VERIFICATION REPORT
PE "MC "METROPOLIYA"

VERIFICATION OF THE WASTE HEAPS DISMANTLING OF "RIGHT" LLC WITH THE AIM OF DECREASING THE GREENHOUSE GASES EMISSIONS INTO THE ATMOSPHERE

REPORT NO. UKRAINE-VER/0637/2012

REVISION NO. 01

INITIAL AND FIRST PERIODIC FOR 01/01/2008-31/07/2012

BUREAU VERITAS CERTIFICATION

Report No: UKRAINE-ver/0637/2012

VERIFICATION REPORT: "WASTE HEAPS DISMANTLING OF "RIGHT" LLC WITH THE AIM OF DECREASING THE GREENHOUSE GASES EMISSIONS INTO THE ATMOSPHERE"

Date of first issue:	Organizational unit:
20/08/2012	Bureau Veritas Certification Holding SAS
Client:	**Client ref.:**
PE "MC "Metropoliya"	Andriy Dovgal

Summary:

Bureau Veritas Certification has made the initial, and 1st periodic verification of the "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere", project of PE "MC "Metropoliya" located in Makiivka town, 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 per determined changes. 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 2165809 tonnes of CO2 equivalent for the monitoring period from 01/01/2008 to 31/07/2012 (990836 tonnes of CO2 equivalent for 01/01/2008-31/12/2008, 399884 tonnes of CO2 equivalent for 01/01/2009-31/12/2009, 306495 tonnes of CO2 equivalent for 01/01/2010-31/12/2010, 330799 tonnes of CO2 equivalent for 01/01/2011-31/12/2011,137795 tonnes of CO2 equivalent for 01/01/2012-31/07/2012).

Report No.:	Subject Group:
UKRAINE-ver/0637/2012	JI
Project title:	
Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere	
Work carried out by:	
Vyacheslav Yeriomin – Team Leader, Lead Verifier Serhii Verteletskyi – Team Member, Verifier	
Work reviewed by:	
Ivan Sokolov - Technical Reviewer Nikolay Chekhmestrenko – technical specialist	
Work approved by:	
Ivan Sokolov - Operational Manager	
Date of this revision:	**Rev. No.:** / **Number of pages:**
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Bureau Veritas Certification Holding SAS

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1 INTRODUCTION

PE "MC "Metropoliya" has commissioned Bureau Veritas Certification to verify the emissions reductions of its JI project "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" (hereafter called "the project") at Makiivka town, 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:

Vyacheslav Yeriomin Bureau Veritas Certification	Team Leader, Climate Change Verifier
Serhii Verteletskyi 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 PE "MC "Metropoliya" 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 and project as described in the determined PDD.

2.2 Follow-up Interviews

On 21/08/2012 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 "Right" LLC and PE "MC "Metropoliya" were interviewed (see References). The main topics of the interviews are summarized in Table 1.

Table 1 Interview topics

Interviewed organization	Interview topics
"Right" LLC	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 PE "MC "Metropoliya"	Baseline methodology Monitoring plan Revisions of the monitoring plan Monitoring report Deviation from the determined PDD

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 6 Corrective Action Requests, 4 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 is pending from determination process provided by Bureau Veritas Certification Holding SAS

FAR01

Please provide written approvals from both parties involved

Response

Written project approvals were obtained from DFPs of Parties Involved

Letter of Approval #2509/23/7 dated 11/09/2012 has been obtained from State Environment Investment Agency of Ukraine

Letter of Approval #2012JI38 dated 11/09/2012 has been obtained from NL Agency Ministry of Economic Affairs, Agriculture and Innovation of the Netherlands.

Conclusion

The issue is closed based on documents provided by Project Consultant PE "MC "Metropoliya"

3.2 Project approval by Parties involved (90-91)

Proposed project was approved by Host Party Ukraine, Letter of Approval #2509/23/7 dated 11/09/2012 has been issued by State Environment Investment Agency. Letter of Approval #2012JI38 dated 11/09/2012 has been issued from Agency Ministry of Economic Affairs, Agriculture and Innovation of the Netherlands which is Designated Focal Point of Second Party Involved, the Netherlands.

The abovementioned written approval is unconditional.

Bureau Veritas Certification obtained these documents from project consultant PE "MC "Metropoliya" and doesn't doubt their authenticity.

Identified problem areas applicable to written project approvals by Parties Involved, project participant's responses and Bureau Veritas Certification conclusions are listed in the Annex A Verification protocol (See CAR01)

3.3 Project implementation (92-93)

The project "Waste Heaps Dismantling of "RIGHT" LLC with the Aim of Decreasing the Greenhouse Gases Emissions into the Atmosphere" is a project that envisages implementation of a number of works at the sites close to the waste heap, which is formed by the mine "Sheglivska-Glyboka" of Shakhtoupravlinnya "Donbas" as follows:

- Building of the complex of beneficiation plant in order to process one existing waste heap (cone);
- Beneficiation of coal and rock mass in order to obtain ROM coal;
- Formation of new flat heaps from processing waste on the site of dismantled heaps.

According to the project, implementation of the full cycle for beneficiation of coal and rock mass from extraction of coal from the waste heaps to loading as an end-product in automobile transport is prescribed. In addition to the extraction of coal from the waste heaps, project activity also includes formation new flat heaps from the processed material at the released area of the processed heaps. According to the project complex for processing the waste heaps processes up to 756 thousand tons of rock substance per year in order to extract low-ash coal concentrate.

Coal extraction from the mine's waste heaps will prevent greenhouse gas emissions into the atmosphere as if in the case of spontaneous burning and will produce additional amount of coal instead of its mining.
Complex for processing the waste heaps is located in Makiivka, Donetsk region, the same place where the waste heap is located. "RIGHT" LLC buys raw materials (rock) in Shakhtoupravlinnya "Donbas", of the mine "Sheglivska-Glyboka" under concluded agreement.

The structure of technological complex for processing of coal and rock mass was taken, considering stable operation of all links of technological scheme of the reception, preparation, beneficiation, shipment of commercial products and waste. Technological complex of processing point includes the following buildings and facilities:

- trestle for the scraper conveyor;
- collection point for coal and rock mass;
- classification point;
- installation of pneumatic separator;
- point of loading concentrate;
- trestles #1,2,3,4,5.

Raw material base for beneficiation complex is bulk materials, transported from the waste heap. These raw materials are processed to obtain primary and coal concentrate 0-50mm. But the construction of certain components of beneficiation plant make it possible to enrich ROM coal of fraction up to 75mm. Operation mode of beneficiation plant depends on the size of raw material that is transported by trucks from the waste heap.

The main element of beneficiation plant is pneumatic separator SVP-5, 5×1. Pneumatic separator SVP-5, 5 × 1 is developed by "Lugansk Machine-Building Plant named after A. Parkhomenko" LLC and is intended for beneficiation of coal, ores and other bulk materials with bulk density up to 2.8 t/m^3, surface moisture up to 8% and material size up to 75mm. Depending on the characteristics of coal and rock mass, separator structure allows to implement different schemes of division into two or three products: concentrate, middlings and wastes of beneficiation.

According to the project, implementation of the full cycle for beneficiation of coal and rock mass from extraction of coal from the waste heaps to loading as an end-product in automobile transport is prescribed. In addition to the extraction of coal from the waste heaps, project activity also includes formation new flat heaps from the processed material at the released area of the processed heaps. According to the project complex for processing the waste heaps processes up to 756 thousand tons of rock substance per year in order to extract low-ash coal concentrate.

The scheme of processing of coal and rock mass 0-50mm is the following: rock substance is transported from the waste heap to the collection point. Then feedstock output is loaded by scraper conveyor to the bunker with capacity of 30 tons. The structure of bunker includes a special sieve, through which there is previous classification of rock >100mm. With the help of the special feeder and belt conveyor, rock 0-100mm is supplied to the classification point (screen), where the separation of rock into classes 0-50mm and >50mm is done.

Rock mass >50 mm is removed from the technological process, sent to the trestle #3, where by means of the belt conveyor it is loaded into a truck and transported to another industrial site, where it is grinding, after that the material returns to the technological process.

After classification, material 0-50mm is sent to the trestle #2, where by means of the belt conveyor it is transported to the bunker with capacity of 15 tons, installed in order to provide sustainable, quality indicators of beneficiation of coal and rock mass and minimal losses of coal with wastes of beneficiation. Then using feeder, raw materials of class 0-50mm, which provides continuous and uniform supply in pneumatic separator go to beneficiation in pneumatic separator.

Starting date of the project is 11/06/2006 the date when beneficiation plant building and project equipment installation was begun.

The starting date of monitoring period 01/01/2008 is the day when waste heap dismantling and enrichment of coal containing mass was begun.

Dismantling of the waste heap is continuing during the site-visit time. Level of project activity is depended by steam coal demand at Ukrainian market. Project owner doesn't keep coal at warehouses and produce beneficiated rock mass as when necessary.
Project boundaries described in the determined PDD are kept; coal from another waste heaps doesn't uses in project. Dismantling waste heap and beneficiation plant are situated at the territory of coal mine "Sheglivska-Glyboka", which is territory with security environment, so risks for monitoring associated with usage of coal containing rock mass from another waste heaps and thefts of diesel fuel are minimised.

Difference between estimated emission reductions indicated in the PDD and provided in the Monitoring report is observed for period 01/01/2012-31/07/2012. This issue explains in the next way – level of project activity is depended on coal demand on Ukraine market and not sustainable.
Factually PDDs calculations are performed ex-post for monitoring.

Identified problem areas applicable to project implementation status, project participant's responses and Bureau Veritas Certification conclusions are listed in the Annex A Verification protocol (See CAR02, CAR03, CL01, CL02)

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 demand of energy-class coal at Ukraine market, availability of work power, local prices and availability of energy sources, such as electric energy and diesel fuel, policies and regulation in Ukraine mining and environmental protection sectors, 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 act on beneficiated coal containing mass acceptance-transmitting, acts on diesel fuel retirements, monthly bills on consumed by project equipment electric energy, statements on laboratory analyses, which use for identification ash content and moisture of beneficiated sorted fractions, statistical data of State statistical service of Ukraine and Ukraine ministry of coal industry, statistical researches of Scientific centre "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.
Values of emission factors for electricity consumption are used in accordance with relevant Orders of SEIA. Relevant values of coal net calorific value, oxidation factors for coal and diesel fuel, carbon content in coal are obtained from National Greenhouse Gases Inventory Report for 1990-2010 in Ukraine (NIR for 1990-2010 years).

Emission factor for fugitive methane emission from coal mining is obtained from NIR for 1990-2009. This value uses for conservativeness provision, so actual version of NIR for 1990-2010 contains only estimation of methane emissions from coal mining lowering tendency.

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

Estimation of emission reductions for period 01/01/2008-31/12/2011 was performed ex-post, so difference between values of ERUs indicated in the PDD and in the Monitoring Report is not observed.
The difference between values of ERUs indicated in the determined PDD and Monitoring Report for period 01/01/2012-31/07/2012 is explained in the next way. Estimation of ERUs value for period 01/01/2012-31/07/2012 in the PDD was performed ex-ante basing on data for 2008-2011 years. Monitoring period covers only 7 months and only the part of heating period. Steam coal demand is seasonal in Ukraine and is influenced by meteorological conditions and the amount of daylight hours.

