



# VERIFICATION REPORT

«COMPANY «MT-INVEST» LTD

## VERIFICATION OF THE

“IMPLEMENTATION OF COMPLEX TECHNICAL AND TECHNOLOGICAL MODERNIZATION OF ENTERPRISE TO REDUCE ENERGY CONSUMPTION AND IMPLEMENTATION OF RECYCLING ORGANIC WASTE FROM BEER PRODUCTION AT DE PJSC «OBOLON» «ZIBERT’S BREWERY»”

INITIAL AND FIRST PERIODIC FOR THE PERIOD  
01/01/2008 – 31/03/2012

REPORT No. UKRAINE-VER/0341/2011

REVISION No. 02

BUREAU VERITAS CERTIFICATION



## VERIFICATION REPORT

|                                     |   |
|-------------------------------------|---|
| Date of first issue:<br>04/07/2012  | Organizational unit:<br>Bureau Veritas Certification<br>Holding SAS |
| Client:<br>«Company «MT-Invest» LTD | Client ref.:<br>Falendysh Yaroslav                                  |

## Summary:

Bureau Veritas Certification has initial and first periodic verification for the period from 01/01/2008 to 31/03/2012 of the «Implementation of complex technical and technological modernization of enterprise to reduce energy consumption and implementation of recycling organic waste from beer production at DE PJSC «Obolon» «Zibert's Brewery»» project, located in Fastiv, Kyiv Region, Ukraine, and applying JI specific approach, on the basis of UNFCCC criteria for the JI, as well as criteria given to provide for consistent project operations, monitoring and reporting. UNFCCC criteria refer to Article 6 of the Kyoto Protocol, the JI rules and modalities and the subsequent decisions by the JI Supervisory Committee, as well as the host country criteria.

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

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

In summary, Bureau Veritas Certification confirms that the project is implemented as planned and described in approved project design documents. Installed equipment being essential for generating emission reduction runs reliably and is calibrated appropriately. The monitoring system is in place and the project is generating GHG emission reductions. The GHG emission reduction is calculated accurately and without material errors, omissions, or misstatements, and the ERUs issued totalize 264958 tonnes of CO<sub>2</sub> equivalent for the monitoring period from 01/01/2008 to 31/03/2012.

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

|  |                      |
|--|----------------------|
| Report No.:<br>UKRAINE-ver/0341/2011   | Subject Group:<br>JI |
| Project title:<br>Implementation of complex technical and technological modernization of enterprise to reduce energy consumption and implementation of recycling organic waste from beer production at DE PJSC «Obolon» «Zibert's Brewery» |                      |
| Work carried out by:<br>Kateryna Zinevych – Team Leader, Lead Verifier<br>Sergiy Kustovskyy – Team Member, Verifier<br>Iuliia Pylnova – Team Member, Technical Specialist  |                      |
| Work reviewed by:<br>Ivan Sokolov - Internal Technical Reviewer  |                      |
| Work approved by:<br>Ivan Sokolov – Operational Manager  |                      |
| Date of this revision:<br>10/07/2012   | Rev. No.:<br>02      |
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## 1 INTRODUCTION

«Company «MT-Invest» LTD has commissioned Bureau Veritas Certification to verify the emissions reductions of its JI project «Implementation of complex technical and technological modernization of enterprise to reduce energy consumption and implementation of recycling organic waste from beer production at DE PJSC «Obolon» «Zibert's Brewery»» (hereafter called "the project") in Fastiv, Kyiv 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:

|   |   |
|---|---|
| Kateryna Zinevych<br>Bureau Veritas Certification | Team Leader, Climate Change Lead Verifier |
| Sergiy Kustovskyy<br>Bureau Veritas Certification | Climate Change Verifier                   |
| Iuliia Pylnova<br>Bureau Veritas Certification    | Technical Specialist                      |





This verification report was reviewed by:

Ivan Sokolov  
Bureau Veritas Certification, Internal Technical Reviewer

## 2 METHODOLOGY

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

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

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

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

### 2.1 Review of Documents

The Monitoring Report (MR) «Implementation of complex technical and technological modernization of enterprise to reduce energy consumption and implementation of recycling organic waste from beer production at DE PJSC «Obolon» «Zibert's Brewery»» submitted by «Company «MT-Invest» LTD and additional background documents related to the project design and baseline, i.e. country Law, Project Design Document (PDD) and/or 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 versions 1.0, 2.0 and project as described in the determined PDD.

