



# VERIFICATION REPORT

## CEP CARBON EMISSIONS

### PARTNERS S.A.

## VERIFICATION OF THE JI PROJECT

**REDUCTION OF CO<sub>2</sub> EMISSIONS BY SYSTEMATIC  
UTILIZATION OF NO-TILL TECHNOLOGY AT LTD  
«OBRIY-MTS-ROZDYLNA» FARMLANDS**

First periodic

for the period 01/01/2008 – 31/12/2011

REPORT No. UKRAINE-VER/0742/2012

REVISION No. 02

BUREAU VERITAS CERTIFICATION




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**VERIFICATION REPORT**


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Date of first issue: 19/10/2012	Organizational unit: Bureau Veritas Certification Holding SAS
Client: CEP CARBON EMISSIONS PARTNERS S.A.	Client ref.: Fabian Knodel

**Summary:**  
Bureau Veritas Certification has made the first periodic verification for the period from January 1, 2008 to December 31, 2011 of the "Reduction of CO2 emissions by systematic utilization of No-till technology at Ltd «Obriy-MTS-Rozdylna» farmlands" project of CEP CARBON EMISSIONS PARTNERS S.A., located in Rozdilianskyi district of Odesa region, Ukraine, and applying JI specific approach, on the basis of UNFCCC criteria for the JI, as well as criteria given to provide for consistent project operations, monitoring and reporting. UNFCCC criteria (but for the crediting period) refer to Article 6 of the Kyoto Protocol, the JI rules and modalities and the subsequent decisions by the JI Supervisory Committee, as well as the host country criteria.

The verification scope is defined as a periodic independent review and ex post determination by the Accredited Entity of the monitored reductions in GHG emissions during defined verification period, and consisted of the following three phases: i) desk review of the monitoring report against project design and the baseline and monitoring plan; ii) follow-up interviews with project stakeholders; iii) resolution of outstanding issues and the issuance of the final verification report and opinion. The overall verification, from Contract Review to Verification Report & Opinion, was conducted using Bureau Veritas Certification internal procedures.

The first output of the verification process is a list of Clarification, Corrective Actions Requests, Forward Actions Requests (CR, CAR and FAR), presented in Appendix A.

In summary, Bureau Veritas Certification confirms that the project is implemented as planned and described in approved project design documents. Installed equipment that is essential for generating emission reduction runs reliably and is calibrated appropriately. The monitoring system is in place and the project is generating GHG emission reductions. The GHG emission reduction is calculated without material errors and the ERUs issued totalize 196 019 tonnes of CO2 equivalent for the monitoring period from 01/01/2008 to 31/12/2011.

Our opinion relates to the project's GHG emissions and resulting GHG emission reductions reported and related to the approved project baseline and monitoring plan, and its associated documents.

Report No.: UKRAINE-ver/0742/2012	Subject Group: JI
Project title: Reduction of CO2 emissions by systematic utilization of No-till technology at Ltd «Obriy-MTS-Rozdylna» farmlands	
Work carried out by: Oleg Skoblyk – Team Leader, Climate Change Lead Verifier Volodymyr Kulish - Team Member, Climate Change Verifier	
Work reviewed by: Ivan Sokolov - Internal Technical Reviewer	
Work approved by: Ivan Sokolov – Operational Manager	
Date of this revision: 22/10/2012	Rev. No.: 02
Number of pages: 31	

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## 1 INTRODUCTION

CEP CARBON EMISSIONS PARTNERS S.A. has commissioned Bureau Veritas to verify the reduction of CO<sub>2</sub> emissions by systematic utilization of No-C<sub>3</sub> technologies on agricultural lands in the Rozdilansky district of Odesa region, Ukraine.

This report summarizes the findings of the verification of the project, performed on the basis of UNFCCC criteria, as well as criteria given to provide for consistent project operations, monitoring and reporting.

The verification covers the period from January 1, 2008 to December 31, 2011.

### 1.1 Objective

Verification is the periodic independent review and ex post determination by the Accredited Independent Entity of the monitored reductions in GHG emissions during defined verification period.

The objective of verification can be divided in Initial Verification and Periodic Verification.

UNFCCC criteria refer to Article 6 of the Kyoto Protocol, the JI rules and modalities and the subsequent decisions by the JI Supervisory Committee, as well as the host country criteria.

### 1.2 Scope

The verification scope is defined as an independent and objective review of the project report and other relevant documents. The information in these documents is reviewed against Kyoto Protocol requirements, UNFCCC rules and associated interpretations.

The verification is not meant to provide any consulting towards the Client. However, stated requests for clarifications, corrective and/or forward actions may provide input for improvement of the project monitoring towards reductions in the GHG emissions.

### 1.3 Verification Team

The verification team consists of the following personnel:

Oleg Skoblyk

Bureau Veritas Certification, Team Leader, Climate Change Lead Verifier

Volodymyr Kulish

Bureau Veritas Certification, Team Member, Climate Change Verifier

This verification report was reviewed by:



Ivan Sokolov

Bureau Veritas Certification, Internal Technical Reviewer

## 2 METHODOLOGY

The overall verification, from Contract Review to Verification Report & Opinion, was conducted using Bureau Veritas Certification internal procedures.

In order to ensure transparency, a verification protocol was customized for the project, according to the version 01 of the Joint Implementation Determination and Verification Manual, issued by the Joint Implementation Supervisory Committee at its 19 meeting on 04/12/2009. The protocol shows, in a transparent manner, criteria (requirements), means of verification and the results from verifying the identified criteria. The verification protocol serves the following purposes:

- < It organizes, details and clarifies the requirements a JI project is expected to meet;
- < It ensures a transparent verification process where the verifier will document how a particular requirement has been verified and the result of the verification.

The completed verification protocol is enclosed in Appendix A to this report.

### 2.1 Review of Documents

The Monitoring Report (MR) submitted by CEP CARBON EMISSIONS PARTNERS S.A. and additional background documents related to the project design and baseline, i.e. country Law, Project Design Document (PDD), Approved CDM methodology, Determination Report of the project issued by Bureau Veritas Certification Holding SAS No. UKRAINE-det/0536/2012 as of 23/08/2012, Guidance on criteria for baseline setting and monitoring, Host party criteria, the Kyoto Protocol, Clarifications on Verification Requirements to be Checked by an Accredited Independent Entity were reviewed.

