DETERMINATION REPORT

CEP CARBON EMISSIONS PARTNERS S. A.

DETERMINATION OF THE PROJECT:

REDUCTION OF GREENHOUSE GASES BY STABILIZATION OF WASTE HEAPS OF PE "TOREZ-CONTRACT"

REPORT NO. UKRAINE-DET/0832/2012

REVISION NO. 02

BUREAU VERITAS CERTIFICATION

Report No: UKRAINE-det/0832/2012

DETERMINATION REPORT

Date of first issue:	Organisational unit:
28/11/2012	Bureau Veritas Certification Holding SAS
Client:	**Client ref.:**
CEP CarbonEmissionsPartners S. A.	Fabian Knodel

Summary:

Bureau Veritas Certification has made the determination of the "Reduction of greenhouse gases by stabilization of waste heaps of PE "Torez-Contract" project of CEP CARBON EMISSIONS PARTNERS S.A., located in the city of Torez, Ukraine, on the basis of UNFCCC criteria for JI projects, 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 determination scope is defined as an independent and objective review of the project design document, the study of project's baseline, monitoring plan and other relevant documents. It consisted of the following three phases: i) desk review of 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 determination report and opinion. The overall determination, from Contract Review to Determination Report & Opinion, was conducted using Bureau Veritas Certification internal procedures.

The first output of the determination process is a list of Clarification Requests and Corrective Actions Requests (CR and CAR, respectively) presented in Annex A. Taking into account this output, the project proponent revised its project design document.

In summary, it is Bureau Veritas Certification's opinion that the project correctly applies the mothodologies for setting baseline and monitoring developed according to the "Guidance on criteria for baseline setting and monitoring" and meets the relevant UNFCCC requirements for JI projects and the relevant host country criteria.

Report No:	Subject Group:
UKRAINE-DET /0832/2012	JI

Project title:

"Reduction of greenhouse gases by stabilization of waste heaps of PE "Torez-Contract"

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Date of this revision:	Rev. No.:	Number of pages:
05/12/2012	02	56

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1 INTRODUCTION

CEP CarbonEmissionsPartners S.A. has commissioned Bureau Veritas Certification to determine the JI project “Reduction of greenhouse gases by stabilization of waste heaps of PE “Torez-Contract” (hereafter called “the project”) located in the city of Torez, Ukraine.

This report summarizes the findings of the determination 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

The determination serves as project design verification and is a requirement of all projects. The determination is an independent third party assessment of the project design. In particular, the project's baseline, the monitoring plan (MP), and the project’s compliance with relevant UNFCCC and host country criteria are determined in order to confirm that the project design, as documented, is sound and reasonable, and meets the stated requirements and identified criteria.Determination is a requirement for all JI projects and is seen as necessary and obligatory to provide assurance to stakeholders of the quality of the project and its intended generation of emissions reductions units (ERUs).

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 determination scope is defined as an independent and objective review of the project design document, the project’s baseline, the monitoring plan and other relevant documents. The information in these documents meets the Kyoto Protocol requirements, UNFCCC rules and associated interpretation.

The determination is not meant to provide any consulting towards clients. However, stated requests for clarifications and/or corrective, forward action requests may provide input for improvement of the project design.

1.3 Determination team

The determination team consists of the following personnel:

Viacheslav Yeriomin
Bureau Veritas Certification Team Leader, Climate Change Lead Verifier

Vasylii Kobzar
Bureau Veritas Certification Team Member, Technical Specialist

This determination report was reviewed by:

Ivan Sokolov

Bureau Veritas Certification Internal Technical Reviewer

Viktoriya Lehka

Bureau Veritas Certification Technical Specialist

2 METHODOLOGY

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

In order to ensure transparency, a determination 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 determining the identified criteria.
The determination protocol serves the following purposes:

- It organizes, describes and clarifies the requirements a JI project is expected to meet
- It ensures a transparent determination process where the determiner will document how a particular requirement has been determined and the result of the determination.

The determination protocol consists of two tables and is enclosed in Appendix A to this report.

2.1 Review of Documents

The Project Design Document (PDD) was submitted by CEP Carbon Emissions Partners S.A. together with such additional documents related to the project design and baseline as: host country Law, Guidelines for users of the joint implementation project design document form and Guidance on criteria for baseline setting and monitoring, the

Kyoto Protocol, Clarifications on Determination Requirements to be checked by an Accredited Independent Entity.

To address Bureau Veritas Certification corrective action, forward action and clarification requests, CEP Carbon Emissions Partners S.A. revised the PDD version 01 of October 22, 2012 and resubmitted it on November 30, 2012 as version 02.

The determination findings presented in this report relate to the project as described in the PDD versions 01 and 02.

2.2 Follow-up Interviews

On 04/12/2012, Bureau Veritas Certification Determination team performed (on-site) interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of CEP CarbonEmissionsPartners S.A. and PE "Torez-Contract" were interviewed (see References). The main topics of the interviews are summarized in Table 1.

Table 1 Interview topics

Interviewed organisation	Interview topics
PE "Torez-Contract"	➢ Implementation schedule ➢ Organisational structure of the project ➢ Responsibilities and authorities ➢ Responsibilities and authorities regarding data collection and processing ➢ Installation of equipment ➢ Storage, archiving and reporting system of data ➢ Actual data and records on reconstruction and operation of new equipment ➢ Control of metering equipment ➢ Metering record keeping system ➢ Information technology management ➢ Personnel training ➢ Procedures and Technology of Quality Management ➢ Internal audit and control activities
CEP CARBONEMISSIONSPARTNERS S. A.	➢ Baseline methodology ➢ Methodology application ➢ Monitoring plan ➢ Compliance of the PDD with the JI rules

2.3 Resolution of Clarification and Corrective Action Requests

The objective of this phase of the determination 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 project design.

Corrective Action Request (CAR) is issued, where:

(a) The project participants have made mistakes that will influence the ability of the project activity to achieve real, measurable additional emission reductions;

(b) The JI requirements have not been met;

(c) There is a risk that emission reductions cannot be monitored or calculated.

The determination team may also issue Clarification Request (CL), if information is insufficient or not clear enough to determine whether the applicable JI requirements have been met.

The determination team may also issue Forward Action Request (FAR), informing the project participants of an issue that needs to be reviewed during 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.

To guarantee the transparency of the determination process, the concerns raised are documented in more detail in Annex A to the determination protocol.

3 PROJECT DESCRIPTION

The purpose of the project is to extinguish and stabilise four waste heaps of PE “Torez-Contract” that is legitimately used by the enterprise located in the city of Torez, Donetsk region. The project activity will prevent greenhouse gases emissions to the atmosphere. The project activities involve the stabilisation of the waste heap with the use of vermiculite.

Situation that existed prior to the Project

Ukraine’s coal industry is a complex business system incorporating 167 operating coal mines and 3 coal open-pits, mines at a decommissioning stage, as well as coal beneficiation companies, transporters and other enterprises. Ukraine is Europe’s largest coal producer and one of the eight leading coal producers globally.

Most of coal is located at a depth of 400-800 m on average, and the average thickness of a coal seam is 0.6-1.2 m. The material is mainly extracted at underground mines. Most of them are located as deep as 400-800 m, but there are 35 mines in Donbas where coal is extracted at a depth of 1,000-1,300 m. Coal beds of Donetsk basin are interstratified with rock and are normally found each 20-40 m. In such conditions, deposit development results in a big amount of rock extracted and moved to the surface. Coal is separated from rock subsequently dumped to waste heaps. Such heaps are detected almost everywhere in Donbas. The coal separation process has historically

been low-effective. Moreover, over a long period, it was considered economically unreasonable to extract 100% of coal from the rock raised. As a result, waste heaps in Donbas contain a great amount of coal. Eventually, coal-containing waste heaps become inclined to self-ignition and smoulding. Under different estimates, the rock raised from a mine is 65-70% coal and the remainder is waste rock. Up to 60% of this rock goes to waste heaps. The waste heaps, which are currently burning or threaten to ignite, are sources of uncontrolled greenhouse gas and harmful substance emissions. The latter include sulphur dioxide, which consequently transforms into sulphurous acid, the cause of acid rains, hydrogen sulphide and carbon dioxide. Long-term erosion may lead to the complete ruining of the waste heap and its ransformation into a massive fault dangerous both as a direct threat to people and facilities and as a source of solid particles and harmful substance emissions into the atmosphere. Erosion also intensifies the process of spontaneous ignition. Coal combustion in waste heaps is a long process that may last up to 15 years.
Despite the danger caused by waste heap combustion, their extinction is not a customary practice in Donbas. Owners responsible for waste heaps are obliged to pay rather small penalties for environmental pollution. Thus, they have no major incentive to solve this issue and burning waste heaps may not be extinguished.

Thus, with relatively low penalties for environmental pollution, owners responsible for waste heaps are not interested in taking any measures on pollutant emission (including GHG) reduction, associated with additional expenses.

Baseline scenario

The Baseline scenario provides for the continuation of the current situation. Waste heaps tend to warm up and combust, causing carbon dioxide emissions into the atmosphere. If a heap begins combusting, even if it is extinguished, it will ignite from time to time until it is extinguished regularly. In Ukraine, waste heap combustion is often left untended, especially if there is no immediate danger for people and economy, i. e. if the heap is located far from settlements or is at the initial stage of self-heating.

Project scenario

The project scenario provides for frozing a waste heap that burns. As a result, the probability of further combustion or recurrent ignition is almost neutralized.
The implementation of the project will allow for reducing emissions from the following sources:

- Removal of GHG emission sources associated with waste heap combustion by extinction and stabilization of the waste heap.

