



Kommunalkredit Public Consulting GmbH  
Türkenstrasse 9  
1092 Vienna  
AUSTRIA

20 April 2009 No 13-4-579045

## Letter of Approval

Undersigned, as a legal and authorised representative of Estonia.

Acknowledging that Estonia has ratified the United Nations Framework Convention on Climate Change in 1994.

Taking into consideration that Estonia has ratified the Kyoto Protocol in 2002.

Recalling that the Republic of Estonia and the Republic of Austria have signed a Memorandum of Understanding regarding bilateral cooperation between the Minister of the Environment of the Republic of Estonia and the Federal Minister of Agriculture, Forestry, Environment and Water Management of the Republic of Austria for the realisation of projects in the field of Joint Implementation under Article 6 of the Kyoto Protocol in 2006.

Referring to

Virtsu III Wind Power Development

hereafter to be referred to as the "Project",

located in Hanila municipality, Lääne County, Estonia,

planned by OÜ Roheline Ring Tuulepargid, Tallinna tn 16, 93813 Kuressaare, Estonia,

hereafter to be referred to as the "Contractor",

and

the Emission Reduction Purchase Agreement between the Republic of Austria, Federal Minister of Agriculture, Forestry, Environment and Water Management, represented by Kommunalkredit Public Consulting GmbH, and OÜ Roheline Ring, signed in October 2006, hereafter referred to as the 'ERPA'. Terms defined in the ERPA and not defined otherwise in this Letter of Approval shall have the same meaning as in the ERPA.

Estonia declares, agrees, warrants and undertakes as follows:

Estonia has ratified the Kyoto Protocol.

Estonia is in compliance with the requirements to participate in Article 6 of the Kyoto Protocol projects as stated in the Marrakech Declaration.

Estonia recognises the "Project" to be a Joint Implementation project in accordance with Article 6 of the Kyoto Protocol and its underlying decisions.

Estonia approves and acknowledges the Project and authorizes the implementation and performance of the Project on its territory.

Estonia authorises the Contractor and any future owner of the Project to generate Emission Reduction Units ("ERUs") by operation of the Project in accordance with Article 6 of the Kyoto Protocol and commits itself to render such assistance as may be necessary in the verification, issuance and transfer of any emission reductions generated by the Project.

Estonia acknowledges and expressly agrees that all the terms and conditions providing for the purchase of certain emission reductions generated by the Project and the delivery schedule shall be agreed between the Contractor and the Republic of Austria in the ERPA.

Estonia agrees to the transfer in accordance with the ERPA of 100% of verified "ERUs" generated by the Project (estimated 90 935 tons of CO<sub>2</sub>-eq from Determination Report) during the period of 01.01.2008-31.12.2012 to the Republic of Austria through the transfer of ERUs by Estonia or through any other mechanism accepted by the COP/MOP of the Kyoto Protocol on the request of the Republic of Austria. The transfer of the estimated 90 935 tons of CO<sub>2</sub>-eq ERUs to the Republic of Austria will take place after the Contractor has submitted Verification documents verifying the generation of an equivalent amount of emission reductions.

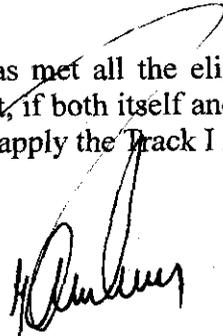
The transfer of ERUs is irrespective of any legal or other transfer of the "Project" to third parties.

Estonia acknowledges the right of first refusal of the Republic of Austria under the ERPA with regard to the emission reductions generated by the "Project" after 31 December 2012. A transfer to Austria of up to 100% of such emission reductions in accordance with the ERPA has to be approved by Estonia separately.

Herewith the Letter of Approval issued on 1 April 2009 (our No 13-6-2/07/36985-2) is declared invalid.

Estonia has met all the eligibility criteria for Track 1 Procedure under the Kyoto Protocol and agrees that, if both itself and the Republic of Austria fulfil these requirements, the Contractor may choose to apply the Track I Procedure to the "Project".

Signed



For the Host Country: Estonia  
Full Name/Country: The Republic of Estonia  
Name: Jaanus Tamkivi  
Position: Minister of the Environment

Signature:

Cc: Roheline Ring Tuulepargid OÜ  
Tallinna 16  
93813 Kuressaare  
Estonia