The verification findings presented in this report relate to the Monitoring Report for the period from 01/01/2008 to 31/12/2011 version 01 of October 18, 2012 and version 02 of October 22, 2012 and the project as described in the determined PDD.

### 2.2 Follow-up Interviews

On 19/10/2012 Bureau Veritas Certification verification team conducted a visit to the project site (Š c á Á ° -MŠ-Üä ^: á ^ ) and performed (on-site) interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of CEP CARBON EMISSIONS PARTNERS S.A. and Š c á Á ° -MŠ-Üä ^: á ^ were interviewed (see References). The main topics of the interviews are summarized in Table 1.



**Table 1 Interview topics**

Interviewed organization	Interview topics
Scania - M&S	<ul style="list-style-type: none"> <li>Ø Organizational structure</li> <li>Ø Responsibilities and authorities</li> <li>Ø Personnel training</li> <li>Ø Quality control procedures and technology</li> <li>Ø Equipment use (records)</li> <li>Ø Metering equipment control</li> <li>Ø Metering record keeping system, database</li> </ul>
Consultant: CEP CARBON EMISSIONS PARTNERS S.A.	<ul style="list-style-type: none"> <li>Ø Baseline methodology</li> <li>Ø Monitoring plan</li> <li>Ø Monitoring report</li> <li>Ø Deviations from the PDD</li> </ul>

### 2.3 Resolution of Clarification, Corrective and Forward Action Requests

The objective of this phase of the verification is to raise the requests for corrective actions and clarification and any other outstanding issues that needed to be clarified for Bureau Veritas Certification positive conclusion on the GHG emission reduction calculation.

If the Verification Team, in assessing the monitoring report and supporting documents, identifies issues that need to be corrected, clarified or improved with regard to the monitoring requirements, it should raise these issues and inform the project participants of these issues in the form of:

- (a) Corrective action request (CAR), requesting the project participants to correct a mistake that is not in accordance with the monitoring plan;
- (b) Clarification request (CL), requesting the project participants to provide additional information for the Verification Team to assess compliance with the monitoring plan
- (c) Forward action request (FAR), informing the project participants of an issue, relating to the monitoring that needs to be reviewed during the next verification period.

The Verification Team will make an objective assessment as to whether the actions taken by the project participants, if any, satisfactorily resolve the issues raised, if any, and should conclude its findings of the verification.

To guarantee the transparency of the verification process, the concerns raised are documented in more detail in the verification protocol in Appendix A.

## 3 VERIFICATION CONCLUSIONS

In the following sections, the conclusions of the verification are stated.

The findings from the desk review of the original monitoring documents and the findings from interviews during the follow up visit are described in the Verification Protocol in Appendix A.



The Clarification, Corrective and Forward Action Requests are stated, where applicable, in the following sections and are further documented in the Verification Protocol in Appendix A. The verification of the Project resulted in 10 Corrective Action Requests and 2 Clarification Requests.

The number between brackets at the end of each section corresponds to the DVM paragraph.

### 3.1 Remaining issues and FARs from previous verifications

The purpose of this verification is to verify the issues from previous verifications and determination or issues to be verified in the PDD. The Determination Report prepared by Bureau Veritas Certification has determined the following unsolved issues:

#### CAR 15:

The project has no approval from the Host party and the country-participant.

#### Response

The project was approved by the State Environmental Investment Agency of Ukraine (Letter of Approval No. 3084/23/7 dated 18/10/2012) and the Ministry of Environmental Protection of Estonia (Letter of Approval dated 19/09/2012).

### 3.2 Project approval by Parties involved (90-91)

The project was approved by the host Party (Ukraine) - the Letter of Approval No. 3084/23/7 dated 18/10/2012 issued by State Environmental Investment Agency of Ukraine. The project was also approved by the party . participant (Estonia) - Letter of Approval dated 19/09/2012 issued by the Ministry of Environmental Protection of Estonia.

The abovementioned written approvals are unconditional.

The identified areas of concern as to the project approval by Parties involved, project participants responses and Bureau Veritas findings are detailed in Appendix A to this report (refer to CAR 01, CAR 02, CAR 03).

### 3.3 Project implementation (92-93)

The purpose of the Joint Implementation (JI) Project is to reduce anthropogenic greenhouse gas (GHG) emissions resulting from agricultural activities by changing the agricultural land management system, namely replacement of traditional soil tillage in agriculture with No-till technology.

In 2008, the Farm started to grow crops applying No-till technology (also referred to as conservation agriculture) because it provides for fewer technological procedures, which prevents the topsoil from a major disturbance, and it also differs with the way to utilize plant residues. The number of technological procedures of plant growing and harvesting is almost the same in the two technologies. The main difference is that the traditional technology provides



for the processes of fertilizer application, land ploughing, cultivation, furrowing and seeding (multiple passage of the machinery in the field) direct sowing provides for simultaneous fertilizer application and sowing (single passage of the machinery).

In the absence of the Joint Implementation (JI) project Ltd ° U ãy-MTS-Ü [ : å ^ | } æø would have used the traditional system of soil cultivation. This system involves tillage that provides for turning over of topsoil to create homogeneous and mellow seedbed. The basic operation causing CO<sub>2</sub> emissions is ploughing during which crop residues are buried in the soil and weeds are removed.

The project provides for greenhouse gas (GHG) emission reductions due to:

- Ø reduction of carbon dioxide emissions from farmland achieved by reducing (almost zero) topsoil disturbance by tillage in the course of technological procedures of soil cultivation for crop growing.

The project implies the change in crops growing technology. This includes the following measures:

- change of soil cultivation and sowing technology;
- change of plant residue management;
- equipping the machine-tractor fleet with high-efficiency machinery to meet the No-till technology requirements.

The starting date of the crediting period was the date when they were first ERUs were generated, namely January 1, 2008. The end of the crediting period is December 31, 2012. Thus, the length of the crediting period is 5 years/60 months.

