



AIE REPORT FORM

(version 03)

(to be completed by an AIE requesting the publication of a determination pursuant to paragraph 33 of the JI guidelines)

Accredited independent entity (AIE) submitting form TÜV Rheinland Group/TÜV Rheinland Ukraine

Proposed JI activity

Reference number and title of JI activity 0287
Implementation of energy-efficient lighting system in the Donetsk Region with the use of Kyoto Protocol mechanism: replacement of incandescent lamps with energy-efficient ones at budget financed and social entities in the Torez town (under Track 2)

Host Party(ies) Ukraine

Other Parties involved in the JI activity The Netherlands

Project participants - Carbon Futures LLP
- Torez Town Council

Coordinating entity (*applicable to JI PoA only*) N.A.

Type of JI activity: large-scale small-scale LULUCF PoA

Brief description of the JI activity
The proposed project aims to replace traditional incandescent lamps (ICLs) with up-to-date compact florescent lamps (CFLs) in budget and social facilities of Torez Town, i.e. schools, kindergartens, hospitals, health centers, etc.
GHGs emission reduction in project scenario is reached by reduction of electricity consuming from Ukrainian power grid. In case of reduction of electricity consuming from Ukrainian power grid the need of combusting of fossil fuels on Ukrainian power stations decreases. Therefore level of direct GHGs emissions on the power stations is decreased.

Determination report

Please confirm that all requirements of Article 6 of the Kyoto Protocol, the JI guidelines and further relevant requirements defined by the CMP or the JISC with regard to determinations pursuant to paragraph 33 of the JI guidelines are met:

- Yes
 No

General information on determination

Please describe:

- The scope of the determination process, including all documentation reviewed, and list the names of persons interviewed during the determination process, as applicable;
- The AIE's determination team, including a list of all persons involved in the determination process and a description of the functions assumed.

The PDD submitted by Carbon Futures LLP and additional background documents related to the project design to be checked by an Accredited Independent Entity were reviewed.

The list of submitted documentation is provided below.

- PDD "Implementation of energy-efficient lighting system in the Donetsk Region with the use of Kyoto Protocol mechanism: replacement of incandescent lamps with energy-efficient ones at budget financed and social entities in the Torez town (under Track 2)", version 01 dated 15/03/2011.
- PDD "Implementation of energy-efficient lighting system in the Donetsk Region with the use of Kyoto Protocol mechanism: replacement of incandescent lamps with energy-efficient ones at budget financed and social entities in the Torez town (under Track 2)", version 03.2 dated 20/03/2012.

- PDD “Implementation of energy-efficient lighting system in the Donetsk Region with the use of Kyoto Protocol mechanism: replacement of incandescent lamps with energy-efficient ones at budget financed and social entities in the Torez town (under Track 2)”, version 03.3 dated 15/06/2012.
- Estimates of the project GHGs emissions in Excel format.
- “Guidelines for users of the Joint implementation project design document form for SSC projects and the form for submission of bundled joint implementation SSC projects”, version 04.
- “Guidance on Criteria for Baseline Setting and Monitoring”, version 03, JISC.
- AMS-II.J methodology “Demand-side activities for efficient lighting technologies”, version 04.
- Attachment A to Appendix B of 4/CMP.1 Annex II.
- “Combined tool to identify the baseline scenario and demonstrate additionality” , version 04.0.0.
- “Provisions for Joint implementation SSC projects”, version 03, JISC.
- Kyoto Protocol to the United Nations Framework Convention on Climate Change.
- Marrakech Accords, JI Modalities.
- JI guidelines. Annex II to decision 9/CMP.1.
- “Joint implementation determination and verification manual”, version 01, JISC.
- “Glossary of JI terms”, version 03, JISC.
- Letter of Endorsement for the project «Implementation of energy-efficient lighting system in the Donetsk Region with the use of Kyoto Protocol mechanism: replacement of incandescent lamps with energy-efficient ones at budget financed and social entities in the Torez town” #2144/23/6 dated 13/12/2010.
- Letter of Approval for JI project “Implementation of energy-efficient lighting system in the Donetsk Region with the use of Kyoto Protocol mechanism: replacement of incandescent lamps with energy-efficient ones at budget financed and social entities in the Torez town” #3150/23/6 dated 28/10/2011.
- Declaration of Approval issued by “NL Agency” Ministry of Economic Affairs, Agriculture and Innovations, reference #2011JI58 on 02/02/2012.
- Modalities of communication dated 20/01/2012.

TÜV Rheinland Group/TÜV Rheinland Ukraine performed interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of Torez Town Council, Innovation Center “Ecosystem” and Agency for Rational Use and Ecology (ARENA-ECO) were interviewed and their names are indicated below:

- Antonov Viktor M. - Town mayor;
- Shevchenko Volodymyr V. - Deputy Mayor;
- Ivanchenko Olga G. - Head of Economic Forecasting;
- Pokidko Oleg A. - Project developer;
- Danilkin Dmitry V. - Project manager;
- Kochetkova Svetlana P. - Head of institution;
- Maslyukova Larisa M. - Logistics manager;
- Vasilenko Olga A. - Director;
- Kucherenko Olga A. - Logistics manager;
- Drozdova Svetlana V. - Deputy Director;
- Gonchar Tatiana V. - Matron.

