

Libyan Designated National Authority (DNA)



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Dr. Mohamed M. Amer

Environmental General Authority

Libya Participation in UNFCCC and Kyoto Protocol Mechanisms



- Libya acceded to UNFCCC on 24-08-2006
- DNA is approving projects based on Libyan Sustainable development Criteria.
- And to ensure that the mechanism is in the national interest.
- Created the Inter Committee on Climate Change in (155 year 2005)



Kyoto Protocol on CDM

- i) to assist developing country Parties (non-Annex I countries) in achieving sustainable development, thereby contributing to the ultimate objective of the Convention.
- ii) to assist developed country Parties (Annex I countries) in achieving compliance with part of their quantified emission limitation and reduction commitments under Article 3.



Requirements for Participation

- Participation of all parties is voluntary
- To participate, a non non-Annex I Party must:
 - Ratify the KP
 - Designate a national authority
- To be able to use the CERs, an Annex I Party must:
 - Ratify the KP
 - Designate a national authority
 - Have an established assigned amount
 - Have in place a national inventory and registry
 - Be in good standing with reporting requirements



Considerations in Setting up DNA

- Model that fits best within the legal and administrative culture and structure
- Potential and expected number of CDM projects
- Size of the organization in DNA
- Leverage participation, and increase capacity by involving the private sector, academia and NGOs
- Potential availability and sources of funding

General Issues



Two different and distinct issues

- Designation of an authority: Decision on the institutional structure
- Adoption of guidelines for the approval process

Potential DNA Structure



Existing department/ministry as DNA

- A specific Minister, Ministry, or an existing department of a Ministry can be designated to serve as DNA
- A particular department or unit would be responsible for issuing letters of approval

Examples of DNA



Country	Organization	Country	Organization
Argentina	Oficina argentina del Mecanismo para un Desarrollo Limpio	Netherlands	Ministry of Housing, Spatial Planning and the Environment
China	National Development and Reform Commission	Germany	Ministry of Environment
India	International Division, Ministry of Environment and Forests	Morocco	Comité National MDP, Direction du Partenariat, de la Communication et de la Coopération
Chile, Ecuador, Peru	CDM Promotion Office (in addition to DNA in the Ministry of Environment)	Uzbekistan	Ministry of Economy

Functions of Designated National Authority for CDM in Libya



- Committee approved establishment of DNA to Perform the following function:
- Regulation function:
 - Project evolution and approval in accordance with Libyan Law and regulation.
- Promotion function:
 - To promote and facilitate the development of CDM investment in Libya.
 - To promote CDM projects of a developmental nature.
 - Ensure that the mechanism is in the national interest(Planning strategies objective)
 - Ensuring that CDM project goes through the relevant international processes and has all the relevant documentation to proceed.

SD Criteria for CDM project approval



- Definition of Sustainable Development (SD)
(The integration of Social, Economic and Environmental factor into planning, implementation and decision making so as to ensure that development serves present and future generations)
 - This definition of sustainable development will inform the decisions of the DNA
- SD Criteria
 - Economic: Does the project contribute to national economic development?
 - Social: Does the project contribute to social development ?
 - Environmental: Does the project conform to the national environmental Law.

