VERIFICATION REPORT
SIA "VIDZEME EKO"

VERIFICATION OF THE DISMANTLING OF WASTE HEAP #2 AT FORMER ENRICHMENT PLANT "MOSKOVSKA"

INITIAL AND FIRST PERIODIC FOR 01/02/2008-30/06/2012

REPORT NO. UKRAINE-VER/0596/2012

REVISION NO. 01

BUREAU VERITAS CERTIFICATION

Date of first issue:	Organizational unit:
10/08/2012	Bureau Veritas Certification Holding SAS
Client:	**Client ref.:**
SIA "Vidzeme Eko"	Victor Tkachenko

Summary:

Bureau Veritas Certification has made the initial and 1st periodic verification of the "Dismantling of waste heap #2 at former enrichment plant "Moskovska"", project of SIA "Vidzeme Eko" located in Kontarne village, Shakhtarsk district, Donetsk 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 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 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. The GHG emission reduction is calculated accurately and without material errors, omissions, or misstatements, and the ERUs issued totalize 1664788 tonnes of CO2 equivalent for the monitoring period from 01/02/2008 to 30/06/2012 (358348 tonnes of CO2 equivalent for 01/02/2008-31/12/2008, 376987 tonnes of CO2 equivalent 01/01/2009-31/12/2009, 373356 tonnes of CO2 equivalent for 01/01/2010-31/12/2010, 381816 tonnes of CO2 equivalent for 01/01/2011-31/12/2011, 174281 tonnes of CO2 equivalent for 01/01/2012-30/06/2012).

Report No.:	Subject Group:
UKRAINE-ver/0596/2012	JI

Project title:
"Dismantling of waste heap #2 at former enrichment plant "Moskovska""

Work carried out by:
Oleg Skoblyk – team leader, verifier
Vyacheslav Yeriomin – team member, verifier

Work reviewed by:
Ivan Sokolov - Technical Reviewer
Nikolay Chekhmestrenko – technical specialist

Bureau Veritas Certification Holding SAS

Work approved by:
Ivan Sokolov - Operational Manager

Date of this revision:	Rev. No.:	Number of pages:
15/08/2012	01	23

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1 INTRODUCTION

SIA "Vidzeme Eko" has commissioned Bureau Veritas Certification to verify the emissions reductions of its JI project "Dismantling of waste heap #2 at former enrichment plant "Moskovska"" (hereafter called "the project") at Kontarne village, Shakhtarsk district, Donetsk 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.

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 design document, the project's baseline study, monitoring plan and monitoring 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 Verifier
Vyacheslav Yeriomin Bureau Veritas Certification	Climate Change Verifier

This verification report was reviewed by:

Ivan Sokolov Bureau Veritas Certification,	Internal Technical Reviewer

Nikolay Chekhmestrenko
Bureau Veritas Certification, Technical specialist

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 SIA "Vidzeme Eko" and additional background documents related to the project design and baseline, i.e. country Law, Project Design Document (PDD), and Guidance on criteria for baseline setting and monitoring, Host party criteria, 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 version(s) 2.0 dated 14/08/2012 and project as described in the determined PDD.

2.2 Follow-up Interviews

On 23/07/2012 Bureau Veritas Certification performed on-site interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of SIA "Vidzeme Eko" and PE PCF "ALTAIR-2007" were interviewed (see References). The main topics of the interviews are summarized in Table 1.

Table 1 Interview topics

Interviewed organization	Interview topics
PE PCF "ALTAIR-2007"	Organizational structure Responsibilities and authorities Roles and responsibilities for data collection and processing Installation of equipment Data logging, archiving and reporting Metering equipment control Metering record keeping system, database IT management Training of personnel Quality management procedures and technology Internal audits and check-ups
CONSULTANT SIA "Vidzeme Eko"	Baseline methodology Monitoring plan Monitoring report Excel spreadsheets

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 3 Corrective Action Requests, 1 Clarification Requests, and 0 Forward Action 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

One FAR was pending from the determination process, provided by Bureau Veritas Certification Holding SAS

FAR01

Please provide in the PDD Letter of Endorsement issued by DFP of the Host Party and written project approvals from both parties involved

Response

Letter of endorsement #1933/23/7 was received on 23/07/2012. Letter of Approval #2217/23/7 dated 14/08/2012 has been issued from the State Environment Investment Agency of Ukraine, Designated Focal Point of the Host Party, Ukraine. Letter of Approval #12.2-02/10787 dated 25/07/2012 from Party - buyer of ERUs has been issued from Ministry of Environmental Impact and Regional Development of Latvia Republic.