The determination team consists of the following personnel:

Dr. Valery Yakubovsky – Team leader
 Mr. Volodymyr Gordiichuk – Technical Expert
 Ms. Iryna Nikolaieva - Trainee
 Dr. Lixin Li – Technical Reviewer

Description of determination process

Please briefly describe and refer to:

- The review of the JI PDD/PoA DD and additional documentation attached to it;
- The assessment against JI requirements, e.g. by using a determination protocol;
- The report of findings by the AIE, including the use of different types of findings (e.g. corrective action requests, clarifications or observations etc.).

Statements or assessments should be included in section “Conclusions, final comments and determination opinion”.

The overall determination, from Contract Review to Determination Report & Opinion, was conducted using TÜV Rheinland Group/TÜV Rheinland Ukraine internal procedures.

In order to ensure transparency, a determination protocol (Annex A to the Determination report) was customized for the project, according to the Annex “Joint Implementation Determination and Verification Manual”, version 01. The protocol shows, in a transparent manner, criteria (requirements), means of verification and the results from determining the identified criteria. The determination protocol serves the following:

- it organizes, details and clarifies the requirements a JI SSC project is expected to meet;
- it ensures a transparent determination process where the verifier will document how a particular

requirement has been determined and the result of the determination.

The findings from the desk review of the original project design documents and the findings from interviews during the follow up visit are summarized. A more detailed record of these findings can be found in the Determination Protocol (Annex A to the Determination report).

The Clarification and Corrective Action Requests are stated, where applicable, in the following subsections and are further documented in the Determination Protocol (Annex A to the Determination report). The determination of the Project resulted in 27 Corrective Action Requests and 19 Clarification Requests.

Comments received from Parties, stakeholders and UNFCCC accredited observers

Please:

- Summarise the comments received pursuant to paragraph 32 of the JI guidelines; and
- Provide a report of how due account was taken of these comments.

There were no comments from Parties, stakeholders and UNFCCC accredited observers received.

Conclusions, final comments and determination opinion

Please provide:

- Conclusions describing how each of the requirements of Article 6 of the Kyoto Protocol and the JI guidelines and further relevant requirements defined by the CMP or the JISC, in particular those referred to in paragraph 33 of the JI guidelines, have been met, including assessments and findings (e.g. corrective action requests, clarifications or observations) related to each requirement, and statements on whether all issues raised have been addressed to the AIE's satisfaction;
- Final comments and a determination opinion.

The audit team of TÜV Rheinland Group/TÜV Rheinland Ukraine has performed a determination of the SSC project «Implementation of energy-efficient lighting system in the Donetsk Region with the use of Kyoto Protocol mechanism: replacement of incandescent lamps with energy-efficient ones at budget financed and social entities in the Torez town (under Track 2)” in Ukraine. The determination 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 determination consisted of the following three phases:

- i) a desk review of the project design document (PDD) including analysis of the baseline justification and monitoring plan;
- ii) follow-up interviews with project stakeholders including on site visit;
- iii) the resolution of outstanding issues and the issuance of the final determination report and opinion.

Project participants used the JI specific approach with elements of an approved baseline CDM methodology AMS-II.J “Demand-side activities for efficient lighting technologies”, version 04 for setting the baseline. The PDD provides a description of the chosen baseline in a clear and transparent manner, as well as a justification in accordance with paragraphs 23 through 29 of the “Guidance on Criteria for Baseline Setting and Monitoring”, version 03.

Project participants used the JI specific approach for demonstration of the additionality. According to the paragraph 44(a) of the Annex I to the “Guidance on criteria for baseline setting and monitoring”, version 03 the PDD provides analysis of investment, technological and other barriers to determine that the project activity itself is not the baseline scenario.

By synthetic description of the project, the project is likely to result in reductions of GHGs emissions. An analysis of the investment and technological barriers demonstrates that the proposed project activity is not a likely baseline scenario. Emission reductions attributable to the project are hence additional to any that would occur in the absence of the project activity. Given that the project is implemented and maintained as designed, the project is likely to achieve the estimated amount of emission reductions.

The review of the project design documentation, version 03.3 and the subsequent interviews have provided TÜV Rheinland Group/TÜV Rheinland Ukraine with sufficient evidence to determine the fulfilment of stated criteria. In our opinion, the project correctly applies and meets the relevant UNFCCC requirements for the JI and the relevant host country criteria.

List of documents attached to the determination report form

Please attach relevant documents used in the determination process and mark below accordingly

- PDD/PoA DD of the proposed JI activity**
- Determination report**
- Written approvals by the Parties involved, listed in the JI PDD/PoA DD**
- Other relevant documents:**
 - Determination protocol (included in the Determination Report)
 - List of persons interviewed (included in the Determination Report)
 - Any other documents (please list): Estimation of greenhouse gas emission reductions in Excel format

The AIE herewith declares that undertaking the determination for the proposed JI activity referred to above does not constitute a conflict of interest which is incompatible with the role of an AIE

Operational manager signing for the AIE

Dr. Manfred Brinkmann

Date and signature