



TÜV Rheinland (China) Ltd. (TÜV Rheinland)

DETERMINATION REPORT

**Determination of the Joint
Implementation Large Scale Project
“COMPLEX OF MEASURES, DIRECTED ON
DECREASING GHG IN ATMOSPHERE DUE
TO WASTE HEAPS BURNING”**

**Report No. 01 998 9105072886 - DR
Revision No. 03**

Customer: “AGS-2008” LLC

DETERMINATION REPORT

<u>Date of first issue:</u> 26/10/2012	<u>Project No.:</u> 01 998 9105072886
<u>Executor:</u> TÜV Rheinland (China) Ltd. (TÜV Rheinland)	<u>Organizational unit:</u> TÜV Rheinland Ukraine Ltd. Technical Competence Center
<u>Customer:</u> “AGS-2008” LLC	<u>Client ref.:</u> Zagorskyi Sergiy Igorovych

Summary:

TÜV Rheinland (China) Ltd. (TÜV Rheinland) has performed a determination of the JI large scale project “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning” 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 serves as project design objective and complete assessment, and is a requirement for all JI projects. It consists of the following three phases: i) a desk review of the project design documents including analysis of the baseline justification and monitoring plan; ii) follow-up interviews with project stakeholders including on site visit; iii) the resolution of outstanding issues and the issuance of the final determination report and opinion. The overall determination, from Contract signing to Determination Report & Opinion, was conducted using TÜV Rheinland (China) Ltd. (TÜV Rheinland) internal procedures.

To address TÜV Rheinland (China) Ltd. (TÜV Rheinland) corrective action and clarification requests, company “AGS-2008” LLC revised the PDD and resubmitted it on 19/11/2012 as version 2.5.

The determination findings presented in this report relate to the large scale project as described in the PDD version 2.5 dated 19/11/2012.

In summary, it is TÜV Rheinland (China) Ltd. (TÜV Rheinland) opinion that the project complies with the criteria for baseline setting and monitoring methodology according to developed JI specific approach, and meets the relevant UNFCCC requirements for the JI and the relevant host country criteria.

<u>Report No.:</u> 01 998 9105072886 – DR	<u>Subject Group:</u> Large scale JI project
<u>Project title:</u> “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning”	
<u>Work carried out by:</u> Dr. Valery Yakubovsky – Team Leader, Technical Competence Center Director Dr. Yuriy Kononov – Technical Expert; Ganna Zadnipriana – Auditor; Dmytro Rakovych – Trainee.	
<u>Work verified by:</u> Dr. Lixin Li – Technical Reviewer	 TÜV Rheinland (China) Ltd. (TÜV Rheinland) 
<u>Determination Report approved by:</u> Dr. Manfred Brinkmann – Accredited Independent Entity Operational Manager 	
<u>Date of this revision:</u> 29/11/2012	<u>Revision No.:</u> 03
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Abbreviations

AIE	Accredited Independent Entity
CAR	Corrective Action Request
CL	Clarification Request
CO ₂	Carbon Dioxide
ERU	Emission Reduction Unit
GHG	Greenhouse Gas
I	Interview
IETA	International Emissions Trading Association
JI	Joint Implementation
JISC	Joint Implementation Supervisory Committee
MoV	Means of Verification
NGO	Nongovernmental organization
PDD	Project Design Document
UNFCCC	United Nations Framework Convention on Climate Change

Table of Contents	Page
1 DETERMINATION OPINION.....	5
2 INTRODUCTION.....	7
2.1 Objective	7
2.2 Scope	7
2.3 JI Project Description	7
3 METHODOLOGY	9
3.1 Desk Review of the Project Design Documentation	9
3.2 Interviews with project stakeholders	13
3.3 Resolution of Clarification and Corrective Action Requests	14
3.4 Internal Technical Review	17
3.5 Determination team	17
4 DETERMINATION FINDINGS	18
4.1 Project approval by Parties Involved	18
4.2 Authorization of project participants by Parties involved	19
4.3 Baseline Setting	19
4.4 Additionality	24
4.5 Project boundary	26
4.6 Crediting period	27
4.7 Monitoring plan	28
4.8 Leakage	32
4.9 Estimation of emission reductions	34
4.10 Environmental impacts	39
4.11 Stakeholder consultation	41
4.12 Other areas	42
5 SUMMARY OF COMMENTS RECEIVED PURSUANT TO PARAGRAPH 32 OF THE JI GUIDELINES	43
ANNEX A: Determination protocol of the Joint Implementation Large Scale Project	

1 DETERMINATION OPINION

The determination team of TÜV Rheinland (China) Ltd. (TÜV Rheinland) has performed a determination of the large scale JI project “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning” under the national procedure (Track 1). The determination was performed on the basis of UNFCCC criteria and host country criteria and also on the criteria given to provide for consistent project operations, monitoring and reporting.

The determination consisted of the following three phases:

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

The project participants of the large scale JI project “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning” selected the JI specific approach for identifying the baseline, in accordance with paragraph 22 (a) of “Guidelines for the Determination and Verification” (DVM).

A baseline for the project was set in accordance with criteria stated in Appendix B to decision 9/CMP.1 (JI guidelines). The JI specific approach is provided in paragraph 9 (a) of the “Guidance on criteria for baseline setting and monitoring”, version 03.

The PDD version 2.5 dated 19/11/2012 provides a description of the chosen baseline in a clear and transparent manner according to “Guidelines for users of the joint implementation project design document form”, version 04, and paragraphs 23-29 “Guidance on Criteria for Baseline Setting and Monitoring”, version 03.

Project participants used JI specific approach to demonstrate the project additionality. PDD provides justification for this approach in a clear and transparent manner and also in accordance with paragraphs 23 and 29 of Guidelines on criteria for baseline setting and monitoring (version 03).

According to paragraph 44 (b) of Annex 1 Guidelines on criteria for baseline setting and monitoring (version 03) approach which consists in providing transparent information that can be tracked and that has already received a positive determination by accredited independent entity as a comparative project, which is implemented under

comparative circumstances, is used to demonstrate the project additionality.

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

The review of the project design documentation (version 2.5 dated 19/11/2012) and the subsequent interviews have provided TÜV Rheinland (China) Ltd. (TÜV Rheinland) with sufficient evidence to determine the fulfilment of stated criteria. In our opinion, the project correctly applies and meets the relevant UNFCCC requirements for JI projects and the relevant host country criteria.