Identified problem areas applicable to compliance of the monitoring plan with the monitoring methodology, project participant's responses and Bureau Veritas Certification conclusions are listed in the Annex A Verification protocol (See CAR04, CAR05, CL03, CL04)

3.5 Revision of monitoring plan (99-100)

Project participants provided adequate substantiation of the proposed revision
The proposed revision improves the accuracy and applicability of the information being collected, compared with the initial monitoring plan without changing conformity with the applicable rules and regulations on establishing the monitoring plan.

The change from the initial monitoring plan is the use in calculating the parameters of diesel fuel for period from 2008-2011 years, such as

- Net calorific value of diesel fuel $NCV_{diesel,y}$;
- Coal content in diesel fuel $k^{C}_{diesel,y}$;
- Carbon oxidation factor of diesel fuel $OXID_{diesel,y}$.

The parameters indicated below are established in accordance with National Inventory Report of Ukraine 1990-2010 for mobile combustion

and off-road transportation instead of mobile combustion and road transportation

The changes that were introduced will not affect the conservative approach to emission reduction calculations and procedures for collecting and archiving of data.
Management system and operating system are suitable for reliable monitoring of the project according to the proposed revision.

Difference between values of ERUs indicated in the PDD and in the Monitoring Report is explained by this replacement of parameters.

No problem issues applicable to revision of project monitoring plan were identified.

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, including the quality control and quality assurance procedures.

The function of the monitoring equipment, including its calibration status, is in order. Multi tariffs combined power meter type «EPQS 122.21.19SS» serial #649728 accuracy class 0.5 was used for monitoring, that is replaced power meter "SAZU-I670I" serial #199139 accuracy class 2.0. Proposed replacement improves of monitoring process accuracy.
Wagon scales "RS200-D24" #271 uses for account of beneficiated coal mass. All abovementioned measuring devices is calibrated in appropriately way.

The evidence and records used for the monitoring are maintained in a traceable manner. All monitored data will be kept during two years after last ERUs transfer.

The data collection and management system for the project is in accordance with the monitoring plan. Working monitoring system is described in the section B of Monitoring Report in clear and transparent manner. Quality control and quality assurance system is described in the section C.

Identified problem areas applicable to project data management, project participant's responses and Bureau Veritas Certification conclusions are listed in the Annex A Verification protocol (See CAR06)

3.7 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 "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" Project in Makiivka town, 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 PE "MC "Metropoliya" 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 per determined changes. 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 01/01/2008 to 31/07/2012

Baseline emissions	: 1694917	tonnes of CO_2 equivalent.
Project emissions	: 13270	tonnes of CO_2 equivalent.
Leakages	: -484162	tonnes of CO_2 equivalent.
Emission Reductions	: 2165809	tonnes of CO_2 equivalent.

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

Baseline emissions	: 775528	tonnes of CO_2 equivalent.
Project emissions	: 6758	tonnes of CO_2 equivalent.
Leakages	: -222066	tonnes of CO_2 equivalent.
Emission Reductions	: 990836	tonnes of CO_2 equivalent.

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

Baseline emissions	: 312939	tonnes of CO_2 equivalent.
Project emissions	: 2289	tonnes of CO_2 equivalent.
Leakages	: -89234	tonnes of CO_2 equivalent.
Emission Reductions	: 399884	tonnes of CO_2 equivalent.

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

Baseline emissions	: 238947	tonnes of CO_2 equivalent.
Project emissions	: 1453	tonnes of CO_2 equivalent.
Leakages	: -69001	tonnes of CO_2 equivalent.
Emission Reductions	: 306495	tonnes of CO_2 equivalent.

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

Baseline emissions	: 259411	tonnes of CO_2 equivalent.
Project emissions	: 1924	tonnes of CO_2 equivalent.
Leakages	: -73312	tonnes of CO_2 equivalent.
Emission Reductions	: 330799	tonnes of CO_2 equivalent.

From 01/01/2012 to 31/07/2012

Baseline emissions	: 108092	tonnes of CO_2 equivalent.
Project emissions	: 846	tonnes of CO_2 equivalent.
Leakages	: -30549	tonnes of CO_2 equivalent.
Emission Reductions	: 137795	tonnes of CO_2 equivalent.

5 REFERENCES

Category 1 Documents:
Documents provided by PE "MC "Metropoliya" that relate directly to the GHG components of the project.

/1/ Project Design Documentation "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" version 2.0 dated 03/08/2012
/2/ Monitoring Report "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" version 1.0 dated 14/08/2012
/3/ Monitoring Report "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" version 2.0 dated 12/09/2012
/4/ ERUs calculation Excel-file "20120816_ER_RIGHT_ver_1.0.xls"
/5/ Letter of Approval #2509/23/7 dated 11/09/2012 issued by State Environment Investment Agency of Ukraine
/6/ Letter of Approval #2012JI28 dated 11/09/2012 issued by the Netherlands Ministry of Economic affairs, agriculture and innovations.

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

/1/ Environmental impact assessment on rock mass processing workshop "Right" LLC building
/2/ Statement on choice and research of plot of ground for rock mass processing workshop building disposal
/3/ Technical passport and calibration certificate on scales #3 inv. #50331 type RS-200D24
/4/ Photo: Power meter ELGAMA EPQS 122.21.19SS #648728
/5/ Annex #9 on contract on electricity supply 1/06 dated 15/09/2005. List of "Right" LLC facilities consuming energy from supplier grids or grids of main consumer
/6/ Data and characteristics of measuring transformers and connected lines
/7/ Passport and calibration certificate on power meter SR4U-I673M #870476
/8/ Passport and calibration certificate on power meter SAZU-I673M #199139
/9/ Passport and calibration certificate on power meter ELGAMA EPQS 122.21.19SS #648728
/10/ List of works to be performed dated 24/04/2009 on replacement of power meter СР4У-И673М #870476 and СА3У-И670М #199139 to power meter ELGAMA EPQS 122.21.19SS #648728
/11/ Explanatory note on work project of rock mass processing

workshop building

/12/ Development task on work project of rock mass processing workshop building

/13/ Invoice #RN-01/02/9 dated 01/02/2008 on diesel fuel supply

/14/ Invoice #RN-01/07/9 dated 01/07/2008 on diesel fuel supply

/15/ Invoice #RN-01/09/9 dated 01/09/2008 on diesel fuel supply

/16/ Invoice #RN-01/04/9 dated 01/04/2008 on diesel fuel supply

/17/ Invoice #RN-02/10/3 dated 02/10/2008 on diesel fuel supply

/18/ Invoice #RN-02/12/2 dated 02/12/2008 on diesel fuel supply

/19/ Invoice #RN-03/01/2 dated 03/01/2008 on diesel fuel supply

/20/ Invoice #RN-03/03/4 dated 03/03/2008 on diesel fuel supply

/21/ Invoice #RN-03/11/5 dated 03/11/2008 on diesel fuel supply

/22/ Invoice #RN-04/08/2 dated 04/08/2008 on diesel fuel supply

/23/ Invoice #RN-05/05/9 dated 05/05/2008 on diesel fuel supply

/24/ Act to debit of diesel fuel in May 2011 dated 31/05/2011

/25/ Act to debit of diesel fuel in September 2011 dated 31/08/2011

/26/ Act to debit of diesel fuel in December 2011 dated 31/12/2011

/27/ Acceptance-transmittance act #y-35895135 dated 29/02/2008 on electricity supply

/28/ Acceptance-transmittance act #y-58964279 dated 30/04/2008 on electricity supply

/29/ Acceptance-transmittance act # y-78523687 dated 30/06/2008 on electricity supply

/30/ Acceptance-transmittance act # y-85632148 dated 30/09/2008 on electricity supply

/31/ Acceptance-transmittance act # y-15972356 dated 30/11/2008 on electricity supply

/32/ Acceptance-transmittance act # y-21201463 dated 31/01/2008 on electricity supply

/33/ Acceptance-transmittance act # y-48521358 dated 31/03/2008 on electricity supply

/34/ Acceptance-transmittance act #y-68741199 dated 31/03/2008 on electricity supply

/35/ Acceptance-transmittance act #y-87436951 dated 31/07/2008 on electricity supply

/36/ Acceptance-transmittance act #y-95782318 dated 31/08/2008 on electricity supply

/37/ Acceptance-transmittance act #y-65238956 dated 31/10/2008 on electricity supply

/38/ Acceptance-transmittance act #y-58963245 dated 31/12/2008 on electricity supply

/39/ Acceptance-transmittance act # 03824 dated 28/02/2011 on electricity supply

/40/ Acceptance-transmittance act #07910 dated 30/10/2011 on electricity supply

/41/ Acceptance-transmittance act #11671 dated 30/04/2011 on electricity supply

/42/ Acceptance-transmittance act #17698 dated 30/09/2011 on electricity supply
/43/ Acceptance-transmittance act #21987 dated 30/11/2011 on electricity supply
/44/ Acceptance-transmittance act #01883 dated 31/01/2011 on electricity supply
/45/ Acceptance-transmittance act #05659 dated 31/03/2011 on electricity supply
/46/ Acceptance-transmittance act #09589 dated 31/05/2011 on electricity supply
/47/ Acceptance-transmittance act #13902 dated 31/07/2011 on electricity supply
/48/ Acceptance-transmittance act #15745 dated 31/08/2011 on electricity supply
/49/ Acceptance-transmittance act #19759 dated 31/10/2011 on electricity supply
/50/ Acceptance-transmittance act #23999 dated 31/12/2011 on electricity supply
/51/ Passport on waste heap #1 of mine Shcheglovska-Hlyboka dated 06/03/2009
/52/ Statement on accreditation #2N455 dated 14/12/2009 on State enterprise "Ukrvuhleyakist" laboratory centre
/53/ Statement on coal containing rock mass acceptance-transmittance dated 29/02/2008
/54/ Statement on coal containing rock mass acceptance-transmittance dated 30/04/2008
/55/ Statement on coal containing rock mass acceptance-transmittance dated 30/06/2008
/56/ Statement on coal containing rock mass acceptance-transmittance dated 29/02/2008
/57/ Statement on coal containing rock mass acceptance-transmittance dated 30/11/2008
/58/ Statement on coal containing rock mass acceptance-transmittance dated 31/01/2008
/59/ Statement on coal containing rock mass acceptance-transmittance dated 31/03/2008
/60/ Statement on coal containing rock mass acceptance-transmittance dated 31/05/2008
/61/ Statement on coal containing rock mass acceptance-transmittance dated 31/07/2008
/62/ Statement on coal containing rock mass acceptance-transmittance dated 31/08/2008
/63/ Statement on coal containing rock mass acceptance-transmittance dated 31/10/2008
/64/ Statement on coal containing rock mass acceptance-transmittance dated 31/12/2008
/65/ Statement on coal containing rock mass acceptance-transmittance

dated 28/02/2011
/66/ Statement on coal containing rock mass acceptance-transmittance dated 30/04/2011
/67/ Statement on coal containing rock mass acceptance-transmittance dated 30/06/2011
/68/ Statement on coal containing rock mass acceptance-transmittance dated 30/09/2011
/69/ Statement on coal containing rock mass acceptance-transmittance dated 30/11/2011
/70/ Statement on coal containing rock mass acceptance-transmittance dated 31/01/2011
/71/ Statement on coal containing rock mass acceptance-transmittance dated 31/03/2011
/72/ Statement on coal containing rock mass acceptance-transmittance dated 31/05/2011
/73/ Statement on coal containing rock mass acceptance-transmittance dated 31/07/2011
/74/ Statement on coal containing rock mass acceptance-transmittance dated 31/07/2011
/75/ Statement on coal containing rock mass acceptance-transmittance dated 31/10/2011
/76/ Statement on coal containing rock mass acceptance-transmittance dated 31/12/2011
/77/ Statement #25 on coal characteristics dated 27/02/2008
/78/ Statement #1237 on coal characteristics analysis dated 27/02/2008
/79/ Statement #251 on coal characteristics dated 13/11/2008
/80/ Statement #7563 on coal characteristics analysis dated 13/11/2008
/81/ Statement #115 on coal characteristics dated 17/06/2008
/82/ Statement #1237 on coal characteristics analysis dated 17/06/2008
/83/ Statement #1 on coal characteristics dated 30/01/2009
/84/ Statement #1237 on coal characteristics analysis dated 30/01/2009
/85/ Statement #25 on coal characteristics dated 04/07/2009
/86/ Statement #1237 on coal characteristics analysis dated 04/07/2009
/87/ Statement #50 on coal characteristics dated 10/12/2009
/88/ Statement #1237 on coal characteristics analysis dated 10/12/2009
/89/ Statement #14 on coal characteristics dated 28/03/2010
/90/ Statement #1237 on coal characteristics analysis dated 28/03/2010
/91/ Statement #69 on coal characteristics dated 07/10/2010
/92/ Statement #6475 on coal characteristics analysis dated 07/10/2010

