



**Australian Government**  
**Department of the Environment**



# **Australia's National Guidelines and Procedures for Approving Participation in Joint Implementation Projects**

## Contacting the National Authority for the CDM and JI

For information about these guidelines and procedures, or more generally about applying for clean development mechanism project letters of approval, please contact:

**Postal address** National Authority for the CDM and JI  
Adaptation and International Climate Change Policy Branch  
Department of the Environment  
GPO Box 787  
Canberra ACT 2601  
AUSTRALIA

**Email** [DFP@environment.gov.au](mailto:DFP@environment.gov.au)

**Phone** 1800 852 674

This document is available on the Department of the Environment website:  
<http://www.environment.gov.au/climate-change/international/cdm>

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## TABLE OF CONTENTS

1	Scope of these guidelines .....	5
2	Joint implementation .....	5
2.1	JI approval – a two-track process .....	6
2.2	Australia’s participation in JI .....	6
3	The role of Australia’s National Authority.....	6
4	Applying for a letter of approval for JI Projects outside Australia .....	7
4.1	Who can apply for a letter of approval?.....	7
4.2	When to apply for a letter of approval.....	7
4.3	Required documentation .....	8
4.4	Fees.....	9
4.5	Additional Information for large hydro power projects.....	9
5	Timeline for processing .....	9
6	Review process .....	9
7	Glossary .....	11
8	Attachments .....	14
8.1	Attachment A: Example letter of approval.....	15
8.2	Attachment B: JI Application and declaration of compliance .....	16
8.3	Attachment C: Compliance report template for large hydro power projects exceeding 20 MW .....	20
8.4	Attachment D: JI Request for review.....	35

## 1 SCOPE OF THESE GUIDELINES

The *Guidelines for the Implementation of Article 6 of the Kyoto Protocol*<sup>1</sup> provide that Annex I Parties<sup>2</sup> involved in Joint Implementation (JI) must establish a Designated Focal Point (DFP) and national guidelines and procedures for approving JI projects. The Kyoto Protocol establishes that Annex I Parties, through their DFP, may approve private entities' participation in JI projects.

Australia's DFP and Designated National Authority (DNA) for the Clean Development Mechanism (CDM) are grouped into a single body within the Department of the Environment (the Department) called the 'National Authority for the CDM and JI' (the National Authority).

This document provides general guidance to entities *within* Australia to apply to the National Authority for authorisation to participate in JI projects *outside* Australia under Article 6 of the Kyoto Protocol and recognises decisions made regarding JI project activities during the second commitment period of the Kyoto Protocol<sup>3</sup>.

It provides some background information on the JI and sets out the National Authority's application and approval procedures.

This document covers JI projects *outside* Australia. Any party with an interest in establishing a JI project in Australia should contact the Department of the Environment (via the National Authority) regarding requirements for establishing such a project.

Entities wishing to establish or invest in a JI project should seek appropriate financial and legal advice.

These guidelines will be updated if the internationally agreed JI rules are amended or if the Government introduces new JI-related policies.

## 2 JOINT IMPLEMENTATION

JI allows Annex I Parties to implement greenhouse gas reduction or removal projects in the territory of another Annex I Party (Host Party) in order to generate emission reduction units (ERUs). ERUs can be used by Annex I countries to meet their respective emission reduction targets under the Kyoto Protocol. ERUs can also be traded on international carbon markets.

The Host Party issues ERUs by converting Assigned Amount Units (AAUs) or removal units (RMUs) into ERUs within its national registry. The ERUs are then able to be transferred through the electronic registry system from the Host Party to another Annex I Party's registry.

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<sup>1</sup> Decision 9/CMP.1, annex.

<sup>2</sup> An Annex I Party include the industrialized countries that were members of the OECD (Organisation for Economic Co-operation and Development) in 1992, plus countries with economies in transition (the EIT Parties), including the Russian Federation, the Baltic States, and several Central and Eastern European States. This includes Australia.

<sup>3</sup> Decision 1/CMP.8

## 2.1 JI approval – a two-track process

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The process for approving JI projects and monitoring and verifying their emission reductions vary depending on the Host Party. If a Host Party meets certain eligibility criteria<sup>4</sup>, it may determine the eligibility of a JI project itself (using its own procedures) and issue the appropriate quantity of ERUs.<sup>5</sup> This simplified procedure—commonly referred to as the ‘Track 1’ JI—is not subject to approval by an international body.

Where the Host Party does not meet all of the eligibility criteria, determination of JI projects occurs through specified procedures under the supervision of an international body called the JI Supervisory Committee. This is known as “Track 2” JI. Under the Track 2 JI procedure, an independent entity accredited by the JI Supervisory Committee, called an Accredited Independent Entity (AIE), must determine whether the necessary requirements have been met before the Host Party can issue and transfer ERUs.

The *Guidelines for the Implementation of Article 6 of the Kyoto Protocol* set out in more detail the stages in the JI project cycle and the roles of the different entities involved. Information on the JI project cycle and the functions of different entities can be found on the UNFCCC website: <http://ji.unfccc.int>.

## 2.2 Australia’s participation in JI

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The first commitment period of the Kyoto Protocol has now finished (2008-2012)<sup>6</sup>.

During the second commitment period of the Kyoto Protocol (2013-2020), only those Parties with a Quantified Emissions Limitation and Reduction Obligation (QELRO) and an allowed emission level (‘assigned amount’) for the period can be issued with AAUs<sup>7</sup>.

Assigned amounts for the second commitment period are unlikely to be calculated before 2016<sup>8</sup>.

Until AAUs for the second commitment period are issued, there is no prospect of converting these units into ERUs. Trading second commitment period ERUs is effectively halted until this occurs.

## 3 THE ROLE OF AUSTRALIA’S NATIONAL AUTHORITY

Persons or entities wishing to participate in JI project activities require written approval of participation from all Parties involved. Written approval is given by each Party’s DFP through a letter of approval.

