

Memorandum of Understanding
between
the **Government of Republic of India and the Government of the**
Kingdom of Denmark
on Clean Development Mechanism

The, Government of Republic of India and the Government of the Kingdom of Denmark hereinafter referred to as the Parties;

Considering that both the Government of India and the Kingdom of Denmark are Parties to the United Nations Framework Convention on Climate Change and the Kyoto Protocol thereto;

Bearing in mind Article 12 of the Kyoto Protocol, which provides for the transfer of Certified Emission Reductions (CERs) resulting from Clean Development Mechanism project activities from Parties not included in Annex I to Parties included in Annex I, that may be used by the latter Parties for purposes of compliance with part of their quantified emission limitation and reduction commitments under Article 3 of the Kyoto Protocol;

Have reached the following understanding:

Article 1

The two Parties agree to cooperate to achieve the objectives of the UNFCCC and the Kyoto Protocol thereto, to facilitate cooperation on clean development mechanism, and pursue joint projects that reduce global greenhouse gas emissions, in accordance with Article 12 of the Kyoto Protocol.



Article 2

In relation to cooperation on CDM-related activities the Parties agree that their cooperation shall have the following main objectives:

- (a) To facilitate the transfer of technology and know-how to meet the objectives of the Kyoto Protocol.
- (b) To facilitate the procurement by the Danish Government and/or private Danish companies of Certified Emission Reductions (CERs) from energy efficiency, renewable energy and waste management projects in India.
- (c) To facilitate the support for sustainable development in India through CDM project development, project -based transfer of technology, and capacity building by ensuring that the transacted projects meet the existing sustainability criteria set forth in India for such purposes.

Article 3

The part of the emission reduction units to be transferred to Denmark will be determined through agreements between the purchaser in Denmark and the ultimate owners of the emission reduction units in India.



Article 4

The contribution of the Parties shall be:

(a) On the part of the Government of India:

India shall contribute through support to companies or institutions interested in carrying out emission reduction projects in the form of information and advice and by formal approval of projects that meet the national Indian requirements and criteria for CDM projects. A letter of approval will be issued for the individual projects, confirming to the Executive Board of the CDM that the projects meet the sustainability criteria set forth by the designated CDM national authority and therefore declaring to the Executive Board that such projects support sustainable development in India and that India can agree to the transfer of the agreed and procured part of the resulting CERs to Denmark during the agreed period and that no extra charges will be included beyond the agreed payment for CERs.

(b) On the part of the Government of Denmark:

The Danish Government and / or private Danish companies can purchase CERs originating from any project that produces CERs for which the ultimate owner of the emission reduction units is seeking a buyer. The specific purchase contract shall include the formal Danish approval of the project in accordance with Article 12 of the Kyoto Protocol.



Article 5

It is furthermore agreed that:

- (a) For each CDM project from which Denmark purchases CERs, an individual project agreement shall be signed including payment schemes.
- (b) The CDM projects prepared and implemented as part of this MOU between the two countries shall follow the rules and modalities stipulated in the Marrakech Accords adopted at the Seventh Conference of the Parties to the United Nations Framework Convention on Climate Change and other relevant stipulations succeeding the Marrakech Accords.
- (c) Should changes of national policies in either country result in difficulties in development and implementation of projects and exchange of CERs, both countries will do their utmost to ensure a practical transfer of the CERs agreed upon in the letter of approval.
- (d) This MOU is non-exclusive, allowing both Parties to enter into similar agreements with other countries.

Potential funding of activities mentioned above is subject to final financial approval by the competent Danish authorities.

The two Parties acknowledge that the CDM Executive Board may not approve the co-funded projects as CDM projects. Such project risks shall be dealt with through the relevant project agreement.



This Memorandum of Understanding is not intended to create legal obligations for either Party in any other international forum and it does not conflict with any other treaty to which Denmark and India are party to.

Termination of this Memorandum of Understanding shall have not effect on ongoing cooperation projects or the acquisition of the certified emission reductions, already agreed upon by the Parties.

This Memorandum will come into effect on signature and will continue in operation, until terminated by either Party with six months written notice.

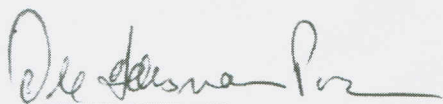
Signed in two originals in New Delhi on 27/10 2008 in the English language.

**For the Government of
the Kingdom of Denmark**

**For the Government
of India**

**NAME
DESIGNATION**

**NAME
DESIGNATION**



Ambassador of Denmark
to India



Additional Secretary
to Government of India.