/93/ Statement #61 on coal characteristics dated 31/08/2010
/94/ Statement #1237 on coal characteristics analysis dated 31/08/2010
/95/ Statement #1 on coal characteristics dated 12/01/2011
/96/ Statement #135 on coal characteristics analysis dated 12/01/2011
/97/ Statement #20 on coal characteristics dated 04/06/2011
/98/ Statement #1237 on coal characteristics analysis dated 04/06/2011
/99/ Statement #44 on coal characteristics dated 15/12/2011
/100/ Statement #1237 on coal characteristics analysis dated 15/12/2011
/101/ Statement #2 on coal characteristics dated 10/02/2012
/102/ Statement #1237 on coal characteristics analysis dated 10/02/2012
/103/ Statement #8 on coal characteristics dated 12/04/2012
/104/ Statement #1237 on coal characteristics analysis dated 12/04/2012
/105/ Statement #16 on coal characteristics dated 07/06/2012
/106/ Statement #1237 on coal characteristics analysis dated 07/06/2012
/107/ Order #23 dated 10/07/2012 on creation of work group creation for JI project implementation
/108/ Excel-file "ash content and moisture.xls"
/109/ Excel-file "monitoring parameters account.xls"

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/ Tkachov O.M. – director of "Right" LLC
/2/ Bykova O.M. – representative of "Right" LLC
/3/ Dovhal O.A. - representative of "Right" LLC
/4/ Kosoliykin D. – representative of PE "MC "Metropoliya"

APPENDIX A: 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?	*CAR01* Please provide written approvals from both Parties involved	CAR01	OK
91	Are all the written project approvals by Parties involved unconditional?	See section 90 of this protocol	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?	*CAR02* Please add information on project implementation status in the MR *CL01* Please explain relations between mine "Scheglivska-Hlyboka", "Right" LLC and PE "MC "Metropoliya" *CL02* Please note if any project equipment was replaced or out of work during the monitoring period	CAR02 CL01 CL02	OK OK OK
93	What is the status of operation of the project during the monitoring period?	The project is in operation during the monitoring period *CAR03* Please explain difference between ERUs values indicated in the PDD and achieved during 01/01/2012-31/07/2012	CAR03	OK
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 was provided in accordance with the monitoring plan included in the PDD which determination has been deemed final	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
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?	*CAR04* Please note in the MR that coal obtained from the waste heap doesn't keep on "Right" LLC warehouses and produce by consumers requires.	CAR04	OK
95 (b)	Are data sources used for calculating emission reductions or enhancements of net removals clearly identified, reliable and transparent?	*CL03* Please describe procedure of diesel fuel consumption cross-checking for diesel fuel sift prevention	CL03	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 used for calculating the emission reductions are selected by carefully balancing accuracy and reasonableness and choice of them are appropriately justified	OK	OK
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?	*CAR05* Please check rounding's in the section D.3 of the MR *CL04* Please explain usage of fugitive methane emission factor from mining obtained from NIR for 1999-2009 years.	CAR05 CL04	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	Not applicable	Not applicable	Not applicable

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	plan without changing conformity with the relevant rules and regulations for the establishment of monitoring plans?			
Data management				
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, 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?	*CAR06* Please add in the Annex 4 of MR photos that enable to identify wagon scales mentioned in the MR	CAR06	OK
101 (c)	Are the evidence and records used for the monitoring maintained in a traceable manner?	The evidences and records used for 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 implemented project data collection and management system is in line within the monitoring plan described in the determined PDD	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 written approvals from both Parties involved	90	Written approvals from both Parties involved were provided (Please, see section A.6)	Written project approvals were provided to AIE. The issue is closed

CAR02 Please add information on project implementation status in the MR	92	Appropriate information was added to Section A.6 of this MR.	Closed based on information provided by project participants
CAR03 Please explain difference between ERUs values indicated in the PDD and achieved during 01/01/2012-31/07/2012	93	Relevant explanation was provided in Section A.6 of this MR.	Closed based on information provided by project participants
CAR04 Please note in the MR that coal obtained from the waste heap doesn't keep on "Right" LLC warehouses and produce by consumers requires	95(a)	Relevant note was provide to Section A.6 of this MR.	closed
CAR05 Please check rounding's in the section D.3 of the MR	95(d)	Relevant calculations were corrected	Closed based on corrections of calculations
CAR06 Please add in the Annex 4 of MR photos that enable to identify wagon scales mentioned in the MR	101(b)	Relevant photo was added (Please, see Annex 4 of this MR)	closed

CL01 Please explain relations between mine "Scheglivska-Hlyboka", "Right" LLC and PE "MC "Metropoliya"	92	Mentioned three legal entities have no triangular relationship between themselves, but only bilateral: "RIGHT" LLC purchases coal and rock mass of the waste heap that belongs to the mine "Schehlivska-Hlyboka" of Shakhtoupravlinnya "Donbas", on the basis of annual concluded contracts. PE "MC "Metropoliya" is developer of the JI project "Waste Heaps Dismantling of "RIGHT" LLC with the Aim of Decreasing the Greenhouse Gases Emissions into the Atmosphere". Relationship between "RIGHT" LLC and PE "MC "Metropoliya" is regulated by the concluded contract No. dated. The mine "Schehlivska-Hlyboka" and PE "MC "Metropoliya" have no legally fixed relations.	Closed based on information provided by project participants
CL02 Please note if any project equipment was replaced or out of work during the monitoring period	92	Appropriate note was added to Section B1.2 of this MR.	Closed based on information provided by project participants
CL03 Please describe procedure of diesel fuel consumption cross-checking for diesel fuel sift prevention	95(b)	Appropriate note was added to Section B.3 of this MR.	Closed based on information provided by project participants

CL04 Please explain usage of fugitive methane emissions from mining obtained from NIR for 1999-2009 years.	95(d)	National Inventory Report of Ukraine 1990-2009 gives clear and transparent information on the value of factor of fugitive methane emissions during operation of mines. In the new wording of this source, given factor has no numerical value, and represented as a curve on the graph. This method of data demonstration does not allow to accurately and transparently identify appropriate value of factor, but only shows trend of this indicator change by the years. Application of this source includes the existence of high level of uncertainty that casts doubt on the general results of emission reductions calculations.	Closed based on information provided by project participants

VERIFICATION REPORT
PE "MC "METROPOLIYA"

VERIFICATION OF THE WASTE HEAPS DISMANTLING OF "RIGHT" LLC WITH THE AIM OF DECREASING THE GREENHOUSE GASES EMISSIONS INTO THE ATMOSPHERE

REPORT NO. UKRAINE-VER/0637/2012

REVISION NO. 01

INITIAL AND FIRST PERIODIC FOR 01/01/2008-31/07/2012

BUREAU VERITAS CERTIFICATION

Report No: UKRAINE-ver/0637/2012

VERIFICATION REPORT: "WASTE HEAPS DISMANTLING OF "RIGHT" LLC WITH THE AIM OF DECREASING THE GREENHOUSE GASES EMISSIONS INTO THE ATMOSPHERE"

Date of first issue:	Organizational unit:
20/08/2012	Bureau Veritas Certification Holding SAS
Client:	**Client ref.:**
PE "MC "Metropoliya"	Andriy Dovgal

Summary:

Bureau Veritas Certification has made the initial, and 1st periodic verification of the "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere", project of PE "MC "Metropoliya" located in Makiivka town, 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 per determined changes. 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 2165809 tonnes of CO2 equivalent for the monitoring period from 01/01/2008 to 31/07/2012 (990836 tonnes of CO2 equivalent for 01/01/2008-31/12/2008, 399884 tonnes of CO2 equivalent for 01/01/2009-31/12/2009, 306495 tonnes of CO2 equivalent for 01/01/2010-31/12/2010, 330799 tonnes of CO2 equivalent for 01/01/2011-31/12/2011,137795 tonnes of CO2 equivalent for 01/01/2012-31/07/2012).

Report No.:	Subject Group:
UKRAINE-ver/0637/2012	JI
Project title:	
Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere	
Work carried out by:	
Vyacheslav Yeriomin – Team Leader, Lead Verifier Serhii Verteletskyi – Team Member, Verifier	
Work reviewed by:	
Ivan Sokolov - Technical Reviewer Nikolay Chekhmestrenko – technical specialist	
Work approved by:	
Ivan Sokolov - Operational Manager	
Date of this revision:	**Rev. No.:** / **Number of pages:**
13/09/2012	01 / 25

Bureau Veritas Certification Holding SAS

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1 INTRODUCTION

PE "MC "Metropoliya" has commissioned Bureau Veritas Certification to verify the emissions reductions of its JI project "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" (hereafter called "the project") at Makiivka town, 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:

Vyacheslav Yeriomin Bureau Veritas Certification	Team Leader, Climate Change Verifier
Serhii Verteletskyi 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 PE "MC "Metropoliya" 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 and project as described in the determined PDD.

2.2 Follow-up Interviews

On 21/08/2012 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 "Right" LLC and PE "MC "Metropoliya" were interviewed (see References). The main topics of the interviews are summarized in Table 1.

Table 1 Interview topics

Interviewed organization	Interview topics
"Right" LLC	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 PE "MC "Metropoliya"	Baseline methodology Monitoring plan Revisions of the monitoring plan Monitoring report Deviation from the determined PDD

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 6 Corrective Action Requests, 4 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 is pending from determination process provided by Bureau Veritas Certification Holding SAS

FAR01

Please provide written approvals from both parties involved

Response

Written project approvals were obtained from DFPs of Parties Involved

Letter of Approval #2509/23/7 dated 11/09/2012 has been obtained from State Environment Investment Agency of Ukraine

Letter of Approval #2012JI38 dated 11/09/2012 has been obtained from NL Agency Ministry of Economic Affairs, Agriculture and Innovation of the Netherlands.

Conclusion

The issue is closed based on documents provided by Project Consultant PE "MC "Metropoliya"

3.2 Project approval by Parties involved (90-91)

Proposed project was approved by Host Party Ukraine, Letter of Approval #2509/23/7 dated 11/09/2012 has been issued by State Environment Investment Agency. Letter of Approval #2012JI38 dated 11/09/2012 has been issued from Agency Ministry of Economic Affairs, Agriculture and Innovation of the Netherlands which is Designated Focal Point of Second Party Involved, the Netherlands.