The final version of the PDD (version 2.5 dated 19/11/2012) was revised based on raised corrective action requests and clarification requests by determination team of TÜV Rheinland (China) Ltd. (TÜV Rheinland) that were satisfactory resolved.

The determination is based on the information made available to the determination team of TÜV Rheinland (China) Ltd. (TÜV Rheinland) and the engagement conditions detailed in this report.

2 INTRODUCTION

“AGS-2008” LLC has commissioned TÜV Rheinland (China) Ltd. (TÜV Rheinland) to determine its large scale JI project “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning” (hereafter called “Project”) that is located in urban type settlement Izvarino, of Krasnodonskiy District of Lugansk region of 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.

2.1 Objective

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 meet the stated requirements and identified criteria. Determination is a requirement for all JI projects and is considered necessary to provide assurance to stakeholders of the quality of the project and its intended generation of emission reduction units (ERUs).

UNFCCC criteria refer to Article 6 of the Kyoto Protocol, Appendix B of the JI guidelines and the subsequent decisions by the JISC, as well as the host country criteria.

2.2 Scope

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

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

2.3 JI Project Description

The brief information regarding large scale project is provided in Table 1.

Table 1 – JI large scale project brief information

Project Parties involved:	1. Ukraine (Host Party); 2. Estonia.
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Title of the project:	“Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning”
Type of JI activity:	Large scale
Baseline and monitoring methodology:	JI specific approach
Project entity participant:	“AGS-2008”
Other project participants:	ProEffect OÜ
Location of the project:	Urban type settlement Izvarino, Krasnodonskiy District, Lugansk region, Ukraine.
Starting date of the project:	25/01/2008
Length of the crediting period:	6 years and 10 months
Length of the part of crediting period within the first commitment period of the Kyoto Protocol:	01/03/2008 – 31/12/2012
Length of the part of crediting period after the first commitment period of the Kyoto Protocol:	01/01/2013 – 31/12/2014

Decision on implementation of this project was taken on January 25, 2008. “AGS-2008” LLC, basing on the concluded with the customer contract No. 228/01-2008 dated 28/01/2008 commits itself to perform works on technical mining recultivation of the waste heaps of mines #7,8 “Izvarino”, and waste heap of mine “Poluantratsyt”, situated close to urban type settlement Izvarino, Krasnodonskiy District, Lugansk region, Ukraine. “AGS-2008-2008” LLC rents enrichment complex that belongs to “ENERGOCEMENT”, basing on the concluded with the customer contract No.210/02-2008 dated 10/02/2008. For performing works on dismantling the waste heap and transportation of rock mass to enrichment complex JI project owner entered into agreement with the company-contractor of “SMU” LLC No.215/02-2008 dated 15/02/2008 which will implement these works. “AGS-2008-2008” LLC is the JI project owner and developer of the project design documentation simultaneously.

The starting date of JI project activity is 25/01/2008, when an order on implementation of the proposed project under the Kyoto Protocol, involving Joint Implementation mechanism was signed. The evidence document of starting date was provided by project participants to the determination team as supporting document (please refer to evidence document #/29/ in Table 2, section 3.1. of the Determination Report).

3 METHODOLOGY

The determination consists of the following three phases:

- I) a desk review of the project design documents including analysis of the baseline justification and monitoring plan;
- II) follow-up interviews with project stakeholders including on site visit;
- III) the resolution of outstanding issues and the issuance of the final Determination report and opinion.

The following sections outline each step in more detail.

3.1 Desk Review of the Project Design Documentation

The Project Design Document (PDD) submitted by “AGS-2008” LLC, and additional background documents related to the project design to be checked by an Accredited Independent Entity were reviewed. The list of submitted documentation is provided below. To address TÜV Rheinland (China) Ltd. (TÜV Rheinland) corrective action and clarification requests, company “AGS-2008” LLC revised the PDD and resubmitted it on 19/11/2012 as version 2.5.

The determination findings presented in this report relate to the project as described in the PDD version 2.5 dated 19/11/2012.

The following table outlines the documentation reviewed during the determination. The documents provided by “AGS-2008” LLC, are indicated in Table 2 below. The documents of Category 1 relate directly to the components of the project. The documents of Category 2 relate to the design and/or methodologies employed in the design or other reference documents.

Table 2 – Documents reviewed during the determination i

No.	Title of the document
Documents of Category 1	
/1/	PDD “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning”, version 1.0 dated 12/10/2012.
/2/	PDD “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning”, version 2.0 dated 01/11/2012.
/3/	PDD “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning”, version 2.5 dated 19/11/2012.
/4/	GHG emission reduction calculation electronic spreadsheet in Excel file.
/5/	Guidelines for users of the Joint Implementation project design

	document form, ver. 04.
/6/	“Guidance on Criteria for Baseline Setting and Monitoring”, version 03.
/7/	“Guidance on the Assessment of Investment Analysis”, Version 05.
/8/	JI Guidance. Appendix B to the decision 9/CMP.1.
/9/	“Joint implementation determination and verification manual”, version 01.
/10/	“Glossary of joint implementation terms”, version 03.
/11/	Letter of Endorsement of the project “Carbonaceous rock processing and concentrating with the aim of reducing greenhouse gas emissions into the atmosphere” No.3656/23/7 dated 28/11/2012.
Documents of Category 2	
/12/	Acceptance certificate of coal products for March 2008 dated 01/04/2008.
/13/	Acceptance certificate of coal products for April 2008 dated 02/05/2008.
/14/	Acceptance certificate of coal products for May 2008 dated 05/06/2008.
/15/	Acceptance certificate of coal products for June 2009 dated 05/07/2009.
/16/	Acceptance certificate of coal products for August 2009 dated 02/09/2009.
/17/	Acceptance certificate of coal products for September 2009 dated 02/10/2009.
/18/	Acceptance certificate of coal products for January 2010 dated 03/02/2010.
/19/	Acceptance certificate of coal products for May 2010 dated 01/06/2010.
/20/	Acceptance certificate of coal products for July 2010 dated 06/08/2010.
/21/	Acceptance certificate of coal products for March 2011 dated 10/04/2011.
/22/	Acceptance certificate of coal products for June 2011 dated 04/07/2011.
/23/	Acceptance certificate of coal products for August 2011 dated 03/09/2011.
/24/	Acceptance certificate of coal products for February 2012 dated 10/03/2012.
/25/	Acceptance certificate of coal products for July 2012 dated 03/08/2012.
/26/	Acceptance certificate of coal products for September 2012 dated 07/10/2012.
/27/	Acceptance certificates of consumed electricity from supplying company for 2008