### 2.2 Follow-up Interviews

On 27/06/2012 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 «Company «MT-Invest» LTD and DE PJSC «Obolon» «Zibert's Brewery» were interviewed (see References). The main topics of the interviews are summarized in Table 1.

**Table 1 Interview topics**

| Interviewed organization                     | Interview topics   |
|--|--|
| DE PJSC<br>«Obolon»<br>«Zibert's<br>Brewery» | Organizational structure<br>Responsibilities and authorities<br>Roles and responsibilities for data collection and processing<br>Installation of equipment<br>Data logging, archiving and reporting<br>Metering equipment control<br>Metering record keeping system, database<br>IT management<br>Training of personnel<br>Quality management procedures and technology<br>Internal audits and check-ups |
| «Company «MT-<br>Invest» LTD                 | Baseline methodology<br>Monitoring plan<br>Monitoring report<br>Excel spreadsheets   |

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

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

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

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

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



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

### **3 VERIFICATION CONCLUSIONS**

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

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

The Clarification, Corrective and Forward Action Requests are stated, where applicable, in the following sections and are further documented in the Verification Protocol in Appendix A. The verification of the Project resulted in 8 Corrective Action Requests and 2 Clarification Requests.

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

#### **3.1 Remaining issues and FARs from previous verifications**

No FARs were raised during the determination.

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

Written project approval by Ukraine #2958/23/7 dated 06/10/2011 has been issued by the State Environmental Investment Agency of Ukraine.

Written project approval by Netherlands (letter of approval for the project «Implementation of complex technical and technological modernization of enterprise to reduce energy consumption and implementation of recycling organic waste from beer production at DE PJSC «Obolon» «Zibert's Brewery»» № 2011JI35 dated 03/10/2011) has been issued by NL Agency, Ministry of Economic Affairs, Agriculture and Innovation of Netherlands.

The abovementioned written approvals are unconditional.

The identified areas of concern as to the Project approval by Parties involved, project participants responses and Bureau Veritas Certification's conclusions are described in Appendix A to this report (refer to CAR 01, CAR 02).

#### **3.3 Project implementation (92-93)**

Implementation of the measures under the project allowed to improve energy efficiency of beer production, provide environmentally save



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utilization of its organic wastes. In its turn, it resulted in reduction of the amount of energy resources for beer production, allowed to deny wastes disposal at landfills. The reduction of greenhouse gases emission into the atmosphere is the result of these measures.

In accordance with project implementation schedule the following measures were undertaken in 2008 – 2011:

In 2008 reconstruction of brew house with the installation of energy-efficient technology of cooking wort was conducted. Output of wort is 440 Gl for 1 brewing a week. 78 brewing a week. Before the reconstruction output of wort was 80 Gl/brewing. Specific direct consumption of thermal energy before the reconstruction was 31, 25 kg/Gl, after it - 16, 8 kg/Gl. Installation of new steam boiler LOOS ZFR-23000 with the production capacity 22 tonnes of pair on a hour. Gas charges on 1 tonne of pair was decreased from 77,5 m<sup>3</sup> (for the boilers ДКБП- 2,5/13) and 83,5 m<sup>3</sup> (for the boilers E- 1/9) to 72,1 m<sup>3</sup>. Changing steam drying of work clothing with electric heating vans. Installation of new air compressors Comp Air L132-7.5 – 3 units. Installation of new refrigerating machines Climaveneta complete with cooling towers. Replacement of 2 refrigerating machines 1-MKT-110 (Russia) with the new one Climaveneta (Italy) complete with the compressor and automatic control. This measures allowed to reduce specific electric power and natural gas. This resulted in reduction of greenhouse gases emission losses related with beer production.

In 2010 Installation of equipment for preparation of liquid carbon dioxide «Haffmans B.V. Netherlands, with the production capacity 500 kg/year was conducted. Before establishment of this system a plant worked on the imported carbon dioxide.

In 2011 poqi heat exchanger for utilization of deaerator vessel evaporation of boiler house for heating of feeding water from water purification plant.