The abovementioned written approval is unconditional.

Bureau Veritas Certification obtained these documents from project consultant PE "MC "Metropoliya" and doesn't doubt their authenticity.

Identified problem areas applicable to written project approvals by Parties Involved, project participant's responses and Bureau Veritas Certification conclusions are listed in the Annex A Verification protocol (See CAR01)

3.3 Project implementation (92-93)

The project "Waste Heaps Dismantling of "RIGHT" LLC with the Aim of Decreasing the Greenhouse Gases Emissions into the Atmosphere" is a project that envisages implementation of a number of works at the sites close to the waste heap, which is formed by the mine "Sheglivska-Glyboka" of Shakhtoupravlinnya "Donbas" as follows:

- Building of the complex of beneficiation plant in order to process one existing waste heap (cone);
- Beneficiation of coal and rock mass in order to obtain ROM coal;
- Formation of new flat heaps from processing waste on the site of dismantled heaps.

According to the project, implementation of the full cycle for beneficiation of coal and rock mass from extraction of coal from the waste heaps to loading as an end-product in automobile transport is prescribed. In addition to the extraction of coal from the waste heaps, project activity also includes formation new flat heaps from the processed material at the released area of the processed heaps. According to the project complex for processing the waste heaps processes up to 756 thousand tons of rock substance per year in order to extract low-ash coal concentrate.

Coal extraction from the mine's waste heaps will prevent greenhouse gas emissions into the atmosphere as if in the case of spontaneous burning and will produce additional amount of coal instead of its mining.
Complex for processing the waste heaps is located in Makiivka, Donetsk region, the same place where the waste heap is located. "RIGHT" LLC buys raw materials (rock) in Shakhtoupravlinnya "Donbas", of the mine "Sheglivska-Glyboka" under concluded agreement.

The structure of technological complex for processing of coal and rock mass was taken, considering stable operation of all links of technological scheme of the reception, preparation, beneficiation, shipment of commercial products and waste. Technological complex of processing point includes the following buildings and facilities:

- trestle for the scraper conveyor;
- collection point for coal and rock mass;
- classification point;
- installation of pneumatic separator;
- point of loading concentrate;
- trestles #1,2,3,4,5.

Raw material base for beneficiation complex is bulk materials, transported from the waste heap. These raw materials are processed to obtain primary and coal concentrate 0-50mm. But the construction of certain components of beneficiation plant make it possible to enrich ROM coal of fraction up to 75mm. Operation mode of beneficiation plant depends on the size of raw material that is transported by trucks from the waste heap.

The main element of beneficiation plant is pneumatic separator SVP-5, 5×1. Pneumatic separator SVP-5, 5 × 1 is developed by "Lugansk Machine-Building Plant named after A. Parkhomenko" LLC and is intended for beneficiation of coal, ores and other bulk materials with bulk density up to 2.8 t/m^3, surface moisture up to 8% and material size up to 75mm. Depending on the characteristics of coal and rock mass, separator structure allows to implement different schemes of division into two or three products: concentrate, middlings and wastes of beneficiation.

According to the project, implementation of the full cycle for beneficiation of coal and rock mass from extraction of coal from the waste heaps to loading as an end-product in automobile transport is prescribed. In addition to the extraction of coal from the waste heaps, project activity also includes formation new flat heaps from the processed material at the released area of the processed heaps. According to the project complex for processing the waste heaps processes up to 756 thousand tons of rock substance per year in order to extract low-ash coal concentrate.

The scheme of processing of coal and rock mass 0-50mm is the following: rock substance is transported from the waste heap to the collection point. Then feedstock output is loaded by scraper conveyor to the bunker with capacity of 30 tons. The structure of bunker includes a special sieve, through which there is previous classification of rock >100mm. With the help of the special feeder and belt conveyor, rock 0-100mm is supplied to the classification point (screen), where the separation of rock into classes 0-50mm and >50mm is done.

Rock mass >50 mm is removed from the technological process, sent to the trestle #3, where by means of the belt conveyor it is loaded into a truck and transported to another industrial site, where it is grinding, after that the material returns to the technological process.

After classification, material 0-50mm is sent to the trestle #2, where by means of the belt conveyor it is transported to the bunker with capacity of 15 tons, installed in order to provide sustainable, quality indicators of beneficiation of coal and rock mass and minimal losses of coal with wastes of beneficiation. Then using feeder, raw materials of class 0-50mm, which provides continuous and uniform supply in pneumatic separator go to beneficiation in pneumatic separator.

Starting date of the project is 11/06/2006 the date when beneficiation plant building and project equipment installation was begun.

The starting date of monitoring period 01/01/2008 is the day when waste heap dismantling and enrichment of coal containing mass was begun.

Dismantling of the waste heap is continuing during the site-visit time. Level of project activity is depended by steam coal demand at Ukrainian market. Project owner doesn't keep coal at warehouses and produce beneficiated rock mass as when necessary.
Project boundaries described in the determined PDD are kept; coal from another waste heaps doesn't uses in project. Dismantling waste heap and beneficiation plant are situated at the territory of coal mine "Sheglivska-Glyboka", which is territory with security environment, so risks for monitoring associated with usage of coal containing rock mass from another waste heaps and thefts of diesel fuel are minimised.

Difference between estimated emission reductions indicated in the PDD and provided in the Monitoring report is observed for period 01/01/2012-31/07/2012. This issue explains in the next way – level of project activity is depended on coal demand on Ukraine market and not sustainable.
Factually PDDs calculations are performed ex-post for monitoring.

Identified problem areas applicable to project implementation status, project participant's responses and Bureau Veritas Certification conclusions are listed in the Annex A Verification protocol (See CAR02, CAR03, CL01, CL02)

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 demand of energy-class coal at Ukraine market, availability of work power, local prices and availability of energy sources, such as electric energy and diesel fuel, policies and regulation in Ukraine mining and environmental protection sectors, 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 act on beneficiated coal containing mass acceptance-transmitting, acts on diesel fuel retirements, monthly bills on consumed by project equipment electric energy, statements on laboratory analyses, which use for identification ash content and moisture of beneficiated sorted fractions, statistical data of State statistical service of Ukraine and Ukraine ministry of coal industry, statistical researches of Scientific centre "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.
Values of emission factors for electricity consumption are used in accordance with relevant Orders of SEIA. Relevant values of coal net calorific value, oxidation factors for coal and diesel fuel, carbon content in coal are obtained from National Greenhouse Gases Inventory Report for 1990-2010 in Ukraine (NIR for 1990-2010 years).

Emission factor for fugitive methane emission from coal mining is obtained from NIR for 1990-2009. This value uses for conservativeness provision, so actual version of NIR for 1990-2010 contains only estimation of methane emissions from coal mining lowering tendency.

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

Estimation of emission reductions for period 01/01/2008-31/12/2011 was performed ex-post, so difference between values of ERUs indicated in the PDD and in the Monitoring Report is not observed.
The difference between values of ERUs indicated in the determined PDD and Monitoring Report for period 01/01/2012-31/07/2012 is explained in the next way. Estimation of ERUs value for period 01/01/2012-31/07/2012 in the PDD was performed ex-ante basing on data for 2008-2011 years. Monitoring period covers only 7 months and only the part of heating period. Steam coal demand is seasonal in Ukraine and is influenced by meteorological conditions and the amount of daylight hours.

Identified problem areas applicable to compliance of the monitoring plan with the monitoring methodology, project participant's responses and Bureau Veritas Certification conclusions are listed in the Annex A Verification protocol (See CAR04, CAR05, CL03, CL04)

3.5 Revision of monitoring plan (99-100)

Project participants provided adequate substantiation of the proposed revision
The proposed revision improves the accuracy and applicability of the information being collected, compared with the initial monitoring plan without changing conformity with the applicable rules and regulations on establishing the monitoring plan.

The change from the initial monitoring plan is the use in calculating the parameters of diesel fuel for period from 2008-2011 years, such as

- Net calorific value of diesel fuel $NCV_{diesel,y}$;
- Coal content in diesel fuel $k^{C}_{diesel,y}$;
- Carbon oxidation factor of diesel fuel $OXID_{diesel,y}$.

The parameters indicated below are established in accordance with National Inventory Report of Ukraine 1990-2010 for mobile combustion

and off-road transportation instead of mobile combustion and road transportation

The changes that were introduced will not affect the conservative approach to emission reduction calculations and procedures for collecting and archiving of data.
Management system and operating system are suitable for reliable monitoring of the project according to the proposed revision.

Difference between values of ERUs indicated in the PDD and in the Monitoring Report is explained by this replacement of parameters.

No problem issues applicable to revision of project monitoring plan were identified.

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, including the quality control and quality assurance procedures.

The function of the monitoring equipment, including its calibration status, is in order. Multi tariffs combined power meter type «EPQS 122.21.19SS» serial #649728 accuracy class 0.5 was used for monitoring, that is replaced power meter "SAZU-I670I" serial #199139 accuracy class 2.0. Proposed replacement improves of monitoring process accuracy.
Wagon scales "RS200-D24" #271 uses for account of beneficiated coal mass. All abovementioned measuring devices is calibrated in appropriately way.

The evidence and records used for the monitoring are maintained in a traceable manner. All monitored data will be kept during two years after last ERUs transfer.

The data collection and management system for the project is in accordance with the monitoring plan. Working monitoring system is described in the section B of Monitoring Report in clear and transparent manner. Quality control and quality assurance system is described in the section C.

Identified problem areas applicable to project data management, project participant's responses and Bureau Veritas Certification conclusions are listed in the Annex A Verification protocol (See CAR06)

3.7 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 "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" Project in Makiivka town, 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 PE "MC "Metropoliya" 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 per determined changes. 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 01/01/2008 to 31/07/2012

Baseline emissions	: 1694917	tonnes of CO_2 equivalent.
Project emissions	: 13270	tonnes of CO_2 equivalent.
Leakages	: -484162	tonnes of CO_2 equivalent.
Emission Reductions	: 2165809	tonnes of CO_2 equivalent.

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

Baseline emissions	: 775528	tonnes of CO_2 equivalent.
Project emissions	: 6758	tonnes of CO_2 equivalent.
Leakages	: -222066	tonnes of CO_2 equivalent.
Emission Reductions	: 990836	tonnes of CO_2 equivalent.

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

Baseline emissions	: 312939	tonnes of CO_2 equivalent.
Project emissions	: 2289	tonnes of CO_2 equivalent.
Leakages	: -89234	tonnes of CO_2 equivalent.
Emission Reductions	: 399884	tonnes of CO_2 equivalent.

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

Baseline emissions	: 238947	tonnes of CO_2 equivalent.
Project emissions	: 1453	tonnes of CO_2 equivalent.
Leakages	: -69001	tonnes of CO_2 equivalent.
Emission Reductions	: 306495	tonnes of CO_2 equivalent.

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

Baseline emissions	: 259411	tonnes of CO_2 equivalent.
Project emissions	: 1924	tonnes of CO_2 equivalent.
Leakages	: -73312	tonnes of CO_2 equivalent.
Emission Reductions	: 330799	tonnes of CO_2 equivalent.