The National Authority’s role is limited to approving participation in JI projects by issuing a letter of approval. For projects located outside Australia, the Host Party DFP, the JI Supervisory Committee and AIEs are best placed to advise prospective Project Participants on the likelihood of a project meeting the JI requirements and generating ERUs.

Although JI trading is currently halted (see 2.2 above), The Department of the Environment, as Australia’s National Authority for the JI, can continue to issue LOAs for JI projects in the second commitment period.

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<sup>4</sup> Decision 9/CMP.1, annex, paragraph 21.

<sup>5</sup> Decision 9/CMP.1, annex, paragraph 23.

<sup>6</sup> Australia met the eligibility requirements for participation in the first commitment period of the Kyoto Protocol. The initial report, updated 21 October 2008 to the UNFCCC, was reviewed under the reporting and review guidelines of the Kyoto Protocol and Australia’s participation in the CDM was deemed eligible.

<sup>7</sup> Doha Decision 1/CMP.8.

<sup>8</sup> Decision 2/CMP.8, paragraph 2

## 4 APPLYING FOR A LETTER OF APPROVAL FOR JI PROJECTS OUTSIDE AUSTRALIA

The Government, through the National Authority, may authorise a person or entity's participation in JI projects *outside* Australia at its discretion. In exercising its discretion, the Government's considerations will include:

- whether the project is inconsistent with Australia's foreign policy objectives and international obligations; and/or
- domestic climate change policy settings.

In relation to the Government's foreign policy objectives and international obligations, relevant considerations will include whether the project:

- is inconsistent with the internationally agreed guidelines governing the JI; or
- involves a transaction or a party that is subject to Australia's United Nations sanction enforcement laws and that has not been authorised by the Minister for Foreign Affairs.

The National Authority will not approve participation in:

- projects based on the destruction of trifluoromethane or the destruction of nitrous oxide from adipic acid plants;
- large hydro power projects that are not consistent with the European Union criteria based on the World Commission on Dams report: '*Dams and Development- A New Framework for Decision Making*' of November 2000' (the EU Criteria at [Attachment C](#)); or
- nuclear-based projects. Under the Kyoto rules, Australia has committed to "refrain from using" ERUs generated from nuclear facilities to meet its Kyoto target. On that basis, the National Authority will not approve participation in nuclear-based projects.

The National Authority's approval of participation is specific to the project and project participant named in the letter of approval. A new letter of approval will be required if, at a later date, another project participant wishes to be added to the project or a project participant wishes to be replaced by another entity.

Approval of participation in a project and issuance of a letter of approval does not have the effect that the units generated will be eligible units for the purpose of meeting compliance obligations under Australian legislation.

### 4.1 Who can apply for a letter of approval?

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Any person or entity that holds an account in the Australian National Registry of Emissions Units (Registry) is eligible to apply for a letter of approval from Australia's National Authority.

For information on the <https://nationalregistry.cleanenergyregulator.gov.au/anenergyregulator.gov.au/>.

### 4.2 When to apply for a letter of approval

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Entities may apply for a letter of approval from the National Authority at any stage of the JI project cycle.

An application for a letter of approval can only be submitted after the prospective project participant has opened an account in the Registry.

The following steps should be taken, not necessarily in this order, before applying for a letter of approval:

- open an account in the Registry.

- prepare a project design document (or, for a Track 1 JI project, the equivalent document required by the Host Party) in accordance with the *Guidelines for the Implementation of Article 6 of the Kyoto Protocol* and any relevant Host Party standards.
- complete and sign the letter/s of approval application/s and declaration of compliance ([Attachment B](#)) and/or
- where applicable, the applicant must have the project's compliance with the EU criteria for large hydro power projects ([Attachment C](#)), based on the World Commission on Dams report independently assessed for compliance (See Section 4.5 for further details).

### 4.3 Required documentation

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To apply for a letter of approval, applicants are required to provide the following documents:

- **Executed letter of approval application, including a signed declaration of compliance:** applicants are required to provide a signed declaration of compliance with the Kyoto Protocol and the relevant Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP) decisions. The letter of approval application form contains the declaration of compliance ([Attachment B](#)).
- **Project design document** (or, for a Track 1 JI project, the equivalent document required by the host Party): the project design document is a key document in the JI project cycle. Under Track 2 JI, the project design document is required for determination by an AIE. Although Parties that meet the eligibility requirements for Track 1 JI can set their own assessment requirements, in many cases Track 1 national guidelines and procedures require the submission of a project design document.
- **Host Party letter of approval (if available):** if it has been issued, the Host Party letter of approval for the joint implementation project activity must be submitted with an application for an Australian letter of approval. Host Party DFP contact details can be found on the UNFCCC website: [http://ji.unfccc.int/JI\\_Parties/PartiesList.html](http://ji.unfccc.int/JI_Parties/PartiesList.html).
- **Where applicable, a validated compliance report:** If the proposed project includes a large hydro power activity (defined as a project activity with a generation capacity in excess of 20 megawatts (MW)): the applicant will need to demonstrate compliance with the EU Criteria ([Attachment C](#)), by submitting an independently validated compliance report. Please see section 4.5 for further detail.

Please send copies of these electronically and in hard copy to:

**Email:** [DFP@environment.gov.au](mailto:DFP@environment.gov.au)

**Post:** National Authority for the CDM and JI  
Adaptation and International Climate Change Policy  
Branch  
Department of the Environment  
GPO Box 787  
Canberra ACT 2601  
AUSTRALIA

The information provided to the National Authority in the letter of approval application process will be used to assess the application. It will also be used for the purpose of communication with the applicant. The National Authority, in handling any information provided as part of the letter of approval application process, will comply with the Australian Privacy Principles set out in Schedule 1 of the *Privacy Act 1998* (Cth). The National Authority collects the information outlined above pursuant to Australia's obligations under the Kyoto Protocol.



## 4.4 Fees

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Currently there is no application fee charged by the National Authority associated with the letter of approval application process.

Applicants should seek their own advice about any other fees and costs associated with participation in a JI project.