Project implementation status, including the project milestones, in the reporting period of 01/01/2008 . 31/12/2011 is provided in Table 2 below.

**Table 2 Project implementation status**

Year	Area, ha
2008	5276.00
2009	5724.00
2010	6381.61
2011	7128.55

In the current monitoring period, the following equipment was commissioned:

- seed drills for direct seeding;
- special tractors;
- herbicide sprayers;
- seed and fertilizer drill systems;
- combine harvesters and other machinery required by the technology.





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 spare part, engine breakdown, etc.), a commission shall be created. The commission  
 includes technical department representatives, chief engineer and lead engineers.  
 Depending on the type of malfunction, a Damage or Emergency Report is drawn up to  
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 is conducted.

The resulting emission reductions from the project do not exceed the amount of emissions that would be in the absence of the project because the project does not provide for any emissions.

The project was in operation throughout the monitoring period - from 01/01/2008 to 31/12/2011.

The identified areas of concern as to the project implementation, project participants responses and Bureau Veritas Cerc ã ~ ã & æ c ã [ ] q • Á & [ ] & | ~ • ã [ ] • Á æ! ^ to this report (refer to CAR 04, CAR 05).

### 3.4 Compliance of the monitoring plan with the monitoring methodology (94-98)

The monitoring occurred in accordance with the monitoring plan included in the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website.

For calculating the emission reductions, key factors, such as humus content in the soil of field ° ø cultivated using traditional tillage in period ° ø, soil density at field cultivated using traditional tillage prior to the project, depth of soil layer disturbance at field ° ø when conventional tillage is applied, area of field ° ø cultivated using No-till technology, humus content in the soil of field ° ø cultivated using No-till technology in period ° ø, experience in implementing activities provided by the project, current practice that exists in this field in Ukraine, financial costs and background and legislation, influencing the baseline emissions and the activity level of the project and the emissions as well as risks associated with the project were taken into account, as appropriate.

Data sources used for calculating emission reductions such as protocols soil quality measurements, registr Á [ ~ Á Ø for 2007-2011, information from the company and IPCC information are clearly identified, reliable and transparent.

Emission factors, including organic carbon to humus conversion coefficient and conservatism factor that takes account of possible emissions in the project scenario in the process of creation of anti-fire furrows and minimal topsoil disturbance in No-till technology are selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice.

The calculation of emission reductions is based on conservative assumptions and the most plausible scenarios in a transparent manner.



The monitoring periods per component of the project are clearly specified in the monitoring report and do not overlap with those for which verifications were already deemed final in the past.

The identified areas of concern as to the compliance of the monitoring plan with the monitoring methodology, project participants responses and Bureau Veritas Appendix A to this report refer to CAR06, CAR07, CAR 08).

### 3.5 Revision of monitoring plan (99-100)

Not applicable.

### 3.6 Data management (101)

The data and their sources, provided in monitoring report, are clearly identified, reliable and transparent.

The implementation of data collection procedures is in accordance with the monitoring plan provided in the PDD, including the quality control and quality assurance procedures.

The function of the monitoring equipment, including its calibration status, is in order.

Metering devices used for project monitoring are subject to state calibration. Calibration and verification of all devices necessary for humus content measurement are conducted. If necessary, John Deere specialists may be involved in adjustment of GreenStar2 system.

- of data collection in accordance with the monitoring report (data collection in accordance with monitoring coincides with the customary data collection practice);
- of labour protection;
- of safety rules.

Every quarter, project developers CEP Carbon Emissions Partners S.A. and EVO CARBON TRADING SERVICES LTD conduct internal audits

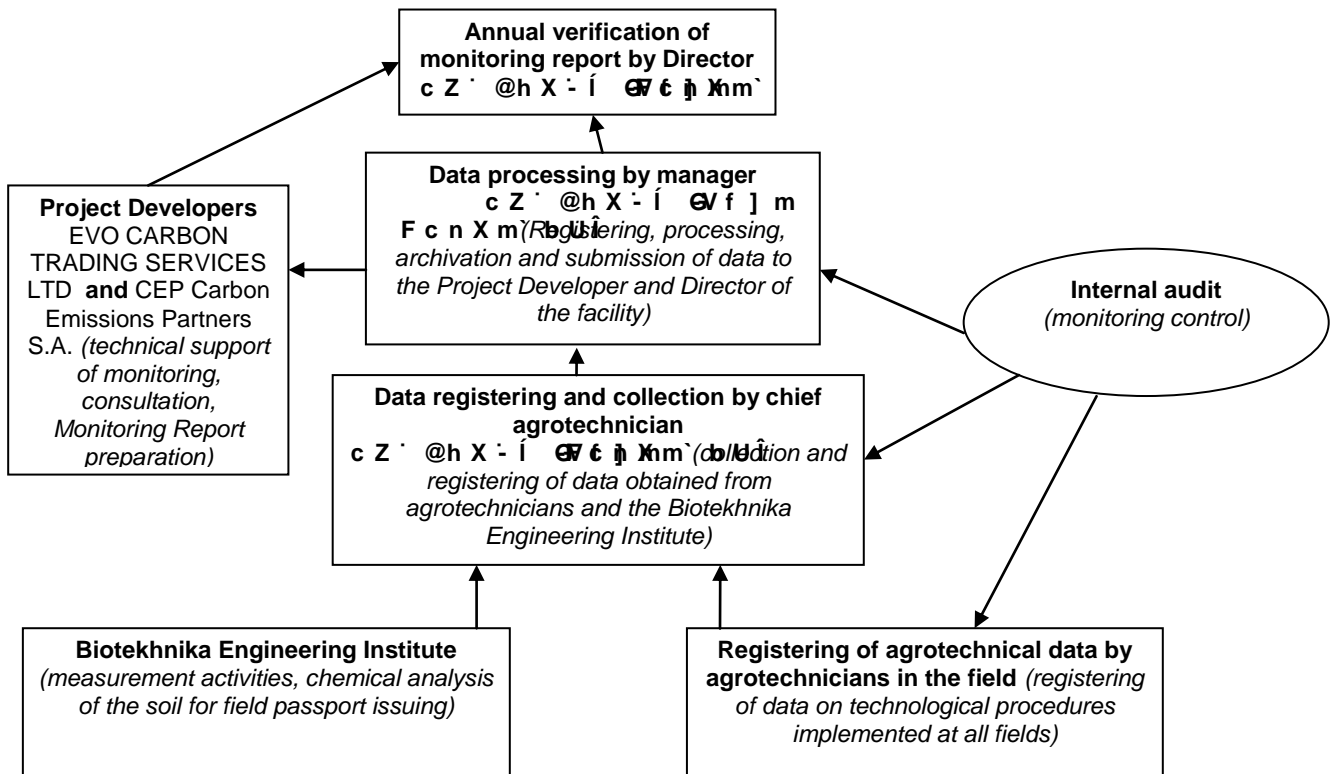
1. verification of areas of fields where No-till technology is implemented;
2. verification of humus content measurements;
3. verification of verification frequencies for humus metering devices;
4. verification of calibration frequencies for humus metering devices;