/28/	Acceptance certificates of consumed electricity from supplying company for 2012
/29/	Order of Director of “AGS-2008” LLC No.14/08 dated 25/01/2008 on implementation of the proposed JI project involving mechanisms of the Kyoto Protocol
/30/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for March 2008
/31/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for April 2008
/32/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for May 2008
/33/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for June 2009
/34/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for July 2009
/35/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for August 2009
/36/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for September 2009
/37/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for January 2010
/38/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for February 2010
/39/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for March 2010
/40/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for May 2010
/41/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for September 2011
/42/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for October 2011
/43/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for November 2011
/44/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for December 2011

/45/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for April 2012
/46/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for May 2012
/47/	Acceptance certificate of work completion on the number of transported carbonaceous rock and consumed diesel fuel for June 2012
/48/	Decision No.3 of Session of Izvarynska Village Council on transfer of the waste heap to closed corporation “Prominvest-ecology” dated 29/01/1999.
/49/	Decision No.7 of Session of Izvarynska Village Council on transfer of the waste heap to closed corporation “Prominvest-ecology” dated 04/02/1999.
/50/	Acceptance certificate of mining wastes of coal production of Izvarynska Village Council
/51/	Technical passport of the waste heap #1 of mine #7 “Izvarino”
/52/	Technical passport of the waste heap #2 of mine #8 “Izvarino”
/53/	Technical passport of the waste heap #2 of mine “Poluanratsyt”
/54/	Agreement No. 228/01-2008 dated 28/01/2008 on transfer by Melnyk A.V. of waste heaps of former coal mines #7, #8 and mine “Poluanratsyt” “AGS-2008” LLC with the aim of their recultivation.
/55/	Lease agreement of concentrating complex for processing carbonaceous rock of heaps of “AGS-2008” LLC No.210/02-2008 dated 10/02/2008.
/56/	Agreement No.215/02-2008 dated 15/02/2008 between “AGS-2008” LLC and “SMU” LLC on providing transportation services for dismantling waste heaps
/57/	Working draft of complex construction for processing coal containing materials of former coal mines
/58/	Environmental impact assessment. EIA. 2007 Scientific Research Production and Commercial Firm “CER “Eko-Tera Ukraine” LLC.
/59/	Attestation certificate of laboratory on conducting activities to determine fuel etc. No.207 dated August 29, 2008
/60/	Attestation certificate of laboratory on conducting activities to determine fuel etc. No. 285 dated September 23, 2011
/61/	Passport of electricity meter Mercury-230.
/62/	Technical passport of automobile scales of type “DINO”
/63/	Order No.115/1 on information storage
/64/	Order on Approval of Coal Mining Safety Rule No.62 dated 22/03/2012
/65/	Report on the fire risk of Lugansk Region’s waste heaps, Scientific Research Institute “Respirator”, Donetsk, 2012.
/66/	Monitoring instruction, acting at “AGS-2008” LLC
/67/	Agreement with laboratory of “MCM “Bilorichenska” JSC

	No.110/-02 dated February 10, 2008.
/68/	Agreement with laboratory of “MCM “Bilorichenska” JSC No.423/7-09 dated September 23, 2011.
/69/	Agreement No.20/02-2009 dated February 20, 2009 between “AGS-2008” LLC and “ENERGOCEMENT” LLC on conducting weighing on scales “DINO”
/70/	Statistical Yearbook – Fuel and energy resources of Ukraine, 2011
/71/	Statistical Yearbook – Fuel and energy resources of Ukraine, 2009

3.2 Interviews with project stakeholders

TÜV Rheinland (China) Ltd. (TÜV Rheinland) performed interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of the company “AGS-2008” LLC were interviewed and their names are summarized in Table 3. The main topics of the interviews are summarized in Table 4.

Table 3 – Persons interviewed

No.	Name	Position	Organization
/1/	Zagorskyi Sergiy Igorovych	Director	“AGS-2008” LLC
/2/	Skrypchenko Elina Volodymyrivna	Chief Accountant	“AGS-2008” LLC
/3/	Shatokhin Pavlo Ivanovych	Technologist concentrating installation	of “AGS-2008” LLC
/4/	Grytsay Valentyn Pavlovych	Power engineer	“AGS-2008” LLC

Table 4 – Interview topics

No.	Date	Interviewed organization	Interview topics
/1/	19/10/2012	“AGS-2008” LLC	<ul style="list-style-type: none"> ➤ Project decision ➤ Baseline and project scenarios ➤ Barrier analysis, analysis of common practice ➤ Justification of additionality ➤ Monitoring plan ➤ Estimated leakage ➤ Compliance with the requirements of the JI PDD

No.	Date	Interviewed organization	Interview topics
			<ul style="list-style-type: none"> ➤ Organisational structure ➤ Procedures and technology of quality management ➤ Control of measuring equipment ➤ Registration system and database of indicators of measuring equipment ➤ Duties and responsibilities for monitoring project ➤ Monitoring equipment ➤ Environmental impact

3.3 Resolution of Clarification and Corrective Action Requests

The overall determination, from Contract signing to Determination Report and Opinion, was conducted using TÜV Rheinland (China) Ltd. (TÜV Rheinland) internal procedures. 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 TÜV Rheinland (China) Ltd. (TÜV Rheinland) positive conclusion on the project design.

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

- it organizes, details and clarifies the requirements a JI large scale project is expected to meet;
- it ensures a transparent determination process where the verifier will document how a particular requirement has been determined and the result of the determination.

The determination protocol consists of three tables. The different columns in these tables are described in Figure 1 below.

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

The PDD, final version 2.5 dated 19/11/2012 was submitted to the determination team TÜV Rheinland (China) Ltd. (TÜV Rheinland) for final determination. The final version of the PDD (version 2.5 dated 19/11/2012) was revised based on the determination protocol (Annex A to the Determination report) with the issued corrective action requests and clarification requests. The major changes in the PDD: technology used under the project activity; parameters used for calculating GHG emission reductions; monitoring plan; QC/QA procedures.

Determination Protocol Table 1: Mandatory Requirement for Joint Implementation (JI) Project Activities

Requirement	Reference	Conclusion	Cross reference
The requirements the project must meet.	Gives reference to the legislation or agreement where the requirement is found.	This is either acceptable based on evidence provided (OK), a Corrective Action Request (CAR), a Clarification Request (CL) or a Forward Action Request (FAR) of risk or non-compliance with stated requirements. The CAR's, CL's and FAR's are numbered and presented to the client in the Determination Report.	Used to refer to the relevant protocol questions in Tables 2, to show how the specific requirement is determined. This is to ensure a transparent determination process.