## 4.5 Additional information for large hydro power projects

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In the case of the project activity including a large hydro power project (defined as a scheme with a generation capacity greater than 20 MW), applicants will need to demonstrate compliance with the EU's Criteria.

To demonstrate compliance with these criteria, the applicant must submit the completed EU Criteria at [Attachment C](#). This report will need to be independently validated by a Accredited Independent Entity (AIE) accredited for the appropriate sectors.

Please note project activities involving improvements/extensions to pre-existing installation, only require a validated Compliance Report if the improvement or extension itself exceeds 20 Megawatts (MW).

## 5 TIMELINE FOR PROCESSING

The National Authority will generally provide a letter of approval to successful applicants within 15 business days of receipt of the completed hard copy application.

If the National Authority determines that additional time or further information is required in relation to a particular application, notice to this effect will be provided to the applicant within 15 days of receipt of the hard copy application.

Unless notice has been provided by the Department to the applicant that more time is required to process the application, the applicant will be informed of, and provided with an appropriate statement of reasons for, the decision not to issue a letter of approval within 15 business days of receipt of the completed hard copy application.

Notices to the applicant will be sent via email to the email address provided in the application form.

## 6 REVIEW PROCESS

If a letter of approval is not issued to an applicant, the applicant may request a review within 15 business days of the National Authority providing notice of the original decision. A review is initiated when the Department receives a properly completed request for review form at [Attachment D](#).

When a request for review is made, an appeals officer from within the Department will be appointed to review the application.

A final determination by the appeals officer will be provided to the head of the National Authority within 15 business days of receipt of the hard copy request for review, unless notice has been provided to the appellant that more time or further information is required to perform the review.

The appeals officer's determination will be considered by the National Authority in making its final decision. The final decision will be communicated to the appellant no later than five business days after the appeals officer's determination is communicated to the National Authority.

To initiate a review, please complete the request for review form provided at [Attachment D](#) and send it electronically and in hard copy to:

**Email:** [DFP@environment.gov.au](mailto:DFP@environment.gov.au)

**Post:** National Authority for the CDM and JI  
Adaptation and International Climate Change Policy  
Branch  
Department of the Environment  
GPO Box 787  
Canberra ACT 2601  
AUSTRALIA

The internal review process is the only process available to applicants to obtain a merits review of a decision to refuse to issue a letter of approval. Such a decision is not subject to merits review by the Administrative Appeals Tribunal, nor is it subject to judicial review under the *Administrative Decisions (Judicial Review) Act 1977*. A person who wishes to lodge a complaint in relation to a decision can raise the matter with the Commonwealth Ombudsman. Information about the complaints process is available on the Ombudsman's website at <http://www.ombudsman.gov.au/>. The Ombudsman has power to investigate complaints and make recommendations to agencies, but cannot overturn a decision made by an agency.

## 7 GLOSSARY

Term	Definition
Accredited Independent Entity	A private entity accredited by the JI Supervisory Committee to assess whether a potential project meets the JI eligibility requirements and whether the project has achieved greenhouse gas emission reductions.
Assigned Amount Unit (AAU)	A Kyoto unit corresponding to one tonne of carbon dioxide equivalent. AAUs are issued by an Annex I Party up to the level of the Party's initial assigned amount, which is based on the Party's emission reduction target. Australia's initial assigned amount for the first commitment period (2008 to 2012) is 2,957,579,143 tonnes of carbon dioxide equivalent. Australia's assigned amount for the second commitment period (2013-2020) has not yet been calculated.
Australian National Registry of Emissions Units (ANREU)	An electronic registry system that manages the issuance, ownership, surrender and cancellation of the Kyoto units, Australian carbon credit units and carbon units.
Certification	The formal written confirmation by a Designated Operational Entity that the greenhouse gas reductions or removals set out in the verification report were actually achieved.
Certified Emission Reduction units (CERs)	Kyoto units issued for greenhouse gas reductions or removals resulting from CDM projects. One CER is issued for reductions or removals equivalent to one tonne of carbon dioxide equivalent.
Clean Development Mechanism (CDM)	A mechanism under Article 12 of the Kyoto Protocol through which Annex I Parties (or private entities authorised by Annex I Parties) may undertake greenhouse gas reduction or removal projects in non-Annex I Parties, resulting in the issuance of CERs.
Conference of the Parties to the UNFCCC serving as the meeting of the Parties to the Kyoto Protocol (CMP)	The governing body of the Kyoto Protocol, which is composed of Parties to the UNFCCC who have ratified or acceded to the Kyoto Protocol.  CMP decisions are available on the UNFCCC website: <a href="http://unfccc.int">http://unfccc.int</a> .
Determination	The evaluation of a project activity against the JI eligibility requirements.
Designated Focal Point (DFP)	Designated Focal Point. An office, ministry or other official entity appointed by a Party to the Kyoto Protocol to approve JI projects and authorise entities' participation in JI projects.
Designated National Authority (DNA)	Designated National Authority. An office, ministry or other official entity appointed by a Party to the Kyoto Protocol to give national approval of voluntary participation in projects proposed under the CDM.
Designated Operational Entity (DOE)	Designated Operational Entity A private entity accredited by the CDM Executive Board to validate proposed CDM project activities and to verify and certify