Historical details of the project

29/04/2008 - PE “Torez-Contract” started implementation of activities under Joint Implementation Project.
28/11/2012 - Obtaining of a Letter of Endorsement No. 3657/23/7 from the State Environmental Investment Agency of Ukraine

4 DETERMINATION CONCLUSIONS

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

The findings from the desk review of the original project design documents and the findings from interviews during the follow-up visit are described in the Determination Protocol in Annex A.

The Clarification and Corrective Action Requests are documented in the Determination Protocol in Annex A. The determination of the Project resulted in 21 Corrective Action Requests and 4 Clarification Requests.

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

4.1 Project approval by Parties involved (19-20)

The project “Reduction of greenhouse gases by stabilization of waste heaps of PE “Torez-Contract” has already obtained endorsement from the government of Ukraine, namely a Letter of Endorsement No. 3657/23/7 issued by the State Environmental Investment Agency of Ukraine dated 28/11/2012.

Bureau Veritas Certification received this letter from the project participants and does not doubt its authenticity.
Upon completion of the Determination Report the project design document will be submitted to the State Environmental Investment Agency of Ukraine for receiving a Letter of Approval.

As the project has no approval by the Host Party, CAR 10 remains pending and will be closed after report finalizing (see Appendix A).
The identified areas of concern as to the project approval, project participants’ response and Bureau Veritas Certification’s conclusion are described in Appendix A to Determination Report (refer to CAR 10).

4.2 Authorization of project participants by Parties involved (21)

The participation for each of the legal entities listed as project participants in the PDD will be authorized by the Parties involved, through the written Letters of Approval (from the government of Party involved as the country-participant, and from Ukraine as the host party). Ref. to CAR 10 of this report.

4.3 Baseline setting (22-26)

The PDD explicitly indicates that a JI-specific Approach was chosen to set the baseline.

The project design documentation contains a detailed and clear theoretical description and justification of baseline setting:

(a) By listing and describing the following plausible future scenarios on the basis of conservative assumptions and selecting the most plausible one:

a. Continuation of the current situation, without the JI project implementation.
b. Proposed project activity without the use of the JI mechanism.

(b) Taking into account relevant national and/or sectoral policies and circumstances, such as sectoral reform initiatives, local fuel availability, coal mining industry sector expansion plans, and the economic situation in the project sector. In this context, the following key factors that affect a baseline are taken into account:

a. Coal mining sector plays an absolute and crucial part in Ukraine, coal being a factor of political sovereignty in Ukraine. Ukrainian economy is one of the world's most energy-consuming by primary energy consumption per GDP unit. 15/03/2006 The Cabinet of Ministers of Ukraine has approved the "Energy strategy of Ukraine till 2030". The energy strategy considers the research of non-traditional and renewable energy sources an important factor of energy safety improvement, reduction of anthropogenic impact on the environment and resistance to global climate change.

b. Most coal mining companies currently operating in Ukraine use equipment installed back in Soviet times.

c. The current practice of waste heap stabilisation and extinction comply with applicable Ukrainian laws.Pursuant to the Law of Ukraine "On approval of safety rules in coal mines" waste heaps are considered potential pollutant sources. In a general case, ignited waste heaps should be extinguished and future ignition prevention measures should be taken, as stated in the Coal Mines Safety Rules. The document has weak effectiveness, so the relationship is in most cases regulated by the Code of Administrative Offences of Ukraine providing for mere insignificant penalties.

d. State support in the mining sector is provided in amounts of funds provided by the law of Ukraine on State Budget of Ukraine for the relevant year.

e. The current Ukrainian system of formation of prices for coal does not include an investment component for the development of waste heap

extinction system and coal mining industry as a whole. According to the Ukrainian legislation, PE "Torez-Contract" is not obliged and has no incentives to implement new equipment, provided for by the project, at its own expense. Meanwhile, state investment programs in most cases are targeted at administrative and organizational implementations.

f. The project scenario requires attracting significant additional funds. Such investment is characterized by a significant payback period and high investment risks, that is why it is not attractive for investors.

g. Ukraine does not have any similar projects implemented without the Joint Implementation.

For baseline setting, the project participants have chosen a JI-specific approach and "Guidance on criteria for baseline setting and monitoring for Joint Implementation projects" Version 03.

All explanations, descriptions and analytical conclusions presented in the project design documentation were recognised as adequate and the baseline itself, duly established.

The identified areas of concern as to the baseline, project participants' response and Bureau Veritas Certification's conclusions are described in Appendix A (refer to CAR 11 – CAR 13; CL 02).

4.4 Additionality (27-31)

The most recent version of the "Tool for the demonstration and assessment of additionality" approved by the CDM Executive Board was used in accordance with the JI specific approach, defined pursuant to paragraph 9 (a) of the "Guidance on criteria for baseline setting and monitoring", version 03. All explanations, descriptions and analyses are made in accordance with the selected tool or method.

The PDD provides a justification of the applicability of the approach with a clear and transparent description, as per item 4.3 above.

The developer of the project proved that anthropogenic emissions under the project are lower than the emissions that would take place in the absence of the project activity.

Additionality proofs are provided.

Three plausible and realistic alternative scenarios of the project were identified:

- Alternative 1.1: Continuation of the current situation, without the JI project implementation.
- Alternative 1.2: Proposed project activity without the use of the JI mechanism.

and the mandatory compliance of the scenarios with the legislation and legal acts was demonstrated.

According to the "Tool for the demonstration and assessment of additionality" (Version 06.0.0) simple cost analysis and common practice analysis were used in the PDD to justify additionality of the project.

Thus, the overall conclusion is that the project activity meets the criteria of additionality, is not a baseline scenario and is additional.

Additionality is demonstrated appropriately as a result of the analysis using the approach chosen.

The identified areas of concern as to the additionality, project participants' response and Bureau Veritas Certification's conclusion are described in Appendix A to Determination Report (refer to CAR 14, CAR 15).

4.5 Project boundary (32-33)

The project boundary, which is defined in the PDD and in accordance with the specific approach, delineated by the physical, geographical location of PE "Torez-Contract", encompasses all anthropogenic emissions by sources of greenhouse gases (GHGs), which are:

(i) Under the control of the project participants;

(ii) Reasonably attributable to the project, such as:

- CO_2 emissions resulting from waste heap burning;

(iii) Significant, i.e., as a rule of thumb, would by each source account on average per year over the crediting period for more than 1 per cent of the annual average anthropogenic emissions by sources of GHGs, or exceed an amount of 2,000 tonnes of CO_2 equivalent, whichever is lower.

The delineation of the project boundary and the gases and sources included are appropriately described and justified in the PDD.

4.6 Crediting period (34)

The PDD states the starting date of the project as the date when the Management Board of PE "Torez-Contract" took the decision to create a Joint Implementation project, and the starting date is 29/04/2008, which is after the beginning of 2000.

The PDD states the expected operational lifetime of the project in years and months, which is 14 years and 7 monthes or 175 months – from June 01, 2008 to December 31, 2022.

The PDD states the length of the crediting period in years and months, which is 14 years and 7 monthes or 175 months, and its starting date of the crediting period is

01/06/2008, which is the date the first emission reductions are expected to be generated by the project.

The PDD states that the crediting period for the issuance of ERUs starts only after the beginning of 2008 and does not extend beyond the operational lifetime of the project.

The PDD states that the extension of its crediting period beyond 2012 is subject to the host Party approval, and the estimates of emission reductions or enhancements of net removals are presented separately for those until 2012 and those after 2012 in all relevant sections of the PDD.

The identified areas of concern as to the crediting period, project participants' response and Bureau Veritas Certification's conclusion are described in Appendix A to Determination Report (refer to CAR 16, CAR 17).

4.7 Monitoring plan (35-39)

The PDD in the section relating to the monitoring plan clearly states that a specific JI approach was chosen.

The monitoring plan describes all relevant factors and key characteristics that will be monitored, and the period in which they will be monitored, in particular also all decisive factors for the control and reporting of project performance, such as reporting forms, operational structure and management structure of the enterprise that will be applied when implementing the monitoring plan.

The monitoring plan specifies the indicators, constants and variables that are reliable (i.e. provide consistent and accurate values), valid (i.e. be clearly connected with the effect to be measured), and that provide a transparent picture of the emission reductions or enhancements of net removals to be monitored such as: total amount of coal in a waste heap as of the beginning of extinction works; net calorific value of coal in monitoring period y default carbon emission factor for stationary coal combustion in monitoring period y; waste heap volume as of the moment of its extinction and stabilisation; waste heap density as of the moment of its extinction and stabilisation; carbon oxidation factor for coal combustion in monitoring period y waste heap combustion factor in month i year y.

The monitoring plan draws on the list of standard variables contained in appendix B of "Guidance on criteria for baseline setting and monitoring" developed by the JISC, as appropriate, among which: baseline emissions (BE_y), project emissions (PE_y).

According to the guidelines for users of the JI PDD forms, revision 04, the described approach to monitoring clearly states:

(i) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and remain unchanged throughout the crediting period) and are available already at the stage of PDD determination.

$V_{PO,j}$	Waste heap «*j*» volume at the beginning of performance of extinction and stabilization works, m^3
$C_{coal,j}$	Coal consist in waste heap «*j*», %
$\rho_{n,j}$	Waste heap «*j*» density, kg/m^3

(ii) Data and parameters that are monitored throughout the crediting period:

$NCV^{y}_{p,coal}$; $NCV^{y}_{b,coal}$	Net calorific value of coal, TJ/ths t
$EF^{y}_{p,C,coal}$ $EF^{y}_{b,C,coal}$	Carbon emission factor for coal stationary combustion, t C/TJ
$OXID^{y}_{p,coal}$; $OXID^{y}_{b,coal}$	Carbon oxidation factor for coal combustion, relative units

The Monitoring Plan describes the methods employed for data monitoring (including its frequency) and their recording.