Conclusion

The issue is closed based on documents, provided by project developer, SIA "Vidzeme Eko"

3.2 Project approval by Parties involved (90-91)

The project obtained written approval from the Host Party, Letter of Approval #2217/23/7 issued by State Environment Investment Agency of Ukraine, dated 14/08/2012.

Written approval from Republic of Latvia, the second party involved has been issued from DFP of this party (Letter of Approval #12.2-02/10787 issued from Ministry of Environment protection and regional development 25/07/2012)

The abovementioned written approval is unconditional.

Identified problem areas for project approval, project participants' answers and conclusions of Bureau Veritas Certification are described in Annex A to the Verification Report (See CAR01).

3.3 Project implementation (92-93)

Proposed project is implemented at waste heap of former enrichment plant "Moskovska", which is property of "Torgivelne pidpryemstvo Kaustic" LLC. Waste heap is in leasing of PE PCF "Altair 2007", with rights on dismantling of waste heap and JI project implementation. Contract on waste heap transmittance is mentioned in point 4 of documents 2 category.

Proposed project provides complete dismantling of the dump at the former enrichment plant "Moskovska" with further reclamation of the area by restoring its fertile layer. During dismantling of the dump, the rocks will be divided into fractions, which will be used for blending with steam coal and subsequently supplied to heat power plants and boiler houses for burning as fuel. After sorting, the large fractions will be used for building and repairing of roads. As the result, rock mass of the dump will be fully utilized, and the received coal will replace coal, which otherwise would have had to be mined. As the result of the project, the opportunity of self-ignition of heap will be eliminated. An important component of the project is its second phase – complex reclamation of the area by restoring its fertile layer and full restoration of natural ecological community. This part of the project is required, but totally expensive, due to this mechanism of joint implementation was one of the prominent factors of the project from the beginning, and financial benefits as part of this mechanism considered one of the reasons of the project implementation.

The project provides the assemblage and installation of sorting rock mass complex of dump of former enrichment plant "Moskovska" consisting of:

- Point of loading rock mass on Conveyor SP-202MS5;
- -Point of sorting rock mass in classes 0-30 mm and 30 mm (vibrating inertial sifter GIL-52);
- Point of storage class 0-30 mm (sheds).

Class +30 mm is expected (as required under discharging tray of sifter) to be loaded in transports and delivered to customers for building and repairing of category 4-5 roads. Class 0-30 mm is expected to be loaded in transports, undergoes a mandatory procedure of weighting and is sent to the consumer (SPC "Oblpalyvo") for blending and subsequent combustion in the thermal power plants or boiler houses. Blending of fraction (0-30) with a steam coal allows realizing the fine finishing of quality the energy coal to the requirements of Standard 4083-2002, without compromising the quality of fuel on the one hand, but resulting in saving valuable energy coal on the other hand.

Technological scheme of the complex is as follows:
The rock mass of disassembly dump is delivered to the feeding scraper conveyor SP-202MS by Loader TO-28A with a bucket capacity of 2.5 m3. Humidification is applied (if the humidity of material doesn't exceed 8%) with sprinklers before the rock mass is delivered on the conveyor belt.
From the scraper conveyor through the handling unit the rock mass is fed to the sifter GIL-52 for the sorting into two classes - 0-30 mm and +30 mm. Productivity of the sifter on the original product is up to 200 tons / hour. Product of sifter screens +30 mm through the discharge tray, equipped with built-in nozzles for humidification, filled on the intermediate platform without significant accumulation. From the intermediate platform this fraction by the loader Amkodor-342V loaded into trucks and transported to the consumer (for building and repairing of category 4-5 roads).