Term	Definition
	greenhouse gas reductions or removals.
Emission Reduction Unit (ERU)	A Kyoto unit issued for greenhouse gas reductions or removals resulting from a JI project. One ERU is issued for reductions or removals equivalent to one tonne of carbon dioxide equivalent.
European Union (EU) Criteria	EU Criteria developed from the World Commission on Dams report. Following the publication of the World Commission on Dams (WCD) report: 'Dams and Development- A New Framework for Decision Making' of November 2000. The European Union developed common criteria and a compliance report template to govern the approval of large hydro power projects. The guidelines may be found on the European Commission website: <a href="http://ec.europa.eu/clima/policies/ets/linking/index_en.htm">http://ec.europa.eu/clima/policies/ets/linking/index_en.htm</a> .
Flexibility mechanisms	Three mechanisms established under the Kyoto Protocol to increase flexibility and enable the global community to reduce emissions where it is the most cost-effective: the CDM, JI and international emissions trading.
Host Party	Another Annex I Party in whose territory a JI project activity is physically located.
Issuance	The creation of ERUs equivalent to the number of greenhouse gas reductions or removals that have been verified and validated in respect of a JI project activity.
Joint Implementation (JI)	Joint Implementation. A mechanism under Article 6 of the Kyoto Protocol through which Kyoto Annex I Parties (or private entities authorised by Kyoto Annex I Parties) may undertake greenhouse gas reduction or removal projects in other Kyoto Annex I Parties, resulting in the issuance of Emission Reduction Units.
JI Supervisory Committee	The UN body responsible for supervising Track 2 projects.
Kyoto Protocol	An international treaty created under the UNFCCC in 1997 which entered into force in 2005. Among other things, the Kyoto Protocol sets binding targets for the reduction of greenhouse gas emissions by Annex I Kyoto Parties over two periods, the first commitment period from 2008-2012 and the second commitment period from 2013-2020.
Kyoto unit	A unit issued under the Kyoto Protocol, including: an assigned amount unit (AAU), a certified emission reduction (CER), an emissions removal unit (ERU) or a removal unit (RMU).
Large hydro power project	A hydro electric scheme with a generation capacity in excess of 20 MW.
Letter of Approval (LOA)	A letter from a DFP approving a JI project and authorising participation of an entity in that JI project activity. All entities wishing to participate in a JI project activity need a Letter of Approval before they can be issued with credits.
National Authority	Australia's DNA for CDM and DFP for JI, within the Department.

Term	Definition
Party	A country which is listed in Annex I to the UNFCCC with an emission reduction target listed in Annex B to the Kyoto Protocol. Australia is a Kyoto Annex I Party.
Project design document	A key element in the JI project cycle, providing the basis for determination of a Track 2 JI project. It should set out a description of the project activity, the proposed baseline methodology, planned emission reductions or removals, a monitoring plan and other evidence needed to show that the project activity meets the requirements of JI.
Project participant	A private entity authorised by a Kyoto Party to participate in a JI project activity.
Registration	The formal acceptance by the JI Executive Board of a validated project as a JI project activity. Registration is a prerequisite for the verification, certification and issuance of CERs related to a project activity.
Track 1 project	A project carried out under the national guidelines and procedures of the host Party, where the Host Party meets all the eligibility requirements related to the transfer and acquisition of Emission Reduction Units.
Track 2 project	A project carried out under the supervision of the JI Supervisory Committee. The Track 2 procedure must be used where the Host Party does not meet the eligibility requirements for Track 1.
United Nations Framework Convention on Climate Change (UNFCCC)	An international treaty, adopted in 1992, aimed at achieving the stabilisation of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.
World Commission on Dams (WCD) Report	A report produced by the World Commission on Dams, 'Dams and Development- A New Framework for Decision-making' in November 2000

## 8 ATTACHMENTS

**Attachment A:** Example letter of approval

**Attachment B:** JI application and declaration of compliance for projects outside Australia

**Attachment C:** Compliance report template to assist applicants for hydro power projects exceeding 20 Megawatts (MW)

**Attachment D:** JI request for review

## 8.1 Attachment A: Example letter of approval

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REF: [Reference number]

[Applicant's address]

Dear [applicant]

The Department of the Environment, acting as Australia's designated focal point (DFP), in accordance with Article 6 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC) and relevant decisions adopted by the Conference of the Parties to the UNFCCC serving as the meeting of the Parties to the Kyoto Protocol:

Referring to:

- **Project title:** [Title]
- **Project participants:** [Participants]
- **Host Party:** [Party]
- **Designated Operational Entity:** [DOE]

Declares that:

- the Government of Australia has ratified the Kyoto Protocol.
- Australia participates in the flexibility mechanisms of the Kyoto Protocol on a voluntary basis.
- this letter constitutes the DFP's approval, as required by Article 6 of the Kyoto Protocol and paragraph 31(a) and 33(a) of the annex to 9/CMP.1, of the joint implementation (JI) project activity.
- this letter constitutes the DFP's authorisation, as required by Article 6 of the Kyoto Protocol and paragraph 29 of the annex to 9/CMP.1, of [insert name of project participant]'s involvement as a project participant in the JI project activity.
- in granting approval and authorisation, the DFP has not considered those matters that fall within the responsibility of:
  - the Host Party;
  - the Accredited Independent Entity under Track 2 JI or equivalent auditing body under Track 1 JI; nor
  - the JI Supervisory Committee.
- this letter does not imply or provide a commitment on the part of the Australian Government to support the project activity in the event that it is unable to proceed.
- this letter does not constitute an endorsement of the JI project activity or a representation that any Host Party legal or environmental requirements will be fulfilled.
- this letter in no way guarantees determination of the project or the issuance of emission reduction units as a result of the project.

Signed

..... on [date]  
Australia's National Authority for the CDM and JI

## 8.2 Attachment B: JI Application and declaration of compliance<sup>9</sup>

"insert date"

National Authority for the CDM and JI  
Adaptation and International Climate Change Policy Branch  
Department of the Environment  
GPO Box 787  
Canberra ACT 2601  
AUSTRALIA

Dear sir/madam

### Re: JI letter of approval application

**[Delete if the applicant is an individual (i.e. a natural person)]** On behalf of "insert name of applicant" (**applicant**), I am requesting written approval from Australia's National Authority of the below joint implementation project activity and the applicant's participation in the project activity as a project participant:

**[Delete if the applicant is a non-individual (e.g. a company)]** I (**applicant**) am requesting written approval from Australia's National Authority of the below joint implementation project activity and my participation in the project activity as a project participant:

Project information	
Name of project	"insert name of project"
Host Party	"insert Host Party Country"
Applicant's name	"insert applicant's name"
Applicant's business hours phone number	"insert applicant's business hours phone number"
Applicant's email address	"insert applicant's email address"
Applicant's postal address	"insert applicant's postal address"
Applicant's Australian National Registry of Emissions Units account name and number <i>Note: the Registry account holder and the Applicant must be the same person.</i>	"insert registry account name and number"
Has the project been denied approval by another Annex I Party DFP? If yes, please provide the contact details of the DFP involved and attach an explanation as to why approval was denied.	<div style="display: flex; justify-content: space-around;"> <span><input type="checkbox"/> Yes</span> <span><input type="checkbox"/> No</span> </div>
	"insert contact details of the DFP involved"

<sup>9</sup> Please note that applicants may only add requested information to this form. Any other modifications or additions will not be considered and will result in the application being deemed incomplete.