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... (possible for accounting of area treated with No-till technology), the Biotekhnika Engineering Institute (responsible for ...), the agrotechnician (recording and reporting data in ...), and required for the determination and further verification are archived and stored in ... for two years after the transfer of emission reduction units generated by the project.

The structure of monitoring data collection is as follows:



**Figure 1 Operational structure and data collection scheme for the project monitoring**

All necessary data concerning GHG emission reduction monitoring is archived in paper and/or electronic form and kept till the end of the crediting period and for two years after the latest transaction with emission reduction units.

The Monitoring Report version 02 provides sufficient information on duties assigned, responsibility and authorities concerning implementation and undertaking of monitoring procedures, including data management. The verification team confirms the efficiency of the existing management and operational systems and considers them appropriate for reliable project monitoring.



The identified areas of concern as to the data management, project participants to this report (refer to CAR 09, CAR 10, CL 01, CL 02).

### 3.7 Verification regarding programmes of activities (102-110)

Not applicable.

## 4 VERIFICATION OPINION

Bureau Veritas Certification has performed the first periodic verification for the period from January 1, 2008 to December 31, 2011 of the %Reduction of CO2 emissions by systematic utilization of No-c project in Ukraine, which applies JI specific approach. The verification was performed on the basis of UNFCCC criteria and host country criteria and also on the criteria given to provide for consistent project operations, monitoring and reporting.

The verification consisted of the following three phases: i) desk review of the monitoring report against the project design and the baseline and monitoring plan; ii) follow-up interviews with project stakeholders; iii) resolution of outstanding issues and the issuance of the final verification report and opinion.

Management is responsible for the preparation of data which serve as the basis for estimation of GHG emission reductions. CEP Carbon Emissions Partners S.A EVO CARBON TRADING SERVICES LTD provide Ltd with consultative support in the issues relating to organization of data collection and is responsible for developing the monitoring report based on the Project Monitoring Plan included in the final PDD version 03.

Bureau Veritas Certification verified the Project Monitoring Report version 02 for the reporting period from 01/01/2008 to 31/12/2011 as indicated below. Bureau Veritas Certification confirms that the project is implemented as per approved PDD version. Installed equipment being essential for generating emission reduction runs reliably and is calibrated appropriately. The monitoring system is in place and the project is generating GHG emission reductions.

Emission reductions achieved by the project for the period from 01/01/2008 to 31/12/2011 do not differ from the amount estimated in the determined PDD for the same period. This is explained by the fact that at the time of the PDD development all data were available for accurate calculation of GHG emission reductions from the project.

Bureau Veritas Certification can confirm that the GHG emission reduction is calculated resulting GHG emissions reductions reported and related to the approved project baseline and monitoring, and its associated documents. Based on the information we have seen and evaluated, we confirm the following statement:

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Reporting period: From 01/01/2008 to 31/12/2011

In the period from 01/01/2008 to 31/12/2008

Baseline emissions	:	17 702	tonnes of CO <sub>2</sub> equivalent.
Project emissions	:	0	tonnes of CO <sub>2</sub> equivalent.
Emission Reductions	:	17 702	tonnes of CO <sub>2</sub> equivalent.

In the period from 01/01/2009 to 31/12/2009

Baseline emissions	:	37 050	tonnes of CO <sub>2</sub> equivalent.
Project emissions	:	0	tonnes of CO <sub>2</sub> equivalent.
Emission Reductions	:	37 050	tonnes of CO <sub>2</sub> equivalent.

In the period from 01/01/2010 to 31/12/2010

Baseline emissions	:	58 484	tonnes of CO <sub>2</sub> equivalent.
Project emissions	:	0	tonnes of CO <sub>2</sub> equivalent.
Emission Reductions	:	58 484	tonnes of CO <sub>2</sub> equivalent.

In the period from 01/01/2011 to 31/12/2011

Baseline emissions	:	82 783	tonnes of CO <sub>2</sub> equivalent.
Project emissions	:	0	tonnes of CO <sub>2</sub> equivalent.
Emission Reductions	:	82 783	tonnes of CO <sub>2</sub> equivalent.

Total in the period from 01/01/2008 to 31/12/2011

Baseline emissions	:	196 019	tonnes of CO <sub>2</sub> equivalent.
Project emissions	:	0	tonnes of CO <sub>2</sub> equivalent.
Emission Reductions	:	196 019	tonnes of CO <sub>2</sub> equivalent.