Product of sorting class 0-30 through handling unit of sifter supplied on belt conveyor KLS. From the belt conveyor rock mass of class 0-30 mm through the handling unit of conveyor with built-in nozzles for humidification, emptied on the intermediate platform without significant accumulation, where loader ZL-50F loaded it in trucks or on a platform (warehouse) for storage. Warehouse is used if necessary without long-term storage. From storage the rock mass 0-30 mm by loader is loaded into trucks.

Starting date of the project is 03/01/2008 – the date when decision on waste heap dismantling was approved by head stuff of PE PCF "Altair-2007". Installation of sorting equipment and beginning of waste heap dismantling is 01/02/2008, the date when the monitoring period starts. Dismantling of the waste heap is finishing during the site-visit time. Level of project activity is depended by coal demand at Ukrainian market. Project owner doesn't keep coal at warehouses and produce beneficiated rock mass as when necessary. Consumers use beneficiated rock mass for mixing with low-ash steam coal and obtain fuel mixture with required technological costs and lower price.

Project boundaries described in the determined PDD are kept; coal from another waste heaps doesn't uses in project.

Difference between estimated emission reductions indicated in the PDD and provided in the Monitoring report is not observed. Factually PDDs calculations are performed ex-post for monitoring.

Identified problem areas for project implementation status, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (CAR02, CL01).

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 inside Ukrainian market necessity of steam coal, work power availability, diesel fuel and electric energy prices, burning waste heaps extinguishing practice, policies in Ukraine mining sector, 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 laboratory sampling analysis, work forecasts, bookkeeper's documentation, statistical documents of Ukraine government, and scientific researches of "Respirator" are clearly identified, reliable and transparent.

Emission factors, including default emission factors, 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.

No problem areas applicable to Compliance of the monitoring plan with the monitoring methodology were observed.

3.5 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, including the quality control and quality assurance procedures. These procedures are mentioned in the section "References" of this report.

The function of the monitoring equipment, including its calibration status, is in order.
Account of electricity consumed in frames of project activity is provided by power meter NIK2303 ARK1T s/n 0077254 which is property of electricity Supply Company and calibrated by representatives of State Enterprise "Donetskderzhstandartmetrologiya".
Coal parameters data, such as moisture and ash content is measuring by PE "ICC Ukrhimuglekachestvo", subcontractor of PE PCF "Altair-2007". Laboratory

of PE "ICC Ukrhimuglekachestvo" is certified (see Documents 2 category), and all laboratory equipment is in calibration interval.
Amount of diesel fuel is checked by invoices.

The evidence and records used for the monitoring are maintained in a traceable manner.

The data collection and management system for the project is in accordance with the monitoring plan. Adequate data flow scheme is provided in the figure 1. Data collection scheme in the monitoring report

Identified problem areas for project data management system, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (CAR03).

3.6 Verification regarding programmes of activities (102-110)

"Not applicable"

4 VERIFICATION OPINION

Bureau Veritas Certification has performed the initial and 1st periodic verification of the "Dismantling of waste heap #2 at former enrichment plant "Moskovska"" Project in Kontarne village, Shakhtarsk district, Donetsk Region, 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.

The management of SIA "Vidzeme Eko" is responsible for the preparation of the GHG emissions data and the reported GHG emissions reductions of the project on the basis set out within the project Monitoring and Verification Plan indicated in the final PDD version 2.0. The development and maintenance of records and reporting procedures in accordance with that plan, including the calculation and determination of GHG emission reductions from the project, is the responsibility of the management of the project.

Bureau Veritas Certification verified the Project Monitoring Report version 2.0 for the reporting period as indicated below. Bureau Veritas Certification confirms that the project is implemented as planned and described in approved project design documents. 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.

Bureau Veritas Certification can confirm that the GHG emission reduction is accurately calculated and is free of material errors, omissions, or misstatements. Our opinion relates to the project's GHG emissions and 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, with a reasonable level of assurance, the following statement:

Reporting period: From 01/02/2008 to 30/06/2012

Baseline emissions	:	1302411	tonnes of CO2 equivalent.
Project emissions	:	45038	tonnes of CO2 equivalent.
Leakages	:	-407415	tonnes of CO2 equivalent.
Emission Reductions	:	1664788	tonnes of CO2 equivalent.