## Declaration of compliance

The applicant agrees, represents and warrants that:

1. the project activity and the applicant's participation in the project activity comply with all applicable internationally agreed guidelines and rules governing JI, including the Kyoto Protocol and the decisions of the Conference of the Parties to the UNFCCC serving as the meeting of the Parties to the Kyoto Protocol;
2. the applicant will take all reasonable steps to ensure that the project activity will comply with the project design document (or, for a Track 1 JI project, the equivalent document required by the host Party) as received by the National Authority in this letter of approval application<sup>10</sup>;
3. **[Delete if the project has been subject to a final determination under Track 2 JI or the equivalent Host Party process under Track 1 JI]** the applicant will inform the National Authority when the project has been subject to a final determination under Track 2 JI or the equivalent Host Party process under Track 1 JI;
4. **[Delete if the project has not been subject to a final determination under Track 2 JI or the equivalent Host Party process under Track 1 JI]** "Insert name of project" has been subject to a determination by the Joint Implementation Supervisory Committee on "Insert date" or the equivalent Host Party process under Track 1 JI;
5. the information supplied in this application and the attached documents is correct and not misleading by inclusion or omission;
6. **[Delete where not applicable]** Where the project is a large hydro power project, the applicant guarantees that the development of the proposed project activity follows the EU guidelines developed from the World Commission on Dams (WCD) report. In line with this, the applicant has included a validated compliance assessment with the application in accordance with the instructions set out in the Australia's National Guidelines and procedures for approving participation in joint implementation projects.
7. the applicant will perform, and is fully responsible for, the performance of any functions required of a project participant pursuant to the *Guidelines for the implementation of Article 6 of the Kyoto Protocol (9/CMP.1)*, and any additional requirements imposed by the internationally agreed JI rules or the host Party;
8. the applicant understands that the National Authority will not consider those matters that fall within the competence of:
  - 8.1. "insert name of Host Party", acting as Host Party in respect of the project;
  - 8.2. "insert name of Accredited Independent Entity or equivalent body under Track 1 JI", appointed by the proposed project participants as an accredited independent entity or equivalent auditing body in respect of the project; or
  - 8.3. **[Delete as appropriate]** The Host Party designated focal point, "insert name of designated focal point" / the Joint Implementation Supervisory Committee;
9. the applicant is the account holder of an account in the Australian National Registry of Emissions Units;
10. the applicant has read and understood *Australia's National Guidelines and Procedures for Approving Participation in Joint Implementation Projects*;

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<sup>10</sup> To ensure that this requirement is met, it is good practice for applicants:

- in the case of Track 2 JI projects, to wait until the project activity has been subject to determination by an accredited Independent Entity before submitting this letter of approval application;
- in the case of Track 1 JI projects, to wait until the project activity has been subject to the host Party's Track 1 assessment procedures before submitting this letter of approval application; and
- to seek to ensure conformity of the project activity with the project design document (or, for a Track 1 JI project, the equivalent document required by the host Party) through contractual or other arrangements with other project participants.

11. the applicant has been given approval to collect, and communicate to third parties, any personal information contained in this letter of approval application process, including information contained in the project design document (or, for a Track 1 JI project, the equivalent document required by the Host Party);
12. the applicant consents to the National Authority disclosing any information provided in this letter of approval application process to other entities and Commonwealth Government agencies for the purpose of assessing eligibility to receive a letter of approval;
13. the applicant consents to the National Authority accessing, for proof of identity purposes, any personal information supplied to the Department of the Environment/Clean Energy Regulator in its application for an account in the Australian National Registry of Emissions Units;
14. the applicant consents to the Department of the Environment and the National Authority publishing the following information related to the JI project activity:
  - 14.1. project name;
  - 14.2. project location;
  - 14.3. applicant's name;
  - 14.4. date of issuance or refusal of the letter of approval;
  - 14.5. reasons for refusal of the letter of approval (if applicable); and
  - 14.6. project status;
15. the applicant understands that giving false or misleading information is a serious offence under the *Criminal Code Act 1995* (Cth); and
16. this applicant understands that the issuance of a letter of approval for the JI project activity in no way guarantees that any certified emission reductions may be used for compliance under Australian legislation).; and
17. the person who signs this application below is legally authorised to bind the applicant and the signatures below are provided in the manner necessary to so bind.

<p><b>[Delete if the letter of approval from the other Kyoto Annex I Party is not available]</b> Copy of letter of approval from another Kyoto Annex I Party attached</p>	<input type="checkbox"/>
<p><b>[Delete if the letter of approval from the other Kyoto Annex I Party is available]</b> The applicant will forward a copy of the letter of approval from another Kyoto Annex I Party to the National Authority as soon as practicable</p>	<input type="checkbox"/>

Signed by or on behalf of the Applicant:

Name of applicant: "Insert name of applicant"	
<b>Signature 1</b>	<b>Signature 2 (if applicable)</b>
Signature:	Signature:
Name of signatory: "Insert name of signatory"	Name of signatory: "Insert name of signatory"
Position: "Insert position"	Position: "Insert position"
Company: "Insert company"	Company: "Insert company"
Place of signature: "Insert place of signature"	Place of signature: "Insert place of signature"
Date: "Insert date"	Date: "Insert date"
<b>Witness</b>	<b>Witness</b>
In the presence of:	In the presence of:
Signature of witness:	Signature of witness:
Name of witness: "Insert name of witness"	Name of witness: "Insert name of witness"
Position: "Insert position"	Position: "Insert position"
Date: "Insert Date"	Date: "Insert Date"

Has this form been signed by a person legally authorised to bind the Applicant?