From 01/01/2012 to 31/07/2012

Baseline emissions	: 108092	tonnes of CO_2 equivalent.
Project emissions	: 846	tonnes of CO_2 equivalent.
Leakages	: -30549	tonnes of CO_2 equivalent.
Emission Reductions	: 137795	tonnes of CO_2 equivalent.

5 REFERENCES

Category 1 Documents:
Documents provided by PE "MC "Metropoliya" that relate directly to the GHG components of the project.

/1/ Project Design Documentation "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" version 2.0 dated 03/08/2012
/2/ Monitoring Report "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" version 1.0 dated 14/08/2012
/3/ Monitoring Report "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" version 2.0 dated 12/09/2012
/4/ ERUs calculation Excel-file "20120816_ER_RIGHT_ver_1.0.xls"
/5/ Letter of Approval #2509/23/7 dated 11/09/2012 issued by State Environment Investment Agency of Ukraine
/6/ Letter of Approval #2012JI28 dated 11/09/2012 issued by the Netherlands Ministry of Economic affairs, agriculture and innovations.

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

/1/ Environmental impact assessment on rock mass processing workshop "Right" LLC building
/2/ Statement on choice and research of plot of ground for rock mass processing workshop building disposal
/3/ Technical passport and calibration certificate on scales #3 inv. #50331 type RS-200D24
/4/ Photo: Power meter ELGAMA EPQS 122.21.19SS #648728
/5/ Annex #9 on contract on electricity supply 1/06 dated 15/09/2005. List of "Right" LLC facilities consuming energy from supplier grids or grids of main consumer
/6/ Data and characteristics of measuring transformers and connected lines
/7/ Passport and calibration certificate on power meter SR4U-I673M #870476
/8/ Passport and calibration certificate on power meter SAZU-I673M #199139
/9/ Passport and calibration certificate on power meter ELGAMA EPQS 122.21.19SS #648728
/10/ List of works to be performed dated 24/04/2009 on replacement of power meter СР4У-И673М #870476 and СА3У-И670М #199139 to power meter ELGAMA EPQS 122.21.19SS #648728
/11/ Explanatory note on work project of rock mass processing

workshop building

/12/ Development task on work project of rock mass processing workshop building

/13/ Invoice #RN-01/02/9 dated 01/02/2008 on diesel fuel supply

/14/ Invoice #RN-01/07/9 dated 01/07/2008 on diesel fuel supply

/15/ Invoice #RN-01/09/9 dated 01/09/2008 on diesel fuel supply

/16/ Invoice #RN-01/04/9 dated 01/04/2008 on diesel fuel supply

/17/ Invoice #RN-02/10/3 dated 02/10/2008 on diesel fuel supply

/18/ Invoice #RN-02/12/2 dated 02/12/2008 on diesel fuel supply

/19/ Invoice #RN-03/01/2 dated 03/01/2008 on diesel fuel supply

/20/ Invoice #RN-03/03/4 dated 03/03/2008 on diesel fuel supply

/21/ Invoice #RN-03/11/5 dated 03/11/2008 on diesel fuel supply

/22/ Invoice #RN-04/08/2 dated 04/08/2008 on diesel fuel supply

/23/ Invoice #RN-05/05/9 dated 05/05/2008 on diesel fuel supply

/24/ Act to debit of diesel fuel in May 2011 dated 31/05/2011

/25/ Act to debit of diesel fuel in September 2011 dated 31/08/2011

/26/ Act to debit of diesel fuel in December 2011 dated 31/12/2011

/27/ Acceptance-transmittance act #y-35895135 dated 29/02/2008 on electricity supply

/28/ Acceptance-transmittance act #y-58964279 dated 30/04/2008 on electricity supply

/29/ Acceptance-transmittance act # y-78523687 dated 30/06/2008 on electricity supply

/30/ Acceptance-transmittance act # y-85632148 dated 30/09/2008 on electricity supply

/31/ Acceptance-transmittance act # y-15972356 dated 30/11/2008 on electricity supply

/32/ Acceptance-transmittance act # y-21201463 dated 31/01/2008 on electricity supply

/33/ Acceptance-transmittance act # y-48521358 dated 31/03/2008 on electricity supply

/34/ Acceptance-transmittance act #y-68741199 dated 31/03/2008 on electricity supply

/35/ Acceptance-transmittance act #y-87436951 dated 31/07/2008 on electricity supply

/36/ Acceptance-transmittance act #y-95782318 dated 31/08/2008 on electricity supply

/37/ Acceptance-transmittance act #y-65238956 dated 31/10/2008 on electricity supply

/38/ Acceptance-transmittance act #y-58963245 dated 31/12/2008 on electricity supply

/39/ Acceptance-transmittance act # 03824 dated 28/02/2011 on electricity supply

/40/ Acceptance-transmittance act #07910 dated 30/10/2011 on electricity supply

/41/ Acceptance-transmittance act #11671 dated 30/04/2011 on electricity supply

/42/ Acceptance-transmittance act #17698 dated 30/09/2011 on electricity supply
/43/ Acceptance-transmittance act #21987 dated 30/11/2011 on electricity supply
/44/ Acceptance-transmittance act #01883 dated 31/01/2011 on electricity supply
/45/ Acceptance-transmittance act #05659 dated 31/03/2011 on electricity supply
/46/ Acceptance-transmittance act #09589 dated 31/05/2011 on electricity supply
/47/ Acceptance-transmittance act #13902 dated 31/07/2011 on electricity supply
/48/ Acceptance-transmittance act #15745 dated 31/08/2011 on electricity supply
/49/ Acceptance-transmittance act #19759 dated 31/10/2011 on electricity supply
/50/ Acceptance-transmittance act #23999 dated 31/12/2011 on electricity supply
/51/ Passport on waste heap #1 of mine Shcheglovska-Hlyboka dated 06/03/2009
/52/ Statement on accreditation #2N455 dated 14/12/2009 on State enterprise "Ukrvuhleyakist" laboratory centre
/53/ Statement on coal containing rock mass acceptance-transmittance dated 29/02/2008
/54/ Statement on coal containing rock mass acceptance-transmittance dated 30/04/2008
/55/ Statement on coal containing rock mass acceptance-transmittance dated 30/06/2008
/56/ Statement on coal containing rock mass acceptance-transmittance dated 29/02/2008
/57/ Statement on coal containing rock mass acceptance-transmittance dated 30/11/2008
/58/ Statement on coal containing rock mass acceptance-transmittance dated 31/01/2008
/59/ Statement on coal containing rock mass acceptance-transmittance dated 31/03/2008
/60/ Statement on coal containing rock mass acceptance-transmittance dated 31/05/2008
/61/ Statement on coal containing rock mass acceptance-transmittance dated 31/07/2008
/62/ Statement on coal containing rock mass acceptance-transmittance dated 31/08/2008
/63/ Statement on coal containing rock mass acceptance-transmittance dated 31/10/2008
/64/ Statement on coal containing rock mass acceptance-transmittance dated 31/12/2008
/65/ Statement on coal containing rock mass acceptance-transmittance

dated 28/02/2011
/66/ Statement on coal containing rock mass acceptance-transmittance dated 30/04/2011
/67/ Statement on coal containing rock mass acceptance-transmittance dated 30/06/2011
/68/ Statement on coal containing rock mass acceptance-transmittance dated 30/09/2011
/69/ Statement on coal containing rock mass acceptance-transmittance dated 30/11/2011
/70/ Statement on coal containing rock mass acceptance-transmittance dated 31/01/2011
/71/ Statement on coal containing rock mass acceptance-transmittance dated 31/03/2011
/72/ Statement on coal containing rock mass acceptance-transmittance dated 31/05/2011
/73/ Statement on coal containing rock mass acceptance-transmittance dated 31/07/2011
/74/ Statement on coal containing rock mass acceptance-transmittance dated 31/07/2011
/75/ Statement on coal containing rock mass acceptance-transmittance dated 31/10/2011
/76/ Statement on coal containing rock mass acceptance-transmittance dated 31/12/2011
/77/ Statement #25 on coal characteristics dated 27/02/2008
/78/ Statement #1237 on coal characteristics analysis dated 27/02/2008
/79/ Statement #251 on coal characteristics dated 13/11/2008
/80/ Statement #7563 on coal characteristics analysis dated 13/11/2008
/81/ Statement #115 on coal characteristics dated 17/06/2008
/82/ Statement #1237 on coal characteristics analysis dated 17/06/2008
/83/ Statement #1 on coal characteristics dated 30/01/2009
/84/ Statement #1237 on coal characteristics analysis dated 30/01/2009
/85/ Statement #25 on coal characteristics dated 04/07/2009
/86/ Statement #1237 on coal characteristics analysis dated 04/07/2009
/87/ Statement #50 on coal characteristics dated 10/12/2009
/88/ Statement #1237 on coal characteristics analysis dated 10/12/2009
/89/ Statement #14 on coal characteristics dated 28/03/2010
/90/ Statement #1237 on coal characteristics analysis dated 28/03/2010
/91/ Statement #69 on coal characteristics dated 07/10/2010
/92/ Statement #6475 on coal characteristics analysis dated 07/10/2010

/93/ Statement #61 on coal characteristics dated 31/08/2010
/94/ Statement #1237 on coal characteristics analysis dated 31/08/2010
/95/ Statement #1 on coal characteristics dated 12/01/2011
/96/ Statement #135 on coal characteristics analysis dated 12/01/2011
/97/ Statement #20 on coal characteristics dated 04/06/2011
/98/ Statement #1237 on coal characteristics analysis dated 04/06/2011
/99/ Statement #44 on coal characteristics dated 15/12/2011
/100/ Statement #1237 on coal characteristics analysis dated 15/12/2011
/101/ Statement #2 on coal characteristics dated 10/02/2012
/102/ Statement #1237 on coal characteristics analysis dated 10/02/2012
/103/ Statement #8 on coal characteristics dated 12/04/2012
/104/ Statement #1237 on coal characteristics analysis dated 12/04/2012
/105/ Statement #16 on coal characteristics dated 07/06/2012
/106/ Statement #1237 on coal characteristics analysis dated 07/06/2012
/107/ Order #23 dated 10/07/2012 on creation of work group creation for JI project implementation
/108/ Excel-file "ash content and moisture.xls"
/109/ Excel-file "monitoring parameters account.xls"

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/ Tkachov O.M. – director of "Right" LLC
/2/ Bykova O.M. – representative of "Right" LLC
/3/ Dovhal O.A. - representative of "Right" LLC
/4/ Kosoliykin D. – representative of PE "MC "Metropoliya"

APPENDIX A: 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?	*CAR01* Please provide written approvals from both Parties involved	CAR01	OK
91	Are all the written project approvals by Parties involved unconditional?	See section 90 of this protocol	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?	*CAR02* Please add information on project implementation status in the MR *CL01* Please explain relations between mine "Scheglivska-Hlyboka", "Right" LLC and PE "MC "Metropoliya" *CL02* Please note if any project equipment was replaced or out of work during the monitoring period	CAR02 CL01 CL02	OK OK OK
93	What is the status of operation of the project during the monitoring period?	The project is in operation during the monitoring period *CAR03* Please explain difference between ERUs values indicated in the PDD and achieved during 01/01/2012-31/07/2012	CAR03	OK
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 was provided in accordance with the monitoring plan included in the PDD which determination has been deemed final	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
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?	*CAR04* Please note in the MR that coal obtained from the waste heap doesn't keep on "Right" LLC warehouses and produce by consumers requires.	CAR04	OK
95 (b)	Are data sources used for calculating emission reductions or enhancements of net removals clearly identified, reliable and transparent?	*CL03* Please describe procedure of diesel fuel consumption cross-checking for diesel fuel sift prevention	CL03	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 used for calculating the emission reductions are selected by carefully balancing accuracy and reasonableness and choice of them are appropriately justified	OK	OK
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?	*CAR05* Please check rounding's in the section D.3 of the MR *CL04* Please explain usage of fugitive methane emission factor from mining obtained from NIR for 1999-2009 years.	CAR05 CL04	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	Not applicable	Not applicable	Not applicable

