

REPUBLIC OF RWANDA



Rwanda Environment Management Authority (REMA)

Procedures for Approval of Clean Development Mechanism Projects in Rwanda

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1. Designated National Authority (DNA) in Rwanda

1.1 Rwanda Designated National Authority History

Rwanda has been undergoing rapid economic growth. This has spurred a significant increase in risk to the environment. Appropriate measures need to be taken in order to discourage inappropriate economic development and encourage activities that contribute to sustainable development as well as economic development. In Rwanda, climate hazards have been ranked by the Participatory Evaluation of Poverty Report 2001¹ as third among the 10 most causes of poverty since majority of Rwandans live on subsistence farming and agricultural produce is affected by floods and droughts that are consequences of climate change. In addition to this, the present comprehensive national strategy i.e. Economic Development and Poverty Reduction Strategy 2008-2012 (EDPRS) of Rwanda emphasizes the importance of the development of Clean Development Mechanism (CDM)². The CDM will provide Rwanda with an opportunity to achieve sustainable development which is the ultimate goal of Rwanda's Vision 2020 and EDPRS through implementation of environment friendly projects.

The United Nations Framework Convention on Climate Change (UNFCCC) accepted the ratification of the Government of Rwanda on 18th August 1998 as a non-Annex 1 country. The Rwandan Parliament ratified the Kyoto Protocol in 22nd July 2004. In September 2005, the Designated National Authority (DNA) of Rwanda was established by the Honorable Prime Minister upon the request from the Minister of State for Ministry of Lands, Environment and Forestry (MINITERE). The request further proposed that the secretariat of the DNA would be hosted by Rwanda Environment Management Authority (REMA), now under the Ministry of National Resources (MINELA), in accordance with Modalities and Procedures of CDM.

1.2 Structure of Rwandan Designated National Authority

The DNA consists of a DNA Steering Committee, Technical Committees and the DNA Permanent Secretariat. The DNA Permanent Secretariat is based in REMA and consists of the International CDM Technical Advisor³, the CDM Project Coordinator and the Administrative Assistant. (An organizational chart of the DNA is included in Annex 2).

1.2.1 DNA Steering Committee

The DNA Steering Committee will be an interdisciplinary body with members from government, private sector and non-governmental organizations (NGOs) in order to ensure involvement across sectors. The members of the Designated National Authority Steering Committee are as follows:

Ministry of Forestry and Mines (MINIFOM)
Ministry of Environment and Lands (MINELA)
Ministry of Finance and Economic Planning (MINECOFIN)

¹ The Technical Advisor will be present until July 2011, as part of the U NDP project ToR for "Capacity Reinforcement of CDM projects in Rwanda under the Kyoto Protocol"

² EDPRS 2008-2012, Ministry of Finance and Economic Planning, July 2007 page ix

³ The Advisor is funded by a DNA capacity building project that will last from July 2009 – July 2011.

Ministry of Infrastructure (MININFRA)
Ministry of Justice (MINIJUST)
Ministry of Trade and Industry (MINICOM)
Ministry of Agriculture and Animal Resources (MINAGRI)
Rwanda Environment Management Authority (REMA)
Private Sector Federation (PSF)
National University of Rwanda (NUR)
Kigali Institute of Science and Technology (KIST)
Institute of Scientific and Technological Research (IRST)
Rwanda Agriculture Research Institute (ISAR)
National Forestry Authority (NAFA)
Rwanda Development Board (RDB)
National Land Centre (NLC)
Rwanda Agricultural Development Authority (RADA)
Rwanda Environment Non-Governmental Organizations Forum (RENGOF)

The Steering Committee will be chaired by REMA. If an individual project requires the expertise of any other ministry, department or agency it would be at the discretion of the DNA secretariat to invite any representative from the necessary institution as it sees fit, as a consultative participant.

The **role of the DNA Steering Committee** will be:

- (i) Establish and approve national procedures on the approval of CDM and voluntary carbon market projects in Rwanda
- (ii) Facilitate the promotional role of CDM activities through being a clearinghouse for information
- (iii) Provide a vision for the carbon market in Rwanda

The DNA Steering Committee will meet twice a year and as necessary upon the request of the DNA Permanent Secretariat. During the bi-annual meetings, the Permanent Secretariat will provide the Steering Committee with updates about the general status of the CDM as well as the status of CDM projects in Rwanda.