The monitoring plan elaborates all algorithms and formulae used for the estimation/calculation of baseline emissions and project emissions, or direct monitoring of project emission reductions, leakage, in relevant cases, such as:

Project scenario:

$$PE_y = \sum_{j=1}^{n} PE^{y}_{PO,j} \quad (1)$$

PE_y - total GHG emissions in monitoring period «y» of the project scenario (t $CO_{2\text{-}e}$);

$PE^{y}_{PO,j}$ - GHG emissions caused by the process of waste heap «j» burning in monitoring period «y» in the project scenario (t$CO_{2\text{-}e}$);

$[PO]$ - index relating to waste heaps.

$[j]$ - index relating to serial number of waste heap involved in the project boundary;

$[n]$ - index relating to the number of waste dump involved in the project boundary.

Studies have shown that the period of waste heaps burning is 15 years, which means that the entire amount of coal of waste heap completely burned during this period. Project monitoring of waste heap condition allows for the control the condition of the heap and prevention of its burning, and if the latter occurs, to take measures for its rapid

extinction, provides for the monthly monitoring of waste heap. Based on the conditions of the monitoring program of waste heap condition, the formula for calculation of GHG emissions from waste heap burning of the project scenario was adapted to the activities of the monthly monitoring of heap condition.

$$PE^{y}_{PO,j} = \sum_{j=1}^{n}\sum_{i=1}^{12} \frac{FC_{p,PO,j,coal} \cdot NCV^{y}_{p,coal} \cdot k^{y}_{i,j} \cdot EF^{y}_{p,CO2,coal}}{180} + PE^{y}_{p,PO,j,disel}, \quad (2)$$

$PE^{y}_{PO,j}$ - GHG emissions generated in the process of repeated flickering of waste heap «j» after extinction measures, during period «y» in the project scenario (tCO_{2-e});

$PE^{y}_{p,PO,j,disel}$ - GHG emissions from diesel fuel combustion, which is used in technological process of waste heap «j» extinction in monitoring period «y», in the project scenario, ($t CO_{2-e}$);

$FC_{p,PO,j,coal}$ - total quantity of coal in waste heap «j» at the beginning of performance of extinction and stabilization works (ths t);

$NCV^{y}_{p,coal}$ - net calorific value of coal combustion in monitoring period «y», in the project scenario, (TJ/ths. t);

$EF^{y}_{p,CO_2,coal}$ - default CO2 emission factor for stationary coal combustion in monitoring period «y», in the project scenario, ($t CO_2$ /TJ);

$k^{y}_{i,j}$ – waste heap «j» burning factor in month and year “y” (in case of waste heap burning were found in the reporting month is assumed to be k = 1, if the burning were not found, as it provided under the project, then is taken k = 0.).

180 - number of months in fifteen years (15 years is the period of complete burning of waste heap).

$[disel]$ - index relating to diesel fuel;

$[y]$ - index corresponding to montoring period;

$[j]$ - index relating to serial number of waste heap involved in the project boundary;

$[i]$ - index corresponding to sequence number of month, year «y» ;

$[p]$ - index corresponding to the project scenario;

$[n]$ - index corresponding to density;

$[coal]$ - index relating to coal.

Emissions from diesel fuel consumed by technological equipment during waste heap extinction arise only in case of repeated burning of waste heap, and are less than 1% of the emissions generated in the process of waste heap burning because of it these emissions can be neglected. Thus:

$$PE^{y}_{PO,j} = \sum_{j=1}^{n}\sum_{i=1}^{12} \frac{FC_{p,PO,j,coal} \cdot NCV^{y}_{p,coal} \cdot k^{y}_{i,j} \cdot EF^{y}_{p,CO2,coal}}{180}, \quad (3)$$

$$FC_{p,PO,j,coal} = \frac{V_{PO,j} \cdot \rho_{n,j} \cdot C_{coal,j}}{1000000}, \quad (4)$$

$FC_{p,PO,j,coal}$ - total quantity of coal in waste heap «j at the beginning of performance of extinction and stabilization works (t);

$V_{PO,j}$ – waste heap «j» volume at the beginning of performance of extinction and stabilization works, m^3;

$C_{coal,j}$ – coal consist in waste heap «j», %;

$\rho_{n,j}$ - waste heap «j» density, kg/m^3;

$[PO]$ - index relating to waste heap;

$[j]$ - index relating to serial number of waste heap involved in the project boundary;

$[n]$ - index corresponding to density;

$\left[\frac{1}{1000000}\right]$ - index relating to kg to thousand tonnes conversion.

$[coal]$- index relating to coal.

$$EF^{y}_{p,CO2,coal} = EF^{y}_{p,C,coal} \cdot OXID^{y}_{p,coal} \cdot 44/12, \quad (5)$$

$EF^{y}_{p,C,coal}$ - carbon emission factor for coal stationary combustion in monitoring period «y», in the project scenario, (t C/TJ);

$OXID^{y}_{p,coal}$ - carbon oxidation factor in the process of coal combustion in monitoring period «y», in the project scenario, (relative unit);

$44/12$ - stoichiometric ratio of CO2 and C molecular masses, (t CO_2 /t C);

$[y]$ - index corresponding to the monitoring period;

$[p]$ - index corresponding to the project scenario;

$[coal]$- index relating to coal.

Baseline scenario

A specific approach based on the requirements to JI projects in accordance with paragraph 9 (a) of the JI Guidance on criteria for baseline setting and monitoring, Version 03, was chosen for the proposed project.
Under the baseline scenario continuation the process of waste heaps burning at PE "Torez-Contract", emergence of new burning centers at waste heaps is the most plausible scenario.
GHG emissions included in the baseline scenario:

- GHG emissions caused by coal combustion in waste heaps.

$$BE_y = \sum_{j=1}^{n} BE^y_{PO,j} \quad (6)$$

BE_y - total GHG emissions in monitoring period «y» of the baseline scenario (t $CO2_{-e}$);

$BE^y_{PO,j}$ - GHG emissions caused by the process of waste heap «j» burning in monitoring period «y» in the baseline scenario (tCO_{2-e});

$[PO]$ - index relating to waste heaps.

$[j]$ - index relating to serial number of waste heap involved in the project boundary;

$[n]$ - index relating to the number of waste dump involved in the project boundary.

Studies have shown that the period of waste heaps burning is 15 years *, which means that the entire amount of coal of waste heap completely burned during this period. Project monitoring of waste heap condition allows for the control the condition of the heap and prevention of its burning, and if the latter occurs, to take measures for its rapid extinction, provides for the monthly monitoring of waste heap. Based on the conditions of the monitoring program of waste heap condition, the formula for calculation of GHG emissions from waste heap burning of the baseline was adapted to the activities of the monthly monitoring of heap condition.

$$BE^y_{PO,j} = \sum_{j=1}^{n} \sum_{i=1}^{12} \frac{FC_{b,PO,j,coal} \cdot NCV^y_{b,coal} \cdot k^y_{i,j} \cdot EF^y_{b,CO2,coal}}{180}, \quad (7)$$

$FC_{b,PO,j,coal}$ - total coal production in the waste heap «j» at the beginning of performance of extinction and stabilization works (ths t);

$NCV^y_{b,coal}$ - net calorific value of coal combustion in monitoring period «y», in the baseline scenario, (TJ/ths. t);

$EF^y_{b,CO_2,coal}$ - default CO2 emission factor for stationary coal combustion in monitoring period «y», in the baseline scenario, (t CO_2 /TJ);

$k^y_{i,j}$ – waste heap «j» burning factor for month «i» year «y» (in case of waste heap burning were found in the reporting month is assumed to be k = 1, if the burning were found, as it provided under the project, then is taken k = 0. Because under the baseline scenario the waste heap continues to burn, k = 1 for all months of the monitoring period).

$[PO]$ - index relating to the waste heap;

$[b]$ - index corresponding to the baseline scenario;

* http://www.nbuv.gov.ua/portal/natural/Pb/2010_17/Statti/10.pdf

$[j]$ - index relating to serial number of waste heap involved in the project boundary;
$[coal]$- index relating to coal.
$[i]$ - index corresponding to the sequence number of the month, year «y».

$$FC_{b,PO,j,coal} = \frac{V_{PO,j} \cdot \rho_{n,j} \cdot C_{coal,j}}{1000000}, \quad (8)$$

$FC_{b,PO,j,coal}$ - total coal production in the waste heap «j» at the beginning of performance of extinction and stabilization works (ths t);
$V_{PO,j}$. – waste heap «j» volume at the beginning of performance of extinction and stabilization works, m^3;
$C_{coal,j}$ – consist of coal in the waste heap «j», %;
$\rho_{n,j}$ - waste heap «j» density, kg/m^3;
$[PO]$ - index relating to the waste heap;
$[b]$ - index corresponding to the baseline scenario;
$[j]$ - index relating to serial number of waste heap involved in the project boundary;
$[n]$ - index corresponding to density;
$[coal]$- index relating to coal.
$\left[\frac{1}{1000000}\right]$ - index relating to kg to thousand tonnes conversion.

$$EF^{y}_{b,CO2,coal} = EF^{y}_{b,C,coal} \cdot OXID^{y}_{b,coal} \cdot 44/12, \quad (9)$$

$EF^{y}_{b,C,coal}$ - carbon emission factor for coal stationary combustion in monitoring period «y», in the baseline scenario, (t C/TJ);
$OXID^{y}_{b,coal}$ - carbon oxidation factor in the process of coal combustion in monitoring period «y», in the baseline scenario, (relative unit);
$44/12$ - stoichiometric ratio of CO_2 and C molecular masses, (t CO_2 /t C);
$[y]$ - index corresponding to the monitoring period;
$[b]$ - index corresponding to the baseline scenario;
$[coal]$- index relating to coal.