From 01/02/2008 to 31/12/2008

Baseline emissions	:	280481	tonnes of CO2 equivalent.
Project emissions	:	9868	tonnes of CO2 equivalent.
Leakages	:	-87735	tonnes of CO2 equivalent.
Emission Reductions	:	358348	tonnes of CO2 equivalent.

From 01/01/2009 to 31/12/2009

Baseline emissions	:	293718	tonnes of CO2 equivalent.
Project emissions	:	10103	tonnes of CO2 equivalent.
Leakages	:	-93371	tonnes of CO2 equivalent.
Emission Reductions	:	376986	tonnes of CO2 equivalent.

From 01/01/2010 to 31/12/2010

Baseline emissions	:	291308	tonnes of CO2 equivalent.
Project emissions	:	9655	tonnes of CO2 equivalent.
Leakages	:	-91704	tonnes of CO2 equivalent.
Emission Reductions	:	373357	tonnes of CO2 equivalent.

From 01/01/2011 to 31/12/2011

Baseline emissions	:	299507	tonnes of CO2 equivalent.
Project emissions	:	9965	tonnes of CO2 equivalent.
Leakages	:	-92274	tonnes of CO2 equivalent.
Emission Reductions	:	381816	tonnes of CO2 equivalent.

From 01/01/2012 to 30/06/2012

Baseline emissions	:	137397	tonnes of CO2 equivalent.
Project emissions	:	5447	tonnes of CO2 equivalent.
Leakages	:	-42331	tonnes of CO2 equivalent.
Emission Reductions	:	174281	tonnes of CO2 equivalent.

5 REFERENCES

Category 1 Documents:
Documents provided by SIA "Vidzeme Eko" that relate directly to the GHG components of the project.

/1/ Project Design Document "Dismantling of waste heap #2 at former enrichment plant "Moskovska"" version 2.0 dated 24/07/2012
/2/ Monitoring Report "Dismantling of waste heap #2 at former enrichment plant "Moskovska"" version 1.0 dated 01/08/2012
/3/ Monitoring Report "Dismantling of waste heap #2 at former enrichment plant "Moskovska"" version 2.0 dated 14/08/2012
/4/ ERUs calculation Excel-file "Calculation_MR_Moskovskaya.xls"
/5/ Letter of Approval #2217/23/7 dated 14/08/2012 issued by State Environment Investment Agency of Ukraine
/6/ Letter of Approval #12.2-02/10787 dated 25/07/2012 issued by Ministry of Environmental protection and regional development of Republic Latvia

Category 2 Documents:
Background documents related to the design and/or methodologies employed in the design or other reference documents.

/1/ Passport of the dump under dismantling
/2/ Passport. Automobile scales electronic tensometric VTA-60
/3/ Delivery contract of Carbonaceous fraction between"ICC Tehnoprominvest" Ltd and "Trading Company "Antares" Ltd # 3008 from 03/01/2008 (in Russian).
/4/ Act of admission and transmission of the waste heap from 03/01/2008 between Trading Company "Kaustic" Ltd and PE PCF "ALTAIR 2007"
/5/ Agreement # 03/01/08-1 from 03/01/2008 between Trading Company "Kaustic" Ltd and PE PCF "ALTAIR 2007"
/6/ Agreement of subcontract # 3080 from 03/01/2008 between "ICC Tehnoprominvest" Ltd and "COMMERCIAL COMPANY" TRUST "Ltd on the works of the dump dismantling.
/7/ Agreement of subcontract # 111 from 01/01/2009 between "ICC Tehnoprominvest" Ltd and "Plastmontazh" Ltd on the works of the dump dismantling
/8/ Agreement of subcontract # 3108 from 03/01/2008 between PE PCF "ALTAIR 2007" (Customer) and "ICC Tehnoprominvest" Ltd (Performer) on the works of the dump dismantling.
/9/ Certificate of metrological certification #156 from 014/11/2008, the scales automobile electronic tenzometric VTA-60 №070900951
/10/ Certificate of metrological certification # 169 from 21/10/2009 the scales automobile electronic tenzometric VTA-60 №070900951
/11/ Certificate of metrological certification #132 from 18/11/2010 the scales automobile electronic tenzometric VTA-60 №070900951
/12/ Certificate of metrological certification # 146 from 25/10/2011. the

scales automobile electronic tenzometric VTA-60 №.

