JI Determination **F - JI - DR**

PARTY/JISC REVIEW FORM

(version 03)

(by submitting this form, a Party involved in a JI activity (through DFP) or a JISC member requests a review)

Party involved (DFP) / **JISC member** submitting the form:	
Reference number and **title** of the proposed JI activity:	**Reference number:** 0287 **Title of proposed JI activity:** "Implementation of energy-efficient lighting system in the Donetsk Region with the use of Kyoto Protocol mechanism: replacement of incandescent lamps with energy efficient ones at budget financed and social entities in the Torez town (under Track 2) "
AIE that performed the determination	TÜV Rheinland Group/TÜV Rheinland Ukraine

Type of JI activity: □ **large-scale** **X small-scale** □ **LULUCF** □ **PoA/JPA**

Background

1. The requirements of Article 6 of the Kyoto Protocol, the JI guidelines, and relevant CMP and JISC requirements regarding determinations pursuant to paragraph 33 of the JI guidelines have to be met and appropriately addressed by the accredited independent entity (AIE).
2. Project participants shall submit to an AIE a JI PDD/PoA DD that contains all the information needed for the determination of whether the proposed JI activity fulfills the requirements in paragraph 31 of the JI guidelines.
3. The AIE shall determine whether the proposed JI activity meets the conditions in paragraph 33 of the JI guidelines.
4. The AIE shall make its determination publicly available through the secretariat, together with an explanation of its reasons, including a summary of comments received and a report of how due account was taken of these (paragraph 34 of JI guidelines).
5. Where applicable, the AIE shall take into consideration paragraphs 26–30 of the procedures for programmes of activities under the verification procedure under the JISC (JI PoA procedures, version 1).

Request for review

Please respond to the questions presented below by marking the appropriate check box:

Yes	No	
		➢ Has the AIE determined appropriately that the proposed JI activity:
X	□	▪ has been approved by the Parties involved listed in the JI PDD/PoA DD?
□	X	▪ would result in a reduction of anthropogenic emissions by sources or an enhancement of anthropogenic removals by sinks that is additional to any that would otherwise occur?
□	X	▪ has an appropriate baseline and monitoring plan in accordance with the criteria set out in appendix B of the JI guidelines?
X	□	➢ Has the AIE confirmed that the project participants have submitted documentation on the analysis of the environmental impacts of the proposed JI activity, including transboundary impacts, in accordance with procedures as determined by the host Party, and, if those impacts are considered significant by the project participants or the host Party, have undertaken an environmental impact assessment in accordance with procedures as required by the host Party?
X	□	➢ Has the AIE made its determination publicly available through the secretariat together with an explanation of its reasons, including a summary of the comments received and a report of how due account was taken on these?
□	□	➢ Has the coordinating entity of the JI PoA included only JPA(s) that appear to meet all the eligibility requirements defined in the JI PoA DD? *(applicable to JI PoA only)*
□	□	➢ Has the AIE confirmed that the eligibility criteria for inclusion of JPAs have been fulfilled and the operational and management arrangements for the implementation of the JI PoA have been established by the coordinating entity? *(applicable to JI PoA only)*

Please describe in detail the reasons for requesting the review, including the specific JI requirements (e.g. guidelines, guidance, decisions, rules, etc.) that you consider not fulfilled, and attach supporting documentation, if appropriate.

The PDD states that there is a country regulation “Ordinance of the Cabinet of Ministers of Ukraine # 1337-r. “On Implementation of Measures to Reduce Electricity Consumption by Budget Institutions” that calls for the gradual replacement of common ICLs with up-to-date energy efficient light sources requiring no change of lighting fixtures in the budget financed and social entities. This regulation should enforce the abovementioned actions from 2009 on. The PDD states that the enforcement of this ordinance is still very low and not supported by the state and for this reason, the current practice of using ICLs remains the common practice and most economically attractive scenario.

The PP has assumed that the facilities covered by the project activity would not have been converted to CFL lamps during the crediting period, as the cost of CFLs compared to that of the ICLs is prohibitive, and that the level of financing allocated to the town council is not sufficient to cover the cost of CFLs.

There are however a number of issues, that seem to have not been appropriately addressed:

- the continuation of the usage of the ICLs does not comply with the local regulation (abovementioned) which imposes the phasing out of the ICLs and their gradual replacement by more energy efficient lamps;
- the investment barrier has been demonstrated based only on a qualitative comparison of costs of ICLs and CFLs and seems not to take into account the costs savings induced by the reduction of energy consumption nor the lifetime of the CFLs which according to the PDD is 8 times that of ICLs;
- the baseline scenario identification does not take into account the impact of the penetration rate of the CFLs in the Ukrainian market during the project’s crediting period;

Based on the above it could be concluded that the AIE failed to appropriately deal with paragraphs 20 (a) and 25 of the JI guidance on criteria for baseline setting and monitoring version 03.

Additionality of the project is justified by the PP using a JI specific approach, on the grounds that financing has not been available to implement the government directives on using CFLs (investment barrier), as well as the additional training requirements for the disposal of CFLs (technological barrier), and that the project provides the additional supervision necessary to prevent CFL theft (other barriers). However, the PDD and the Determination Report do not refer to any evidence for the investment barrier. In other words, there is no data on the actual penetration of CFLs as a result of the national regulations.
Traceable and transparent information showing that the baseline was identified on the basis of conservative assumptions along with documentary evidence to back the claim as well as reasons for non-availability of funding could have been asked for by AIE during determination, in accordance with paragraph 44 (a) of the Guidance on criteria for baseline setting and monitoring version 03.

It should be noted that the project participants should also update the information on the enforcement of the Ordinance # 1337 in the other cities and locations in Ukraine throughout the crediting period of the project activity (annually) in order to justify that the project continue to not be a common practice.