Measures, planned to be implemented in the period 2004 – 2007 were implemented in the full extent and the project is generating greenhouse gases emission reduction units.

Amount of emission reduction provided above as total for 2008-2011 in the MR differs from the amount of emission reduction for the corresponding period predicted in the registered PDD (version 02, dated 22/09/2011). This difference can be explained by the fact that GHG emission reduction provided in the PDD for 2011 were estimated based on the statistic data of 2010, while GHG emission reduction provided in the MR was calculated based on the actual data provided by the enterprise.





The identified areas of concern as to the project implementation, project participants responses and Bureau Veritas Certification's conclusions are described in Appendix A to this report (refer to CAR 03).

### **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 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 are clearly identified, reliable and transparent.

Emission factors, including default emission factors, are selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice.

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

The identified areas of concern as to the compliance of the monitoring plan with the monitoring methodology, project participants responses and Bureau Veritas Certification's conclusions are described in Appendix A to this report (refer to CARs 04-06, CI 01).

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

Not applicable

### **3.6 Data management (101)**

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

The implementation of data collection procedures is in accordance with the monitoring plan, including the quality control and quality assurance procedures. These procedures are mentioned in the section "References" of this report.

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

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



The data collection and management system for the project is in accordance with the monitoring plan.

The identified areas of concern as to the data management, project participants responses and Bureau Veritas Certification's conclusions are described in Appendix A to this report (refer to CARs 07, 08, CI 02).

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

Not applicable.

## **4 VERIFICATION OPINION**

Bureau Veritas Certification has performed initial and first periodic verification of the «Implementation of complex technical and technological modernization of enterprise to reduce energy consumption and implementation of recycling organic waste from beer production at DE PJSC «Obolon» «Zibert's Brewery»» Project in Ukraine, which applies JI specific approach. The verification was performed on the basis of UNFCCC criteria and host country criteria and also on the criteria given to provide for consistent project operations, monitoring and reporting.

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

The management of «Company «MT-Invest» LTD 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 Plan indicated in the final PDD version 02 dated 22/09/2011. The development and maintenance of records and reporting procedures in accordance with that plan, including the calculation and determination of GHG emission reductions from the project, is the responsibility of the management of the project.

Bureau Veritas Certification verified the Project Monitoring Report version 2.0 for the reporting period as indicated below. Bureau Veritas Certification confirms that the project is implemented as planned and described in approved project design documents. Installed equipment being essential for generating emission reduction runs reliably and is calibrated appropriately. The monitoring system is in place and the project is generating GHG emission reductions.

Amount of emission reduction provided above as total for 2008-2011 in the MR differs from the amount of emission reduction for the corresponding period predicted in the registered PDD (version 02, dated 22/09/2011). This difference can be explained by the fact that GHG emission reduction provided in the PDD for 2011 were estimated based on the statistic data of 2010, while GHG emission reduction provided in the MR was calculated based on the actual data provided by the enterprise.




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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 31.12.2011

For the period from 01.01.2008 to 31.12.2008

|                     |   |       |                          |
|---------------------|---|-------|--------------------------|
| Baseline emissions  | : | 19543 | tonnes of CO2 equivalent |
| Project emissions   | : | 9613  | tonnes of CO2 equivalent |
| Emission Reductions | : | 9930  | tonnes of CO2 equivalent |

For the period from 01.01.2009 to 31.12.2009

|                     |   |       |                          |
|---------------------|---|-------|--------------------------|
| Baseline emissions  | : | 77363 | tonnes of CO2 equivalent |
| Project emissions   | : | 16727 | tonnes of CO2 equivalent |
| Emission Reductions | : | 60636 | tonnes of CO2 equivalent |

For the period from 01.01.2010 to 31.12.2010

|                     |   |        |                          |
|---------------------|---|--------|--------------------------|
| Baseline emissions  | : | 107087 | tonnes of CO2 equivalent |
| Project emissions   | : | 21375  | tonnes of CO2 equivalent |
| Emission Reductions | : | 85712  | tonnes of CO2 equivalent |