1.2.2 Technical Committees

A **Technical Committee** will be nominated to review each project. The committees will mainly correspond to the three areas that offer the most opportunity for CDM project activity in Rwanda: 1) Energy efficiency and renewable energy; 2) Agriculture, forestry and livestock; and 3) Waste management. These committees will be staffed by members/representatives of the Steering Committee, according to their sector activity which will be coordinated by the Secretariat. The Technical Committee members most appropriate for the relevant project will be nominated by the Secretariat⁴.

The Technical Committees are the decision making body for the CDM project approval. They will present their decision (approval or disapproval) to the DNA Permanent Secretariat. The role of the Technical Committees will be:

⁴ Example technical committees are elaborated in Annex 4.

- (i) Ensure that the CDM project activities comply with Rwanda's sustainable development objectives
- (ii) Ensure that the CDM project activities comply with relevant national policies and regulations

1.2.3 DNA Permanent Secretariat

The **DNA Permanent Secretariat** consists of the Director General of REMA and the DNA staff which is based in REMA. The Secretariat will coordinate CDM activities in Rwanda. The role of the Permanent Secretariat will be:

- (i) To prepare the development of the national strategy for the implementation of the CDM in Rwanda
- (ii) To assess CDM project activities and provide advice to the Technical Committees
- (iii) Nominate Technical Committee members to review a project
- (iv) Issue a Letter of Approval (LoA) to the CDM project participant upon the decision of the Technical Committees
- (v) To maintain a registry of CDM projects
- (vi) To create and maintain the DNA website⁵ (www.rema.gov.rw/dna)
- (vii) To build in-country capacity for successful implementation of CDM
- (viii) To raise awareness among potential project participants and decision-makers about CDM
- (ix) To participate in DNA meetings (e.g. the DNA Forum, MOPs), forums and exhibitions
- (x) To contribute to international discussions (e.g. Conference of Parties) to assist in improving the CDM to provide greater benefits for Rwanda

2. National Letter of Approval Procedures

In accordance with the CDM Modalities and Procedures, all CDM projects must be granted a Letter of Approval from DNAs in both the host country and Annex 1 DNAs of the involved Parties. The Rwanda national approval procedure includes evaluation of the project to ensure that:

- i. The Project meets or exceeds the sustainable development criteria established by the DNA;
- ii. The Project is in compliance with national and local legislation;
- iii. The stakeholder consultation has been conducted in accordance with the provided guidance;
- iv. The Project reduces GHG emissions that are covered by Kyoto Protocol.

The project developer must demonstrate the above points when submitting the request for the LoA. The project evaluation will be based only on the above three points with a

⁵ The DNA website will include, inter alia, the DNA procedures, any required templates, and project information and will be updated regularly.

focus on demonstration of the project's contribution to Rwanda's sustainable development, in accordance with the CDM Modalities and Procedures⁶.

2.1 Sustainable Development Criteria

The Kyoto Protocol states that one of the crucial aspects of the CDM is to assist non-Annex 1 parties in achieving sustainable development. Sustainable development criteria are determined by each Host Country and are used in the evaluation of CDM projects.

The Rwanda DNA sustainable development criteria were written based on Rwandan legislation and policies and the international conventions that Rwanda has ratified. Each criterion refers to the applicable legislation/policy/convention so that project developers can gather more information from the source, if necessary. References are provided in the annex of the sustainable development criteria. The demonstration of the compliance with the criteria by the Project Participant ensures that projects not only are in compliance with all applicable legislation/policies but that projects also assist in the sustainable development of Rwanda. The sustainable development criteria checklist is available from the DNA Secretariat and on the DNA website.

The sustainable development criteria are used to evaluate CDM projects in Rwanda. The sustainable development criteria are organized in four categories: fundamental principles, environmental good practice, social aspects and economic benefits. Within these categories, there are "mandatory criteria" and "other relevant criteria."

In order to receive a Letter of Approval, the project developer must demonstrate that **all of the mandatory criteria are met**. The mandatory criteria include all of the **fundamental principles** which discuss crucial principles of all projects in Rwanda. In addition to that, in the sustainable development checklist, ***at least one "other relevant criterion" from two of the three remaining categories – environment, social and economic – is met***. This could be demonstrating, for instance, one environmental criterion and one economic criterion *or* one social and one economic criterion. In order to demonstrate each criterion, a concise but sufficiently detailed explanation of the plan of implementation of the criterion must be provided. Each plan will be carefully considered in deciding whether the criterion is met or not. Any necessary reference documentation should be provided.