Yes       No

Please send the completed form electronically and in hard copy to:

**Email:** [DFP@environment.gov.au](mailto:DFP@environment.gov.au)

**Post:** National Authority for the CDM and JI  
Adaptation and International Climate Change Policy  
Branch  
Department of the Environment  
GPO Box 787  
Canberra ACT 2601  
AUSTRALIA

The information supplied to the National Authority for the CDM and JI in this application will be held and used to assess the application and for the purpose of communication with the applicant. This information may be disclosed to other entities and Commonwealth Government agencies including the Department of Foreign Affairs and Trade and the Clean Energy Regulator for the purpose of assessing the application. Certain information will also be shared with the UNFCCC Secretariat and may be published on the UNFCCC website and the Department of the Environment's website. The National Authority may access, for proof of identity purposes, any personal information supplied to the Clean Energy Regulator or Department of the Environment in its application for an account in the Australian National Registry of Emissions Units. The National Authority collects this information pursuant to Australia's obligations under the Kyoto Protocol. If all fields are not completed, the application may be deemed to be incomplete and rejected. The National Authority is authorised under the Commonwealth's executive power to collect the information requested in this application. The National Authority complies with the Department of the Environment's Privacy Policy. For more information about this Privacy Policy, see: <http://www.environment.gov.au/privacy-policy>.

### 8.3 Attachment C: Compliance report template for large hydro power projects exceeding 20 MW

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This attachment is designed to assist applicants to achieve compliance for Large Hydro Power Projects. Further to 4.5, applicants will need to demonstrate compliance with the EU's criteria developed from the World Commission on Dams report: 'Dams and Development - A New Framework for Decision-making'. The assessment of compliance with the World Commission on Dams criteria set out in this attachment must be validated by a UNFCCC Designated Operational Entity.

#### Section 1: Description of the project

1: Summary description of the CDM project activity	Please complete
Name of the project	
Project ID Number	
Location	
Name of the watercourse	
Date of completion of the Compliance Report	
<b>1.1. Project area</b>	
1. Description of the watershed: <ul style="list-style-type: none"> <li>- Political and administrative boundaries</li> <li>- Communities located along</li> <li>- Principal land use patterns</li> <li>- Existing and planned river flow modifications</li> <li>- Average annual runoff (m<sup>3</sup>)</li> </ul>	
2. Average annual river flow (m <sup>3</sup> /s)	

3. Average annual river runoff before and after project's implementation (m <sup>3</sup> )	
4. State briefly what impacts other hydrological projects have had on the river basin within 50 km (untouched, affected, significantly affected by other activities).	
5. Ecological description of the surroundings (forest, cultivated land, wasteland, cultural heritage sites etc.) conservation value	
<b>1.2. Project-related activities</b>	
1. Type of water infrastructure (i.e. storage reservoir, run-of-river, other)	
2. Related infrastructure being built as part of the project (i.e. roads, transmission lines, bridges)	
3. Installed generation capacity (MW)	
4. Load factor	
5. Average annual energy production (MWh)	
6. What role does the project play in the national/regional electricity supply (base load, peak load, load balancing services for the grid, support for intermittent renewables, etc.)?	
7. Estimated annual emission reduction potential (tCO <sub>2</sub> e)	
8. At what stage is the project's construction at the time of this application?	

9. What other direct purposes does the project serve (irrigation, flood control, water storage for drought protection, water-based transport, leisure facilities, aqua- culture, industrial and municipal water supply, etc)?	
<b>1.3. Project components - Water-flow: structures and changes</b>	
1. Production capacity-submerged area ( $W/m^2$ )	
2. Retention structure/retarding structure (if present)	
3. Type of water diversion	
4. Length of diversion	
5. Type of water inlet	
6. Reservoir (if present)	
7. Dam height (from the foundation)	
8. Crest length	
9. Reservoir area at average water level	
10. Total reservoir capacity ( $m^3$ )	
11. Backwater length	
12. Submerged area in total	
13. Submerged residential area	
14. Submerged farmland/grassland	

15. Number of displaced inhabitants	
16. Production capacity/submerged area(W/m2)	

## Section 2: Assessment of compliance with the WCD criteria

Please complete this form with full explanations for all items. If a criterion is not relevant to the project, please explain why.

CRITERIA	DESCRIPTION	SOURCES <sup>11</sup>	VALIDATOR ASSESSMENT
<b>1 Gaining Public Acceptance</b>			
<b>1.1 Stakeholder consultation</b>			
1. Describe how the relevant stakeholders were identified.			
2. Are any of these people minority groups, especially indigenous people and if so, what special efforts were taken to identify and meet their needs?			
3. How many people have to be resettled due to the project?			
4. Resettled people/annual energy production (number/GWh).			

<sup>11</sup> Such as process documentation, stakeholders and issues identification, consultation strategies, resources planning, compensation plans, timetables, information sharing, written agreements with stakeholders, records of interviews, results of surveys/polls, minutes of meetings of the Stakeholders Forum, project documentation, Environmental Impact Assessments, documents related to local spatial planning, government and local authorities permits and agreements, description of methodologies used, decommissioning plans (where appropriate), other related environmental impact and social impact studies, etc.