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	180 dated 29/09/2006 (MTZ-82.1 tractor %oÓ ^   æ[ ~ • +
/8/	Delivery and acceptance certificate based on sale-purchase agreement 180 dated 29/09/2006 (MTZ-82.1 tractor %oÓ ^   æ[ ~ • +
/9/	Sale-purchase agreement Á Ì J Ð 2006 dated 07/12/2006 (spraying machine OPSh-2000)
/10/	Sale-purchase agreement Á Ì J Ð 2006 dated 08/12/2006 (NZ-20 grain loading machines with extended augers and hoppers for loading fertilizers)
/11/	Delivery and acceptance certificate dated 16/01/2007 (NZ-20 grain loading machine)
/12/	Delivery agreement Á Ì I Ð F 2006 dated 21/11/2006 (TMK-160 tilt-covered trailers with screws for loading drills)
/13/	Certificate of delivery and acceptance (incompany transportation) of non-current assets Á -0000001 dated 11/01/2007 (TMK-160 tilt-covered trailer)
/14/	Certificate of delivery and acceptance (incompany transportation) of non-current assets Á -0000001 dated 11/01/2007 (TMK-160 tilt-covered trailer)
/15/	Certificate of delivery and acceptance (incompany transportation) of non-current assets Á -0000001 dated 11/01/2007 (TMK-160 tilt-covered trailer)
/16/	Sale-purchase agreement Á F-02/29 dated 14/02/2007 (John Deere drills, "Niva" control system, grain legume header, finger cassette)
/17/	Certificate of delivery and acceptance (incompany transportation) of non-current assets Á -0000022 dated 31/03/2007 (grain legume header mod925F H00925F641714)
/18/	Certificate of delivery and acceptance (incompany transportation) of non-current assets Á -0000015 dated 31/03/2007 (drill John Deere 7000 Planter ÁA07000B011649)
/19/	Certificate of delivery and acceptance (incompany transportation) of non-current assets Á -0000018 dated 31/03/2007 (drill John Deere 7000 8RH € ÁA07000B081003)
/20/	Certificate of delivery and acceptance (incompany transportation) of non-current assets Á -0000016 dated 31/03/2007 (grain legume header mod925F H00925F651897)
/21/	Sale-purchase agreement Á G2 dated 12/12/2007(drills John Deere, "Niva" control system, grain legume header, finger cassette)
/22/	certificate of transfer of the ownership of property to S c á Á %o- à !Uá Ü [ : á ^   according to sale-purchase agreement Á G2 dated 12/12/2007 as of 02/04/2008
/23/	Sale-] ~ ! & @æ• ^ Á æ* ! ^ ^ { ^ } c Á Á FZF 60 grain loading machine)
/24/	Certificate of delivery and acceptance (incompany transportation) of non-current assets Á -0000077 dated 21/06/2007 (Z -60 grain loading machine)
/25/	Sale-] ~ ! & @æ• ^ Á æ* ! ^ ^ { ^ } c Á Á H G H 3-5, H grain drill) c
/26/	Certificate of delivery and acceptance (incompany transportation) of non-



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	current assets Á -0000164 dated € G Đ € Ì Đ G € 54 Ĩ ġr ĩñ Ç driH (zav 405))
/27/	Certificate of delivery and acceptance (incompany transportation) of non-current assets Á -0000165 dated € G Đ € Ì Đ G € 54 Ĩ ġr ĩñ Ç driH (zav 410))
/28/	Sale-] ~   & @æ• ^ Á æ*   ^ ^ { ^ } c Á Á F € Đ € H 54 Ĩ ġr ĩñ Ç driH (zav 410))
/29/	Certificate of delivery and acceptance (incompany transportation) of non-current assets Á -0000295 dated G Ì Đ € J Đ G € 54 Ĩ ġr ĩñ Ç driH (2 discs with single-openers))
/30/	Certificate of delivery and acceptance (incompany transportation) of non-current assets Á -0000296 dated G Ì Đ € J Đ G € 54 Ĩ ġr ĩñ Ç driH (2 discs with single-openers))
/31/	Sale-purchase agreement Á H € dated 23/01/2008 (tractor trailers, feed augers)
/32/	T æ& @ã } ^ Á á ^   ã ç ^   ^ Á æ} á Á æ& & ^ ] c æ} & ^ Á & ^ 160 tractor trailers with patches)
/33/	T æ& @ã } ^ Á á ^   ã ç ^   ^ Á æ} á Á æ& & ^ ] c æ} & ^ Á & ^ 160 tractor trailers with patches)
/34/	Sale-] ~   & @æ• ^ Á æ*   ^ ^ { ^ } c Á Á F € Đ € H 54 Ĩ ġr ĩñ Ç driH (A-1150 09 tractors)
/35/	Agricultural machine delivery and acceptance certificate ( Z-150 09 tractor)
/36/	Special machinery financial leasing agreement Á F G Đ € Ì Đ G € 54 Ĩ ġr ĩñ Ç driH dated 22/05/2008 (Montana Paruda MA 2627M self-propelled sprayer)
/37/	Sale-purchase agreement ° Á G dated G F Đ F G Đ G V D 900 Á Ç driH (VD-900 spreader)
/38/	Certificate of delivery and acceptance (incompany transportation) of non-current assets Á -0000319 ( VD-900 spreader)
/39/	Agricultural machine sale-purchase agreement Á G 2009 dated 22/01/2009 (MVU-900 inorganic fertilizer material spreader)
/40/	Certificate of delivery and acceptance (incompany transportation) of non-current assets Á F Á VD-900 spreader)
/41/	Sale-] ~   & @æ• ^ Á æ*   ^ ^ { ^ } c Á Á F € Đ € H 54 Ĩ ġr ĩñ Ç driH (BDVP Á 4,2 çarráwÁ . 1 unit)
/42/	Certificate of delivery and acceptance Á Á dated F Ì Đ € J Đ G € € J Á Ç . F Á È D Á Á Ĩ É G Á
/43/	Sale-] ~   & @æ• ^ Á æ*   ^ ^ { ^ } c Á Á B D V P Á 4,2 çarráwÁ . 1 2E units)
/44/	Certificate of delivery and acceptance dated 08/07/2010 (BDVP 4,2 harrow . 2 units)
/45/	Protocol of soil quality parameter measurements Á F J dated Á July 2, 2012
/46/	Protocol of soil quality parameter measurements Á F J dated Á July 2, 2012
/47/	Protocol of soil quality parameter measurements Á F J dated Á July 2, 2012
/48/	Protocol of soil quality parameter measurements Á F J dated Á July 2, 2012