Sectors For Potential Projects

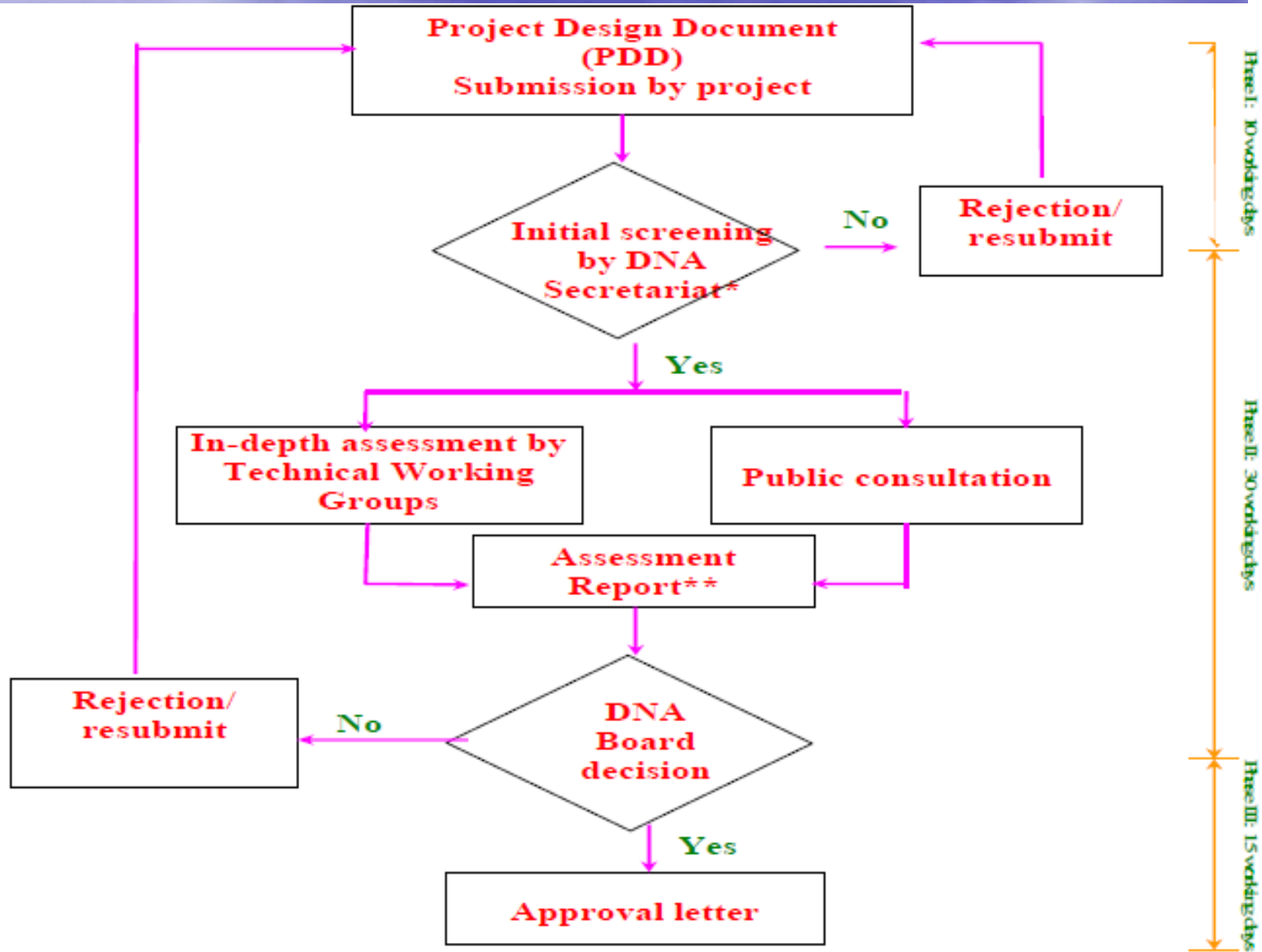


- Energy supply and demand- Energy efficiency(EE), renewable energy(RE), cogeneration
- Municipalities' sector- Waste sector, water supply ,methane recovery
- Agriculture sector
- Transportation sector
- Chemical and petrochemical industries
- Education sector



Approval Process

Project Assessment and Approval Process





Project Development

Approval of the Project

Governmental Review and Approval Process

Project Participants

Government-Project Participants Interface

Government

Project Idea



Development of the Project Documents



Validation of the Project

Information [and request of early endorsement of the project]

