VERIFICATION REPORT
CEP CARBON EMISSIONS PARTNERS S.A.

VERIFICATION OF THE JI PROJECT

REDUCTION OF CO2 EMISSIONS BY SYSTEMATIC UTILIZATION OF NO-TILL TECHNOLOGIES IN AGRICULTURAL INDUSTRY

Second periodic

for the period 01/01/2012 – 31/10/2012

REPORT NO. UKRAINE-VER/0797/2012

REVISION NO. 02

BUREAU VERITAS CERTIFICATION

Date of first issue: 06/11/2012	Organizational unit: Bureau Veritas Certification Holding SAS
Client: CEP CARBON EMISSIONS PARTNERS S.A.	Client ref.: Fabian Knodel

Summary:

Bureau Veritas Certification has made the second periodic verification for the period from January 1, 2012 to October 31, 2012 of the "Reduction of CO2 emissions by systematic utilization of No-till technologies in agricultural industry" project of CEP CARBON EMISSIONS PARTNERS S.A., located in 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 (but for the crediting period) refer to Article 6 of the Kyoto Protocol, the JI rules and modalities and the subsequent decisions by the JI Supervisory Committee, as well as the host country criteria.

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

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

In summary, Bureau Veritas Certification confirms that the project is implemented as planned and described in approved project design documents. Installed equipment that is essential for generating emission reduction runs reliably and is calibrated appropriately. The monitoring system is in place and the project is generating GHG emission reductions. The GHG emission reduction is calculated without material errors and the ERUs issued totalize 182 929 tonnes of CO_2 equivalent for the monitoring period from 01/01/2012 to 31/12/2011.

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

Report No.: UKRAINE-ver/0797/2012	Subject Group: JI	
Project title: Reduction of CO2 emissions by systematic utilization of No-till technologies in agricultural industry		
Work carried out by: Oleg Skoblyk – Team Leader, Climate Change Lead Verifier Volodymyr Kulish - Team Member, Climate Change Verifier		
Work reviewed by: Ivan Sokolov - Internal Technical Reviewer		
Work approved by: Ivan Sokolov – Operational Manager		
Date of this revision: 12/11/2012	Rev. No.: 02	Number of pages: 26

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1 INTRODUCTION

CEP CARBON EMISSIONS PARTNERS S.A. has commissioned Bureau Veritas Certification to verify the emissions reductions of its JI project “Reduction of CO2 emissions by systematic utilization of No-till technologies in agricultural industry” (hereafter called “the project”) located in 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.

The verification covers the period from January 1, 2012 to October 31, 2012.

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, and monitoring plan, and monitoring report and other relevant documents. The information in these documents is reviewed against Kyoto Protocol requirements, UNFCCC rules and associated interpretations.

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

1.3 Verification Team

The verification team consists of the following personnel:

Oleg Skoblyk

Bureau Veritas Certification, Team Leader, Climate Change Lead Verifier

Volodymyr Kulish
Bureau Veritas Certification, Team Member, Climate Change Verifier

This verification report was reviewed by:

Ivan Sokolov

Bureau Veritas Certification, Internal Technical Reviewer

2 METHODOLOGY

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

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

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

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

2.1 Review of Documents

The Monitoring Report (MR) submitted by CEP CARBON EMISSIONS PARTNERS S.A. and additional background documents related to the project design and baseline, i.e. country Law, Project Design Document (PDD), Approved CDM methodology, Determination Report of the project issued by Bureau Veritas Certification Holding SAS No. UKRAINE-det/0525/2012 as of 07/06/2012, Guidance on criteria for baseline setting and monitoring, Host party criteria, the Kyoto Protocol, Clarifications on Verification Requirements to be Checked by an Accredited Independent Entity were reviewed.

The verification findings presented in this report relate to the Monitoring Report for the period from 01/01/2012 to 31/10/2012 version 01 of November 02, 2012 and version 02 of November 08, 2012 and the project as described in the determined PDD.

2.2 Follow-up Interviews

On 08/11/2012 Bureau Veritas Certification verification team conducted a visit to the project site (LLC «Beta-Agro-Invest») and performed (on-site) interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of CEP CARBON EMISSIONS PARTNERS S.A. and LLC «Beta-Agro-Invest» were interviewed (see References). The main topics of the interviews are summarized in Table 1.