/13/ Registration certificate MB.2.844.000 ПС on Hygrometer psychrometric issued JSK «Steclopribor» (in Russian).

/14/ Order Derjspojivstandart Ukraine "Donetskstandartmetrolohiya" SC # 283 of 15/04/2011, the appointing committee to check the conditions for certification of Coal Laboratory.

/15/ Certificate attestation of Coal Chemic al Laboratory PE "Industrial - Commercial Firm" UKRHYMVUHLEKACHESTVO" # VL-089/2011 issued 4/22/2011 was in force prior to 22/04/2014.

/16/ Certificate number 361 and the protocol number 361 of 28/05/2008, the screening laboratory certification number 347 for grain size and purity sifter loose types of materials to form a square cell that belongs to JSC "Rodnik".

/17/ Certificate # 00732 and the protocol # 00732 from 15/08/2010, the certification of sieves with mesh metal square cells, type SL-200, pl. # 347.

/18/ Certificate # 362 and the protocol # 362 from 28/05/2008, the screening laboratory certification # 348 for grain size and purity sifter loose kinds of materials with a round shape cell

/19/ Certificate # 334 and the protocol # 334 from 01/10/2008 certification of electric laboratory SNOL 7,2/1100 pl. # 06174

/20/ Certificate # 72 dated 05/05/2011, at Electric laboratory SNOL 67/350, pl. # 11928.

/21/ Certificate # 71 dated 05/05/2011, at Electric SNOL 7,2/1100 pl. # 05739.

/22/ Certificate # 10 and protocol # 10 dated 25/01/2011, the certification sieve control type SLM pr. # 348, to determine the grain size and purity sifter loose types of materials to form a square cell..

/23/ Certificate # 9 and protocol # 9 dated 25/01/2011, the certification # 347 sieve control type SLM, pl. # 347 to determine the grain size and purity sifter loose types of materials to form a square cell.

/24/ Certificate # 8 and protocol # 8 dated 25/01/2011, the screening laboratory certification # 347, pl. # 348 to determine the grain size and purity sifter loose kinds of materials with a round shape cell.

/25/ Certificate # 7 dated 20/01/2011, at Electric laboratory furnace SNOL 7,2/1100 pl. # 103426

/26/ Certificate # 330 and the protocol # 330 dated 23/09/2008, the certification of the drying box SNOL 67/350, pl. # 12357

/27/ Act dated 20/04/201 on the execution of the "Donetskstandartmetrolohiya" SC , coal laboratory tests on PE "VFK" UKRHYMUHLEKACHESTVO " certification criteria.

/28/ Act # 26/70190 of the state weights laboratory calibration of general purpose and standard of all types, certified screens of all types, metrological certification muffle furnaces, electric resistance furnaces.

/29/ Guarantee tickets to the electronic scales A 6000, # 759, electronic scales XAS 100/C #759, furnace SNOL 67/350, pl. # 12 357 , laboratory electric furnace SNOL 7.2/1100 № 06174

/30/ Expert opinion dated 31/03/2011, with the results of examination of documents submitted Coal Laboratory PE "TCF" UKRHYMUHLEKACHESTVO "which examined on measurements in in the state metrological supervision.