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/49/	Protocol of soil quality parameter measurements 2012	Á F J <del>date</del> Á July 2,
/50/	Protocol of soil quality parameter measurements 2012	Á F J <del>date</del> Á July 2,
/51/	Protocol of soil quality parameter measurements 2012	Á F J <del>date</del> Á July 2,
/52/	Protocol of soil quality parameter measurements 2012	Á F J- <del>6</del> <del>date</del> Á July 2,
/53/	Protocol of soil quality parameter measurements 2012	Á F J- <del>6</del> <del>date</del> Á July 2,
/54/	Protocol of soil quality parameter measurements 2012	Á F J- <del>6</del> <del>date</del> Á July 2,
/55/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 2,
/56/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 2,
/57/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 2,
/58/	Protocol of soil quality parameter measurements 2012	Á G €- <del>F</del> <del>date</del> Á July 2,
/59/	Protocol of soil quality parameter measurements 2012	Á G €- <del>F</del> <del>date</del> Á July 2,
/60/	Protocol of soil quality parameter measurements 2012	Á G €- <del>F</del> <del>date</del> Á July 2,
/61/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 2,
/62/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 2,
/63/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 2,
/64/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 2,
/65/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 2,
/66/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 2,
/67/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 2,
/68/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 2,
/69/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 2,
/70/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 18,
/71/	Protocol of soil quality parameter measurements 2012	Á G €- <del>€</del> <del>date</del> Á July 18,



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/72/	Protocol of soil quality parameter measurements	Á G €-F dated July 18, 2012
/73/	Protocol of soil quality parameter measurements	Á G €-F dated July 18, 2012
/74/	Protocol of soil quality parameter measurements	Á G €-E dated July 18, 2012
/75/	Protocol of soil quality parameter measurements	Á G €-E dated July 18, 2012
/76/	Protocol of soil quality parameter measurements	Á G €-F0I dated July 20, 2012
/77/	Protocol of soil quality parameter measurements	Á G €-F0I dated July 20, 2012
/78/	Protocol of soil quality parameter measurements	Á G €-F0H dated July 20, 2012
/79/	Protocol of soil quality parameter measurements	Á G €-F0F dated July 20, 2012
/80/	Protocol of soil quality parameter measurements	Á G €-E0J dated July 20, 2012
/81/	Protocol of soil quality parameter measurements	Á G €-F1I dated July 23, 2012
/82/	Protocol of soil quality parameter measurements	Á G €-F1I dated July 23, 2012
/83/	Protocol of soil quality parameter measurements	Á G €-F1H dated July 23, 2012
/84/	Protocol of soil quality parameter measurements	Á G €-F1F dated July 23, 2012
/85/	Protocol of soil quality parameter measurements	Á G €-E1J dated July 23, 2012
/86/	Protocol of soil quality parameter measurements	Á G €-E1I dated July 23, 2012
/87/	Ú! [ c [ & [   Á [ ~ Á • [ ã   Á ~ ~ æ   ã c ^ Á ] æ!-12 { dated^	December 17, 2012
/88/	Ú! [ c [ & [   Á [ ~ Á • [ ã   Á ~ ~ æ   ã c ^ Á ] æ!-12 { dated^	December 17, 2012
/89/	Ú! [ c [ & [   Á [ ~ Á • [ ã   Á ~ ~ æ   ã c ^ Á ] æ!-12 { dated^	December 17, 2012
/90/	Ú! [ c [ & [   Á [ ~ Á • [ ã   Á ~ ~ æ   ã c ^ Á ] æ!-12 { dated^	December 17, 2012
/91/	Ú! [ c [ & [   Á [ ~ Á • [ ã   Á ~ ~ æ   ã c ^ Á ] æ!-12 { dated^	December 17, 2012
/92/	Ú! [ c [ & [   Á [ ~ Á • [ ã   Á ~ ~ æ   ã c ^ Á ] æ!-12 { dated^	December 17, 2012
/93/	Ú! [ c [ & [   Á [ ~ Á • [ ã   Á ~ ~ æ   ã c ^ Á ] æ!-12 { dated^	December 17, 2012
/94/	Ú! [ c [ & [   Á [ ~ Á • [ ã   Á ~ ~ æ   ã c ^ Á ] æ!-12 { dated^	December 17, 2012





### Persons interviewed:

List of persons interviewed during the verification or persons that contributed with other information that are not included in the documents listed above.

	<b>Name</b>	<b>Organization</b>	<b>Position</b>
/1/	Dmytro Dobrovolskyi	Š c å Á %σ à !Uã ^ Ü [ : å ^   } æ	Director
/2/	Oleksandr Tymchuk	Š c å Á %σ à !Uã ^ Ü [ : å ^   } æ	Administration manager
/3/	Larysa Omelchuk	Š c å Á %σ à !Uã ^ Ü [ : å ^   } æ	Deputy financial director
/4/	Olha Removska	Š c å Á %σ à !Uã ^ Ü [ : å ^   } æ	Chief accountant
/5/	Tetiana Voinikova	Š c å Á %σ à !Uã ^ Ü [ : å ^   } æ	Chief economist
/7/	Iryna Naumenko	LLC °CEPø	Consultant of CEP CARBON EMISSIONS PARTNERS S.A..



## VERIFICATION REPORT

## APPENDIX A: PROJECT VERIFICATION PROTOCOL

## BUREAU VERITAS CERTIFICATION HOLDING SAS

## VERIFICATION PROTOCOL

**Table 1. Check list for verification, according to the JOINT IMPLEMENTATION DETERMINATION AND VERIFICATION MANUAL (Version 01)**

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
<b>Project approvals by Parties involved</b>				
90	Has the DFPs of at least one Party involved, other than the host Party, issued a written project approval when submitting the first verification report to the secretariat for publication in accordance with paragraph 38 of the JI guidelines, at the latest?	The project has been approved by both Parties. The Letters of Approval were provided to the verification team. <b>CAR 01.</b> Please, provide information regarding the determination process in Section A.2. of the MR. <b>CAR 02.</b> The name of the authority that issued the Letter of Approval from the host party is not correct. <b>CAR 03.</b> The country-participant that issued the Letter of Approval is not correct.	<b>CAR 01</b> <b>CAR 02</b> <b>CAR 03</b>	OK OK OK
91	Are all the written project approvals by Parties involved unconditional?	Yes, all the written project approvals by Parties involved are unconditional.	OK	OK
<b>Project implementation</b>				
92	Has the project been implemented in accordance with the PDD regarding which the determination has been deemed final and is so listed on the	The purpose of the Joint Implementation (JI) Project is to reduce anthropogenic greenhouse gas (GHG) emissions resulting from agricultural activities by changing the agricultural land management system,	<b>CAR 04</b>	OK