Table 1 Interview topics

Interviewed organization	Interview topics
LLC «Beta-Agro-Invest»	➢ Organizational structure ➢ Responsibilities and authorities ➢ Personnel training ➢ Quality control procedures and technology ➢ Equipment use (records) ➢ Metering equipment control ➢ Metering record keeping system, database
Consultant: CEP CARBON EMISSIONS PARTNERS S.A.	➢ Baseline methodology ➢ Monitoring plan ➢ Monitoring report ➢ Deviations from the 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 4 Corrective Action Requests and 1 Clarification Request.

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

3.1 Remaining issues and FARs from previous verifications

There aren't any remaining issues and FARs from previous verifications.

Response

The project was approved by the State Environmental Investment Agency of Ukraine (Letter of Approval No. 1968/23/7 dated 25/07/2012) and the Ministry of Environmental Protection of Estonia (Letter of Approval No. 12-1|8546-2 dated 24/10/2012).

3.2 Project approval by Parties involved (90-91)

The project was approved by the host Party (Ukraine) - the Letter of Approval No. 1968/23/7 dated 25/07/2012 issued by State Environmental Investment Agency of Ukraine. The project was also approved by the party – participant (Estonia) - Letter of Approval No. 12-1|8546-2 dated 24/10/2012 issued by the Ministry of Environmental Protection of Estonia.

The abovementioned written approvals are unconditional.

3.3 Project implementation (92-93)

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

In 2007, the Farm started to grow crops applying No-till technology (also referred to as "direct sowing technology"). This technology differs from the traditional technology because it provides for fewer technological procedures, which prevents the topsoil from a major disturbance, and it also differs with the way to utilize plant residues. The number of technological procedures of plant growing and harvesting is almost the same in the two technologies. The main difference is that the traditional technology provides for the processes of fertilizer application, land ploughing, cultivation, furrowing and seeding (multiple passage of the machinery in the field) direct sowing provides for simultaneous fertilizer application and sowing (single passage of the machinery).

In the absence of the Joint Implementation (JI) project LLC «Beta-Agro-Invest» would have used the traditional system of soil cultivation. This system involves tillage that provides for turning over of topsoil to create homogeneous and mellow seedbed. The basic operation causing CO_2 emissions is ploughing during which crop residues are buried in the soil and weeds are removed.

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

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

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

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

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

Project implementation status, including the project milestones, in the reporting period of 01/01/2012 – 31/10/2012 is provided in Table 2 below.

Table 2 Project implementation status

Year	Area	
	ha	proportion of the total area of arable farm land , %
01/01/2012-31/10/2012	20311,15	100

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

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

If a malfunction is detected, the technician informs the master of LLC “Beta-Agro-Invest”. If the malfunction cannot be repaired immediately (absence of the required spare part, engine breakdown, etc.), a commission shall be created. The commission includes technical department representatives, chief engineer and lead engineers. Depending on the type of malfunction, a Damage or Emergency Report is drawn up to be submitted to the management of LLC “Beta-Agro-Invest”; repair of the equipment is conducted.

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

The project was in operation throughout the monitoring period - from 01/01/2012 to 31/12/2011.

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 01, CAR 02).

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

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

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

Data sources used for calculating emission reductions such as protocols soil quality measurements, registry of Farm's fields for 2007-2012, information from the company and IPCC information are clearly identified, reliable and transparent.

Emission factors, including organic carbon to humus conversion coefficient and conservatism factor that takes account of possible emissions in the project scenario in the process of creation of anti-fire furrows and minimal topsoil disturbance in No-till technology are selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice.
The calculation of emission reductions is based on conservative assumptions and the most plausible scenarios in a transparent manner.

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

The identified areas of concern as to the compliance of the monitoring plan with the monitoring methodology, project participants responses and Bureau Veritas Certification's conclusions are described in Appendix A to this report (refer to CL 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 provided in the PDD, including the quality control and quality assurance procedures.