For the period from 01.01.2011 to 31.12.2011

|                     |   |        |                          |
|---------------------|---|--------|--------------------------|
| Baseline emissions  | : | 109646 | tonnes of CO2 equivalent |
| Project emissions   | : | 20123  | tonnes of CO2 equivalent |
| Emission Reductions | : | 89523  | tonnes of CO2 equivalent |

For the period from 01.01.2012 to 31.03.2012

|                     |   |       |                          |
|---------------------|---|-------|--------------------------|
| Baseline emissions  | : | 23796 | tonnes of CO2 equivalent |
| Project emissions   | : | 4639  | tonnes of CO2 equivalent |
| Emission Reductions | : | 19157 | tonnes of CO2 equivalent |

Total for the monitoring period.

|                     |   |        |                          |
|---------------------|---|--------|--------------------------|
| Baseline emissions  | : | 337435 | tonnes of CO2 equivalent |
| Project emissions   | : | 72477  | tonnes of CO2 equivalent |
| Emission Reductions | : | 264958 | tonnes of CO2 equivalent |



## 5 REFERENCES

### Category 1 Documents:

Documents provided by «Company «MT-Invest» LTD that relate directly to the GHG components of the project.

- /1/ PDD «Implementation of complex technical and technological modernization of enterprise to reduce energy consumption and implementation of recycling organic waste from beer production at DE PJSC «Obolon» «Zibert's Brewery»» version 02 dated 22/09/2011.
- /2/ Monitoring Report for 01/01/2008-31/03/2012 «Implementation of complex technical and technological modernization of enterprise to reduce energy consumption and implementation of recycling organic waste from beer production at DE PJSC «Obolon» «Zibert's Brewery»», version 1.0 dated 19/06/2012.
- /3/ Monitoring Report for 01/01/2008-31/03/2012 «Implementation of complex technical and technological modernization of enterprise to reduce energy consumption and implementation of recycling organic waste from beer production at DE PJSC «Obolon» «Zibert's Brewery»», version 2.0 dated 02/07/2012.
- /4/ Excel-file «Zibert\_v.1.xls»
- /5/ Excel-file «Zibert\_v.2.xls»
- /6/ Letter of Approval #2958/23/7 for the project «Implementation of complex technical and technological modernization of enterprise to reduce energy consumption and implementation of recycling organic waste from beer production at DE PJSC «Obolon» «Zibert's Brewery»» issued by State Environmental Investment Agency of Ukraine dated 06/10/2011.
- /7/ Letter of Approval № 2011JI35 dated 03/10/2011 for the project «Implementation of complex technical and technological modernization of enterprise to reduce energy consumption and implementation of recycling organic waste from beer production at DE PJSC «Obolon» «Zibert's Brewery»» issued by NL Agency, Ministry of Economic Affairs, Agriculture and Innovation of Netherlands.

### Category 2 Documents:

Background documents related to the design and/or methodologies employed in the design or other reference documents.

- /1/ Decree of Cabinet of Ministers of Ukraine #206, dated 22/02/2006
- /2/ JI PDD Form, version 01.
- /3/ «Guidance for users of JI PDD form», version 04, JISC.
- /4/ JISC Guidance on criteria for baseline setting and monitoring. Version 02.
- /5/ «Combined tool to identify the baseline scenario and demonstrate