Emission reductions

Emission reductions in the project scenario are calculated under the formula:

$$ER_y = BE_y - PE_y \quad (11)$$

BE_y - Greenhouse gas emissions under the baseline scenario in period *y* (t CO_2eq);

PE_y - Greenhouse gas emissions under the project scenario in period *y* (t CO_2eq);
[y] - index for monitoring period;
[b] - index for baseline scenario.
[p] - index for project scenario;

The monitoring plan represents quality control procedures and quality assurance for the monitoring process, which are sufficiently described in tabular form in PDD Sections D.1.1.1., D.1.1.3. and D.2. This includes, where appropriate, provision and submission on request of information about calibration, as well as information about how data are recorded and / or how the applicability of the method and accuracy of data are assured.

The monitoring plan clearly establishes responsibility and authority in respect of monitoring actions. For the project implementation, an operational structure presented in the PDD version 02 has been created.

The data subject to monitoring and required for the determination and further verification will be archived and stored in paper and electronic form at PE "Torez-Contract" for two years after the transfer of emission reduction units generated by the project.

The monitoring plan provides, in tabular form, a complete compilation of the data that need to be collected for its application, including data that are measured or sampled and data that are collected from other sources (e.g. official statistics, expert judgment, proprietary data, IPCC, commercial and scientific literature etc.) but not including data that are calculated with equasions.

The monitoring plan indicates that the data monitored and required for verification are to be kept for two years after the last transfer of ERUs for the project.

The identified areas of concern as to the monitoring plan, project participants' response and Bureau Veritas Certification's conclusion are described in Appendix A to Determination Report (refer to CAR 18 - CAR 20, CL 03).

4.8 Leakage (40-41)

No leakage resulting from the implementation of the proposed project is expected.

No issues of concern regarding leakage were identified.

4.9 Estimation of emission reductions or enhancements of net removals (42-47)

The PDD indicates assessment of emissions in the baseline scenario and in the project scenario as the approach chosen to estimate the emission reductions generated by the project.

The PDD provides the ex ante estimates of:

(a) Emissions or net removals for the project scenario (within the project boundary), which are 0 tons of CO_2eq for 2008-2012, 0 tons of CO_2eq for 2013-2022;

(b) Leakage is not expected in the project boundary;

(c) Emissions or net removals for the baseline scenario (within the project boundary), which are 1 179 846 tons of CO_2eq for 2008-2012, 2 617 830 tons of CO_2eq for 2013-2022;

(d) Emission reductions adjusted by leakage (based on (a)-(c) above), which are 1 179 846 tons of CO_2eq for 2008-2012, 2 617 830 tons of CO_2eq for 2013-2022.

The estimates referred to above are given:

(a) on an annual basis;

(b) from 01/06/2008 to 31/12/2022, covering the entire crediting period;

(c) based on primary sources and sources;

(d) for each GHG, which is CO_2;

(e) in tonnes of CO_2 equivalent using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5 of the Kyoto Protocol.

The formulae used for calculating the estimates referred above are given in Section 4.7. All formulae are consistent throughout the PDD.

For calculating the estimates referred to above, such key factors as the Ukrainian environmental legislation and other national legislation, as well as key relevant factors such as availability of funds for implementation of measures envisaged by the project, prices that are set by the state, modern technology and the ability to extinguish and stabilise waste heaps, 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 the estimates referred to above, such as documents and archival data of the enterprise, standards and statistical forms, results of periodic verifications are clearly identified, reliable and transparent.

The estimation referred to above is based on conservative assumptions and the most plausible scenarios in a transparent manner.

The estimates referred to above are consistent throughout the PDD.

The annual average of estimated emission reductions or enhancements of net removals over the crediting period is calculated by dividing the total estimated emission reductions over the crediting period by the total months of the crediting period, and multiplying by twelve.

Detailed algorithms of calculations and their results are described in sections D, E and Supporting Documents to the PDD.

The identified areas of concern as to the evaluation of emission reductions, project participants' response and Bureau Veritas Certification's conclusion are described in Appendix A to Determination Report (CAR 21).

4.10 Environmental impacts (48)

The PDD provides information on documents regarding the analysis of the project's environmental impacts, specifically its transboundary impacts, which are necessary according to the host country procedures.

The PDD makes a conclusion on environmental impacts, which were estimated in compliance with the host country procedures, if the above analysis states that the project participants or the Host Party consider the environmental impact significant. The PDD also provides references to all the Supporting Documents.

The identified areas of concern as to the evaluation of emission reductions, project participants' response and Bureau Veritas Certification's conclusion are described in Appendix A to Determination Report (CL 04).

4.11 Stakeholders' comments (49)

Consultations with the Stakeholders were not conducted, as these are not envisaged by the Host country legislation.

No issues regarding Consultations with Stakeholders have arisen.

4.12 Determination regarding small-scale projects (50-57)

N/a

4.13 Determination regarding land use, land-use change and forestry (LULUCF) projects (58-64)

N/a

4.14 Determination regarding programmes of activities (65-73)

N/a

5 SUMMARY AND REPORT OF HOW DUE ACCOUNT WAS TAKEN OF COMMENTS RECEIVED PURSUANT TO PARAGRAPH 32 OF THE JI GUIDELINES

No comments, pursuant to paragraph 32 of the JI Guidelines, were received.

6 DETERMINATION OPINION

Bureau Veritas Certification carried out the determination of the project "Reduction of greenhouse gases by stabilization of waste heaps of PE "Torez-Contract" 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 and the baseline and monitoring plan; ii) follow-up interviews with project stakeholders; iii) the resolution of outstanding issues and the issuance of the final determination report and opinion.

Project participant/s used the latest tool for demonstration of the additionality. According to this tool the PDD contains investment analysis and analysis of common practice to determine that the project activity isn't the 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 determination revealed one pending issue related to the current determination stage of the project: the issue of the written approval of the project by the host Party (Ukraine). If the written approval by the host Country is provided, it is our opinion that the project as described in the Project Design Document, version 02 meets all the relevant UNFCCC requirements for the determination stage and the relevant host Country criteria as well as expectations of the stakeholders.

The review of the project design documentation (version 02) and the subsequent follow-up interviews have provided Bureau Veritas Certification with sufficient evidence to determine the fulfillment 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.

The determination is based on the information made available to us and the engagement conditions detailed in this report.

7 REFERENCE

Category 1 Documents:
Documents provided by CEP CARBON EMISSIONS PARTNERS S.A. that relate directly to the GHG components of the project.

/1/	PDD "Reduction of greenhouse gases by stabilization of waste heaps of PE "Torez-Contract", version 01 dated 22/10/2012
/2/	PDD "Reduction of greenhouse gases by stabilization of waste heaps of PE "Torez-Contract", version 02 dated 30/11/2012
/3/	Supporting Document 1. "Estimated GHG emission reductions from the project "Reduction of greenhouse gases by stabilization of waste heaps of PE "Torez-Contract"
/4/	Letter of Endorsement No. 3657/23/7 issued by the State Environmental Investment Agency of Ukraine dated 28/11/2012.
/5/	Guidelines for users of the JI PDD form. Version 04, JISC.
/6/	Tool for the demonstration and assessment of additionality, Version 06.0.0.
/7/	Kyoto Protocol
/8/	Marrakech Accords, JI Methods
/9/	National inventory report of anthropogenic emissions by sources and removals by sinks of greenhouse gases in Ukraine for 1990-2010
/10/	Ukraine's Third National Communication on Climate Change under the Kyoto Protocol
/11/	Ukraine's Fourth National Communication on Climate Change under the Kyoto Protocol
/12/	Ukraine's Fifth National Communication on Climate Change under the Kyoto Protocol
/13/	Law of Ukraine "On environmental protection"
/14/	JI Guidelines. Appendix to decision 9/CDM.1
/15/	JI Guidance for determination and verification, version 01
/16/	Guidance on criteria for baseline setting and monitoring, JISC. Version 03

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

/1/	Lease contract # 157 dated 18/04/2008
/2/	Act of acceptance and transfer #1 on contract #157 of 04/18/2008
/3/	Lease contract # 156 dated 18/04/2008

/4/	Act of acceptance and transfer #1 on contract #156 of 04/18/2008
/5/	Passport of the waste heap #26 PE " Miusinska Mine"
/6/	Passport of the waste heap #2 PE "Kniahynenska Mine"
/7/	Passport of the waste heap Hamozhenko Linkage of PE "Kniahynenska Mine"
/8/	Passport of the waste heap #1 PE "Kniahynenska Mine"

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

/1/ Alexander Borisovich Shakhov - Chief power engineer
/2/ Alexander Pavlovich Chernenko - Power engineer
/3/ Iryna Volodymyrivna Fedorenko - Chief Engineer
/4/ Sergiy Volodymyrovych Snurnytsyn - Engineer
/5/ Iryna Viktorivna Bulgarian - Ecologist
/6/ Dmitry Sergeyevich Skabin - Ecologist

ANNEX A: DETERMINATION PROTOCOL

List of determination control questions according to the "Joint implementation determination and verification manual", version 01