/31/ Journal of weighing equipment and technology for coal laboratoriesfirm "Ukrhimuglekachestvo" (in Russian).
/32/ Passport # 9. Electric Laboratory, pl. # 05739, inv. # 9, the type -SNOL 7.2/1100 (in Russian).
/33/ Passport # 7. Electric Laboratory furnace, pl. # 11928, inv. # 7, thetype - SNOL 67/350 (in Russian).
/34/ Passport # 6. Sieve Laboratory, pl. # 347, inv. # 6 (in Russian).
/35/ Passport # 5. Sieve Laboratory, pl # 348, inv. # 5 (in Russian).
/36/ Passport # 4. Stopwatch pl. # 7095, inv. # 4, type SOPpr 2a-2-010(in Russian)
/37/ Passport # 3. Electronic Scales, pl. # 209 807, inv. # 3, the type ofXAS 100/1 (in Russian).
/38/ Passport # 2. Electronic Scales, pl. # 214295, inv. # 2, the type ofXAS 100/1 (in Russian).
/39/ Passport # 1. Scales pl. # 759, inv. # 1, type A-6000 ((in Russian).
/40/ Plan for coal laboratory firm "Ukrhimuglekachestvo" (in Russian).
/41/ Guide of maintenance. Electric water distiller pharmacy, DE-4-02"EMO" OKP 94 5243, model 737 (in Russian).
/42/ Certificate of verification of the working measuring instrument from 15/03/2012 # 02/08-245 - mechanical stopwatch JOP pr-2a-2-000pl. # 7095.
/43/ Passport. Mechanical Stopwatch SOppr-2a-2-010 (in Russian).
/44/ Quality Certificate # 005 dated 25/04/2008, the chopper vibrating75T - DRM, pl. # 1087 (in Russian)
/45/ Passport-75T DrM.000PS. Chopper vibrating 75T-DRM .
/46/ Act of performed work of weighing from 01/10/08 of 33254.35 tons of carbonaceous rocks
/47/ Act of admission and transmission of performed work from 01/10/08 for 3 435 394.44 UAH. and calculation of the costs for the act of performed works
/48/ Sales invoice# 31 for 33254.35 tons of Carbonaceous rocks
/49/ Certificate # 33 on the quality of coal from 30/09/2008
/50/ Act of performed work of weighing from 01/07/10 of 33471.35 tons of carbonaceous rocks
/51/ Act of admission and transmission of performed work from 01/07/10 for 4 362 737.47 UAH. and calculation of the costs for the act of performed works
/52/ Sales invoice# 78 for 33471.35 tons of Carbonaceous rocks
/53/ Certificate # 67 on the quality of coal from 30/06/2010
/54/ Act of performed work of weighing from 01/02/12 of 33600.05 tons of carbonaceous rocks
/55/ Act of admission and transmission of performed work from 01/02/12 for 4 450 570,39 UAH. and calculation of the costs for the act of performed works
/56/ Sales invoice# 23 for 33600.05 tons of Carbonaceous rocks
/57/ Certificate # 18 on the quality of coal from 31/01/2012

Persons interviewed:

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

/1/ Gints Klavinsh - SIA "Vidzeme Eko" JI Project Manager
/2/ Tymofeev Sergiy Petrovych - SIA "Vidzeme Eko" JI Consultant

/3/ Stah Yuri Mykhailovych - SIA "Vidzeme Eko" JI Consultant

/4/ Berestova Irina Ivanivna - PE "ICC Ukrhimuglekachestvo" Head of Laboratory, subcontractor of PE PCF "Altair-2007"

/5/ Volodymyr Anatoliyovych Yaroviy - "Plastmontazh" Ltd Production Manager, subcontractor of PE PCF "Altair-2007"

/6/ Yuriy Mikhailovich Filatov - SIA "ICC" Tehnopromynvest " manager of industrial department, subcontractor of PE PCF "Altair-2007"