Determination Protocol Table 2: Requirements checklist

Checklist Question	Reference	Means of verification (MoV)	Comments	Draft and/or Final Conclusion
The various requirements in Table 1 are linked to checklist questions the project should meet. The checklist is organized in several sections. Each section is then further sub-divided. The lowest level	Gives reference to documents where the answer to the checklist question or item is found.	Explains how conformance with the checklist question is investigated. Examples of means of verification are document review	The section is used to elaborate and discuss the checklist question and/or the conformance to the question. It is further used to explain	This is either acceptable based on evidence provided (OK), or a Corrective Action Request (CAR) due to non-compliance with the checklist question. (See below). Clarification Request (CL) is used when the determination team has identified a need

constitutes a checklist question.		(DR) or interview (I). N/A means not applicable.	the conclusions reached.	for further clarification. Forward action request (FAR) informs the project participants of an issue that needs to be reviewed during the verification.
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Determination Protocol Table 3: Resolution of Corrective Action and Clarification Requests

Report clarifications and corrective action requests	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
If the conclusions from the Determination are a Corrective Action Request, a Clarification Request or a Forward action request, these should be listed in this section.	Reference to the checklist question number in Tables 2 where the Corrective Action Request, Clarification Request or a Forward action request is explained.	The responses given by the Client or other project participants during the communications with the determination team should be summarized in this section.	This section should summarize the determination team’s responses and final conclusions. The conclusions should also be included in Tables 2, under “Final Conclusion”.

Figure 1 – Determination protocol tables

3.4 Internal Technical Review

Determination report including the determination findings underwent a technical review before requesting registration of the project activity. The technical review was performed by an internal technical reviewer qualified in accordance with TÜV Rheinland (China) Ltd. (TÜV Rheinland) qualification scheme for JI project determination and verification.

3.5 Determination team

The determination team consists of the following personnel indicated in Table 5 below.

Table 5 – Determination team

Name	Role
Dr. Manfred Brinkmann	Accredited Independent Entity Operational manager,
Dr. Lixin Li	Technical Reviewer
Dr. Valery Yakubovsky	Team Leader
Dr. Yuriy Kononov	Technical Expert
Ganna Zadnipriana	Auditor
Dmytro Rakovich	Trainee

4 DETERMINATION FINDINGS

In the following subsections the determination findings are stated as follows:

- 1) the findings from the desk review of the original project design documents and the findings from interviews during the follow up visit are summarized. A more detailed record of these findings can be found in the Determination Protocol (Annex A to the Determination report);
- 2) in case TÜV Rheinland (China) Ltd. (TÜV Rheinland) had identified issues that needed clarification or that represented a risk to the fulfilment of the project objectives, a Clarification or Corrective Action Request, respectively, have been issued. The Clarification and Corrective Action Requests are stated, where applicable, in the following subsections and are further documented in the Determination Protocol (Annex A to the Determination report). The determination of the Project resulted in 32 Corrective Action Requests (CARs), 12 Clarification Requests (CLs) and 1 Forward Action Request (FAR) that will be considered during the first verification and closed after issuing written project approvals by Parties involved;
- 3) conclusions for determination subject are presented in each subsection.

The considerations, findings and means of verification for areas of determination are provided below in accordance with the Determination and Verification Manual (DVM). All information indicated in the following subsections relates to the PDD version 2.5 dated 19/11/2012 (hereinafter called “PDD”).

4.1 Project approval by Parties Involved

In accordance with paragraphs 19-20 of the DVM the assessment of this area focuses on whether the designated focal points (DFPs) of all Parties listed as “Parties involved” in the PDD have provided written project approvals. It also should be assessed whether the written project approvals referred to above are unconditional.

The project has no written project approvals by Parties involved. “Glossary of joint implementation terms”, version 03 defines the following:

- a) At least the written project approval(s) by the host Party(ies) should be provided to the AIE and made available to the secretariat by the AIE when submitting the determination report regarding the PDD for publication in accordance with paragraph 34 of the JI guidelines;
- b) At least one written project approval by a Party involved in the JI project, other than the host Party(ies), should be provided to the AIE and made available to the secretariat by the AIE when submitting the

first verification report for publication in accordance with paragraph 38 of the JI guidelines, at the latest.

To obtain a written project approval by the host Party (*Ukraine*) a final Determination Report should be submitted to the State Environmental Investment Agency of Ukraine. Written project approval by *Estonia* (Party involved in the project, other than the host Party), will be obtained before the submission of the first verification report for publication in accordance with paragraph 38 of the JI Guidelines.

The **FAR 01** was raised. It will be closed after issuing written project approvals by Parties involved.

Identified problem areas for project approval, project participants' responses and conclusions of TÜV Rheinland (China) Ltd. (TÜV Rheinland) are described in Annex A to the Determination Report (refer to **FAR 01**).

4.2 Authorization of project participants by Parties involved

In accordance with paragraph 21 of the DVM the assessment of this area focuses on whether each of the legal entities listed as project participants in the PDD is authorized by a Party involved, which is also listed in the PDD, through: a written project approval by a Party involved, explicitly stating the name of the legal entity; or any other form of project participant authorization in writing, explicitly stating the name of the legal entity.

The following legal entities were included in the PDD as project participants:

- “AGS-2008” LLC;
- ProEffect OÜ.

Detailed information on the project participants is listed in Section A.3. of the PDD. Contact information on the project participants, which clearly specify the names of legal entities, is listed in Annex 1 of the PDD.

Identified problem areas for authorization of project participants by Parties involved, project participants' responses and conclusions of TÜV Rheinland (China) Ltd. (TÜV Rheinland) are described in Annex A to the Determination Report (refer to FAR 01).

4.3 Baseline Setting

In accordance with paragraphs 22 - 26 of the DVM the assessment of this area focuses on various aspects of the baseline setting by project participants.

The paragraph 22 of the DVM defines two following approaches selected for identifying the baseline:

- (a) By using a methodology for baseline setting and monitoring developed in accordance with Appendix B of the JI guidelines (hereinafter referred to as JI specific approach);
- (b) By using a baseline and monitoring methodology approved by the CDM Executive Board in its totality (hereinafter referred to as approved CDM methodology approach).