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

Metering devices used for project monitoring are subject to state calibration. Calibration and verification of all devices necessary for humus content measurement are conducted annually by SE “Odesa Regional Centre for Standardization and Metrology”.
If necessary, John Deere specialists may be involved in adjustment of GreenStar2 system.
LLC “Beta-Agro-Invest” employees are subject to periodic testing for requirements:

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

Every quarter, project developers CEP Carbon Emissions Partners S.A. and EVO CARBON TRADING SERVICES LTD conduct internal audit at LLC “Beta-Agro-Invest”.
The plan of internal audit at LLC “Beta-Agro-Invest” includes the following activities:

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

To implement the project the operational structure was created; it includes LLC “Beta-Agro-Invest” agrotechnicians and engineers (responsible for accounting of area treated with No-till technology), National Research Centre "Farming Institute of the National Academy of Agrarian Sciences of Ukraine" (responsible for provision of agrochemical data for project monitoring), LLC “Beta-Agro-Invest” chief agrotechnician (recording and reporting data in the table), and LLC “Beta-Agro-Invest” manager (data processing and archiving). The data subject to monitoring and required for the determination and further verification are archived and stored in paper and electronic form at LLC “Beta-Agro-Invest” for two years after the transfer of emission reduction units generated by the project.
The structure of monitoring data collection is as follows:

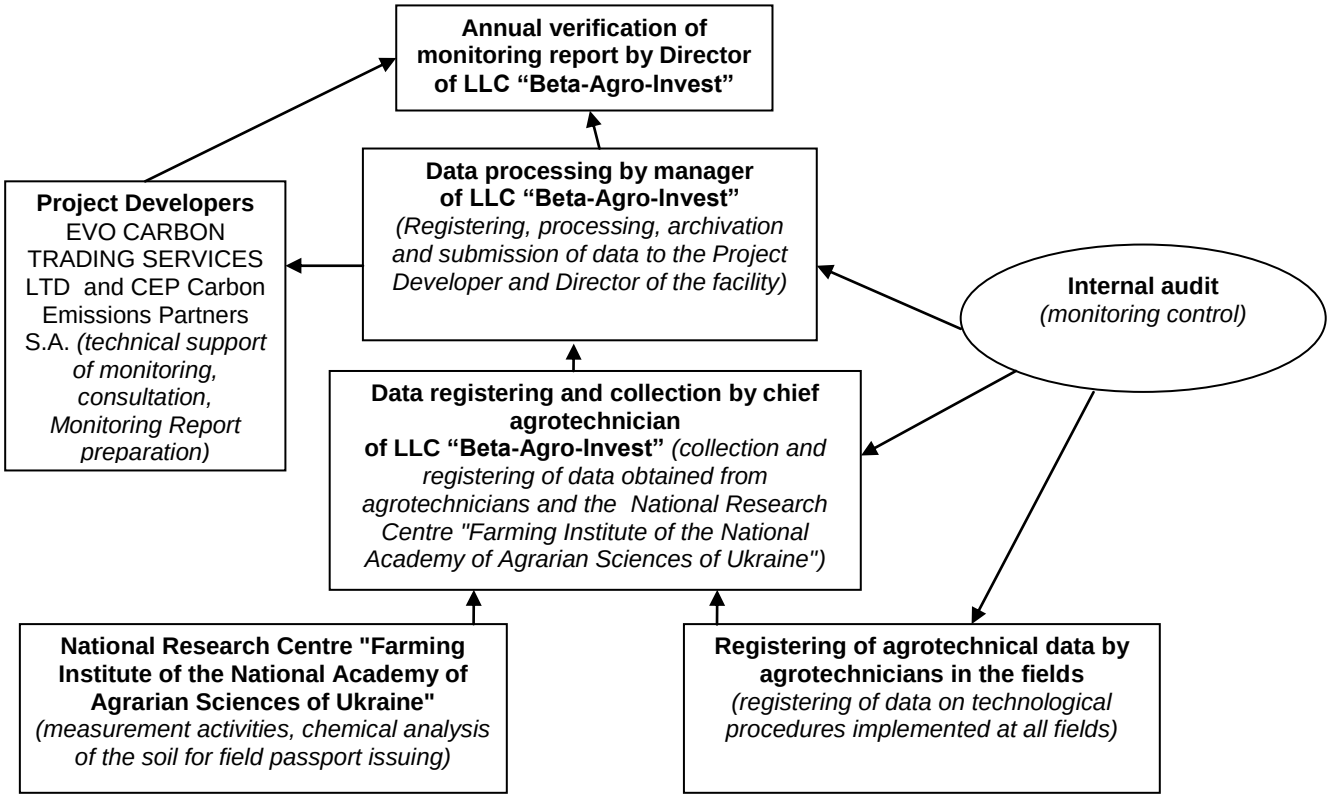

Figure 1 Operational structure and data collection scheme for the project monitoring

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

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

The identified areas of concern as to the data management, project participants responses and Bureau Veritas Certification's conclusions are described in Appendix A to this report (refer to CAR 03, CAR 04).