<p>5. How many people were otherwise affected by the project (e.g. through loss of land, reduced productivity of fishing or hunting, etc.)?</p>			
<p>6. Describe how the affected local people and other relevant stakeholders have been informed and involved in the decision-making process of building the power plant.</p>			
<p>7. Describe how the affected local people and relevant stakeholders have been informed about the impacts of the project on their quality of life.</p>			
<p>8. How have the affected local and indigenous communities participated in the decision-making process?</p>			
<p>9. How will the economic and social impacts of the project on the affected local communities, indigenous people and/or other relevant stakeholders be addressed?</p>			
<p>10. How do compensation and benefit agreements correspond with the identified needs and rights of the stakeholders negatively affected <u>upstream and downstream</u> due to the project?</p>			
<p>11. Was a Stakeholders Forum held with a broad local community participation (based on a customary and national law)? Describe the process and its outcome, and the response of project developer, local and national authorities?</p>			



<b>1.2 Transparency</b>			
1. Was key project documentation (e.g., social and environmental impact assessments) made publicly available before a decision to start construction was made?			
2. In what form was project documentation made available to stakeholders? Was it the original EIA etc. or was it in another form e.g. a summary of positive and negative effects of the hydrological construction.			
3. How many of the total number of stakeholders have had access to the key documentation and have been actively involved?			
4. Is there a negotiated agreement between the stakeholders and project owner(s)? If so, is it publicly available?			
<b>Validator's Conclusions concerning Priority 1:</b>			
<b>2. Comprehensive Options Assessment</b>			
<b>2.1 Needs</b>			
1. What priority is given to hydropower in <b>national development or energy planning</b> (e.g. relevant government decisions)?			
2. What are the needs for hydropower at regional and local level?			

3. What are the regional/national supply needs of the electric system (renewable base load, peak load or load balancing of the grid, support of intermittent renewables)?			
4. Describe safeguards for equitable access to water resources. How do hydropower projects contribute to efficient water resources management?			
5. Does this hydropower project provide financial incentives to develop a multi-purpose project?			
<b>2.2. Alternatives</b>			
1. Describe the examination of alternatives to the project that have been considered (include details of feasibility studies and do-nothing options analysis that have been conducted).			
2. Have stakeholders been involved in the identification of the options? Describe process and outcome of that involvement.			
3. What are the main reasons behind the project choice and site selection (social, environmental, economic, and technical)?			
4. What are the consequences of non- action for the local and global environment?			
5. On the project assessment level, describe project variants and types of technology considered in comparison with the selected option.			

**Validator's Conclusions concerning Priority 2:**

**3. Addressing Existing Dams/hydroelectric projects**

<p>1. For hydroelectric projects with dams, please describe the national requirements and routines for monitoring and reporting regarding:</p> <ul style="list-style-type: none"><li>- emergency warning,</li><li>- sediment management,</li><li>- safety system,</li><li>- maintenance system,</li><li>- environmental impact,</li><li>- social impact,</li><li>- implementation of compensation agreements.</li></ul>			
<p>2. For non-dam projects, describe details of the continuous monitoring of the project (environmental and quality assurance).</p>			
<p>3. How have relevant outstanding social and environmental issues from existing dams/hydroelectric projects in the river basin been addressed?</p>			
<p>4. Have national regulations been enforced for existing dams and what can be concluded with regard to compliance?</p>			
<p>5. Will the implementation of safety measures and evacuation plans be independently audited?</p>			

<p>6. Provisions for maintenance and decommissioning</p> <ul style="list-style-type: none"> <li>- What provisions have been made for maintenance and refurbishment (eg. a maintenance and refurbishment fund)?</li> </ul>			
<ul style="list-style-type: none"> <li>- What arrangements are made for decommissioning at the end of the plant lifetime, if any (e.g. decommissioning set aside fund)?</li> </ul>			
<ul style="list-style-type: none"> <li>- Describe provisions for emergency drawdown and decommissioning.</li> </ul>			
<ul style="list-style-type: none"> <li>- Are they sufficiently flexible to accommodate changing future needs and values, including ecosystem needs and ecosystem restoration (Guideline 12)?</li> </ul>			
<ul style="list-style-type: none"> <li>- Does the licence for project development define the responsibility and mechanisms for financing decommissioning costs?</li> </ul>			
<ul style="list-style-type: none"> <li>- Describe economic, environmental, social and political factors that may point against future decommissioning, if this has been recognised as the best solution.</li> </ul>			
<p><b>Validator's Conclusions concerning Priority 3:</b></p>			

4. Sustaining Rivers and Livelihoods			
<b>4.1. Water use ratio<sup>12</sup></b>			
<p>Water use ratio (ratio of natural flow, agricultural water, industrial water, domestic water...) including:</p> <ol style="list-style-type: none"> <li>1. population of the river basin area (<math>10^6</math> inhabitants);</li> <li>2. natural mean flow (km<sup>3</sup>/year);</li> <li>3. demand (km<sup>3</sup>/year);</li> <li>4. water use ratio (%);</li> <li>5. comparison of water demand with natural mean flow;</li> <li>6. storage capacity (km<sup>3</sup>);</li> <li>7. annual water consumption by type of users (hm<sup>3</sup>/year): agricultural and farming, domestic use, industrial use</li> </ol>			
<b>4.2 Impact Assessment</b> ( <i>Note: both positive and negative impacts should be included here</i> )			
<p>What Impact Assessments have been carried out and on which regulations were they based on? – Describe the major impacts in each of the following categories and the mitigation measures for negative impacts:</p>			

<sup>12</sup> Water Use Ratio - an environmental indicator which refers to the withdrawal of water for irrigation, industry, household use... A ratio of 25% or higher is generally an indicator of water stress. Important water demanding activities affect seriously its quantity and in consequence the availability of water resources. Some of these driving forces are urbanization, industry and agricultural production. The increase in impervious surface has the effect of reducing water infiltration and aquifer recharge

<i>4.2.1. Environmental Impacts</i>			
Describe environmental impacts of the project (including impact on water quality (temperature, oxygen, etc.), soil, air quality, GHG emissions, <b>biodiversity</b> , habitats, risk of erosion caused by inundation etc.)			
<i>4.2.2. Environmental Flow Assessment</i>			
1. Describe how the environmentally safe minimum flow has been determined.			
2. Describe the measures taken to minimise the impact of reduced flow in the affected river.			
3. Describe the measures taken to maintain ecosystems, productive fisheries and other aqua-cultures downstream and upstream.			
4. Describe the activities the project developer will undertake before flooding the land (e.g. clearing of vegetation or other preparations).			
5. Describe any other compensatory measures addressing environmental impacts of the project			