The project participants of the project “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning” selected the JI specific approach for identifying the baseline.

A baseline for the project was set in accordance with criteria stated in Appendix B to decision 9/CMP.1 (JI guidelines). The JI specific approach is provided in paragraph 9 (a) of the “Guidance on criteria for baseline setting and monitoring”, version 03.

The PDD provides a description of the chosen baseline in a clear and transparent manner according to “Guidelines for users of the joint implementation project design document”, version 04, as well as a justification per the “Guidance on criteria for baseline setting and monitoring”, version 03 (paragraphs 23 - 29).

The desk review of the PDD and follow-up interviews provided enough reasons for TÜV Rheinland (China) Ltd. (TÜV Rheinland) to assess that the baseline for this JI project is established:

- a) **By listing and describing plausible future scenarios on the basis of conservative assumptions and selecting the most plausible one.**

Plausible future scenarios are listed below:

Scenario 1. Continuation of existing situation.

This scenario does not require implementation of any measures, and therefore there are no barriers.

Scenario 2. Implementation of measures on the use of thermal energy of the waste heap that burns for energy generation.

Technological barrier: This scenario is based on an experimental technology that has not yet been used. This approach is not suitable for all waste heaps, as the project owner will have to balance the availability of energy resources (i.e. waste heap location) and location of the energy consumer. Electricity production at the site addresses this issue, but requires additional capacity connections. Besides it does not allow monitoring and controlling the emission of gases.

Investment barrier: Considering the fact that this technology is in its initial phase of the experiment, investment into this project results in a high risk besides Ukraine is ranked as a high-risk country¹. The pioneering character of the project may interest programmes of technical support and governmental incentives, but the cost of the produced energy will be much higher than that of the alternatives.

Scenario 3. Production of construction materials on the basis of raw materials from waste heaps

Technological barrier: This scenario is based on known technology, which, however, is not currently available in Ukraine and there is no evidence that such projects will be implemented in the near future. It is also not suitable for all types of waste heaps as the content of waste heap has to be predictable in order for project owner to be able to produce quality materials².

Investment barrier: Taking into account the fact that the introduction of this technology faces many risks and technological barriers, investment attractiveness of this scenario is very low. Condition of waste heaps is not controlled by the State, and the owners of heaps often neglect measures for their monitoring. It is not profitable for private entities to produce building materials by recycling rock mass, because the level of uncertainty is very large. This scenario is only possible with available financial support from the State, which currently does not make any assumptions, that it is possible.

Scenario 4. Coal extraction from waste heaps without incentives of JI mechanism

Investment barrier: This scenario is not financially attractive and faces barriers. Please refer to Section B.2. for details.

Scenario 5. Systematic monitoring of waste heaps condition, regular fire prevention and application of extinguishing measures

Technological barrier: This scenario does not include any income, but involves additional costs for the owners of the waste heaps. Monitoring of the state of waste heaps is not performed systematically, and all activities are left at the discretion of the owner of the heaps. Basically waste heaps belong to mines or regional associations of mining. Coal mines of Ukraine suffer from limited investment that often causes problems of danger because of poor conditions of extraction and financial difficulties, besides salary of miners is often delayed for several months. In this case, the waste heaps are considered as an

¹ AMB Country Risk Report: Ukraine October 29, 2010 <http://www3.ambest.com/ratings/cr/reports/Ukraine.pdf>

² *Opportunities for international best practice use in coal mining waste heap utilization of Donbas*, Matveeva N.G., Ecology: Collection of Scientific Papers, Eastern Ukrainian National University, Luhansk, No.1 2007
http://www.nbu.gov.ua/portal/natural/Ecology/2007_1/Article_09.pdf

additional burden, and mine usually do not make even minimum required measures. Self-ignition and burning of heaps are common practice. Exact statistics are not always available. From a commercial point of view fines, which are usually issued by governments, are lower than the cost of necessary measures highlighted in this project.

Investment barrier: This scenario does not represent any revenues but anticipates additional costs for waste heaps owners. Monitoring of the waste heap status is not carried out systematically and actions are left to the discretion of the individual owner of the waste heaps. Mainly waste heaps belong to mines or regional coal mining associations. Coal mines in Ukraine suffer from limited funding resulting in safety problems due to complicated mining conditions and financial constraints with miners' salaries often being delayed by few months. In this case waste heaps are considered as an additional burden, and mines usually do not make even minimum measures required. Self-heating and burning of heaps are common practice. Exact statistics are not always available. From a commercial view point the fines that are usually levied by the authorities are considerably lower than the costs of all the measures outlined in this project.

All scenarios, except Scenario 1 – **Continuation of the existing situation**, face prohibitive barriers. Therefore, continuation of the existing situation is the most plausible future scenario and is the baseline scenario for the project.

b) Taking into account relevant national and/or sectoral policies and circumstances, such as sectoral reform initiatives, local fuel availability, power sector expansion plans, and the economic situation in the project sector.

In this context, the TÜV Rheinland (China) Ltd. (TÜV Rheinland) assessed whether the key factors that affect a baseline were taken into account. The project participants established the baseline taking into account the following key factors:

In accordance with the laws and legal norms of Ukraine waste heaps are the source of possible dangerous emissions into the atmosphere. Measures on extinguishing and monitoring of fire-hazardous waste heaps are regulated by “Mine Safety Rules”⁴. In practice, the legal use of this document is not significant because in certain cases These measures are regulated by Code of Ukraine on Administrative Violations that in Article 41 provides maximum penalty for such violation³ only 10 non-taxable minimum incomes, i.e. subsistence level according to Tax Code (Section 1, Article XX section 5 and section IV of article 169.1.1)⁴,

⁴ Chapter IX, Article 7, NPAOP 10.0-1.01-10 Mine Safety Rules. Order No.62 State Committee of Ukraine on industrial security, labour protection and mining supervision – 22/03/2010 <http://zakon1.rada.gov.ua/cgi-bin/laws/main.cgi?nreg=z0398-10>

³ Article 41 of the Code of Ukraine on Administrative Violations - <http://zakon1.rada.gov.ua/cgi-bin/laws/main.cgi?page=2&nreg=80731-10>

⁴ <http://www.profiwins.com.ua/uk/legislation/kodeks/1368.html>

^{5, 6} and is 1044 hrn as of⁷ July 1, 2012. Thus, the maximum penalty is 10 440 hrn (1090 Euros), that is small amount for the company. However, because of the big number of waste heaps and their large sizes, coupled with the limited resources of the owners, they usually do not make even the minimum required monitoring. In case of self-heating of the waste heap, the owners of these objects typically do not apply any measures to extinguish the fire centres, and only pay small penalties for environmental pollution by combustion products. Under such circumstances it is clear that the baseline scenario does not contradict valid laws and legal norms, taking into account their performance in Ukraine.

c) In a transparent manner with regard to the choice of approaches, assumptions, methodologies, parameters, data sources and key factors.