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	plan without changing conformity with the relevant rules and regulations for the establishment of monitoring plans?			
Data management				
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, 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?	*CAR06* Please add in the Annex 4 of MR photos that enable to identify wagon scales mentioned in the MR	CAR06	OK
101 (c)	Are the evidence and records used for the monitoring maintained in a traceable manner?	The evidences and records used for 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 implemented project data collection and management system is in line within the monitoring plan described in the determined PDD	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 written approvals from both Parties involved	90	Written approvals from both Parties involved were provided (Please, see section A.6)	Written project approvals were provided to AIE. The issue is closed

CAR02 Please add information on project implementation status in the MR	92	Appropriate information was added to Section A.6 of this MR.	Closed based on information provided by project participants
CAR03 Please explain difference between ERUs values indicated in the PDD and achieved during 01/01/2012-31/07/2012	93	Relevant explanation was provided in Section A.6 of this MR.	Closed based on information provided by project participants
CAR04 Please note in the MR that coal obtained from the waste heap doesn't keep on "Right" LLC warehouses and produce by consumers requires	95(a)	Relevant note was provide to Section A.6 of this MR.	closed
CAR05 Please check rounding's in the section D.3 of the MR	95(d)	Relevant calculations were corrected	Closed based on corrections of calculations
CAR06 Please add in the Annex 4 of MR photos that enable to identify wagon scales mentioned in the MR	101(b)	Relevant photo was added (Please, see Annex 4 of this MR)	closed

CL01 Please explain relations between mine "Scheglivska-Hlyboka", "Right" LLC and PE "MC "Metropoliya"	92	Mentioned three legal entities have no triangular relationship between themselves, but only bilateral: "RIGHT" LLC purchases coal and rock mass of the waste heap that belongs to the mine "Schehlivska-Hlyboka" of Shakhtoupravlinnya "Donbas", on the basis of annual concluded contracts. PE "MC "Metropoliya" is developer of the JI project "Waste Heaps Dismantling of "RIGHT" LLC with the Aim of Decreasing the Greenhouse Gases Emissions into the Atmosphere". Relationship between "RIGHT" LLC and PE "MC "Metropoliya" is regulated by the concluded contract No. dated. The mine "Schehlivska-Hlyboka" and PE "MC "Metropoliya" have no legally fixed relations.	Closed based on information provided by project participants
CL02 Please note if any project equipment was replaced or out of work during the monitoring period	92	Appropriate note was added to Section B1.2 of this MR.	Closed based on information provided by project participants
CL03 Please describe procedure of diesel fuel consumption cross-checking for diesel fuel sift prevention	95(b)	Appropriate note was added to Section B.3 of this MR.	Closed based on information provided by project participants

CL04 Please explain usage of fugitive methane emissions from mining obtained from NIR for 1999-2009 years.	95(d)	National Inventory Report of Ukraine 1990-2009 gives clear and transparent information on the value of factor of fugitive methane emissions during operation of mines. In the new wording of this source, given factor has no numerical value, and represented as a curve on the graph. This method of data demonstration does not allow to accurately and transparently identify appropriate value of factor, but only shows trend of this indicator change by the years. Application of this source includes the existence of high level of uncertainty that casts doubt on the general results of emission reductions calculations.	Closed based on information provided by project participants

VERIFICATION REPORT
PE "MC "METROPOLIYA"

VERIFICATION OF THE WASTE HEAPS DISMANTLING OF "RIGHT" LLC WITH THE AIM OF DECREASING THE GREENHOUSE GASES EMISSIONS INTO THE ATMOSPHERE

REPORT NO. UKRAINE-VER/0637/2012

REVISION NO. 01

INITIAL AND FIRST PERIODIC FOR 01/01/2008-31/07/2012

BUREAU VERITAS CERTIFICATION

Report No: UKRAINE-ver/0637/2012

VERIFICATION REPORT: "WASTE HEAPS DISMANTLING OF "RIGHT" LLC WITH THE AIM OF DECREASING THE GREENHOUSE GASES EMISSIONS INTO THE ATMOSPHERE"

Date of first issue:	Organizational unit:
20/08/2012	Bureau Veritas Certification Holding SAS
Client:	**Client ref.:**
PE "MC "Metropoliya"	Andriy Dovgal

Summary:

Bureau Veritas Certification has made the initial, and 1st periodic verification of the "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere", project of PE "MC "Metropoliya" located in Makiivka town, 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 per determined changes. 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 2165809 tonnes of CO2 equivalent for the monitoring period from 01/01/2008 to 31/07/2012 (990836 tonnes of CO2 equivalent for 01/01/2008-31/12/2008, 399884 tonnes of CO2 equivalent for 01/01/2009-31/12/2009, 306495 tonnes of CO2 equivalent for 01/01/2010-31/12/2010, 330799 tonnes of CO2 equivalent for 01/01/2011-31/12/2011,137795 tonnes of CO2 equivalent for 01/01/2012-31/07/2012).

Report No.:	Subject Group:
UKRAINE-ver/0637/2012	JI
Project title:	
Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere	
Work carried out by:	
Vyacheslav Yeriomin – Team Leader, Lead Verifier Serhii Verteletskyi – Team Member, Verifier	
Work reviewed by:	
Ivan Sokolov - Technical Reviewer Nikolay Chekhmestrenko – technical specialist	
Work approved by:	
Ivan Sokolov - Operational Manager	
Date of this revision:	**Rev. No.:** / **Number of pages:**
13/09/2012	01 / 25

Bureau Veritas Certification Holding SAS

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1 INTRODUCTION

PE "MC "Metropoliya" has commissioned Bureau Veritas Certification to verify the emissions reductions of its JI project "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" (hereafter called "the project") at Makiivka town, 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:

Vyacheslav Yeriomin Bureau Veritas Certification	Team Leader, Climate Change Verifier
Serhii Verteletskyi 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 PE "MC "Metropoliya" 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 and project as described in the determined PDD.

2.2 Follow-up Interviews

On 21/08/2012 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 "Right" LLC and PE "MC "Metropoliya" were interviewed (see References). The main topics of the interviews are summarized in Table 1.

Table 1 Interview topics

Interviewed organization	Interview topics
"Right" LLC	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 PE "MC "Metropoliya"	Baseline methodology Monitoring plan Revisions of the monitoring plan Monitoring report Deviation from the determined PDD

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 6 Corrective Action Requests, 4 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 is pending from determination process provided by Bureau Veritas Certification Holding SAS

FAR01

Please provide written approvals from both parties involved

Response

Written project approvals were obtained from DFPs of Parties Involved

Letter of Approval #2509/23/7 dated 11/09/2012 has been obtained from State Environment Investment Agency of Ukraine

Letter of Approval #2012JI38 dated 11/09/2012 has been obtained from NL Agency Ministry of Economic Affairs, Agriculture and Innovation of the Netherlands.

Conclusion

The issue is closed based on documents provided by Project Consultant PE "MC "Metropoliya"

3.2 Project approval by Parties involved (90-91)

Proposed project was approved by Host Party Ukraine, Letter of Approval #2509/23/7 dated 11/09/2012 has been issued by State Environment Investment Agency. Letter of Approval #2012JI38 dated 11/09/2012 has been issued from Agency Ministry of Economic Affairs, Agriculture and Innovation of the Netherlands which is Designated Focal Point of Second Party Involved, the Netherlands.

The abovementioned written approval is unconditional.

Bureau Veritas Certification obtained these documents from project consultant PE "MC "Metropoliya" and doesn't doubt their authenticity.

Identified problem areas applicable to written project approvals by Parties Involved, project participant's responses and Bureau Veritas Certification conclusions are listed in the Annex A Verification protocol (See CAR01)

3.3 Project implementation (92-93)

The project "Waste Heaps Dismantling of "RIGHT" LLC with the Aim of Decreasing the Greenhouse Gases Emissions into the Atmosphere" is a project that envisages implementation of a number of works at the sites close to the waste heap, which is formed by the mine "Sheglivska-Glyboka" of Shakhtoupravlinnya "Donbas" as follows:

- Building of the complex of beneficiation plant in order to process one existing waste heap (cone);
- Beneficiation of coal and rock mass in order to obtain ROM coal;
- Formation of new flat heaps from processing waste on the site of dismantled heaps.

According to the project, implementation of the full cycle for beneficiation of coal and rock mass from extraction of coal from the waste heaps to loading as an end-product in automobile transport is prescribed. In addition to the extraction of coal from the waste heaps, project activity also includes formation new flat heaps from the processed material at the released area of the processed heaps. According to the project complex for processing the waste heaps processes up to 756 thousand tons of rock substance per year in order to extract low-ash coal concentrate.

Coal extraction from the mine's waste heaps will prevent greenhouse gas emissions into the atmosphere as if in the case of spontaneous burning and will produce additional amount of coal instead of its mining.
Complex for processing the waste heaps is located in Makiivka, Donetsk region, the same place where the waste heap is located. "RIGHT" LLC buys raw materials (rock) in Shakhtoupravlinnya "Donbas", of the mine "Sheglivska-Glyboka" under concluded agreement.

The structure of technological complex for processing of coal and rock mass was taken, considering stable operation of all links of technological scheme of the reception, preparation, beneficiation, shipment of commercial products and waste. Technological complex of processing point includes the following buildings and facilities:

- trestle for the scraper conveyor;
- collection point for coal and rock mass;
- classification point;
- installation of pneumatic separator;
- point of loading concentrate;
- trestles #1,2,3,4,5.

Raw material base for beneficiation complex is bulk materials, transported from the waste heap. These raw materials are processed to obtain primary and coal concentrate 0-50mm. But the construction of certain components of beneficiation plant make it possible to enrich ROM coal of fraction up to 75mm. Operation mode of beneficiation plant depends on the size of raw material that is transported by trucks from the waste heap.

The main element of beneficiation plant is pneumatic separator SVP-5, 5×1. Pneumatic separator SVP-5, 5 × 1 is developed by "Lugansk Machine-Building Plant named after A. Parkhomenko" LLC and is intended for beneficiation of coal, ores and other bulk materials with bulk density up to 2.8 t/m^3, surface moisture up to 8% and material size up to 75mm. Depending on the characteristics of coal and rock mass, separator structure allows to implement different schemes of division into two or three products: concentrate, middlings and wastes of beneficiation.

According to the project, implementation of the full cycle for beneficiation of coal and rock mass from extraction of coal from the waste heaps to loading as an end-product in automobile transport is prescribed. In addition to the extraction of coal from the waste heaps, project activity also includes formation new flat heaps from the processed material at the released area of the processed heaps. According to the project complex for processing the waste heaps processes up to 756 thousand tons of rock substance per year in order to extract low-ash coal concentrate.

The scheme of processing of coal and rock mass 0-50mm is the following: rock substance is transported from the waste heap to the collection point. Then feedstock output is loaded by scraper conveyor to the bunker with capacity of 30 tons. The structure of bunker includes a special sieve, through which there is previous classification of rock >100mm. With the help of the special feeder and belt conveyor, rock 0-100mm is supplied to the classification point (screen), where the separation of rock into classes 0-50mm and >50mm is done.