3.7 Verification regarding programmes of activities (102-110)

Not applicable.

4 VERIFICATION OPINION

Bureau Veritas Certification has performed the second periodic verification for the period from January 1, 2012 to October 31, 2012 of the "Reduction of CO2 emissions

by systematic utilization of No-till technologies in agricultural industry" 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.

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

Bureau Veritas Certification verified the Project Monitoring Report version 02 for the reporting period from 01/01/2012 to 31/10/2012 as indicated below. Bureau Veritas Certification confirms that the project is implemented as per approved PDD version. Installed equipment being essential for generating emission reduction runs reliably and is calibrated appropriately. The monitoring system is in place and the project is generating GHG emission reductions.

Emission reductions achieved by the project for the period from 01/01/2012 to 31/10/2012 do not differ significantly from the amount predicted for the same period in the determined PDD. Emission reductions predicted in the determined PDD version 03 and actual emission reductions stated in the MR version 02 are provided in Table 3 of this report.

Table 3 Emission reductions predicted in the determined PDD version 03 and actual emission reductions stated in the MR version 02

Period	Estimated GHG emission reductions stated in the determined PDD in tonnes of CO_2eq	Ex-post GHG emission reductions stated in the Monitoring report in tonnes of CO_2eq
01/01/2012-31/10/2012	152 436	182 929

The difference is explained by the fact that at the time of PDD writing it was impossible to obtain accurate data necessary for calculation of GHG emission reductions for the current monitoring period. To calculate the GHG emission reductions for the current monitoring period all the necessary information was given and this provided an opportunity to accurately determine the amount of emissions in the baseline and project scenarios. Amount of emission reductions for the period 01/01/2012-

31/10/2012 provided in the determined PDD was calculated by dividing the total annual amount of emission reductions stated in the PDD by 12 (12 months) and multiplying by 10 (10 months).

Bureau Veritas Certification can confirm that the GHG emission reduction is calculated without material 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 the following statement:

Reporting period: From 01/01/2012 to 31/12/2011

In the period from 01/01/2012 to 31/12/2012

Baseline emissions	:	182 929	tonnes of CO_2 equivalent.
Project emissions	:	0	tonnes of CO_2 equivalent.
Emission Reductions	:	182 929	tonnes of CO_2 equivalent.

5 REFERENCES

Category 1 Documents:

Documents provided by the project participants that relate directly to the GHG components of the project.

/1/	Project Design Document of the JI project “Reduction of CO2 emissions by systematic utilization of No-till technologies in agricultural industry”, version 03 dated 07/06/2012
/2/	Monitoring Report of the JI project “Reduction of CO2 emissions by systematic utilization of No-till technologies in agricultural industry” for the period from 01/01/2012 to 31/10/2012 version 01 dated 02/11/2012
/3/	Monitoring Report of the JI project “Reduction of CO2 emissions by systematic utilization of No-till technologies in agricultural industry” for the period from 01/01/2012 to 31/10/2012 version 02 dated 08/11/2012
/4/	Annex 1. Parameters of the Monitoring Plan
/5/	Annex 2. Calculation of CO_2 emission reductions by implementation of No-till technology at LLC “Beta-Agro-Invest”
/6/	Determination Report of the project “Reduction of CO2 emissions by systematic utilization of No-till technologies in agricultural industry” No. UKRAINE-det/0525/2012 as of 07/06/2012 issued by Bureau Veritas Certification
/7/	Letter of Approval issued by State Environmental Investment Agency of Ukraine No. 1968/23/7 dated 25/07/2012
/8/	Letter of Approval # J294-0463 issued by the Ministry of Environmental Protection of Estonia No. 12-1|8546-2 dated 24/10/2012

Category 2 Documents:

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

/1/	Agricultural equipment sale agreement No. 12/JD-PU/010408 dated 01/04/2008
/2/	Agricultural equipment sale agreement No. 1ST- PU/220205 dated 22/02/2005
/3/	Agricultural equipment sale agreement No. 3JD- PU/200405 dated 20/04/2005
/4/ PU	Agricultural equipment sale agreement No. 16JD- PU/1001111 dated 10/01/2011
/5/	Certificate of machinery registration No. 628499 (wheel-tyre tractor John Deere 8530)
/6/	Certificate of machinery registration No. 707071 (self-propelled sprayer John Deere 5430i)
/7/	Certificate of machinery registration No. 175992 (wheel-tyre tractor John

	Deere 6930)
/8/	Certificate of machinery registration No. 175993 (wheel-tyre tractor John Deere 6930)
/9/	Certificate of machinery registration No. 137623 (wheel-tyre tractor John Deere 7930)
/10/	Certificate of machinery registration No. 176146 (wheel-tyre tractor John Deere 8345R)
/11/	Certificate of machinery registration No. 175994 (wheel-tyre tractor John Deere 8360R)
/12/	Certificate of machinery registration No. 139057 (wheel-tyre tractor John Deere 6930)
/13/	Certificate of machinery registration No. 139056 (wheel-tyre tractor John Deere 6930)
/14/	Certificate of machinery registration No. 139062 (sowing machine John Deere 1780)
/15/	Certificate of machinery registration No. 139064 (sowing machine John Deere 1780)
/16/	Certificate of machinery registration No. 409617 (wheel-tyre tractor John Deere 8530)
/17/	Certificate of machinery registration No. 409616 (wheel-tyre tractor John Deere 8520)
/18/	Certificate of machinery registration No. 627077 (wheel-tyre tractor John Deere 8530)
/19/	Certificate of machinery registration No. 628424 (wheel-tyre tractor John Deere 8530)
/20/	Registry of fields where No-till technology is applied of the joint implementation project "Reduction of CO_2 emissions by systematic utilization of No-till technologies in agricultural industry"
/21/	Calibration certificate of working measurement instrument No. 402 –OF (photoelectric concentration colorimeter) dated 16/02/2008
/22/	Calibration certificate of working measurement instrument No. 117 (photoelectric concentration colorimeter) dated 13/12/2009
/23/	Calibration certificate of working measurement instrument No. 304 (photoelectric concentration colorimeter) dated 12/09/2010
/24/	Calibration certificate of working measurement instrument No. 201 (photoelectric concentration colorimeter) dated 10/06/2011
/25/	Calibration certificate of working measurement instrument No. 188 (Laboratory electronic weighing machine) dated 22/02/2011
/26/	Calibration certificate of working measurement instrument No. 193-MX (torsion weighing machine) dated 22/02/2011
/27/	Calibration certificate of working measurement instrument No. 190- MX (Laboratory electronic weighing machine) dated 22/02/2011
/28/	List of metering operated equipment that is subject to calibration
/29/	Attestation certificate of SE "Odesa regional center of standardization, metrology and certification"
/30/	Information note of ploughing depths for agricultural crops at LLC «Beta-

	Agro-Invest»
/31/	Information note of quantitative characteristics of LLC «Beta-Agro-Invest» farmlands by crops with No-till technology applied
/32/	Scientific rationale of humus content dynamics in soils of natural climatic areas with traditional tillage and No-till technology applied (LLC "«Beta-Agro-Invest», Doneck region) dated 05/11/2012

Persons interviewed:

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

	Name	Organization	Position
/1/	Vitalii Hnennyi	LLC «Beta-Agro-Invest»	Director, Working Team member
/2/	Viacheslav Serdiuchenko	LLC «Beta-Agro-Invest»	Chief accountant
/3/	Oleksandr Khvorostov	LLC «Beta-Agro-Invest»	Chief agronomist
/4/	Tetiana Dirko	LLC «Beta-Agro-Invest»	Deputy director of agricultural production
/5/	Artem Milenko	LLC «Beta-Agro-Invest»	Deputy chief of legal department
/6/	Inna Telnova	LLC «Beta-Agro-Invest»	Manager
/7/	Roman Ushatskyi	LLC «CEP»	Consultant of CEP Carbon Emissions Partners S.A