The project participants applied the selected approach with transparency. Necessary information on approaches, assumptions, parameters, data sources and key factors is available in the PDD.

d) Taking into account of uncertainties and using conservativeness assumptions.

Project participants used the default values as often as possible in order to reduce the level of uncertainty and provide conservativeness of amount of emissions calculation. Data and parameters monitoring of which has not been conducted during the crediting period, and are determined only once (and remain constant throughout the crediting period), and are available at the stage of determination of PDD were taken from National Inventory Report of Ukraine 1990-2010, as well as from Guidelines for National Greenhouse Gas Inventories. All parameters that are taken for the calculation of the GHG emission reduction under the project, and sources of which are National Inventory Report of Ukraine 1990-2010, as well as data of State Statistics Service of Ukraine and DFP of Ukraine (SEIA) may be updated in case of publishing new relevant documents. If data for the current period are not available, the last available data are taken into the calculations of the GHG emission reduction.

e) In such a way that emission reduction units (ERUs) cannot be earned for decreases in activity levels outside the project activity or due to force majeure.

According to the proposed approach emission reductions will be earned only within the project activity, so no emission reductions can be earned due to any changes outside the project activity or due to force majeure.

⁵ <http://www.profiwins.com.ua/uk/legislation/kodeks/1350.html>

⁶ <http://juriconsult.net.ua/spravochniki/382-rozmir-minimalnoyi-zarobitnoyi-plati-z.html>

⁷ <http://minfin.com.ua/buh/minimum/>

f) **By drawing on the list of standard variables contained in appendix B to “Guidance on criteria for baseline setting and monitoring”, as appropriate.**

The PDD draws on the list of standard variables contained in Appendix B to “Guidance on criteria for baseline setting and monitoring”, version 03 if possible.

As the result of this analysis TÜV Rheinland (China) Ltd. (TÜV Rheinland) can confirm that the baseline for this project is established in accordance with criteria stated in the Appendix B of the JI guidelines and justified in accordance with paragraphs 23-29 of the “Guidance on criteria for baseline setting and monitoring”, version 03.

Identified problem areas for baseline setting, project participants’ responses and conclusions of TÜV Rheinland (China) Ltd. (TÜV Rheinland) are described in Annex A to the Determination report.

4.4 Additionality

In accordance with paragraphs 27 - 31 of the DVM the assessment of this area focuses on whether a project provides “a reduction in emissions by sources, or an enhancement of net removals by sinks, that is additional to any that would otherwise occur” in accordance with Article 6 of the Kyoto Protocol.

The paragraph 28 of the DVM defines three approaches used to demonstrate additionality – items (a), (b), (c) for JI specific approach.

Project participants used JI specific approach to demonstrate the project additionality. PDD provides justification for this approach in a clear and transparent manner and also in accordance with paragraphs 23 and 29 of Guidelines on criteria for baseline setting and monitoring (version 03).

According to paragraph 44 (b) of Annex 1 Guidelines on criteria for baseline setting and monitoring (version 03) approach which consists in providing transparent information that can be tracked and that has already received a positive determination by accredited independent entity as a comparative project, which is implemented under comparative circumstances, is used to demonstrate the project additionality.

The project “Processing of Waste Heaps at “Monolith-Ukraine” (ITL: UA1000034) is selected as the comparable JI project. It has received a positive determination by an independent accredited body with the conclusion that the result of its implementation will reduce anthropogenic emissions by sources or enhancing anthropogenic removals by sinks of GHG emissions that are additional to those that would be the absence of the project. This determination JISC has

recognized the final. Demonstration that the said project is comparable and implemented (implemented) in similar circumstances:

1) Both projects propose **the same measures to reduce GHG emissions in the atmosphere**: complex of measures on thermal coal extraction from waste heaps, which were formed as a result of coal mines activity, is implemented. The result of processing rock mass of waste heaps is reduction of GHG emissions that would occur because of their spontaneous combustion and subsequent burning. Furthermore, additional amount of thermal coal, which will replace coal from mine and partially satisfy the need for energy production, is received. The same sources of GHG emissions - project equipment and waste heaps - are included to the boundaries of both projects.

2) **Projects are implemented in the same geographical area.** Both projects are implemented in Lugansk region, Ukraine.

3) **Both projects have a similar scale:** Projects are Joint Implementation large-scale projects. Large number of concentrating and auxiliary equipment is used for processing rock mass of waste heaps. Both projects are processing a large number of rock mass and recultivate wastes of coal industry.

4) **Both projects are implemented under identical conditions of legislation:**

During the time interval between the dates of implementation of two JI projects regulatory and legal frameworks bases have not undergone significant changes. The situation around the coal industry remained stable.

5) **Both projects introduce similar technology:** Technology, which is implemented in the proposed and comparable projects, is similar. In both projects, waste heaps are dismantled using standard excavators and bulldozers. Material from heaps is transported to installation for rock mass beneficiation using trucks. In both projects, wet method of rock beneficiation is used. Heavy environment hydrocyclones that separate coal fraction from barren rock are used in both projects. Both technologies use a closed system of water use, preventing additional impact on the environment. Both technologies are modern and efficient, which are aimed at enriching rock mass of waste heaps.

Taking into account the above information, it can be concluded that determination of the project “Processing of Waste Heaps at “Monolith-Ukraine” is relevant to this project.

Outcome of the analysis: According to Paragraph 44 (b) of Appendix 1 of “Guidance on criteria for baseline setting and monitoring”, Version 03, additionality was demonstrated by providing traceable and transparent information that similar approach to demonstrating additionality has already been applied in those cases, where determination is considered final and can be taken as comparable one using criteria for determining the baseline in Paragraph 12 of Guidance, as well as traceable and transparent information that has received positive determination by accredited independent entity that

comparative project “Processing of Waste Heaps at “Monolith-Ukraine” (ITL Projects ID: UA1000034) is implemented under comparable circumstances (similar technologies, similar technology, similar implementation time, similar project scale), would result in a reduction of anthropogenic emissions sources or an enhancement of net anthropogenic removals by sinks that is additional to any that would otherwise occur and have provided justification on why this determination is relevant for the project at hand. Overall, this project is additional.