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- additionality" (Version 03.0.0)
- /6/ Glossary of Joint Implementation Terms, Version 03.
  - /7/ Decree #43 on approval of indexes of specific carbon dioxide emissions in the year 2010 issued by NEIA dated 28.03.2011.
  - /8/ Decree #62 on approval of indexes of specific carbon dioxide emissions in the year 2008 issued by NEIA dated 15.04.2011.
  - /9/ Договір купівлі-продажу №21 від 11 січня 2011
  - /10/ Purchase and sale agreement №23 dated 11/01/2011
  - /11/ Purchase and sale agreement №26 dated 11/01/2011
  - /12/ Purchase and sale agreement №28 dated 11/01/2011
  - /13/ Accounting statement dated 31/08/2011 for electric power consumption in August 2011 in accordance with the agreement №117-E dated 29/032010
  - /14/ Accounting statement dated 31/07/2011 for electric power consumption in July 2011 in accordance with the agreement №117-E dated 29/032010
  - /15/ Statement №УН-0000159 of acceptance and transfer of natural gas dated 31/08/2011
  - /16/ Statement №УН-0000141 of acceptance and transfer of natural gas dated 31/07/2011
  - /17/ Protocol of gas quality №01-1 dated 04.07.2011
  - /18/ Protocol of gas quality №01-1 dated 01.11.2010
  - /19/ Contract №74.1106/07 – FSL dated 08.08.2007
  - /20/ Purchase and sale contract №0402-2008/CO2 dated 04.02.2008
  - /21/ Contract №60629 dated 11.11.2002
  - /22/ Form №24-Energetyka annual for 2011
  - /23/ Form №11-МТП (half-year) for January - June 2011
  - /24/ Form №11-МТП (half-year) for January - December 2010
  - /25/ Report on actual fuel consumption for 2010
  - /26/ Form №24-Energetyka annual for 2010
  - /27/ Form №11-МТП (half-year) for January - June 2010
  - /28/ Form №11-МТП (half-year) for January - December 2009
  - /29/ Form №24-Energetyka annual for 2009
  - /30/ Report on actual fuel consumption for 2009
  - /31/ Form №11-МТП (half-year) for January - June 2009
  - /32/ Form №11-МТП (half-year) for January - December 2008
  - /33/ Form №24-Energetyka annual for 2008
  - /34/ Report on actual fuel consumption for 2008
  - /35/ Form №11-МТП (half-year) for January - June 2008
  - /36/ Purchase and sale contract №09.0266 dated 17.03.2010
  - /37/ Statement №199 on property assets putting into operation dated 31.07.2007
  - /38/ Statement №216 on property assets putting into operation dated 30.06.2008
  - /39/ Statement №221 on property assets putting into operation dated 30.09.2008
  - /40/ Statement №222 on property assets putting into operation dated





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31.10.2008

- /41/ Statement №ФП-0000070 on property assets putting into operation dated 30.12.2003
- /42/ Statement №22 on property assets putting into operation dated 30.06.2011
- /43/ Statement №ФП-0000093 on property assets putting into operation dated 30.09.2001
- /44/ Statement №20 on property assets putting into operation dated 31.12.2010
- /45/ Verification certificate №050/004-2012 dated 21.02.2012
- /46/ Certificate of acceptance and package of electric power meter 05RAL-P3B4 reg.№01186692 dated 05.08.2008
- /47/ Certificate of acceptance and package of electric power meter 05RAL-P3B4 reg.№01186683 dated 05.08.2008
- /48/ Certificate of acceptance and package of electric power meter 05RAL-P3B3 reg.№01122659 dated 10.08.2005
- /49/ Certificate of acceptance and package of electric power meter 05RAL-P3B3 reg.№01122658 dated 10.08.2005
- /50/ Operational manual. Dosing screw Vetter Dos 20/1
- /51/ Photo. Dosing screw Vetter Dos 20/1.
- /52/ Photo. Register of wastes delivery
- /53/ Photo. Steam boiler UL-S

**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/ Sergei Skalenko - Technical Director, DE PJSC «Obolon» «Zibert's Brewery»
- /2/ Alexander Lyhoshert - Chief power engineer, DE PJSC «Obolon» «Zibert's Brewery»
- /3/ Viktor Klets - Chief of cooking workshop, DE PJSC «Obolon» «Zibert's Brewery»
- /4/ Taras Shevchenko - Foreman of fermentation, DE PJSC «Obolon» «Zibert's Brewery»
- /5/ Nicheporuk Yuriy – Ecologist, DE PJSC «Obolon» «Zibert's Brewery»
- /6/ Evgen Zuravliov – Director on Ecology projects “Company “MT-Invest” LTD