Each time a verification of the project is conducted, an updated sustainable development checklist must be provided to the DNA⁷, demonstrating how the sustainable development criteria are being met once the project is operating. The procedures regarding the demonstration of sustainable development criteria during verification are the same as during the validation: compliance with the mandatory criteria as well as two other criteria, one each from two of the three pillars of sustainable development, must be demonstrated. The update should be provided to the DNA Permanent Secretariat, who will share it with the DNA Steering Committee, prior to requesting issuance. The DNA Permanent Secretariat will provide confirmation of receipt for the checklist. The updated

⁶ The CDM Modalities and Procedures were adopted by the Conference of the Parties (COP) at COP 7 in Marrakesh in 2001 and later adopted by the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP) at COP/MOP in Montreal in 2005 in the Annex to Decision 3/CMP.1.

⁷ Verification by the DOE will not be required.

sustainable development criteria checklist will be posted on the DNA's website. The provision of the checklist will ensure continued support from the DNA.

2.2 Compliance with national and local legislation

The completed sustainable development criteria checklist will be used to confirm that the project is in compliance with all applicable national and local legislation. If the sustainable development criteria checklist does not sufficiently demonstrate the project's compliance with legislation, the project participant is expected to provide further explanation.

2.3 Stakeholder consultation

In accordance with CDM rules: comments from local stakeholders must be invited, a summary of the comments received must be provided to the Designated Operational Entity (DOE) together with a report indicating how due account was taken of any comments received. Stakeholder comments in Rwanda must be gathered through public hearings, the cost of which will be covered by the project participant (PP)/developer. The public should be notified about the day, time and venue of the meeting. A minimum of one week prior to the meeting using at least one of the following means: publishing a notice twice in local newspapers, running four radio announcements and putting up posters in Kinyarwanda at the site of the proposed development. The project participant's contact details, including name, address and phone number, must be made available. The stakeholder consultation process is open to those interested in participating, but key stakeholders should be directly invited to the meeting. These may include: District Mayor, Executive Secretary of the Sector, Executive Secretary of the Cell, Umudugudu Chief, the local community, and, depending on the nature of the project, any additional stakeholders that may be identified as relevant. It is encouraged that the DNA Secretariat is invited to the meeting.

During the meeting, information about the project and the CDM should be provided to the stakeholders in the language and manner most suited to enhance participation of local stakeholders. Furthermore, an opportunity must be provided for the stakeholders to ask questions and give comments. Project participants should respond to the questions and comments and provide follow up, where required. Stakeholders may request the Project Idea Note, which must be provided by the project participant if requested. Written minutes of the meeting and a list of participants should be recorded.

2.4 Project Submission for Approval

It is encouraged that the Project Participant (PP) submits to the DNA a Project Idea Note (PIN), which will be made available on the DNA website, if agreed upon with the project developer. This will create awareness of the project and allow the DNA to track and assist projects. It will also allow the DNA to address at an early stage any significant problems with the project. The PIN will be reviewed by the DNA Secretariat. The Secretariat will review the PIN and send the PP a letter of no objection within 30 days. The form in Annex 1 is to be submitted with the PIN. At the time of submitting the PIN, the PP is also encouraged to submit the "F-CDM-Prior Consideration" Form⁸ to the DNA

⁸ The form can be found on the UNFCCC website:
http://cdm.unfccc.int/Reference/PDDs_Forms/Registration/index.html.

and the UNFCCC Secretariat. The UNFCCC requires that this form be submitted within 6 months of the project activity start date⁹.

When requesting a LoA, the PP will submit the form in Annex 1, project PDD, the completed sustainable development criteria checklist¹⁰, any necessary reference documentation and the official approval of the Environment Impact Assessment (EIA), where applicable, to the DNA Secretariat. The DNA may ask for supplemental information. The relevant documents can be submitted during the validation process and the LoA may be granted prior to receiving the final validation report. A final validation report should be sent to the DNA when the project is submitted for registration.