APPENDIX A: VERIFICATION PROTOCOL

VERIFICATION PROTOCOL

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
Project approvals by Parties involved				
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?	Proposed project has been approved by Party-buyer of ERUs, Republic of Latvia. Letter of Approval #12.2-02/10787 dated 25/07/2012 has been issued from Ministry of Environmental Protection and regional development of Republic of Latvia *CAR01* Please provide in the section A.6 of the MR written approval from the Host Party	CAR01	OK
91	Are all the written project approvals by Parties involved unconditional?	Written approval from the second party involved is unconditional	OK	OK
Project implementation				
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 UNFCCC JI website?	The project has been implemented in accordance with the PDD regarding which the determination has been deemed final. *CL01* Please add information on work stops or technical disasters influencing on level of project activity	CL01	OK
93	What is the status of operation of the	*CAR02*	CAR02	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	project during the monitoring period?	Please note in the MR that project equipment used for rock mass sorting has not been replaced during the monitoring period and additional equipment has not been installed		
Compliance with monitoring plan				
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?	The monitoring has been provided in accordance with the monitoring plan described in the PDD which the determination has been deemed final.	OK	OK
95 (a)	For calculating the emission reductions or enhancements of net removals, were key factors, e.g. those listed in 23 (b) (i)-(vii) above, 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?	Key factors influencing the baseline emissions and project activity level, as risks associated with the project, e.g. those listed in 23 (b) (i)-(vii) above, are taken into account in appropriate way	OK	OK
95 (b)	Are data sources used for calculating emission reductions or enhancements of net removals clearly identified, reliable and transparent?	The data sources used for calculating emission reductions are clearly identified, reliable and transparent	OK	OK
95 (c)	Are emission factors, including default emission factors, if used for calculating the emission reductions or	The default emission factors used for calculating emission reductions, such as emission factor for electricity consumption, Emission factor for fugitive	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	enhancements of net removals, selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice?	methane emissions from coal mining, Carbon Oxidation factor of coal, Carbon Oxidation factor of diesel fuel. Selection of emission factors values are selected by carefully balancing accuracy and reasonableness, and choice of them is appropriately justified.		
95 (d)	Is the calculation of emission reductions or enhancements of net removals based on conservative assumptions and the most plausible scenarios in a transparent manner?	The emission reductions calculation is based on conservative assumptions and the most plausible scenarios in a transparent manner	OK	OK
Applicable to JI SSC projects only_Not applicable				
Applicable to bundled JI SSC projects only_Not applicable				
Revision of monitoring plan				
Applicable only if monitoring plan is revised by project participant				
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
Data management				

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
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 is in accordance with the monitoring plan described in the determined PDD, including the quality control and quality assurance procedures	OK	OK
101 (b)	Is the function of the monitoring equipment, including its calibration status, in order?	*CAR03* MR indicates that power meter HIK 2303 APT 1 s/n0028718 was installed 30/10/2011. Please add information on power meter, working before HIK 2303 APT 1 s/n0028718 Also, please add information on measuring devices used for rock mass moisture measuring (sieves and hygrometer)	CAR03	OK
101 (c)	Are the evidence and records used for the monitoring maintained in a traceable manner?	The evidences and records are used for the monitoring are maintained in a traceable manner	OK	OK
101 (d)	Is the data collection and management system for the project in accordance with the monitoring plan?	The data collection procedures and management system is in accordance with the monitoring plan	OK	OK
Verification regarding programmes of activities (additional elements for assessment) _Not applicable				
Applicable to sample-based approach only_Not applicable				

Table 2 Resolution of Corrective Action and Clarification Requests

Draft report clarification and corrective action requests by verification team	Ref. to checklist question in table 1	Summary of project participant response	Verification team conclusion
CAR01 Please provide in the section A.6 of the MR written approval from the Host Party	90	The Project has been approved by both Parties Involved. Letter of Approval #2217/23/7 dated 14/08/2012 issued by State Environment Investment Agency of Ukraine. Letter of Approval #12.2-02/10787 dated 25/07/2012 issued by Ministry of Environmental protection and regional development of Republic Latvia. Relevant information added in the Monitoring Report version 2.0	The issue is closed
CAR02 Please note in the MR that project equipment used for rock mass sorting has not been replaced during the monitoring period and additional equipment has not been installed	93	List of project equipment wasn't changed during the monitoring period. Information on sorting equipment is added in the monitoring report	The issue is closed

CAR03 MR indicates that power meter HIK 2303 APT 1 s/n0028718 was installed 30/10/2011. Please add information on power meter, working before HIK 2303 APT 1 s/n0028718 Also, please add information on measuring devices used for rock mass moisture measuring (sieves and hygrometer)	101(b)	Information applicable to power meters, sieves and hygrometers is added in the table 2 section B.1.2	The issue is closed
CL01 Please add information on work stops or technical disasters influencing on level of project activity	92	Halts because of technical reasons (for servicing) do not exceed one day. Halts because of red-letter days do not exceed two days.	The issue is closed