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## 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 |
|--|---|--|------------------|------------------|
| <b>Project approvals by Parties involved</b> |   |  |                  |                  |
| 90   | Has the DFPs of at least one Party involved, other than the host Party, issued a written project approval when submitting the first verification report to the secretariat for publication in accordance with paragraph 38 of the JI guidelines, at the latest? | <p><b><u>Corrective Action Request (CAR) 01:</u></b><br/>Please, include the information concerning the Letters of Approval from the parties involved into the Monitoring Report.</p> <p><b><u>Corrective Action Request (CAR) 02:</u></b><br/>The Letter of Approval issued by the sponsor party was not provided</p> | CAR 01<br>CAR 02 | OK<br>OK         |
| 91   | Are all the written project approvals by Parties involved unconditional?  | See CAR 02 above   | OK               | OK               |
| <b>Project implementation</b>                |   |  |                  |                  |
| 92   | Has the project been implemented in accordance with the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website?  | <p><b><u>Corrective Action Request (CAR) 03:</u></b><br/>In the section A.2 of the Monitoring Report, registration number of the JI project is not indicated. Please, indicate JI reference registration number in the Monitoring Report.</p>  | CAR 03           | OK               |
| 93   | What is the status of operation of the project during the monitoring period?  | Project equipment has been installed with minor deviations from the schedule and is fully operational.   | OK               | OK               |



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| DVM Paragraph                          | Check Item  | Initial finding  | Draft Conclusion | Final Conclusion |
|--|---|--|------------------|------------------|
| <b>Compliance with monitoring plan</b> |   |  |                  |                  |
| 94                                     | Did the monitoring occur in accordance with the monitoring plan included in the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website?  | Yes, the monitoring occurs in accordance with the monitoring plan included in the PDD.   | OK               | OK               |
| 95 (a)                                 | For calculating the emission reductions or enhancements of net removals, were key factors, e.g. those listed in 23 (b) (i)-(vii) above, influencing the baseline emissions or net removals and the activity level of the project and the emissions or removals as well as risks associated with the project taken into account, as appropriate? | Yes, all relevant key factors were taken into account, as appropriate.   | OK               | OK               |
| 95 (b)                                 | Are data sources used for calculating emission reductions or enhancements of net removals clearly identified, reliable and transparent?   | <p><b><u>Clarification Request (CL) 01.</u></b><br/>Please specify the enumeration formulas of pictures in the Monitoring Report.</p> <p><b><u>Corrective Action Request (CAR) 04:</u></b><br/>Please provide references on relevant excel spreadsheets with calculations in section C of MR</p> | CL 01<br>CAR 04  | OK<br>OK         |
| 95 (c)                                 | Are emission factors, including   | <b><u>Corrective Action Request (CAR) 05.</u></b>  | CAR 05           | OK               |



## VERIFICATION REPORT

| DVM Paragraph                             | Check Item  | Initial finding   | Draft Conclusion | Final Conclusion |
|---|---|---|------------------|------------------|
|   | 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?  | In Excel calculation spreadsheets (lists BEELEC) mistakenly indicated out-of-date emission factor. Please, make the proper corrections in the calculation spreadsheets and in the MR.<br><b><u>Corrective Action Request (CAR) 06.</u></b><br>Please provide the units for the conversion factor from Gcal to GJ. | CAR 06           | 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?   | Yes, the calculation of emission reductions based on conservative assumptions and the most plausible scenarios in a transparent manner.   | OK               | OK               |
| <b>Applicable to JI SSC projects only</b> |   |   |                  |                  |
| 96  | Is the relevant threshold to be classified as JI SSC project not exceeded during the monitoring period on an annual average basis?<br>If the threshold is exceeded, is the maximum emission reduction level estimated in the PDD for the JI SSC project or the bundle for the monitoring period determined? | N/A   | OK               | OK               |



## VERIFICATION REPORT

| DVM Paragraph   | Check Item  | Initial finding | Draft Conclusion | Final Conclusion |
|---|---|-----------------|------------------|------------------|
| <b>Applicable to bundled JI SSC projects only</b>                           |   |                 |                  |                  |
| 97 (a)  | Has the composition of the bundle not changed from that is stated in F-JI-SSCBUNDLE?  | N/A             | OK               | OK               |
| 97 (b)  | If the determination was conducted on the basis of an overall monitoring plan, have the project participants submitted a common monitoring report?  | N/A             | OK               | OK               |
| 98  | If the monitoring is based on a monitoring plan that provides for overlapping monitoring periods, are the monitoring periods per component of the project clearly specified in the monitoring report? Do the monitoring periods not overlap with those for which verifications were already deemed final in the past? | N/A             | OK               | OK               |
| <b>Revision of monitoring plan</b>  |   |                 |                  |                  |
| <b>Applicable only if monitoring plan is revised by project participant</b> |   |                 |                  |                  |
| 99 (a)  | Did the project participants provide an appropriate justification for the proposed revision?  | N/A             | OK               | OK               |
| 99 (b)  | Does the proposed revision  | N/A             | OK               | OK               |