The DNA will communicate its decision to the PP within 30 days of the submission of all of the relevant documents. When the DNA Permanent Secretariat receives a request for a CDM project for approval, it will convene a meeting of the necessary Technical Committee. At least five days before the Technical Committee meeting, the DNA Secretariat will send to the members an analysis note, the PDD and the completed SD criteria checklist of the project. The Technical Committee will assess the project against the SD criteria and against relevant government policies and regulation. The Technical Committee will decide if the project is approved, approved with corrections or not approved. The project participant will receive the decision from the DNA Secretariat within 30 days from when the project is submitted.

Upon a decision of approval by the Technical Committee, the DNA Secretariat will issue the Letter of Approval. In accordance with CDM M&P rules, the letter will include the approval of the project stating participation is voluntary and the CDM project contributes to the sustainable development of Rwanda.¹¹ The LoA will be signed by the Directorate General (DG) of REMA.

If a project is approved with corrections, corrections must be submitted to the DNA Secretariat within two weeks. Once the corrections have been received, the Technical Committee will reconvene. The decision will be received by the project participants within 30 days from the submitting of corrections. Project participants will be allowed two opportunities to provide corrections prior to the committee deeming the project not approved.

If the project is not approved by the Technical Committee, the DNA Secretariat will, issue a letter communicating this decision and the reasons for the decision to the PP. If the project is rejected by the DNA, the PP will have the opportunity to revise the PDD and sustainable development criteria checklist. When the project is resubmitted, a document detailing the revisions to the project must also be submitted.

During the bi-annual meetings, the DNA Steering Committee will be informed of all projects which have received Letters of Approval.

⁹ The UNFCCC definition of “project activity start date” is “the date on which the project participant has committed to expenditures related to the implementation or related to the construction of the project activity” (EB41).

¹⁰ The checklist must provide justification for each mandatory criterion and one additional relevant criterion from two of the three pillars of sustainable development.

¹¹ Marrakesh Accords, Decision 17/CP.7/CMP.1 Modalities and procedures for a clean development mechanism Annex, Para 40.

One soft copy of all documents should be submitted to the DNA Permanent Secretariat. Soft copies should be addressed to:

DNA Permanent Secretariat
Rwanda Environment Management Authority (REMA)
P.O. Box 7436
Kacyiru/Kigali/Rwanda

In addition, electronic copies of the documents which should be emailed to: RwandaDNA@gmail.com.

2.4.1 Confidentiality

Members of DNA Steering Committee, members of technical committees, DNA Permanent Secretariat staff and any person involved in the activities of DNA in Rwanda, even occasionally, shall be required to maintain confidentiality and non compliance shall be punishable by the penal code.