Rock mass >50 mm is removed from the technological process, sent to the trestle #3, where by means of the belt conveyor it is loaded into a truck and transported to another industrial site, where it is grinding, after that the material returns to the technological process.

After classification, material 0-50mm is sent to the trestle #2, where by means of the belt conveyor it is transported to the bunker with capacity of 15 tons, installed in order to provide sustainable, quality indicators of beneficiation of coal and rock mass and minimal losses of coal with wastes of beneficiation. Then using feeder, raw materials of class 0-50mm, which provides continuous and uniform supply in pneumatic separator go to beneficiation in pneumatic separator.

Starting date of the project is 11/06/2006 the date when beneficiation plant building and project equipment installation was begun.

The starting date of monitoring period 01/01/2008 is the day when waste heap dismantling and enrichment of coal containing mass was begun.

Dismantling of the waste heap is continuing during the site-visit time. Level of project activity is depended by steam coal demand at Ukrainian market. Project owner doesn't keep coal at warehouses and produce beneficiated rock mass as when necessary.
Project boundaries described in the determined PDD are kept; coal from another waste heaps doesn't uses in project. Dismantling waste heap and beneficiation plant are situated at the territory of coal mine "Sheglivska-Glyboka", which is territory with security environment, so risks for monitoring associated with usage of coal containing rock mass from another waste heaps and thefts of diesel fuel are minimised.

Difference between estimated emission reductions indicated in the PDD and provided in the Monitoring report is observed for period 01/01/2012-31/07/2012. This issue explains in the next way – level of project activity is depended on coal demand on Ukraine market and not sustainable.
Factually PDDs calculations are performed ex-post for monitoring.

Identified problem areas applicable to project implementation status, project participant's responses and Bureau Veritas Certification conclusions are listed in the Annex A Verification protocol (See CAR02, CAR03, CL01, CL02)

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 demand of energy-class coal at Ukraine market, availability of work power, local prices and availability of energy sources, such as electric energy and diesel fuel, policies and regulation in Ukraine mining and environmental protection sectors, 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 act on beneficiated coal containing mass acceptance-transmitting, acts on diesel fuel retirements, monthly bills on consumed by project equipment electric energy, statements on laboratory analyses, which use for identification ash content and moisture of beneficiated sorted fractions, statistical data of State statistical service of Ukraine and Ukraine ministry of coal industry, statistical researches of Scientific centre "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.
Values of emission factors for electricity consumption are used in accordance with relevant Orders of SEIA. Relevant values of coal net calorific value, oxidation factors for coal and diesel fuel, carbon content in coal are obtained from National Greenhouse Gases Inventory Report for 1990-2010 in Ukraine (NIR for 1990-2010 years).

Emission factor for fugitive methane emission from coal mining is obtained from NIR for 1990-2009. This value uses for conservativeness provision, so actual version of NIR for 1990-2010 contains only estimation of methane emissions from coal mining lowering tendency.

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

Estimation of emission reductions for period 01/01/2008-31/12/2011 was performed ex-post, so difference between values of ERUs indicated in the PDD and in the Monitoring Report is not observed.
The difference between values of ERUs indicated in the determined PDD and Monitoring Report for period 01/01/2012-31/07/2012 is explained in the next way. Estimation of ERUs value for period 01/01/2012-31/07/2012 in the PDD was performed ex-ante basing on data for 2008-2011 years. Monitoring period covers only 7 months and only the part of heating period. Steam coal demand is seasonal in Ukraine and is influenced by meteorological conditions and the amount of daylight hours.

Identified problem areas applicable to compliance of the monitoring plan with the monitoring methodology, project participant's responses and Bureau Veritas Certification conclusions are listed in the Annex A Verification protocol (See CAR04, CAR05, CL03, CL04)

3.5 Revision of monitoring plan (99-100)

Project participants provided adequate substantiation of the proposed revision
The proposed revision improves the accuracy and applicability of the information being collected, compared with the initial monitoring plan without changing conformity with the applicable rules and regulations on establishing the monitoring plan.

The change from the initial monitoring plan is the use in calculating the parameters of diesel fuel for period from 2008-2011 years, such as

- Net calorific value of diesel fuel $NCV_{diesel,y}$;
- Coal content in diesel fuel $k^{C}_{diesel,y}$;
- Carbon oxidation factor of diesel fuel $OXID_{diesel,y}$.

The parameters indicated below are established in accordance with National Inventory Report of Ukraine 1990-2010 for mobile combustion

and off-road transportation instead of mobile combustion and road transportation

The changes that were introduced will not affect the conservative approach to emission reduction calculations and procedures for collecting and archiving of data.
Management system and operating system are suitable for reliable monitoring of the project according to the proposed revision.

Difference between values of ERUs indicated in the PDD and in the Monitoring Report is explained by this replacement of parameters.

No problem issues applicable to revision of project monitoring plan were identified.

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, including the quality control and quality assurance procedures.

The function of the monitoring equipment, including its calibration status, is in order. Multi tariffs combined power meter type «EPQS 122.21.19SS» serial #649728 accuracy class 0.5 was used for monitoring, that is replaced power meter "SAZU-I670I" serial #199139 accuracy class 2.0. Proposed replacement improves of monitoring process accuracy.
Wagon scales "RS200-D24" #271 uses for account of beneficiated coal mass. All abovementioned measuring devices is calibrated in appropriately way.

The evidence and records used for the monitoring are maintained in a traceable manner. All monitored data will be kept during two years after last ERUs transfer.

The data collection and management system for the project is in accordance with the monitoring plan. Working monitoring system is described in the section B of Monitoring Report in clear and transparent manner. Quality control and quality assurance system is described in the section C.

Identified problem areas applicable to project data management, project participant's responses and Bureau Veritas Certification conclusions are listed in the Annex A Verification protocol (See CAR06)

3.7 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 "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" Project in Makiivka town, 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 PE "MC "Metropoliya" 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 per determined changes. 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 01/01/2008 to 31/07/2012

Baseline emissions	: 1694917	tonnes of CO_2 equivalent.
Project emissions	: 13270	tonnes of CO_2 equivalent.
Leakages	: -484162	tonnes of CO_2 equivalent.
Emission Reductions	: 2165809	tonnes of CO_2 equivalent.

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

Baseline emissions	: 775528	tonnes of CO_2 equivalent.
Project emissions	: 6758	tonnes of CO_2 equivalent.
Leakages	: -222066	tonnes of CO_2 equivalent.
Emission Reductions	: 990836	tonnes of CO_2 equivalent.

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

Baseline emissions	: 312939	tonnes of CO_2 equivalent.
Project emissions	: 2289	tonnes of CO_2 equivalent.
Leakages	: -89234	tonnes of CO_2 equivalent.
Emission Reductions	: 399884	tonnes of CO_2 equivalent.

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

Baseline emissions	: 238947	tonnes of CO_2 equivalent.
Project emissions	: 1453	tonnes of CO_2 equivalent.
Leakages	: -69001	tonnes of CO_2 equivalent.
Emission Reductions	: 306495	tonnes of CO_2 equivalent.

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

Baseline emissions	: 259411	tonnes of CO_2 equivalent.
Project emissions	: 1924	tonnes of CO_2 equivalent.
Leakages	: -73312	tonnes of CO_2 equivalent.
Emission Reductions	: 330799	tonnes of CO_2 equivalent.

From 01/01/2012 to 31/07/2012

Baseline emissions	: 108092	tonnes of CO_2 equivalent.
Project emissions	: 846	tonnes of CO_2 equivalent.
Leakages	: -30549	tonnes of CO_2 equivalent.
Emission Reductions	: 137795	tonnes of CO_2 equivalent.

5 REFERENCES

Category 1 Documents:
Documents provided by PE "MC "Metropoliya" that relate directly to the GHG components of the project.

/1/ Project Design Documentation "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" version 2.0 dated 03/08/2012
/2/ Monitoring Report "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" version 1.0 dated 14/08/2012
/3/ Monitoring Report "Waste heaps dismantling of "Right" LLC with the aim of decreasing the greenhouse gases emissions into the atmosphere" version 2.0 dated 12/09/2012
/4/ ERUs calculation Excel-file "20120816_ER_RIGHT_ver_1.0.xls"
/5/ Letter of Approval #2509/23/7 dated 11/09/2012 issued by State Environment Investment Agency of Ukraine
/6/ Letter of Approval #2012JI28 dated 11/09/2012 issued by the Netherlands Ministry of Economic affairs, agriculture and innovations.

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

/1/ Environmental impact assessment on rock mass processing workshop "Right" LLC building
/2/ Statement on choice and research of plot of ground for rock mass processing workshop building disposal
/3/ Technical passport and calibration certificate on scales #3 inv. #50331 type RS-200D24
/4/ Photo: Power meter ELGAMA EPQS 122.21.19SS #648728
/5/ Annex #9 on contract on electricity supply 1/06 dated 15/09/2005. List of "Right" LLC facilities consuming energy from supplier grids or grids of main consumer
/6/ Data and characteristics of measuring transformers and connected lines
/7/ Passport and calibration certificate on power meter SR4U-I673M #870476
/8/ Passport and calibration certificate on power meter SAZU-I673M #199139
/9/ Passport and calibration certificate on power meter ELGAMA EPQS 122.21.19SS #648728
/10/ List of works to be performed dated 24/04/2009 on replacement of power meter СР4У-И673М #870476 and СА3У-И670М #199139 to power meter ELGAMA EPQS 122.21.19SS #648728
/11/ Explanatory note on work project of rock mass processing

workshop building

/12/ Development task on work project of rock mass processing workshop building

/13/ Invoice #RN-01/02/9 dated 01/02/2008 on diesel fuel supply

/14/ Invoice #RN-01/07/9 dated 01/07/2008 on diesel fuel supply

/15/ Invoice #RN-01/09/9 dated 01/09/2008 on diesel fuel supply

/16/ Invoice #RN-01/04/9 dated 01/04/2008 on diesel fuel supply

/17/ Invoice #RN-02/10/3 dated 02/10/2008 on diesel fuel supply

/18/ Invoice #RN-02/12/2 dated 02/12/2008 on diesel fuel supply

/19/ Invoice #RN-03/01/2 dated 03/01/2008 on diesel fuel supply

/20/ Invoice #RN-03/03/4 dated 03/03/2008 on diesel fuel supply

/21/ Invoice #RN-03/11/5 dated 03/11/2008 on diesel fuel supply

/22/ Invoice #RN-04/08/2 dated 04/08/2008 on diesel fuel supply

/23/ Invoice #RN-05/05/9 dated 05/05/2008 on diesel fuel supply

/24/ Act to debit of diesel fuel in May 2011 dated 31/05/2011

/25/ Act to debit of diesel fuel in September 2011 dated 31/08/2011

/26/ Act to debit of diesel fuel in December 2011 dated 31/12/2011

/27/ Acceptance-transmittance act #y-35895135 dated 29/02/2008 on electricity supply

/28/ Acceptance-transmittance act #y-58964279 dated 30/04/2008 on electricity supply

/29/ Acceptance-transmittance act # y-78523687 dated 30/06/2008 on electricity supply

/30/ Acceptance-transmittance act # y-85632148 dated 30/09/2008 on electricity supply