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
Guidelines for Users of the JI PDD form Section A General description of the project				
A.1. Title of the project				
A.1	Is the title of the project presented?	The title of the project is presented: "Reduction of greenhouse gases by stabilization of waste heaps of PE "Torez-Contract"	OK	OK
A.1	Is the sectoral scope to which the project pertains presented?	**CAR 01**. Please, state the sectoral scope in Section A.1.	**CAR 01**	OK
A.1	Is the current version number of the document presented?	The current version of the document: PDD, Version 02 dated 30/11/2012. Ref. to Section A.1.	OK	OK
A.1	Is the date when the document was created presented?	The date when the document was created: 30/11/2012	OK	OK
A.2. Description of the project				
A.2	Is the purpose of the project included with a concise, summarizing explanation (max. 1-2 pages) of the: a) Situation existing prior to the starting date of the project b) Baseline scenario and c) Project scenario (expected outcome,	The purpose of the project is to extinguish and stabilise four waste heaps of PE "Torez-Contract" that is legitimately used by the enterprise located in the city of Torez, Donetsk region. The project activity will prevent greenhouse gases emissions to the atmosphere. The project activities involve the stabilisation of the waste heap with the use of vermiculite.	**CAR 02** **CAR 03**	OK OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	including a technical description)?	**CAR 02.** In PDD Section A.2 please provide information on the baseline scenario. **CAR 03.** In PDD Section A.2 please provide information on the project scenario.		
A.2	Is the history of the project (incl. its JI component) briefly summarised?	**CAR 04.** In PDD Section A.2 please provide information on the history of the project.	**CAR 04**	OK
A.3. Project participants				
A.3	Are project participants and Party(ies) involved in the project listed?	Parties involved in the project: PE "Torez-Contract" (Ukraine - the Host Party) and "KD LATGALE" Ltd (Latvia).	OK	OK
A.3	Is the data of the project participants presented in tabular format?	The data of the project participants is presented in tabular format.	OK	OK
A.3	Is contact information provided in Annex 1 of the PDD?	The contact information of parties involved is provided in Annex 1 to the PDD. **CAR 05.** Tables in Annex 1 shall meet the format set forth in the Guidelines for users of the JI PDD form.	**CAR 05**	OK
A.3	Is it indicated, if it is the case, that the Party involved is a host Party?	Ukraine is the Host Party.	OK	OK
A.4 Technical description of the project				
Location of the project				
A.4.1.1	Host Party(ies)	Ukraine is the Host Party.	OK	OK
A.4.1.2	Region/State/Province etc.	Donetsk region, Torez, Ukraine.	OK	OK
A.4.1.3	City/Town/Community etc.	Torez, Ukraine	OK	OK
A.4.1.4	Detail of the physical location, including	Information about location is given in Section A.4.1.4 of	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	information allowing the unique identification of the project. (This section should not exceed one page).	the PDD.		
A.4.2. Technologies to be employed, or measures, operations or actions to be implemented by the project				
A.4.2	Are the technology(ies) to be employed, or measures, operations or actions to be implemented by the project, including all relevant technical data and the implementation schedule described?	PDD Section A.4.2 provides the description of the main stages of the project implementation, the annual project activities schedule, some relevant technical data relating to key equipment to be installed as well as project activities. Project engineering represents the current cutting-edge practice. **CAR 06.** Please provide main specifications of a concrete pump: in Section A.4.2. **CAR 07.** In Section A.4.2 please provide information on vermiculite material used in order to stabilize the waste heaps.	**CAR 06** **CAR 07**	OK OK
A.4.3. Brief explanation of how the anthropogenic emissions of greenhouse gases by sources are to be reduced by the proposed JI project, including why the emission reductions would not occur in the absence of the proposed project, taking into account national and/or sectoral policies and circumstances				
A.4.3	Is it stated how anthropogenic GHG emission reductions are to be achieved? (This section should not exceed one page)	The proposed project provides for the stabilisation of the waste heap of PE "Torez-Contract" which is legitimately used by the enterprise. The stabilisation of the waste heap will result in the reduction of GHG emissions which have a negative impact on environment.	**CL 01**	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
		CL 01. Please provide information about the reasons why the proposed measures will not be implemented without the project activity, taking into account national and/or sectoral policies and circumstances.		
A.4.3	Is it provided the estimation of emission reductions over the crediting period?	The estimation of emission reductions over the crediting period is provided in Section A.4.3.1. of the PDD. **CAR 08.** Tables in Section A.4.3.1. shall comply with Guidelines for users of the JI PDD form. **CAR 09.** Provide a reference to the description of formulae used to estimate emission reductions over the crediting period in Section A.4.3.1.	**CAR 08** **CAR 09**	OK OK
A.4.3	Is the estimated annual reduction for the chosen credit period in tCO_2e provided?	Estimated annual reduction for the chosen credit period is presented in tCO_2e.	OK	OK
A.4.3	Are the data from questions above presented in tabular format?	Information for the credit period and after the credit period is presented in tabular format. Ref. to PDD (Version 02) Tables 1, 2 and 3, Section A.4.3.1.	OK	OK
A.4.3.1. Estimated amount of emission reductions over the crediting period				
A.4.3.1	Is the length of the crediting period Indicated?	The length of the crediting period is indicated in the PDD Section A.4.3.1. and Section C.	OK	OK
A.4.3.1	Are estimates of total as well as annual and average annual emission reductions in tonnes of CO_2 equivalent provided?	Total as well as annual and average annual emission reductions in tonnes of CO_2 equivalent are provided in accordance with the calculated values in the tables of Section A of PDD and the Supporting documents.	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
Project approvals by Parties				
19	Have the DFPs of all Parties listed as "Parties involved" in the PDD provided written project approvals?	**CAR 10.** The project has no approval of the Host Party and the investing country. To obtain the Letter of Approval the final Determination report must be submitted to the State Environmental Investment Agency of Ukraine that includes this Determination Protocol and the list of sources of Reference Information. A Letter of Approval by the Government of another party involved from the country-participant has not been obtained at the current stage of the Project either. **CAR 10** will be closed after the Letter of Approval is issued by the Party involved.	**CAR 10**	Pending decision.
19	Does the PDD identify at least the host Party as a "Party involved"?	The Host Party involved is Ukraine.	OK	OK
19	Has the DFP of the host Party issued a written project approval?	Reference to **CAR 10.**	**CAR 10**	Pending decision.
20	Are all the written project approvals by Parties involved unconditional?	Reference to **CAR 10.**	**CAR 10**	Pending decision.
Authorization of project participants by Parties involved				
21	Is each of the legal entities listed as project participants in the PDD authorized by a Party involved, which is also listed in the PDD, through: − A written project approval by a Party	Party involved 1: Ukraine (the Host Party), legal entity is PE "Torez-Contract". Party involved 2: Latvia, legal entity is "KD LATGALE" Ltd	**CAR 10**	Pending decision.

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	involved, explicitly indicating the name of the legal entity? − Any other form of project participant authorization in writing, explicitly indicating the name of the legal entity?	The project participants will be authorized in accordance with the relevant project approvals. Pending **CAR 10.**		
Baseline setting				
22	Does the PDD explicitly indicate which of the following approaches is used for identifying the baseline? − JI specific approach − Approved CDM methodology approach	The baseline chosen is described in Section B.1 of the PDD. A specific JI approach is used for setting the baseline.	OK	OK
JI specific approach only				
23	Does the PDD provide a detailed theoretical description in a complete and transparent manner?	The choice of the applicable baseline for the project is justified; theoretical description is provided in Section B.1 of PDD version 02. **CAR 11.** The title of the Guidance used to set the baseline is incorrect, as appears in Section B.1 of the PDD. **CL 02**. Please provide references to the Guidance on criteria for baseline setting and monitoring in PDD Section B.1.	**CAR 11** **CL 02**	OK OK
23	Does the PDD provide justification that the baseline is established: (a) By listing and describing plausible future scenarios on the basis of conservative assumptions and selecting	The PDD provides a detailed theoretical description in a complete and transparent manner, as well as justification, that the baseline was established: a) by listing and describing the following plausible future scenarios on the basis of conservative	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	the most plausible one? (b) Taking into account relevant national and/or sectoral policies and circumstance? − Are key factors that affect a baseline taken into account? (c) In a transparent manner with regard to the choice of approaches, assumptions, methodologies, parameters, date sources and key factors? (d) In a transparent manner with regard to the choice of approaches, assumptions, methodologies, parameters, date sources and key factors? (e) In such a way that ERUs cannot be earned for decreases in activity levels outside the project or due to force majeure? (f) By drawing on the list of standard variables contained in appendix B to "Guidance on criteria for baseline setting and monitoring", as appropriate?	assumptions and selecting the most plausible one: - Alternative 1.1: Continuation of the current situation, without the JI project implementation. - Alternative 1.2: Proposed project activity without the use of the JI mechanism. b) taking into account relevant national and/or sectoral policies and circumstances, such as sectoral reform initiatives, local fuel availability, coal mining industry sector expansion plans, and the economic situation in the project sector. In this context, the following key factors that affect a baseline are taken into account: - Coal mining sector plays an absolute and crucial part in Ukraine, coal being a factor of political sovereignty in Ukraine. Ukrainian economy is one of the world's most energy-consuming by primary energy consumption per GDP unit. 15/03/2006 The Cabinet of Ministers of Ukraine has approved the "Energy strategy of Ukraine till 2030". The energy strategy considers the research of non-traditional and renewable energy sources an important factor of energy safety improvement, reduction of anthropogenic impact on the environment and resistance to global climate change; - Most coal mining companies currently operating in		

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
		Ukraine use equipment installed back in Soviet times; - The current practice of waste heap stabilisation and extinction comply with applicable Ukrainian laws.Pursuant to the Law of Ukraine "On approval of safety rules in coal mines" waste heaps are considered potential pollutant sources. In a general case, ignited waste heaps should be extinguished and future ignition prevention measures should be taken, as stated in the Coal Mines Safety Rules. The document has weak effectiveness, so the relationship is in most cases regulated by the Code of Administrative Offences of Ukraine providing for mere insignificant penalties; - The current Ukrainian system of formation of prices for coal does not include an investment component for the development of waste heap extinction system and coal mining industry as a whole. According to the Ukrainian legislation, PE "Torez-Contract" is not obliged and has no incentives to implement new equipment, provided for by the project, at its own expense. Meanwhile, state investment programs in most cases are targeted at administrative and organizational implementations; - State support in the mining sector is provided in		