## VERIFICATION REPORT

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	UNFCCC JI website?	namely replacement of traditional soil tillage in agriculture with No-till technology. The project implies the change in crops growing technology. This includes the following measures: <ul style="list-style-type: none"> <li>- change of soil cultivation and sowing technology;</li> <li>- change of plant residue management;</li> <li>- equipping the machine-tractor fleet with high-efficiency machinery to meet the No-till technology requirements.</li> </ul> <b>CAR 04.</b> Please, in Section A.2. of the MR provide information relating to the equipment implemented in the current monitoring period.		
93	What is the status of operation of the project during the monitoring period?	The project was in operation throughout the monitoring period - from 01/01/2008 to 31/12/2011. <b>CAR 05.</b> The monitoring period, namely the starting date, is incorrect in Sections A.3. and A.4. of the MR.	<b>CAR 05</b>	OK
<b>Compliance with monitoring plan</b>				
94	Did the monitoring occur in accordance with the monitoring plan included in the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website?	<b>CAR 06.</b> An incorrect version of the PDD was referred to in Section A.6. of the MR. <b>CAR 07.</b> In Section A.9. of the MR there are references to Annex 1 with regard to people responsible for the preparation and submission of the monitoring report, while Annex 1 does not contain this information.	<b>CAR 06</b> <b>CAR 07</b>	OK OK
95 (a)	For calculating the emission reductions or enhancements of net removals, were	For calculating the emission reductions, key factors,	OK	OK



VERIFICATION REPORT

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	key factors, e.g. those listed in 23 (b) (i)-(vii) of the DVM, influencing the baseline emissions or net removals and the activity level of the project and the emissions or removals as well as risks associated with the project taken into account, as appropriate?	density at field cultivated using traditional tillage prior to the project, depth of soil layer disturbance at field activities provided by the project, current practice that exists in this field in Ukraine, financial costs and background and legislation, influencing the baseline emissions and the activity level of the project and the emissions as well as risks associated with the project were taken into account, as appropriate.		
95 (b)	Are data sources used for calculating emission reductions or enhancements of net removals clearly identified, reliable and transparent?	Data sources used for calculating emission reductions are clearly identified, reliable and transparent. <b>CAR 08.</b> In Table 4 and Annex 1 to the MR the name of the document that confirms reliability of $k_{p,i,y}$ , $k_{b,i,y}$ parameter values is incorrect.	<b>CAR 08</b>	OK
95 (c)	Are emission factors, including default emission factors, if used for calculating the emission reductions or enhancements of net removals, selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice?	Emission factors, including default emission factors were not used for calculating the emission reductions. This is explained by the chosen specific approach and the formulae stated in the MR.	OK	OK
95 (d)	Is the calculation of emission reductions	Calculation of emission reductions is based on	OK	OK



## VERIFICATION REPORT

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	or enhancements of net removals based on conservative assumptions and the most plausible scenarios in a transparent manner?	conservative assumptions and the most plausible scenarios in a transparent manner.		
<b>Applicable to JI SSC projects only</b>				
96	Is the relevant threshold to be classified as JI SSC project not exceeded during the monitoring period on an annual average basis? If the threshold is exceeded, is the maximum emission reduction level estimated in the PDD for the JI SSC project or the bundle for the monitoring period determined?	Not applicable	Not applicable	Not applicable
<b>Applicable to bundled JI SSC projects only</b>				
97 (a)	Has the composition of the bundle not changed from that is stated in F-JI-SSCBUNDLE?	Not applicable	Not applicable	Not applicable
97 (b)	If the determination was conducted on the basis of an overall monitoring plan, have the project participants submitted a common monitoring report?	Not applicable	Not applicable	Not applicable
98	If the monitoring is based on a monitoring plan that provides for overlapping monitoring periods, are the monitoring periods per component of the project clearly specified in the	Not applicable	Not applicable	Not applicable





## VERIFICATION REPORT

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	monitoring report? Do the monitoring periods not overlap with those for which verifications were already deemed final in the past?			
<b>Revision of monitoring plan</b>				
<b>Applicable only if monitoring plan is revised by project participant</b>				
99 (a)	Did the project participants provide an appropriate justification for the proposed revision?	Not applicable.	Not applicable	Not applicable
99 (b)	Does the proposed revision improve the accuracy and/or applicability of information collected compared to the original monitoring plan without changing conformity with the relevant rules and regulations for the establishment of monitoring plans?	Not applicable	Not applicable	Not applicable
<b>Data management</b>				
101 (a)	Is the implementation of data collection procedures in accordance with the monitoring plan, including the quality control and quality assurance procedures?	The implementation of data collection procedures, including the quality control and quality assurance procedures, is in accordance with the monitoring plan. <b>CL 01.</b> Please, provide an explanation to Figure 5 of the MR. <b>CAR 09.</b> The incorrect information about another project is provided in Section C.3. of the MR.	<b>CL 01</b> <b>CAR 09</b>	OK OK
101 (b)	Is the function of the monitoring equipment, including its calibration status, in order?	The function of the monitoring equipment, including its calibration status, is in order. <b>CL 02.</b> Please, provide the verification team with the	<b>CL 02</b>	OK



## VERIFICATION REPORT

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
		documentation confirming the implementation of the No-till technology.		
101 (c)	Are the evidence and records used for the monitoring maintained in a traceable manner?	The evidence and records used for the monitoring are maintained in a traceable manner. <b>CAR 10.</b> Please, provide information about the storage of data that are necessary for the monitoring.	<b>CAR 10</b>	OK
101 (d)	Is the data collection and management system for the project in accordance with the monitoring plan?	The data collection and management system for the project is in accordance with the monitoring plan. The verification team confirms the effectiveness of the existing management and operating systems and considers them suitable for reliable monitoring of the project.	OK	OK
<b>Verification regarding programs of activities (additional elements for assessment)</b>				
102	Is any JPA that has not been added to the JI PoA not verified?	Not applicable	Not applicable	Not applicable
103	Is the verification based on the monitoring reports of all JPAs to be verified?	Not applicable	Not applicable	Not applicable
103	Does the verification ensure the accuracy and conservativeness of the emission reductions or enhancements of removals generated by each JPA?	Not applicable	Not applicable	Not applicable
104	Does the monitoring period not overlap with previous monitoring periods?	Not applicable	Not applicable	Not applicable
105	If the AIE learns of an erroneously included JPA, has the AIE informed the JISC of its findings in writing?	Not applicable	Not applicable	Not applicable