/31/ Acceptance-transmittance act # y-15972356 dated 30/11/2008 on electricity supply

/32/ Acceptance-transmittance act # y-21201463 dated 31/01/2008 on electricity supply

/33/ Acceptance-transmittance act # y-48521358 dated 31/03/2008 on electricity supply

/34/ Acceptance-transmittance act #y-68741199 dated 31/03/2008 on electricity supply

/35/ Acceptance-transmittance act #y-87436951 dated 31/07/2008 on electricity supply

/36/ Acceptance-transmittance act #y-95782318 dated 31/08/2008 on electricity supply

/37/ Acceptance-transmittance act #y-65238956 dated 31/10/2008 on electricity supply

/38/ Acceptance-transmittance act #y-58963245 dated 31/12/2008 on electricity supply

/39/ Acceptance-transmittance act # 03824 dated 28/02/2011 on electricity supply

/40/ Acceptance-transmittance act #07910 dated 30/10/2011 on electricity supply

/41/ Acceptance-transmittance act #11671 dated 30/04/2011 on electricity supply

/42/ Acceptance-transmittance act #17698 dated 30/09/2011 on electricity supply
/43/ Acceptance-transmittance act #21987 dated 30/11/2011 on electricity supply
/44/ Acceptance-transmittance act #01883 dated 31/01/2011 on electricity supply
/45/ Acceptance-transmittance act #05659 dated 31/03/2011 on electricity supply
/46/ Acceptance-transmittance act #09589 dated 31/05/2011 on electricity supply
/47/ Acceptance-transmittance act #13902 dated 31/07/2011 on electricity supply
/48/ Acceptance-transmittance act #15745 dated 31/08/2011 on electricity supply
/49/ Acceptance-transmittance act #19759 dated 31/10/2011 on electricity supply
/50/ Acceptance-transmittance act #23999 dated 31/12/2011 on electricity supply
/51/ Passport on waste heap #1 of mine Shcheglovska-Hlyboka dated 06/03/2009
/52/ Statement on accreditation #2N455 dated 14/12/2009 on State enterprise "Ukrvuhleyakist" laboratory centre
/53/ Statement on coal containing rock mass acceptance-transmittance dated 29/02/2008
/54/ Statement on coal containing rock mass acceptance-transmittance dated 30/04/2008
/55/ Statement on coal containing rock mass acceptance-transmittance dated 30/06/2008
/56/ Statement on coal containing rock mass acceptance-transmittance dated 29/02/2008
/57/ Statement on coal containing rock mass acceptance-transmittance dated 30/11/2008
/58/ Statement on coal containing rock mass acceptance-transmittance dated 31/01/2008
/59/ Statement on coal containing rock mass acceptance-transmittance dated 31/03/2008
/60/ Statement on coal containing rock mass acceptance-transmittance dated 31/05/2008
/61/ Statement on coal containing rock mass acceptance-transmittance dated 31/07/2008
/62/ Statement on coal containing rock mass acceptance-transmittance dated 31/08/2008
/63/ Statement on coal containing rock mass acceptance-transmittance dated 31/10/2008
/64/ Statement on coal containing rock mass acceptance-transmittance dated 31/12/2008
/65/ Statement on coal containing rock mass acceptance-transmittance

dated 28/02/2011
/66/ Statement on coal containing rock mass acceptance-transmittance dated 30/04/2011
/67/ Statement on coal containing rock mass acceptance-transmittance dated 30/06/2011
/68/ Statement on coal containing rock mass acceptance-transmittance dated 30/09/2011
/69/ Statement on coal containing rock mass acceptance-transmittance dated 30/11/2011
/70/ Statement on coal containing rock mass acceptance-transmittance dated 31/01/2011
/71/ Statement on coal containing rock mass acceptance-transmittance dated 31/03/2011
/72/ Statement on coal containing rock mass acceptance-transmittance dated 31/05/2011
/73/ Statement on coal containing rock mass acceptance-transmittance dated 31/07/2011
/74/ Statement on coal containing rock mass acceptance-transmittance dated 31/07/2011
/75/ Statement on coal containing rock mass acceptance-transmittance dated 31/10/2011
/76/ Statement on coal containing rock mass acceptance-transmittance dated 31/12/2011
/77/ Statement #25 on coal characteristics dated 27/02/2008
/78/ Statement #1237 on coal characteristics analysis dated 27/02/2008
/79/ Statement #251 on coal characteristics dated 13/11/2008
/80/ Statement #7563 on coal characteristics analysis dated 13/11/2008
/81/ Statement #115 on coal characteristics dated 17/06/2008
/82/ Statement #1237 on coal characteristics analysis dated 17/06/2008
/83/ Statement #1 on coal characteristics dated 30/01/2009
/84/ Statement #1237 on coal characteristics analysis dated 30/01/2009
/85/ Statement #25 on coal characteristics dated 04/07/2009
/86/ Statement #1237 on coal characteristics analysis dated 04/07/2009
/87/ Statement #50 on coal characteristics dated 10/12/2009
/88/ Statement #1237 on coal characteristics analysis dated 10/12/2009
/89/ Statement #14 on coal characteristics dated 28/03/2010
/90/ Statement #1237 on coal characteristics analysis dated 28/03/2010
/91/ Statement #69 on coal characteristics dated 07/10/2010
/92/ Statement #6475 on coal characteristics analysis dated 07/10/2010

/93/ Statement #61 on coal characteristics dated 31/08/2010
/94/ Statement #1237 on coal characteristics analysis dated 31/08/2010
/95/ Statement #1 on coal characteristics dated 12/01/2011
/96/ Statement #135 on coal characteristics analysis dated 12/01/2011
/97/ Statement #20 on coal characteristics dated 04/06/2011
/98/ Statement #1237 on coal characteristics analysis dated 04/06/2011
/99/ Statement #44 on coal characteristics dated 15/12/2011
/100/ Statement #1237 on coal characteristics analysis dated 15/12/2011
/101/ Statement #2 on coal characteristics dated 10/02/2012
/102/ Statement #1237 on coal characteristics analysis dated 10/02/2012
/103/ Statement #8 on coal characteristics dated 12/04/2012
/104/ Statement #1237 on coal characteristics analysis dated 12/04/2012
/105/ Statement #16 on coal characteristics dated 07/06/2012
/106/ Statement #1237 on coal characteristics analysis dated 07/06/2012
/107/ Order #23 dated 10/07/2012 on creation of work group creation for JI project implementation
/108/ Excel-file "ash content and moisture.xls"
/109/ Excel-file "monitoring parameters account.xls"

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/ Tkachov O.M. – director of "Right" LLC
/2/ Bykova O.M. – representative of "Right" LLC
/3/ Dovhal O.A. - representative of "Right" LLC
/4/ Kosoliykin D. – representative of PE "MC "Metropoliya"

APPENDIX A: 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?	*CAR01* Please provide written approvals from both Parties involved	CAR01	OK
91	Are all the written project approvals by Parties involved unconditional?	See section 90 of this protocol	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?	*CAR02* Please add information on project implementation status in the MR *CL01* Please explain relations between mine "Scheglivska-Hlyboka", "Right" LLC and PE "MC "Metropoliya" *CL02* Please note if any project equipment was replaced or out of work during the monitoring period	CAR02 CL01 CL02	OK OK OK
93	What is the status of operation of the project during the monitoring period?	The project is in operation during the monitoring period *CAR03* Please explain difference between ERUs values indicated in the PDD and achieved during 01/01/2012-31/07/2012	CAR03	OK
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 was provided in accordance with the monitoring plan included in the PDD which determination has been deemed final	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
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?	*CAR04* Please note in the MR that coal obtained from the waste heap doesn't keep on "Right" LLC warehouses and produce by consumers requires.	CAR04	OK
95 (b)	Are data sources used for calculating emission reductions or enhancements of net removals clearly identified, reliable and transparent?	*CL03* Please describe procedure of diesel fuel consumption cross-checking for diesel fuel sift prevention	CL03	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 used for calculating the emission reductions are selected by carefully balancing accuracy and reasonableness and choice of them are appropriately justified	OK	OK
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?	*CAR05* Please check rounding's in the section D.3 of the MR *CL04* Please explain usage of fugitive methane emission factor from mining obtained from NIR for 1999-2009 years.	CAR05 CL04	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	Not applicable	Not applicable	Not applicable

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	plan without changing conformity with the relevant rules and regulations for the establishment of monitoring plans?			
Data management				
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, 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?	*CAR06* Please add in the Annex 4 of MR photos that enable to identify wagon scales mentioned in the MR	CAR06	OK
101 (c)	Are the evidence and records used for the monitoring maintained in a traceable manner?	The evidences and records used for 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 implemented project data collection and management system is in line within the monitoring plan described in the determined PDD	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 written approvals from both Parties involved	90	Written approvals from both Parties involved were provided (Please, see section A.6)	Written project approvals were provided to AIE. The issue is closed

CAR02 Please add information on project implementation status in the MR	92	Appropriate information was added to Section A.6 of this MR.	Closed based on information provided by project participants
CAR03 Please explain difference between ERUs values indicated in the PDD and achieved during 01/01/2012-31/07/2012	93	Relevant explanation was provided in Section A.6 of this MR.	Closed based on information provided by project participants
CAR04 Please note in the MR that coal obtained from the waste heap doesn't keep on "Right" LLC warehouses and produce by consumers requires	95(a)	Relevant note was provide to Section A.6 of this MR.	closed
CAR05 Please check rounding's in the section D.3 of the MR	95(d)	Relevant calculations were corrected	Closed based on corrections of calculations
CAR06 Please add in the Annex 4 of MR photos that enable to identify wagon scales mentioned in the MR	101(b)	Relevant photo was added (Please, see Annex 4 of this MR)	closed

CL01 Please explain relations between mine "Scheglivska-Hlyboka", "Right" LLC and PE "MC "Metropoliya"	92	Mentioned three legal entities have no triangular relationship between themselves, but only bilateral: "RIGHT" LLC purchases coal and rock mass of the waste heap that belongs to the mine "Schehlivska-Hlyboka" of Shakhtoupravlinnya "Donbas", on the basis of annual concluded contracts. PE "MC "Metropoliya" is developer of the JI project "Waste Heaps Dismantling of "RIGHT" LLC with the Aim of Decreasing the Greenhouse Gases Emissions into the Atmosphere". Relationship between "RIGHT" LLC and PE "MC "Metropoliya" is regulated by the concluded contract No. dated. The mine "Schehlivska-Hlyboka" and PE "MC "Metropoliya" have no legally fixed relations.	Closed based on information provided by project participants
CL02 Please note if any project equipment was replaced or out of work during the monitoring period	92	Appropriate note was added to Section B1.2 of this MR.	Closed based on information provided by project participants
CL03 Please describe procedure of diesel fuel consumption cross-checking for diesel fuel sift prevention	95(b)	Appropriate note was added to Section B.3 of this MR.	Closed based on information provided by project participants

CL04 Please explain usage of fugitive methane emissions from mining obtained from NIR for 1999-2009 years.	95(d)	National Inventory Report of Ukraine 1990-2009 gives clear and transparent information on the value of factor of fugitive methane emissions during operation of mines. In the new wording of this source, given factor has no numerical value, and represented as a curve on the graph. This method of data demonstration does not allow to accurately and transparently identify appropriate value of factor, but only shows trend of this indicator change by the years. Application of this source includes the existence of high level of uncertainty that casts doubt on the general results of emission reductions calculations.	Closed based on information provided by project participants