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
		amounts of funds provided by the law of Ukraine on State Budget of Ukraine for the relevant year. (c) In a transparent manner with regard to the choice of JI approach and assumptions, parameters, data sources and key factors for identifying initial conditions listed in tabular format in Section B.1. (d) Taking into account of uncertainties and using conservative assumptions (e) In such a way that ERUs cannot be earned for decreases in activity levels outside the project or due to force majeure (f) By drawing on the list of standard variables. The baseline is identified, the description is given in Section B of the PDD.		
24	If selected elements or combinations of approved CDM methodologies or methodological tools for baseline setting are used, are the selected elements or combinations together with the elements supplementary developed by the project participants in line with 23 above?	When the project was under development, there were no approved CDM methodologies for this type of activity. Therefore, the proposed project applies a specific approach to baseline setting and monitoring based on provisions of the following documents: **CAR 12**. Please, provide the algorithm of baseline calculations in Section B 1. of the PDD. **CAR 13.** Please, check the indexes of parameters for setting the baseline.	**CAR 12** **CAR 13**	OK OK
25	If a multi-project emission factor is used, does the PDD provide appropriate	The PDD applies the multi-project emission factor to calculate GHG emission reductions.	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	justification?			
CDM methodology approach only				
Additionality				
JI specific approach only				
28	Does the PDD indicate which of the following approaches for demonstrating additionality is used? (a) Provision of traceable and transparent information showing the baseline was identified on the basis of conservative assumptions, that the project scenario is not part of the identified baseline scenario and that the project will lead to emission reductions or enhancements of removals (b) Provision of traceable and transparent information that an AIE has already positively determined that a comparable project (to be) implemented under comparable circumstances has additionality (c) Application of the most recent version of the "Tool for the demonstration and assessment of additionality. (allowing for a two-month grace period) or any other method for proving additionality approved by the CDM Executive Board".	The PDD indicates that the project scenario is not a part of the established baseline scenario. It is also stated that the project will lead to emission reductions. Additionality of the project activity is demonstrated and assessed in Section B.2. of the PDD using the "Tool for the demonstration and assessment of additionality" (Version 06.0.0) **CAR 14.** At the beginning of Section B.2. of the PDD it is stated that the additionality of the project activity is demonstrated and assessed by using the "Tool for the demonstration and assessment of additionality" (Version 5.2). But version 06.0.0. is used for the project. **CAR 15.** The titles of the alternative scenarios differ in Sections B.1 and B.2 of the PDD.	**CAR 14** **CAR 15**	OK OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
29 (a)	Does the PDD provide a justification of the applicability of the approach with a clear and transparent description?	Detailed analysis described in Section A.4.3, B.1 and B.2, shows that emissions of the baseline scenario are likely to exceed emissions of the project scenario due to the implementation of project activities.	OK	OK
29 (b)	Are additionality proofs provided?	Yes. Refer to section B.2. of the PDD.	OK	OK
29 (c)	Is the additionality demonstrated appropriately as a result?	The fact that the project activity itself is not the baseline scenario is clearly demonstrated in sections A.2, B.1, B.2 of the PDD.	OK	OK
30	If the approach 28 (c) is chosen, are all explanations, descriptions and analyses made in accordance with the selected tool or method?	All explanations, descriptions and analyses are made in accordance with the newest version of the "Tools for the demonstration and assessment of additionality" (Version 06.0.0)	OK	OK
Approved CDM methodology approach only_ Paragraphs 31(a) – 31(e)_Not applicable				
Project boundary (applicable except for JI LULUCF projects)				
JI specific approach only				
32 (a)	Does the project boundary defined in the PDD encompass all anthropogenic emissions by sources of GHGs that are: (i) Under the control of the project participants? (ii) Reasonably attributable to the project? (iii) Significant?	The project boundary defined in the PDD encompasses all anthropogenic emissions by sources of GHGs that are: (i) Under the control of the project participants; (ii) Reasonably attributable to the project, such as: - CO_2 emissions resulting from waste heap burning;	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
		(iii) Significant, i.e., as a rule of thumb, would by each source account on average per year over the crediting period for more than 1 per cent of the annual average anthropogenic emissions by sources of GHGs, or exceed an amount of 2,000 tonnes of CO_2 equivalent, whichever is lower.		
32 (b)	Is the project boundary defined on the basis of a case-by-case assessment with regard to the criteria referred to in 32 (a) above?	Project boundary is defined on the basis of case-by-case assessment of different emission sources.	OK	OK
32 (c)	Are the delineation of the project boundary and the gases and sources included appropriately described and justified in the PDD by using a figure or flow chart if it is possible?	The project boundary is presented in tabular and graphic form and are understandable enough.	OK	OK
32 (d)	Are all gases and sources included explicitly stated, and the exclusions of any sources related to the baseline or the project are appropriately justified?	All gases and sources included are explicitly stated. Ref. to Section B of the PDD.	OK	OK
Approved CDM methodology approach only_Paragraph 33_ Not applicable				
Crediting period				
34 (a)	Does the PDD state the starting date of the project as the date on which the	The starting date of the project is 29/04/2008, which is the date when PE "Torez-Contract" project	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	implementation or construction or real action of the project will begin or began?	implementation began. The project's starting date is identified and specified in Section C.1. of the PDD.		
34 (a)	Is the starting date after 2000?	The starting date is after 2000.	OK	OK
34 (b)	Does the PDD state the expected operational lifetime of the project in years and months?	**CAR 16.** Please state the starting and ending dates of the project lifetime.	**CAR 16**	OK
34 (c)	Does the PDD state the length of the crediting period in years and months?	The length of the crediting period is stated in years and months in Section C.3. **CAR 17.** The number of months of the crediting period is incorrect.	**CAR 17**	OK
34 (c)	Is the starting date of the crediting period on or after the date of the first emission reductions or enhancements of net removals generated by the project?	The starting date of the crediting period is the date when the first emission reductions are expected to be generated, namely June 01, 2008.	OK	OK
34 (d)	Does the PDD state that the crediting period for issuance of ERUs starts only after the beginning of 2008 and does not extend beyond the operational lifetime of the project?	ERUs generation belongs to the first commitment period of 4 years and 7 monthes (June 1, 2008 – December 31, 2012).	OK	OK
34 (d)	If the crediting period extends beyond 2012, does the PDD state that the extension is subject to the host Party approval? Are the estimates of emission reductions or enhancements of net removals presented	The PDD states that the prolongation of the crediting period beyond 2012 is subject to approval of the host party and estimation of emission reductions is presented separately for those until 2012 and those after 2012 in the relevant sections of the PDD. If after the first commitment period under the Kyoto	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	separately for those until 2012 and those after 2012?	protocol it is prolonged, the crediting period under the project will be prolonged by 10 years/120 months until December 31, 2022.		
Monitoring plan				
35	Does the PDD clearly indicate which of the following approaches is used? − JI specific approach − Approved CDM methodology approach.	The proposed project uses a JI-specific approach in accordance with paragraph 9 (a) of the JI "Guidance on criteria for baseline setting and monitoring", Version 03.	OK	OK
JI specific approach only				
36 (a)	Does the monitoring plan describe: - All relevant factors and key characteristics that will be monitored? - The period in which they will be monitored? - All decisive factors for the control and reporting of project performance?	The monitoring plan specifies all decisive factors for the control and reporting of project performance: quality control (QC) and quality assurance (QA) procedures; operational and management structures that will be applied when implementing the monitoring plan. **CAR 18.** Description of $V_{PO,j}$ parameter in the table in Section D 1.1.1. does not comply with the description that was stated in the formula.	**CAR 18**	OK
36 (b)	Does the monitoring plan specify the indicators, constants and variables used that are reliable, valid and provide transparent picture of the emission reductions or enhancements of net removals to be monitored?	The monitoring plan specifies indicators, constants and variables used that are reliable, valid and provide transparent picture of the emission reductions or enhancement of net removals to be monitored. Data to be monitored are presented in Section D of the PDD. **CAR 19.** Please verify the units for monitoring data and parameters in Sections D.1.1.1 and D.1.1.3 of the PDD in accordance with the formulae stated in the PDD.	**CAR 19** **CL 03**	OK OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
		CL 03. Please, clarify how the information relating to monitoring under the project will be stored.		
36 (b)	If defailt values are used: - Are accuracy and reasonableness carefully balanced in their selection? - Do the default values originate from recognized sources? - Are the default values supported by statistical analyses providing reasonable confidence levels? - Are the default values presented in a transparent manner?	Default values are provided in the table of Annex 3 to the PDD. They originate from recognized sources and are presented in a transparent manner.	OK	OK
36 (b) (i)	For those values that are to be provided by the project participants, does the monitoring plan clearly indicate how the values are to be selected and justified?	The monitoring plan clearly indicates how the values are to be selected and justified.	OK	OK
36 (b) (ii)	For other values, - Does the monitoring plan clearly indicate the precise references from which these values are taken? - Is the conservativeness of the values provided justified?	**CAR 20.** Please verify formulae numbering.	**CAR 20**	OK
36 (b) (iii)	For all data sources, does the monitoring plan specify the procedures to be followed if expected data are unavailable?	Refer to section D of the PDD.	OK	OK
36 (b) (iv)	Are International System Unit (SI units)	The International System Units are used for some	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	used?	parameters.		
36 (b) (v)	Does the monitoring plan note any parameters, coefficients, variables, etc. that are used to calculate baseline emissions or net removals but are obtained through monitoring?	Relevant data necessary for determining the baseline of anthropogenic emissions of greenhouse gases within the project boundary is presented in table D.1.1.3. of the PDD.	OK	OK
36 (b) (v)	Is the use of parameters, coefficients, variables, etc. consistent between the baseline and monitoring plan?	The use of parameters, coefficients and variables is consistent between the baseline and monitoring plan.	OK	OK
36 (c)	Does the monitoring plan draw on the list of standard variables contained in appendix B of "Guidance on criteria for baseline setting and monitoring"?	The monitoring plan is identified on the basis of the Guidance on criteria for baseline setting and monitoring, Version 03.	OK	OK
36 (d)	Does the monitoring plan explicitly and clearly distinguish: (i) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), and that are available already at the stage of determination? (ii) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), but that are not already available	Monitoring plan explicitly distinguishes between all these three types of data and parameters. Refer to Section D.1. of the PDD. (i) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), and that are available already at the stage of determination. (iii) Data and parameters that are monitored throughout the crediting period. (ii) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	at the stage of determination? (iii) Data and parameters that are monitored throughout the crediting period?	crediting period), but that are not already available at the stage of determination.		
36 (e)	Does the monitoring plan describe the methods employed for data monitoring (including its frequency) and recording?	In tables of parameters provided in section D.1.1.1. of the PDD the time of monitoring (frequency) and the source of data to be used, as well as recording method are indicated for all the monitored parameters and data.	OK	OK
36 (f)	Does the monitoring plan elaborate all algorithms and formulae used for the estimation/calculation of baseline emissions/removals and project emissions/removals or direct monitoring of emission reductions from the project, leakage, as appropriate?	All algorithms and formulae used for the estimation of baseline and project emissions are indicated and explained in the PDD.The description of formulae is given in Section D of the PDD.	OK	OK
36 (f) (i)	Is the underlying rationale for the algorithms/formulae explained?	Refer to Section 36 (f) of this table.	OK	OK
36 (f) (ii)	Are consistent variables, equation formats, subscripts etc. used?	Consistent variables, equation formats, subscripts etc. are used.	OK	OK
36 (f) (iii)	Are all equations numbered?	Ref. to **CAR 20.**	OK	OK
36 (f) (iv)	Are all variables, with units indicated defined?	Yes. Refer to section D of the PDD.	OK	OK
36 (f) (v)	Is the conservativeness of the algorithms/procedures justified?	Yes, algorithms/procedures comply with state norms and are conservative.	OK	OK
36 (f) (v)	To the extent possible, are methods to quantitatively account for uncertainty in key	Uncertainty in parameters used is low taking into account the algorithms of data monitoring.	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	parameters included?			
36 (f) (vi)	Is consistency between the elaboration of the baseline scenario and the procedure for calculating the emissions or net removals of the baseline ensured?	There is consistency between the elaboration on the baseline scenario and calculating the baseline emission in the monitoring plan and in tables.	OK	OK
36 (f) (vii)	Are any parts of the algorithms or formulae that are not self-evident explained?	The formulae used in the PDD are sufficiently described.	OK	OK
36 (f) (vii)	Is it justified that the procedure is consistent with standard technical procedures in the relevant sector?	Monitoring under the project does not require changes in existing accounting system and data collection existing in PE “Torez-Contract” practice.	OK	OK
36 (f) (vii)	Are references provided as necessary?	Yes, all references are provided.	OK	OK
36 (f) (vii)	Are implicit and explicit key assumptions explained in a transparent manner?	All key assumptions are explained in a transparent manner.	OK	OK
36 (f) (vii)	Is it clearly stated which assumptions and procedures have significant uncertainty associated with them, and how such uncertainty is to be addressed?	N/A	OK	OK
36 (f) (vii)	Is the uncertainty of key parameters described and, where possible, is an uncertainty range at 95% confidence level for key parameters for the calculation of emission reductions or enhancements of net removals provided?	For the sake of conservativeness of parameters, metering equipment is subject to regular calibration and the latest versions of regulations and specifications are used. If the latest versions are unavailable, the previous versions are used.	OK	OK
36 (g)	Does the monitoring plan identify a national or international monitoring standard if such standard has to be and/or	The monitoring plan identifies that constant routine calibration of measuring equipment is carried out and the latest editions of the regulatory and technical	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	is applied to certain aspects of the project? Does the monitoring plan provide a reference as to where a detailed description of the standard can be found?	documentation is used.		
36 (h)	Does the monitoring plan document statistical techniques, if used for monitoring, and that they are used in a conservative manner?	Yes.	OK	OK
36 (i)	Does the monitoring plan present the quality assurance and control procedures for the monitoring process, including, as appropriate, information on calibration and on how records on data and/or method validity and accuracy are kept and made available upon request?	Verification (calibration) of measurement devices is carried out in accordance with manufacturer's manuals, aproved methodologies on metering devices verification/calibration, as well as with the state standards of Ukraine.	OK	OK
36 (j)	Does the monitoring plan clearly identify the responsibilities and the authority regarding the monitoring activities?	Detailed operational structure and management structure is provided in the Annex 3 of the PDD.	OK	OK
36 (k)	Does the monitoring plan, on the whole, reflect good monitoring practices appropriate to the project type? If it is a JI LULUCF project, is the good practice guidance developed by IPCC applied?	Monitoring under the project does not require changes in existing accounting system and data collection.	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
36 (l)	Does the monitoring plan provide, in tabular form, a complete compilation of the data that need to be collected for its application, including data that are measured or sampled and data that are collected from other sources but not including data that are calculated with equations?	Tables D.1.1.1 and D.1.1.3 provide compilation of all data needed to monitor project and baseline emissions.	OK	OK
36 (m)	Does the monitoring plan indicate that the data monitored and required for verification are to be kept for two years after the last transfer of ERUs for the project?	Data to be monitored and required for determination will be kept for two years after the last transfer of ERUs for the project.	OK	OK
37	If selected elements or combinations of approved CDM methodologies or methodological tools are used for establishing the monitoring plan, are the selected elements or combination, together with elements supplementary developed by the project participants in line with 36 above?	When the project was under development, there were no approved CDM methodologies for this type of activity. Therefore, the proposed project applies a specific approach to baseline setting and monitoring based on provisions of the following documents:	OK	OK
Approved CDM methodology approach only_Paragraphs 38(a) – 38(d)_Not applicable				
Applicable to both JI specific approach and approved CDM methodology approach				
39	If the monitoring plan indicates overlapping monitoring periods during the crediting period:	No periods to overlap during the crediting period are expected.	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	(a) Is the underlying project composed of clearly identifiable components for which emission reductions or enhancements of removals can be calculated independently? (b) Can monitoring be performed independently for each of these components (i.e. the data/parameters monitored for one component are not dependent on/effect data/parameters to be monitored for another component)? (c) Does the monitoring plan ensure that monitoring is performed for all components and that in these cases all the requirements of the JI guidelines and further guidance by the JISC regarding monitoring are met? (d) Does the monitoring plan explicitly provide for overlapping monitoring periods of clearly defined project components, justify its need and state how the conditions mentioned in (a)-(c) are met?			
Leakage				
JI specific approach only				