4.5 Project boundary

In accordance with paragraphs 32-33 of the DVM the assessment of this area focuses on correct and complete delineation of the project boundary, inclusion and exclusion of any sources of greenhouse gases (GHGs) related to the baseline or the project.

It was assessed through the desk review of submitted documentation and follow-up interviews that project participants used the JI specific approach towards baseline setting in this project and establishing the project boundary.

The details on the project boundary were provided in section B.3. of the PDD. The desk review of submitted documentation enabled TÜV Rheinland (China) Ltd. (TÜV Rheinland) to assess that the project boundary defined in the PDD encompasses all anthropogenic emissions by sources of GHGs that are:

- under the control of the project participants;
- reasonably attributable to the project; and
- significant.

The baseline emission sources of GHGs that are included in the project boundaries are listed below.

- CO₂ emissions related to waste heap combustion.

The project emission sources of GHGs that are included in the project boundaries are listed below.

- Project emissions as a result of consumption of diesel fuel as a result of the project activity in period *y*;
- Project emissions as a result of electricity consumption from the grid as a result of the project activity in period *y*.

All gases and sources included in the project boundary were explicitly stated, and the exclusions of any sources related to the baseline or the project are appropriately justified.

The delineation of the project boundary and the gases and sources included are appropriately described and justified in the PDD by using figures 7-8 and the details were provided in the figure 9 in section B.3. of the PDD.

Identified problem areas for project boundary, project participants' responses and conclusions of TÜV Rheinland (China) Ltd. (TÜV Rheinland) are described in Annex A to the Determination report.

4.6 Crediting period

In accordance with paragraph 34 of the DVM the assessment of this area focuses on correct and complete provision of information on the projects starting date, expected operational lifetime and the length of the crediting period.

It was assessed through the desk review of submitted documentation and follow-up interviews that the project participants had correctly stated in the PDD:

- **the starting date of the project** is 25/01/2008 according to the order No.14/08 dated 25/01/2008 on the decision making concerning JI project implementation involving Joint Implementation mechanism under the Kyoto Protocol. Project starting date is after 2000.
- **the expected operational lifetime of the project** in years and months is 6 years and 10 months or 82 months.
- **the length of the crediting period** (from 01/03/2008 to 31/12/2012) in years and months is 4 years and 10 months or 58 months.

Project participants stated two parts of crediting period in years and months in the PDD for this project that are:

- **Part of crediting period within the first commitment period of the Kyoto Protocol** - from 01/03/2008 to 31/12/2012. Length of the part of crediting period within the first commitment period of the Kyoto Protocol is 4 years and 10 months or 58 months.

Starting date of the crediting period is starting date of emission reductions generation under the project.

- **Part of the period after the end of the first commitment period of the Kyoto Protocol** – from 01/01/2013 to 31/12/2014. Length of the part of period after the first commitment period of the Kyoto Protocol is 2 years or 24 months.

The desk review of submitted documentation and follow-up interviews enabled TÜV Rheinland (China) Ltd. (TÜV Rheinland) to assess that all information on the projects starting date, expected operational lifetime and the length of the crediting period is correct and complete.

The evidence documents of projects' starting date, operational lifetime, starting date of the crediting period were provided by project participants to the determination team as supporting documents (please

refer to evidence documents # /55,57/ in Table 2, section 3.1. of the Determination Report).

Identified problem areas for crediting period, project participants' responses and conclusions of TÜV Rheinland (China) Ltd. (TÜV Rheinland) are described in Annex A to the Determination report.

4.7 Monitoring plan

In accordance with paragraphs 35-39 of the DVM the assessment of this area focuses on assessing the completeness and correctness of the established monitoring plan and whether it meets the necessary requirements.

The paragraph 35 of the DVM defines two following approaches selected for establishment of the monitoring plan:

- (a) JI specific approach;
- (b) Approved CDM methodology approach.

The project participants of the project “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning” selected the JI specific approach for establishment of the monitoring plan.

The monitoring plan was established in accordance with criteria stated in Appendix B to decision 9/CMP.1 (JI guidelines). JI specific approach is defined in paragraph 9 (a) of the “Guidance on criteria for baseline setting and monitoring”, version 03.

The information indicated below, that refers to the components of monitoring plan, was assessed by TÜV Rheinland (China) Ltd. (TÜV Rheinland) through the desk review of the submitted documentation and follow-up interviews.

I. The chosen monitoring plan includes all procedures necessary for accurate and conservative calculation of emission reductions, 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.

II. The established monitoring plan specifies the indicators, constants and variables that are reliable and provide consistent and accurate values; are valid and clearly connected with the effect to be measured, and that provide a transparent picture of the emission reductions to be monitored. The default values which were used in the monitoring plan were selected by carefully balancing accuracy and reasonableness. These values originate from recognized sources, are supported by statistical analyses providing reasonable confidence levels and are presented in a transparent manner in the PDD.

III. For those values that are to be provided by the project participants it is clearly indicated, how the values are to be selected and justified by explanation of what types of sources are to be used and the vintage of data to be used. For all values the precise references from which these values are taken are clearly indicated in section D of the PDD and the conservativeness of the values is justified. The sources from which the data are obtained do not foresee the situations where the expected data are not available.

IV. The International System Units (SI units) are used for values provided by the project participants.

V. Any parameters, coefficients, variables that are used to calculate baseline emissions but are obtained through monitoring are noted. The desk review of the documentation showed that the consistency between the baseline and monitoring plan is ensured.

VI. The project activity will include monitoring of GHG emissions in the baseline and project scenarios. Variables to be monitored in the baseline and project scenarios include the parameters listed in tables 6, 7 and 8 below.

Table 6. Data and parameters that are not monitored throughout the crediting period, but are determined only once and that are available already at the stage of determination regarding the PDD.

