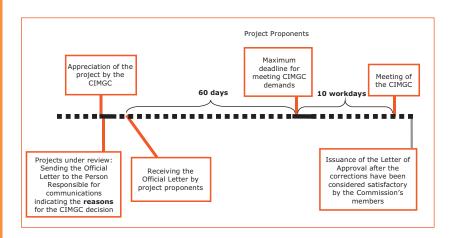
Deadlines for Project Submission, Disclosure and Approval



Deadlines for Projects Approved with Qualifications



Deadlines for Projects under Review



Address for sending correspondence

Dr. José Domingos Gonzalez Miguez

Executive Secretary

Executive Secretariat of the Interministerial Commission on Global Climate Change

Ministry of Science and Technology

Esplanada dos Ministerios - Bloco E - Sala 268

70067-900 - Brasilia - DF