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
40 (a)	Does the PDD appropriately describe an assessment of the potential leakage of the project and appropriately explain which sources of leakage are to be calculated and which can be neglected?	According to the JI specific approach, there aren't any potential sources of leakage due to the project activities.	OK	OK
40 (b)	Does the PDD provide a procedure for an ex ante estimate of leakage?	The PDD states that there isn't any leakage.	OK	OK
Approved CDM methodology approach only_Paragraph 41_Not applicable				
Estimation of emission reductions or enhancements of net removals				
42	Does the PDD indicate which of the following approaches it chooses? (a) Assessment of emissions or net removals in the baseline scenario and in the project scenario (b) Direct assessment of emission reductions	In the PDD the approach of estimation of emissions in the baseline scenario and in the project scenario is indicated. **CAR 21.** Please verify table numbering in Section E. of the PDD and make the necessary corrections.	**CAR 21**	OK
43	If the approach (a) in 42 is chosen, does the PDD provide ex ante estimates of: (a) Emissions or net removals for the project scenario (within the project boundary)? (b) Leakage, as applicable? (c) Emissions or net removals for the baseline scenario (within the project boundary)? (d) Emission reductions or enhancements	PDD provides estimates of: (a) Emissions in the project scenario (Section E.1) (b) Leakage (Section E.2) (c) Emissions in the baseline scenario (Section E.4) (d) Emission reductions adjusted by leakage (Section E.6).	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	of net removals adjusted by leakage?			
44	If the approach (b) in 42 is chosen, does the PDD provide ex ante estimates of: (a) Emissions or net removals for the project scenario (within the project boundary)? (b) Leakage, as applicable? (d) Emission reductions or enhancements of net removals adjusted by leakage?	N/A	N/A	N/A
45	For both approaches in 42 (a) Are the estimates in 43 or 44 given: (i) On a periodic basis? (ii) At least from the beginning until the end of the crediting period? (iii) On a source-by-source/sink-by-sink basis? (iv) For each GHG? (v) In tonnes of CO_2 equivalent, using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5 of the Kyoto Protocol? (b) Are the formulae used for calculating the estimates in 43 or 44 consistent	(a) Estimates in 43 are given on the periodic basis, in tonnes of CO_2 equivalent, on a source-by-source basis, before, during and after the crediting period. (b) The formulae used in PDD are consistent. (c) Key factors influencing baseline emissions and activity level of the project and risks associated with the project are taken into account, as appropriate. (d) Data sources used to calculate the estimates are clearly identified, reliable and transparent. (e) Emission factors were taken from the defined sources. (f) Estimation in 43 is based on conservative assumptions and the most plausible scenario in a transparent manner. (g) Estimates in 43 are consistent throughout the PDD. (h) The annual average of estimated emission reductions are calculated correctly (by dividing the	OK	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	throughout the PDD? (c) For calculating estimates in 43 or 44, are key factors influencing the baseline emissions or removals and the activity level of the project and the emissions or net removals as well as risks associated with the project taken into account, as appropriate? (d) Are data sources used for calculating the estimates in 43 or 44 clearly identified, reliable and transparent? (e) Are emission factors (including default emission factors) if used for calculating the estimates in 43 or 44 selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice? (f) Is the estimation in 43 or 44 based on conservative assumptions and the most plausible scenarios in a transparent manner? (g) Are the estimates in 43 or 44 consistent throughout the PDD? (h) Is the annual average of estimated emission reductions or enhancements of net removals calculated by dividing the total estimated emission reductions or enhancements of net removals over the	total estimated emission reductions over the crediting period by the total months of the crediting period and multiplying by twelve).		