APPENDIX A: PROJECT VERIFICATION PROTOCOL

BUREAU VERITAS CERTIFICATION HOLDING SAS

VERIFICATION PROTOCOL

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

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
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?	The project has been approved by both Parties. The Letters of Approval were provided to the verification team.	OK	OK
91	Are all the written project approvals by Parties involved unconditional?	Yes, all the written project approvals by Parties involved are unconditional.	OK	OK
Project implementation				
92	Has the project been implemented in accordance with the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website?	The purpose of the Joint Implementation (JI) Project is to reduce anthropogenic greenhouse gas (GHG) emissions resulting from agricultural activities by changing the agricultural land management system, namely replacement of traditional soil tillage in agriculture with No-till technology.	**CAR 01** **CAR 02**	OK OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
		The project implies the change in crops growing technology. This includes the following measures: - change of soil cultivation and sowing technology; - change of plant residue management; - equipping the machine-tractor fleet with high-efficiency machinery to meet the No-till technology requirements. **CAR 01**.The monitoring period is specified incorrectly in Section A.6. of MR. **CAR 02.** Please, indicate the information about area cultivated fields for facilities.		
93	What is the status of operation of the project during the monitoring period?	The project was in operation throughout the monitoring period - from 01/01/2012 to 31/12/2011.	OK	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 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	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) of the DVM, influencing the baseline emissions or net removals and the activity level of the project and the emissions or removals as well as risks associated with the project taken into	For calculating the emission reductions, key factors, such as humus content in the soil of field «i» cultivated using traditional tillage in period «y», soil density at field cultivated using traditional tillage prior to the project, depth of soil layer disturbance at field «i» when conventional tillage is applied, area of field «i» cultivated using No-till technology, humus content in the soil of field «i» cultivated using No-till	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	account, as appropriate?	technology in period «y», experience in implementing activities provided by the project, current practice that exists in this field in Ukraine, financial costs and background and legislation, influencing the baseline emissions and the activity level of the project and the emissions as well as risks associated with the project were taken into account, as appropriate.		
95 (b)	Are data sources used for calculating emission reductions or enhancements of net removals clearly identified, reliable and transparent?	Data sources used for calculating emission reductions are clearly identified, reliable and transparent. **CL 01.** Please provide the documentation about measurements the humus content in the lands of LLC «Beta-Agro-Invest» to verification teem.	**CL 01**	OK
95 (c)	Are emission factors, including default emission factors, if used for calculating the emission reductions or enhancements of net removals, selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice?	Emission factors, including default emission factors were not used for calculating the emission reductions. This is explained by the chosen specific approach and the formulae stated in the MR.	OK	OK
95 (d)	Is the calculation of emission reductions or enhancements of net removals based on conservative assumptions and the most plausible scenarios in a transparent manner?	Calculation of emission reductions is based on conservative assumptions and the most plausible scenarios in a transparent manner.	OK	OK
Applicable to JI SSC projects only				
96	Is the relevant threshold to be classified as JI SSC project not exceeded during	Not applicable	Not applicable	Not applicable

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	the monitoring period on an annual average basis? If the threshold is exceeded, is the maximum emission reduction level estimated in the PDD for the JI SSC project or the bundle for the monitoring period determined?			
Applicable to bundled JI SSC projects only				
97 (a)	Has the composition of the bundle not changed from that is stated in F-JI-SSCBUNDLE?	Not applicable	Not applicable	Not applicable
97 (b)	If the determination was conducted on the basis of an overall monitoring plan, have the project participants submitted a common monitoring report?	Not applicable	Not applicable	Not applicable
98	If the monitoring is based on a monitoring plan that provides for overlapping monitoring periods, are the monitoring periods per component of the project clearly specified in the monitoring report? Do the monitoring periods not overlap with those for which verifications were already deemed final in the past?	Not applicable	Not applicable	Not applicable
Revision of monitoring plan				
Applicable only if monitoring plan is revised by project participant				
99 (a)	Did the project participants provide an	Not applicable.	Not	Not