## VERIFICATION REPORT

| DVM Paragraph          | Check Item   | Initial finding   | Draft Conclusion | Final Conclusion |
|------------------------|--|---|------------------|------------------|
|                        | improve the accuracy and/or applicability of information collected compared to the original monitoring plan without changing conformity with the relevant rules and regulations for the establishment of monitoring plans? |   |                  |                  |
| <b>Data management</b> |  |   |                  |                  |
| 101 (a)                | Is the implementation of data collection procedures in accordance with the monitoring plan, including the quality control and quality assurance procedures?  | Yes, 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?   | <p><b><u>Clarification Request (CL) 02.</u></b><br/>Please, correct the name of gas supplier from "Kyivgas" to "Kyivoblgas".</p> <p><b><u>Corrective Action Request (CAR) 07</u></b><br/>Please provide the documental evidences of calibration of natural gas commercial accounting meter in 2008.</p> | CL 02<br>CAR 07  | OK<br>OK         |
| 101 (c)                | Are the evidence and records used for the monitoring maintained in a traceable manner?   | <p><b><u>Corrective Action Request (CAR) 08.</u></b><br/>Please describe the length and structure of the storage of data concerning JI project at the enterprise. Please, add this information to the MR</p>  | CAR 08           | OK               |



## VERIFICATION REPORT

| DVM Paragraph   | Check Item   | Initial finding   | Draft Conclusion | Final Conclusion |
|---|--|---|------------------|------------------|
| 101 (d)   | Is the data collection and management system for the project in accordance with the monitoring plan?   | The data collection and management system for the project is in accordance with the monitoring plan | OK               | OK               |
| <b>Verification regarding programs of activities (additional elements for assessment)</b> |  |   |                  |                  |
| 102   | Is any JPA that has not been added to the JI PoA not verified?   | N/A   | OK               | OK               |
| 103   | Is the verification based on the monitoring reports of all JPAs to be verified?  | N/A   | OK               | OK               |
| 103   | Does the verification ensure the accuracy and conservativeness of the emission reductions or enhancements of removals generated by each JPA? | N/A   | OK               | OK               |
| 104   | Does the monitoring period not overlap with previous monitoring periods?   | N/A   | OK               | OK               |
| 105   | If the AIE learns of an erroneously included JPA, has the AIE informed the JISC of its findings in writing?                                  | N/A   | OK               | OK               |
| <b>Applicable to sample-based approach only</b>   |  |   |                  |                  |
| 106   | Does the sampling plan prepared by the AIE:<br>(a) Describe its sample selection,  | N/A   | OK               | OK               |



VERIFICATION REPORT

| DVM Paragraph | Check Item   | Initial finding | Draft Conclusion | Final Conclusion |
|---------------|--|-----------------|------------------|------------------|
|               | <p>taking into account that:</p> <p>(i) For each verification that uses a sample-based approach, the sample selection shall be sufficiently representative of the JPAs in the JI PoA such extrapolation to all JPAs identified for that verification is reasonable, taking into account differences among the characteristics of JPAs, such as:</p> <ul style="list-style-type: none"> <li>- The types of JPAs;</li> <li>- The complexity of the applicable technologies and/or measures used;</li> <li>- The geographical location of each JPA;</li> <li>- The amounts of expected emission reductions of the JPAs being verified;</li> <li>- The number of JPAs for which emission reductions are being verified;</li> <li>- The length of monitoring</li> </ul> |                 |                  |                  |



## VERIFICATION REPORT

| DVM Paragraph | Check Item  | Initial finding | Draft Conclusion | Final Conclusion |
|---------------|---|-----------------|------------------|------------------|
|               | periods of the JPAs being verified; and<br>- The samples selected for prior verifications, if any?  |                 |                  |                  |
| 107           | Is the sampling plan ready for publication through the secretariat along with the verification report and supporting documentation?   | N/A             | OK               | OK               |
| 108           | Has the AIE made site inspections of at least the square root of the number of total JPAs, rounded to the upper whole number? If the AIE makes no site inspections or fewer site inspections than the square root of the number of total JPAs, rounded to the upper whole number, then does the AIE provide a reasonable explanation and justification? | N/A             | OK               | OK               |
| 109           | Is the sampling plan available for submission to the secretariat for the JISC.s ex ante assessment? (Optional)  | N/A             | OK               | OK               |
| 110           | If the AIE learns of a fraudulently included JPA, a fraudulently  | N/A             | OK               | OK               |