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	crediting period by the total months of the crediting period and multiplying by twelve?			
46	If the calculation of the baseline emissions or net removals is to be performed de facto, does the PDD include an illustrative forecasted emissions or net removals calculation?	For each JI project, baseline should be established according to Annex B to decision 9/CMP.1 (JI Guidance) and with further compliance with "Guidance on Criteria for Baseline Setting and Monitoring" developed by the Joint Implementation Supervisory Committee (JISC). Forecasted emissions calculation is clearly provided in the PDD.	OK	OK
Approved CDM methodology approach only_Paragraphs 47(a) – 47(b)_Not applicable				
Environmental impacts				
48 (a)	Does the PDD list and attach documentation on the analysis of the environmental impacts of the project, including transboundary impacts, in accordance with procedures as determined by the host Party?	The environmental impacts of the project have been sufficiently described	OK	OK
48 (b)	If the analysis in 48 (a) indicates that the environmental impacts are considered significant by the project participants or the host Party, does the PDD provide conclusion and all references to Supporting Documentation of an environmental impact assessment undertaken in accordance with the	**CL 04.** Please provide clarifications on whether the environmental impact assessment necessary for this type of project activities according to the legislation of Ukraine.	**CL 04**	OK

Guidelines for Users of the JI PDD form or DVM Paragraph	Check Item	Initial finding	Project participants' actions review	Final Conclusion
	procedures as required by the host Party?			
Stakeholder consultations				
49	If stakeholder consultation was undertaken in accordance with the procedure as required by the host Party, does the PDD provide: (a) A list of stakeholders from whom comments on the projects have been received, if any? (b) The nature of the comments? (c) A description on whether and how the comments have been addressed?	The Host party did not demand any consultations with JI project stakeholders. Stakeholders' comments will be collected in the period of publication of this project design documentation in the Internet during the determination procedure.	OK	OK
Determination regarding small-scale projects (additional elements for assessment)				
Determination regarding land use, land-use change and forestry projects (additional/alternative elements for assessment)				
Determination regarding programmes of activities (additional/alternative elements for assessment)				

Table 2 Resolution

of Corrective Action and Clarification Requests

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
CAR 01. Please, state the sectoral scope in Section A.1.	A.2	Sectoral scope: Sector 8 - Mining/mineral production	The relevant information is provided, the issue is closed.
CAR 02. In Section A.2. In the PDD, please provide information on the baseline scenraio.	A.2	The Baseline scenario provides for the continuation of the current situation. Waste heaps tend to warm up and combust, causing carbon dioxide emissions into the atmosphere. If a heap begins combusting, even if it is extinguished, it will ignite from time to time until it is extinguished regularly. In Ukraine, waste heap combustion is often left untended, especially if there is no immediate danger for people and economy, i. e. if the heap is located far from settlements or is at the initial stage of self-heating.	The relevant information is provided, the issue is closed.
CAR 03. In Section A.2. In the PDD, please provide information on the project scenario.	A.2	The project scenario provides for frozing a waste heap that burns. As a result, the probability of further	The information is provided, the issue is closed.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
		combustion or recurrent ignition is almost neutralized.	
CAR 04. In PDD Section A.2 please provide information on the history of the project.	A.2	The relevant information is provided. Ref. to PDD version 02.	The information is provided, the issue is closed.
CAR 05. Tables in Annex 1 shall meet the format set forth in the Guidelines for users of the JI PDD form.	A.3	The tables were revised to comply with the format recommended by the Guidelines for users of the JI PDD form, version 04.	Corrections are made, the issue is closed.
CAR 06. Please provide main specifications of a concrete pump: in Section A.4.2.	A.4.2	The relevant information is provided. Ref. to PDD version 02.	The information is provided, the issue is closed.
CAR 07. In Section A.4.2 please provide information on vermiculite material used in order to stabilize the waste heaps.	A.4.2	The relevant information is provided. Ref. to PDD version 02.	The information is provided, the issue is closed.
CAR 08. Tables in Section A.4.3.1. shall comply with Guidelines for users of the JI PDD form.	A.4.3	Tables in Section A.4.3.1. are provided according to Guidelines for users of the JI PDD form.	The issue is closed as corresponding changes are made.
CAR 09. Provide a reference to the description of formulae used to estimate emission reductions over the crediting period in Section A.4.3.1.	A.4.3	For more details refer to Supporting Document 1 to this PDD in Excel format. For the description of the formulae used for calculation of emission reductions see Section D.1.4.	The information is provided in the corresponding section. The issue is closed.
CAR 10. The project has no approval of the Host Party and the investing country.	19	To obtain the Letter of Approval the final Determination report must be submitted to the State Environmental	The issue will be closed after the Letters of Approval are issued by the Parties involved.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
		Investment Agency of Ukraine that includes this Determination Protocol and the list of sources of Reference Information. A Letter of Approval by the Government of another party involved from the country-participant has not been obtained at the current stage of the Project either.	
CAR 11. The title of the Guidance used to set the baseline is incorrect, as appears in Section B.1 of the PDD.	23	For each JI project, baseline should be established according to Annex B to decision 9/CMP.1 (JI Guidance) and with further compliance with "Guidance on Criteria for Baseline Setting and Monitoring" developed by the Joint Implementation Supervisory Committee (JISC).	Relevant corrections are made, the issue is closed.
CAR 12. Please, provide the algorithm of baseline calculations in Section B 1. of the PDD.	24	The algorithm of baseline calculations is provided in Section B 1. of the PDD version 02.	Formulae were provided, the issue is closed.
CAR 13. Please, check the indexes of parameters for setting the baseline.	24	The indexes of parameters for setting the baseline were checked. Relevant corrections were made.	Corrections are made, the issue is closed.
CAR 14. At the beginning of Section B.2. of the PDD it is stated that the additionality of the project activity is demonstrated and assessed by using the "Tool for the demonstration and assessment of	28	Relevant corrections have been made. Ref. to PDD version 02	Relevant changes are made, the issue is closed.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
additionality" (Version 5.2). But version 06.0.0. is used for the project.			
CAR 15. The titles of the alternative scenarios differ in Sections B.1 and B.2 of the PDD.	28	Relevant corrections have been made. Ref. to PDD version 02	Relevant changes are made, the issue is closed.
CAR 16. Please state the starting and ending dates of the project lifetime.	34 (b)	The starting date of operational lifetime: 01/06/2008; The ending date of operational lifetime: 31/12/2022.	The boundaries of the crediting period are set in Section C of the PDD. The issue is closed.
CAR 17. The number of months of the crediting period is incorrect.	34 (c)	The total crediting period will be 14 years and 7 months (175 months).	Relevant changes are made, the issue is closed.
CAR 18. Description of $V_{PO,j}$ parameter in the table in Section D 1.1.1. does not comply with the description that was stated in the formula.	36 (a)	Relevant corrections have been made. Ref. to PDD version 02	Relevant changes are made, the issue is closed.
CAR 19. Please verify the units for monitoring data and parameters in Sections D.1.1.1 and D.1.1.3 of the PDD in accordance with the formulae stated in the PDD.	36(b)	The measuring units have been verified. Relevant corrections have been made.	Corrections are made, the issue is closed.
CAR 20. Please verify formulae numbering.	36 (b) (ii)	The formulae has been verified, relevant corrections have been made.	Corrections are made, the issue is closed.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
CAR 21. Please verify table numbering in Section E. of the PDD and make the necessary corrections.	42	The table numbering in Section E has verified. The corrections have been made.	Corrections are made, the issue is closed.
CL 01. Please provide information about the reasons why the proposed measures will not be implemented without the project activity, taking into account national and/or sectoral policies and circumstances.	A.4.3	Pursuant to the Law of Ukraine "On approval of safety rules in coal mines", waste heaps are considered potential pollutant sources. In a general case, ignited waste heaps should be extinguished. The document has weak effectiveness, so the relationship is in most cases regulated by the Code of Administrative Offences of Ukraine providing for mere insignificant penalties. However, taking account of the large number of waste heaps and their large sizes, combined with limited financial resources of their owners, the latter usually do not even carry out the necessary waste heap monitoring.	The issue is closed as relevant explanation is provided.
CL 02. Please provide references to the Guidance on criteria for baseline setting and monitoring in PDD Section B.1.	23	The reference has been provided in the newest PDD version.	The issue is closed as relevant reference is provided.
CL 03. Please, clarify how the information relating to monitoring under the project will be stored.	36 (b)	Data to be monitored and required for determination and subsequent verification will be archived and stored	Explanation is accepted. The issue is closed.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in table 1	Summary of project participants' responses	Determination team conclusion
		at the company for two years after the transfer of emission reduction units generated by the project.	
CL 04. Please provide clarifications on whether the environmental impact assessment necessary for this type of project activities according to the legislation of Ukraine.	48 (b)	Ukraine is the Host Party in the project. Environmental Impact Assessment (EIA) is part of procedures for projecting and obtaining permissions within the framework of the Ukrainian project. The project activity that implies utilization of waste materials obtained during coal production is also specified.	Explanation is accepted. The issue is closed.