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	appropriate justification for the proposed revision?		applicable	applicable
99 (b)	Does the proposed revision improve the accuracy and/or applicability of information collected compared to the original monitoring plan without changing conformity with the relevant rules and regulations for the establishment of monitoring plans?	Not applicable	Not applicable	Not applicable
Data management				
101 (a)	Is the implementation of data collection procedures in accordance with the monitoring plan, including the quality control and quality assurance procedures?	The implementation of data collection procedures, including the quality control and quality assurance procedures, is in accordance with the monitoring plan. **CAR 03.** Please, state the name of the company that is responsible for provision of agrochemical data for project monitoring in Section C.1.1. of the MR.	**CAR 03**	OK
101 (b)	Is the function of the monitoring equipment, including its calibration status, is in order?	The function of the monitoring equipment, including its calibration status, is in order.	OK	OK
101 (c)	Are the evidence and records used for the monitoring maintained in a traceable manner?	The evidence and records used for the monitoring are maintained in a traceable manner. **CAR 04**. Please, provide information on whether the data subject to monitoring are kept or not.	**CAR 04**	OK
101 (d)	Is the data collection and management system for the project in accordance with the monitoring plan?	The data collection and management system for the project is in accordance with the monitoring plan. The verification team confirms the effectiveness of the	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
		existing management and operating systems and considers them suitable for reliable monitoring of the project.		
Verification regarding programs of activities (additional elements for assessment)				
102	Is any JPA that has not been added to the JI PoA not verified?	Not applicable	Not applicable	Not applicable
103	Is the verification based on the monitoring reports of all JPAs to be verified?	Not applicable	Not applicable	Not applicable
103	Does the verification ensure the accuracy and conservativeness of the emission reductions or enhancements of removals generated by each JPA?	Not applicable	Not applicable	Not applicable
104	Does the monitoring period not overlap with previous monitoring periods?	Not applicable	Not applicable	Not applicable
105	If the AIE learns of an erroneously included JPA, has the AIE informed the JISC of its findings in writing?	Not applicable	Not applicable	Not applicable
Applicable to sample-based approach only				

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
106	Does the sampling plan prepared by the AIE: (a) Describe its sample selection, taking into account that: (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: − The types of JPAs; − The complexity of the applicable technologies and/or measures used; − The geographical location of each JPA; − The amounts of expected emission reductions of the JPAs being verified; − The number of JPAs for which emission reductions are being verified; − The length of monitoring periods of the JPAs being verified; and − The samples selected for prior verifications, if any?	Not applicable	Not applicable	Not applicable

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
107	Is the sampling plan ready for publication through the secretariat along with the verification report and supporting documentation?	Not applicable	Not applicable	Not applicable
108	Has the AIE made site inspections of at least the square root of the number of total JPAs, rounded to the upper whole number? If the AIE makes no site inspections or fewer site inspections than the square root of the number of total JPAs, rounded to the upper whole number, then does the AIE provide a reasonable explanation and justification?	Not applicable	Not applicable	Not applicable
109	Is the sampling plan available for submission to the secretariat for the JISC's ex ante assessment? (Optional)	Not applicable	Not applicable	Not applicable
110	If the AIE learns of a fraudulently included JPA, a fraudulently 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?	Not applicable	Not applicable	Not applicable

Table 2. Resolution of Corrective Action and Clarification Requests

Draft report clarifications and corrective action requests by verification team	Ref. to checklist question in table 1	Summary of project participant response	Verification team conclusion
CAR 01.The monitoring period is specified incorrectly in Section A.6. of MR.	92	The monitoring period is 01/01/2012 – 31/10/2012.	The issue is closed as necessary corrections were made.
CAR 02. Please, indicate the information about area cultivated fields for facilities.	92	the information about area cultivated fields for facilities is provided in Table 3 of MR version 02.	The issue is closed as necessary information was provided in the MR.
CAR 03. Please, state the name of the company that is responsible for provision of agrochemical data for project monitoring in Section C.1.1. of the MR.	101 (a)	National Research Centre "Farming Institute of the National Academy of Agrarian Sciences of Ukraine" isresponsible for provision of agrochemical data for project monitoring.	The issue is closed as necessary information was provided in the MR version 02.
CAR 04. Please, provide information on whether the data subject to monitoring are kept or not.	101 (c)	The data subject to monitoring and required for the determination and further verification are archived and stored in paper and electronic form at LLC “Beta-Agro-Invest” for two years after the transfer of emission reduction units generated by the project.	The information was provided. The issue is closed.
CL 01. Please provide the documentation about measurements the humus content in the lands of LLC «Beta-Agro-Invest» to verification teem.	95 (b)	Relevant documentation is provided to verification teem.	Documentation was accepted. The issue is closed.

CL 02. Please, provide the verification team with the passports of equipment used under the project.	101 (b)	Relevant information was provided to the verification team.	Relevant documents were verified. The issue is closed.