VERIFICATION REPORT

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
<b>Applicable to sample-based approach only</b>				
106	<p>Does the sampling plan prepared by the AIE:</p> <p>(a) Describe its sample selection, taking into account that:</p> <p>(i) For each verification that uses a sample-based approach, the sample selection shall be sufficiently representative of the JPAs in the JI PoA such extrapolation to all JPAs identified for that verification is reasonable, taking into account differences among the characteristics of JPAs, such as:</p> <ul style="list-style-type: none"> <li>• the applicability of the applicable technologies and/or measures used;</li> <li>• the number of JPAs;</li> <li>• the emission reductions of the JPAs being verified;</li> <li>• the emission reductions that are being verified;</li> <li>• the monitoring periods of the JPAs being verified; and</li> </ul>	Not applicable	Not applicable	Not applicable



## VERIFICATION REPORT

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	<p>Á V @ ^ Á • æ { ]   ^ • Á • ^ verifications, if any?</p>			
107	Is the sampling plan ready for publication through the secretariat along with the verification report and supporting documentation?	Not applicable	Not applicable	Not applicable
108	Has the AIE made site inspections of at least the square root of the number of total JPAs, rounded to the upper whole number? If the AIE makes no site inspections or fewer site inspections than the square root of the number of total JPAs, rounded to the upper whole number, then does the AIE provide a reasonable explanation and justification?	Not applicable	Not applicable	Not applicable
109	Is the sampling plan available for submission to the secretariat for the R Q Û Ô q • Á ^ ç Á æ } c ^ Á æ • • ^	Not applicable	Not applicable	Not applicable
110	If the AIE learns of a fraudulently included JPA, a fraudulently monitored	Not applicable	Not applicable	Not applicable



VERIFICATION REPORT

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	JPA or an inflated number of emission reductions claimed in a JI PoA, has the AIE informed the JISC of the fraud in writing?			



## VERIFICATION REPORT

**Table 2. Resolution of Corrective Action and Clarification Requests**

Draft report clarifications and corrective action requests by verification team	Ref. to checklist question in table 1	Summary of project participant response	Verification team conclusion
<b>CAR 01.</b> Please, provide information regarding the determination process in Section A.2. of the MR.	90	Reduction of CO <sub>2</sub> emissions by systematic utilization of No-till and S&U was determined by Bureau Veritas Certification. Determination Report No. UKRAINE-det/0536/2012 as of 23/08/2012.	The issue is closed as necessary information was provided.
<b>CAR 02.</b> The name of the authority that issued the Letter of Approval from the host party is not correct.	90	The Letter of Approval was issued by State Environmental Investment Agency of Ukraine.	The issue is closed as necessary corrections were made.
<b>CAR 03.</b> The country-participant that issued the Letter of Approval is not correct.	90	The Letter of Approval was issued by the government of Estonia.	The issue is closed as necessary information was provided.
<b>CAR 04.</b> Please, in Section A.2. of the MR provide information relating to the equipment implemented in the current monitoring period.	92	In the current monitoring period, the following equipment was commissioned: <ul style="list-style-type: none"> <li>- seed drills for direct seeding;</li> <li>- special tractors;</li> <li>- herbicide sprayers;</li> <li>- seed and fertilizer drill systems;</li> <li>- combine harvesters and other machinery required by the technology.</li> </ul>	The issue is closed as necessary information was provided in the MR.





## VERIFICATION REPORT

<b>CAR 05.</b> The monitoring period, namely the starting date, is incorrect in Sections A.3. and A.4. of the MR.	93	The starting date of the monitoring period is 01/01/2008. The end date of the monitoring period is 31/12/2011	The issue is closed as necessary corrections were made.
<b>CAR 06.</b> An incorrect version of the PDD was referred to in Section A.6. of the MR.	94	The implementation of the project measures is carried out according to the project plan stated in the PDD version 03.	The issue is closed as necessary corrections were made.
<b>CAR 07.</b> In Section A.9. of the MR there are references to Annex 1 with regard to people responsible for the preparation and submission of the monitoring report, while Annex 1 does not contain this information.	94	An incorrect reference was deleted. Refer to the MR version 02.	The issue is closed as necessary corrections were made.
<b>CAR 08.</b> In Table 4 and Annex 1 to the MR the name of the document that confirms reliability of $k_{p,i,y}$ , $k_{b,i,y}$ parameter values is incorrect.	95 (b)	Protocols of soil quality parameter measurements. Relevant corrections were made in the MR version 02.	The issue is closed as necessary corrections were made.
<b>CAR 09.</b> The incorrect information about another project is provided in Section C.3. of the MR.	101 Ç D	The incorrect information was deleted.	The issue is closed as irrelevant information was deleted.
<b>CAR 10.</b> Please, provide information about the storage of data that are necessary for the monitoring.	101 (c)	The data subject to monitoring and required for the determination and further verification are archived and stored in [æ] ^   Á æ} å Á ^   ^ & c   [à]   ä Ü [ : å ^   } æ+ Á ~ [   Á c , transfer of emission reduction units generated by the project.	The information was provided. The issue is closed.



## VERIFICATION REPORT

<b>CL 01.</b> Please, provide an explanation to Figure 5 of the MR.	101 (a)	Figure 5 Operational structure and data collection scheme for the project monitoring. Refer to the MR version 02.	Clarification was accepted. The issue is closed.
<b>CL 02.</b> Please, provide the verification team with the documentation confirming the implementation of the No-till technology.	101 (b)	Relevant documents were provided to the verification team at the determination stage.	Relevant documents were verified. The issue is closed.