Annex 1

Application form for DNA assessment of CDM project

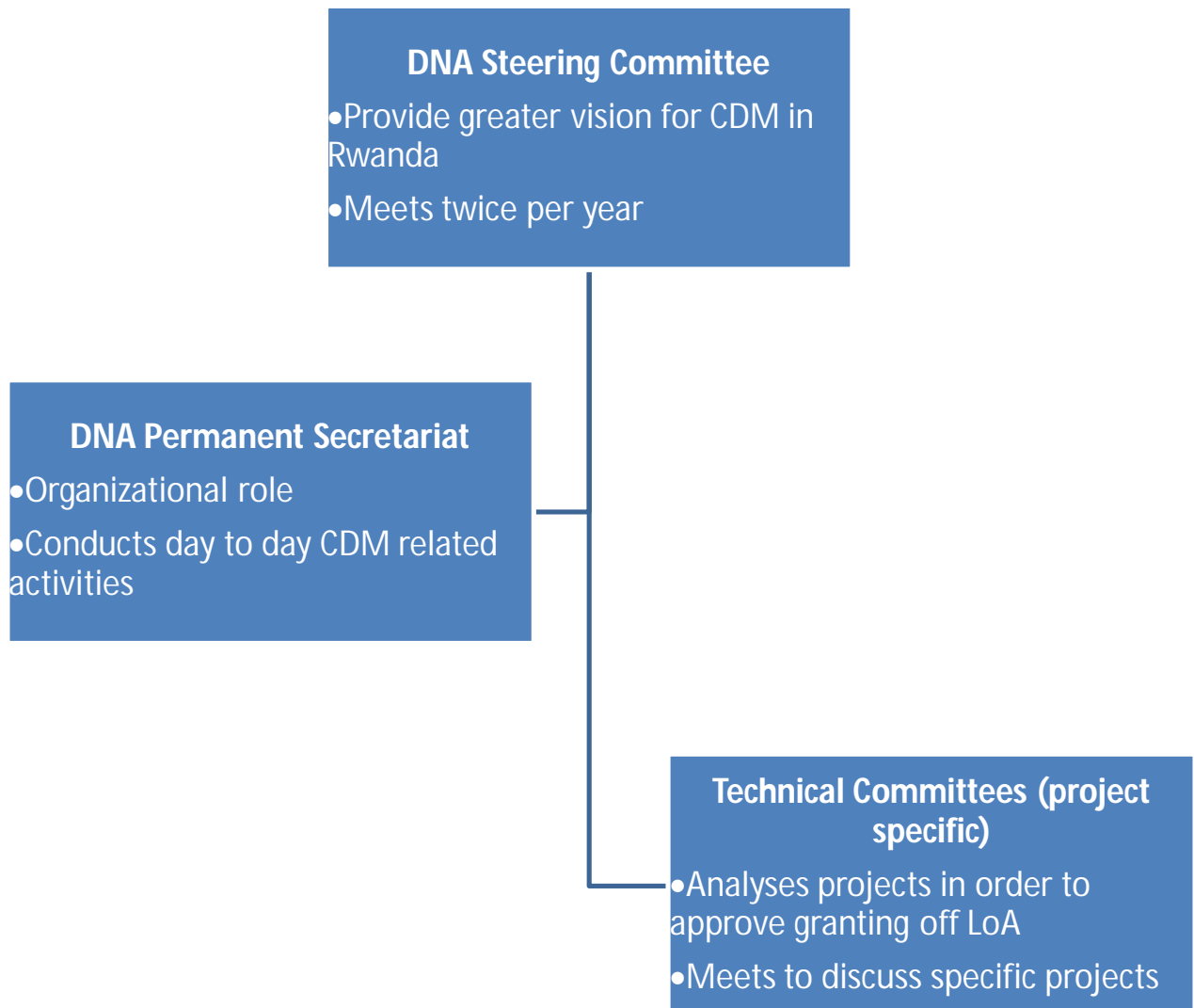


Rwanda Environment Management Authority (REMA)
 P.O. Box 7436
 Kacyiru/Kigali, Rwanda

Application Form for DNA Approval of Clean Development Mechanism Project

Title of the Project	
Name and position of the person in charge of the application	
Organization	
Address of Organization	
Telephone/Fax	
Email	
Names of project participants	
Applying for:	<p>Letter of No Objection: <input type="checkbox"/></p> <p>Attached:</p> <ul style="list-style-type: none"> • Project Information Note (PIN) <p>Permission granted to post the PIN on the DNA's website: <input type="checkbox"/></p>
	<p>Letter of Approval: <input type="checkbox"/></p> <p>Attached:</p> <ul style="list-style-type: none"> • Project Design Document • Completed Sustainable Development Checklist • Proof of completion of stakeholder consultation • Any other relevant documents
	<p>Revision of Letter of Approval: <input type="checkbox"/></p> <p>Attached:</p> <ul style="list-style-type: none"> • Reason for necessity of revision • Revised PDD (if applicable) • Revised sustainable development criteria (if applicable) • Any other relevant documents
Date of Submission	
Signature	

Annex 2
Structure of the Rwanda DNA



Annex 3

Example Technical Committees

Technical Committees will be established by the DNA Permanent Secretariat on a project by project basis. However, in order to facilitate this process, the below suggestions are made for Technical Committees for the most common project types in Rwanda.

Energy efficiency and renewable energy:

Ministry of Finance and Economic Planning (MINECOFIN)
Ministry of Infrastructure (MININFRA)
National University of Rwanda (NUR)
Kigali Institute of Science and Technology (KIST)
Rwanda Development Board (RDB)

Agriculture, forestry and livestock:

Ministry of Forestry and Mines (MINIFOM)
Ministry of Environment and Lands (MINELA)
Ministry of Agriculture and Animal Resources (MINAGRI)
Rwanda Environment Management Authority (REMA)
Rwanda Agriculture Research Institute (ISAR)
National Forestry Authority (NAFA)
National Land Centre (NLC)
Rwanda Agricultural Development Authority (RADA)

Waste management:

Ministry of Environment and Lands (MINELA)
Ministry of Infrastructure (MININFRA)
National University of Rwanda (NUR)
Kigali Institute of Science and Technology (KIST)
Institute of Scientific and Technological Research (IRST)
Rwanda Development Board (RDB)