VERIFICATION REPORT

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

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

| Draft report clarifications and corrective action requests by validation team | Ref. to checklist question in table 1 | Summary of project participant response | Verification team conclusion |
|---|---------------------------------------|---|------------------------------|
|   |                                       |   |                              |





## VERIFICATION REPORT

|   |        |   |  |
|---|--------|---|--|
| <p><b><u>Corrective Action Request (CAR) 01:</u></b><br/>Please, include the information concerning the Letters of Approval from the parties involved into the Monitoring Report.</p>   | 90     | The information on the approval by Parties involved has been included to the Section A.2 of the Monitoring Report.  | Based on the information added to the Monitoring Report, CAR 01 is closed. |
| <p><b><u>Corrective Action Request (CAR) 02:</u></b><br/>The Letter of Approval issued by the sponsor party was not provided.</p>   | 90     | Title Letter of Approval from sponsor Party (The Netherlands) was provided to the verification team.<br><br>The relevant information was added to the MR version 2.0 dated 02.07.2012 | Due to the amendments made in the Monitoring Report, the issue is closed.  |
| <p><b><u>Corrective Action Request (CAR) 03:</u></b><br/>In the section A.2 of the Monitoring Report, registration number of the JI project is not indicated. Please, indicate JI reference registration number in the Monitoring Report.</p> | 92     | Registration number UA1000350 has been indicated in the Section A.2 of the Monitoring Report.   | Based on the corrections made in the Monitoring Report, CAR 03 is closed.  |
| <p><b><u>Corrective Action Request (CAR) 04:</u></b><br/>Please provide references on relevant excel spreadsheets with calculations in section C of MR</p>  | 95 (b) | The MR was corrected. Please see MR version 2.0   | The relevant corrections were made. Issue is closed.                       |
| <p><b><u>Corrective Action Request (CAR) 05.</u></b><br/>In Excel calculation spreadsheets</p>  | 95 (c) | Corresponding corrections were made in the Excel calculation tables and in the Monitoring   | The relevant corrections were  |



## VERIFICATION REPORT

|  |         |   |   |
|--|---------|---|---|
| (lists BEELEC) mistakenly indicated out-of-date emission factor. Please, make the proper corrections in the calculation spreadsheets and in the MR.  |         | Report. Corrected tables and Monitoring Report were provided to Bureau Veritas. | made. Issue is closed.  |
| <b><u>Corrective Action Request (CAR) 06.</u></b><br>Please provide the units for Please provide the units for the conversion factor from Gcal to GJ.  | 95 (c)  | The necessary corrections were made   | Issue is closed.  |
| <b><u>Corrective Action Request (CAR) 07</u></b><br>Please provide the documental evidences of calibration of natural gas commercial accounting meter in 2008.                                       | 101 (b) | The relevant documents were provided to the verification team                   | Issue is closed based on the analysis of documentation provided.        |
| <b><u>Corrective Action Request (CAR) 08.</u></b><br>Please describe the length and structure of the storage of data concerning JI project at the enterprise. Please, add this information to the MR | 101(c)  | The necessary information was added to the section B of the MR.                 | Issue is closed based on the corrections made in the MR.                |
| <b><u>Clarification Request (CL) 01.</u></b><br>Please specify the enumeration formulas of pictures in the Monitoring Report   | 95 (b)  | Enumeration of formulas and pictures was corrected.                             | Issue is closed based on the corrections made in the Monitoring Report. |
| <b><u>Clarification Request (CL) 02.</u></b>   | 101(b)  | The necessary corrections were made in the Monitoring report version 2.0        | Issue is closed   |



VERIFICATION REPORT

|  |  |  |  |
|--|--|--|--|
| Please, correct the name of gas supplier from "Kyivgas" to "Kyivoblgas". |  |  |  |
|--|--|--|--|