<i>4.2.3. Social Impact Assessment</i>			
1. Describe social impacts of the project (including resettlement, impacts on other land or river use e.g. fishing, agriculture, hunting and use of other types of natural resources and including benefits to individuals and communities)			
2. Describe any identified health impacts due to the project.			
3. Describe impacts on religious and cultural heritage.			
4. Describe the liability provisions safeguarding the implementation of the planned measures.			
5. Is the project planned in a responsible way in order to sustain livelihoods and the environment?			
<b>4.3 Cumulative Impacts</b>			
Describe the cumulative impacts of all hydrological structures existing in the river basin using variables such as: <ul style="list-style-type: none"> <li>1. flow regime,</li> <li>2. water quantity,</li> <li>3. productivity,</li> <li>4. water quality species composition of different rivers in the same river basin</li> </ul>			

**Validator's Conclusions concerning Priority 4:**

**5. Recognising Entitlements and Sharing Benefits**

Are Mitigation, Resettlement and Development Action Plans (where applicable - including **commensurate** compensation packages) in place? Provide details:

1. Demonstrate that the construction of the plant did not lead to worsening of the living conditions of the local residents and resettled families.

2. Were compensation and benefit agreements planned in consultation with affected groups?

3. What standards were the measures based on? (e. g. national standards or other)

4. Were the affected people satisfied with the compensation packages?

5. **Benefits** for the affected people (individuals and communities): In what way will the affected local and indigenous population's livelihoods be improved due to the project?

**Validator's Conclusions concerning Priority 5:**



<b>6. Ensuring Compliance</b>			
<b>6.1. Compliance measures:</b>			
1. What will be done to ensure that relevant laws, regulations, agreements (including resettlement and compensation agreements) and recommendations are followed?			
2. Are the compensation agreements legally binding – through treaties, administrative acts or other safeguards?			
3. Is the cost of the compensation package included in the financial plan?			
4. Does the project developer already operate other hydroelectric power stations? If so, have there been any conflicts between the project developer and stakeholders related to the development, operation and compensatory measures related to these projects? If so, describe the cause of the conflict and how it was resolved.			
<b>6.2. Monitoring and evaluation during crediting period:</b>			
1. Describe conditions in place for monitoring and evaluation of environmental and socio-economic impacts of the project.			

<p>2. What provisions have been made to ensure that all measures not yet implemented at the time of validation will be put in place as appropriate, and monitored (eg through an independent auditing panel or auditor, or through self-auditing etc.)?</p>			
<p><b>Validator’s Conclusions concerning Priority 6:</b></p>			
<p><b>7. Sharing rivers for peace, development and security.</b></p>			
<p>Does the project have trans-boundary impacts? - If so, give details of agreement(s) between affected countries, considering international recommendations for trans-boundary water projects and describe how this affects the project.</p>			
<p><b>Validator’s Conclusions concerning Priority 7:</b></p>			
<p><b>Validator’s assessment as to how the project respects the seven strategic priorities outlined in the World Commission on Dams November 2000 Report “Dams and Development – A New Framework for Decision-Making”</b></p>			
<p>Name: Function: Contact details: Company/validating entity: Date of validation of the Compliance Report:</p>			

## 8.4 Attachment D: JI Request for review<sup>13</sup>

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"Insert date"

National Authority for the CDM and JI  
Adaptation and International Climate Change Policy Branch  
Department of the Environment  
GPO Box 787  
Canberra ACT 2601  
AUSTRALIA

Dear sir/madam

I wish to request a review of Australia's National Authority's decision not to issue a letter of approval for the following project:

Project information	
Name of project	"insert name of project"
Host Party	"insert host Party Country"
Applicant's name	"insert applicant's name"
Applicant's phone number	"insert applicant's business hours phone number"
Applicant's email address	"insert applicant's email address"
Applicant's postal address	"insert applicant's postal address"
Application reference number <i>Guidance: this is the application reference quoted in the decision notification.</i>	"insert application reference number"
Date of initial letter of approval application	"insert date of initial letter of approval application"
Reasons for request for review (please provide a separate attachment if necessary)	"insert reasons for request for review"

In doing so, I "insert name" ("Insert ABN/ACN if applicable" ) of "Insert full address" represent and warrant that:

18. I understand that giving false or misleading information is a serious offence under the *Criminal Code Act 1995* (Cth).
19. I am legally authorised to bind the applicant and the signatures below are provided in the manner necessary to so bind.

---

<sup>13</sup> Please note that applicants may only add requested information to this form. Any other modifications or additions will not be considered and will result in the application being deemed incomplete.

Signed by or on behalf of the Applicant:

Name of applicant: "Insert name of applicant"	
<b>Signature 1</b>	<b>Signature 2 (if applicable)</b>
Signature:	Signature:
Name of signatory: "Insert name of signatory"	Name of signatory: "Insert name of signatory"
Position: "Insert position"	Position: "Insert position"
Company: "Insert company"	Company: "Insert company"
Place of signature: "Insert place of signature"	Place of signature: "Insert place of signature"
Date: "Insert date"	Date: "Insert date"
<b>Witness</b>	<b>Witness</b>
In the presence of:	In the presence of:
Signature of witness:	Signature of witness:
Name of witness: "Insert name of witness"	Name of witness: "Insert name of witness"
Position: "Insert position"	Position: "Insert position"
Date: "Insert Date"	Date: "Insert Date"

Has this form been signed by a person legally authorised to bind the Applicant?

Yes       No

Please send the completed form electronically and in hard copy to:

**Email:** [DFP@environment.gov.au](mailto:DFP@environment.gov.au)

**Post:** National Authority for the CDM and JI  
Adaptation and International Climate Change Policy  
Branch  
Department of the Environment  
GPO Box 787  
Canberra ACT 2601  
AUSTRALIA

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