Request for Project Approval

Guidelines that govern the approval process

DNA of the Host Party

Development of sustainable development indicators

Information of the relevant authorities/ministries

Coordination of the approval process

Other relevant public authorities

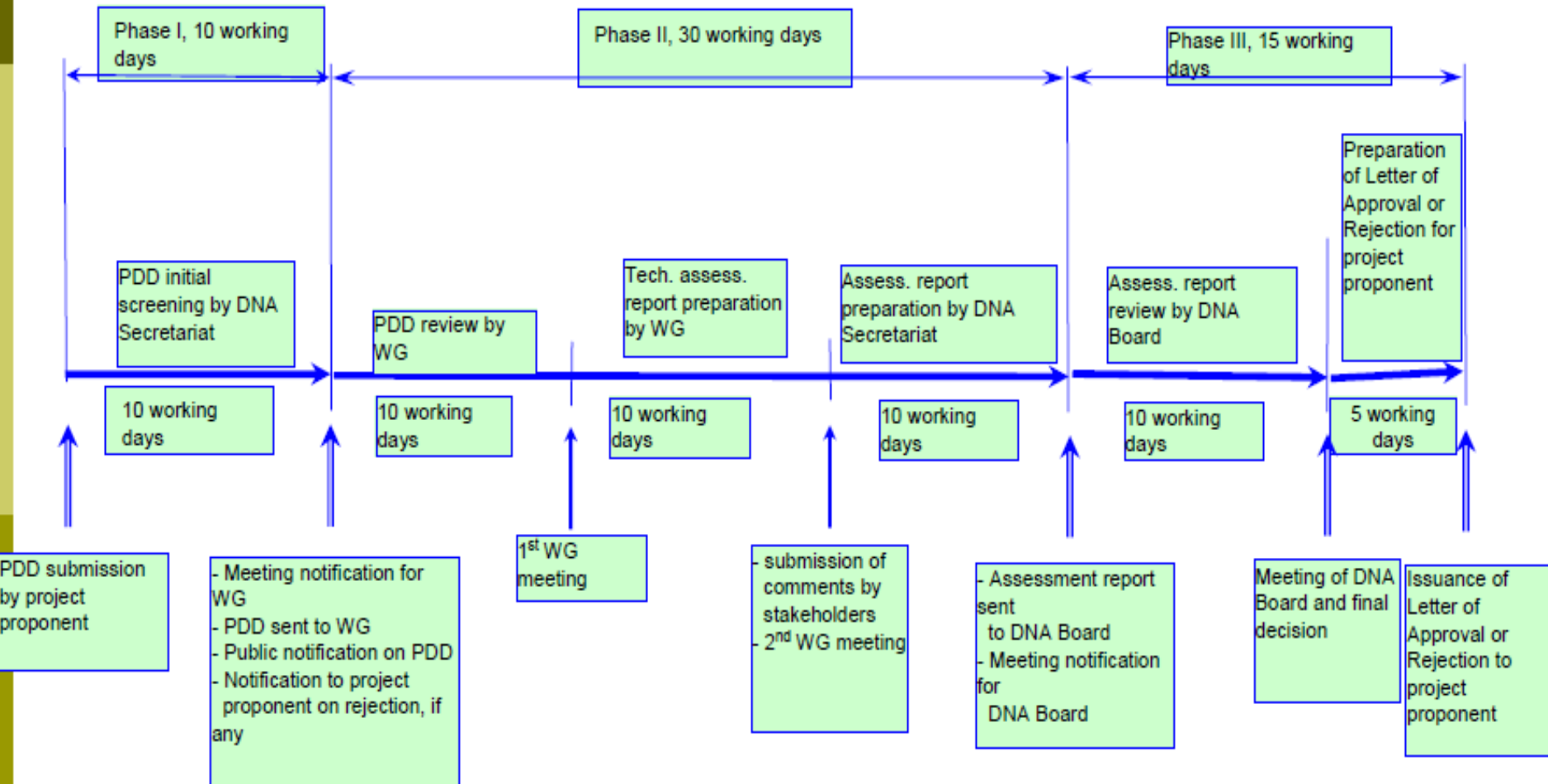
Ministry of Agriculture

Ministry of Energy

Ministry of Industry

Ministry of Environment

Project Assessment and Approval Process



Whatever the Structure is...



- There should be a clear point of contact in DNA for entities wishing to pursue a CDM project
- DNA should provide transparent and efficient CDM project approval [and provide reasons for any denial of approval], which should be public
- The DNA should facilitate coordination of any inter-governmental requirements necessary to issue a Letter of Approval

Role of the DNA



Mandated by CDM to issue Letters of Approval, which needs to state

- **The project has been approved for the purposes of Article 12 of the Kyoto Protocol**
- **That participation is voluntary**
- **The project assists in achieving country's sustainable development objectives**
- **Authorize the project participants to participate in the CDM project**

Associated Roles



- Developing rules and procedures for approval of CDM projects, including national sustainable development criteria or principles
- Reporting on national CDM programmes and providing recommendations on changes or additions to CDM procedures
- Ensuring all stakeholders have a clear point of contact which can provide information on national policies and procedures relating to the CDM

DNA is NOT...



- Responsible for developing project documentation
- Liable for any action [or lack of action] with regards to the project
- Required to approve baseline methodologies

Other CDM Activities



Facilitating CDM Investments

- Be a facilitator/broker between offer/demand
- Identify/ promote projects
- Raise awareness and promote capacity building

Host country should also:

- Determine whether an environmental impact assessment is required under national law
- Assist in identifying relevant reform and regulatory policies (e.g. in Power sector)

Monitoring of Project Implementation

- Accompany DOE for verification
- Evaluate SD indicators

...DNA need NOT fulfill these roles directly



Facilitating Private Investments

- CDM is a competitive market
- Private sector is more likely to invest if the host country DNA has:
 - A clear and consistent approach to sustainable development
 - Clear procedures for project approval (or refusal) with specific timelines
 - A single window approach: to guide project proponents in complying with all applicable laws, including Environmental Impact Assessment
- Above all, approving a project under CDM should be transparent, cost and time efficient and simple

Conclusions



- DNA structure and scope based on CDM potential and available resources
- Possible for DNA to have multiple roles, based on requirements
- Leveraging expertise from non governmental, private sector highly beneficial
- Political will and commitment to sustainable development necessary