Parameter	Unit	Description
GWP_{CH_4}	tCO ₂ e/ t CH ₄	Global warming potential of methane
ρ_{CH_4}	t/m ³	Methane density
P_{WHB}	dimensionless unit	Correction factor, determining the probability of spontaneous combustion of the waste heap
$EF_{CH_4,CM}$	m ³ /t	Fugitive methane emissions factor during coal mines operation
$NCV_{Coal,y}$	TJ/kt	Net calorific value of coal in year y
$OXID_{Coal,y}$	ratio	Carbon oxidation factor of coal in year y
$k_{Coal,y}^C$	t C/TJ	Carbon content of coal in year y
$A_{coal,y}$	%	Average ash content of thermal coal

Parameter	Unit	Description
		extracted in Lugansk region, Ukraine
$W_{coal,y}$	%	Average water content of thermal coal extracted in Lugansk region, Ukraine
$N^e_{coal,y}$	MWh/t	Average consumption of electricity per tonne of extracted coal in Ukraine in year y
$NCV_{diesel,y}$	TJ/kt	Net calorific value of diesel fuel in year y
$OXID_{diesel,y}$	ratio	Carbon oxidation factor of diesel fuel in period y
$k^C_{diesel,y}$	t C/TJ	Carbon content of diesel fuel in period y
$EF_{grid,y}$	tCO ₂ /MWh	Specific indirect carbon dioxide emissions during the consumption of electric energy by the 2 nd class electricity consumers according to Procedure for determining consumers' classes.

Table 7. 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 at the stage of determination regarding the PDD.

All parameters that are taken for the calculation of GHG emission reductions under the project, and sources of which is National Inventory Report in Ukraine for 1990-2010, as well as data of the State Statistics Service of Ukraine and DFP of Ukraine (SEIA), publications of the Intergovernmental Panel on Climate Change and the research on fire hazard of waste heaps, held by Scientific Research Institute “Respirator”, can be updated in case of publications of new relevant documents. If the data for the current period are not available, the last available data are taken into calculation of GHG emission reductions.

Table 8. Data and parameters that are monitored throughout the crediting period.

Parameter	Unit	Description
$EC_{PJ,y}$	kWh	Amount of electricity, consumed as a result of project activity in the relevant period y
$FC_{PJ,Diesel,y}$	t	Amount of diesel fuel, consumed by transport as a result of project activity in the relevant period y
$FR_{Coal,y}$	t	Amount of coal products, received by enrichment of carbonaceous rock as a result of project activity in the relevant period y
$A_{coal,PJ,y}$	%	Average ash content of enriched coal, extracted from the waste heaps in the relevant period y

Parameter	Unit	Description
$W_{coal, PJ, y}$	%	Average water content of enriched coal, extracted from the waste heaps in the relevant period y

- VII. The monitoring plan draws on the list of standard variables contained in Appendix B to “Guidance on criteria for baseline setting and monitoring”, version 03, as appropriate.
- VIII. The established monitoring plan described the methods employed for data monitoring (including its frequency) and recording. This information is provided in the tabular format in section D.2. of the PDD. The monitoring plan also elaborates all algorithms and formulae used for the calculation of baseline emissions and project emissions. The underlying rationale for the algorithms and formulae is sounded and explained as necessary. The project participants used consistent variables, equation formats, subscripts etc.; numbered all equations throughout the PDD; defined and indicated all variables and constants with units.
- IX. The conservativeness of the algorithms and procedures is justified and methods to quantitatively account for uncertainty in key parameters are included, to the extent possible (Annex 2 to the PDD provides quantitative estimations of uncertainty in key baseline parameters). References for all parameters are provided as necessary. It is clearly stated in Annex 2 to the PDD which assumptions and procedures have significant uncertainty associated with them, and how such uncertainty is to be addressed. The desk review of the documentation showed that the consistency between the elaboration of the baseline scenario and the procedure for calculating the emissions of the baseline is ensured.
- X. The national and international monitoring standards are not applied to monitor certain aspects of the project.
- XI. A clear management structure will be identified to establish the division of responsibilities for gathering monitoring data. Respective services of the plant will collect relevant data in the form of technical reports and other statistical documents. All monitored data will be stored both electronically and in hard copy. The quality of collected data will be secured by conducting regular calibrations of applied meters and sensors. Calibration interval will be chosen as per passport or technical manual data.
- XII. The document which indicates that data monitored and required for verification are to be kept for two years after the last transfer of ERUs for the project was provided to the AIE in supporting documentation (please refer to the evidence document # /58/ in Table 2, Section 3.1. of the Determination Report).

XIII. The monitoring plan, on the whole, reflects good monitoring practices: the structure of data collection is clearly defined; all data concerning the greenhouse gas emissions within the project boundaries is monitored and used in calculations appropriately; all meters are properly calibrated and precisely indicate values of the measured parameters.

The evidence documents that relates to the completeness and correctness of the established monitoring plan were provided by project participants to the determination team as supporting documents (please refer to evidence documents in Table 2, section 3.1. of the Determination Report).

Identified problem areas for monitoring plan, project participants' responses and conclusions of TÜV Rheinland (China) Ltd. (TÜV Rheinland) are described in Annex A to the Determination report.

4.8 Leakage

In accordance with paragraphs 40-41 of the DVM this area focuses on checking of the assessment of the potential leakage in the project.

Project participants of “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning” selected the J1 specific approach for baseline setting.

Leakage is the net change of anthropogenic emissions by sources and/or removals by sinks of GHGs which is done outside the project boundary, and that can be measured and is directly attributable to the J1 project.

This project will result in a net change in of anthropogenic emissions by sources and/or removals by sinks of GHGs come from two sources:

- Leakages caused by fugitive methane emissions during coal production in coal mines;
- Leakages related to electricity consumption from the grid of Ukraine during coal production in the mine.

In the baseline scenario coal production by mining method is implemented (underground coal mines), while fugitive emissions of coal mine methane appear. In the project scenario, additional amount of thermal coal is extracted, using wet method of rock mass beneficiation of the waste heap, which otherwise would be burned. Therefore, coal produced by the project activity substitutes the coal would have been otherwise mined in the baseline scenario that would cause fugitive methane emissions. Thus, coal extraction from the waste heap will cause methane emissions.

As reliable and accurate national data on fugitive methane emissions associated with the production of coal are available, project participants used this data to calculate the amount of fugitive CH₄.

This leakage is measurable: through the same procedure as used in 2006 IPCC Guidelines⁸ (See Volume 2, Chapter 4, p. 4-11) and also used in CDM approved methodology ACM009⁹ Version 03.2 (p. 8). Activity data (in our case amount of coal extracted from the waste heap which is monitored directly) is multiplied by the multi-project carbon emission factor for fugitive methane emissions from coal mining (which is sourced from the relevant national study – National Inventory Report¹⁰ of Ukraine under the Kyoto Protocol) and conversion coefficients. It is important to mention that IPCC and relevant National Inventories take into account raw amount of coal that is being mined in these calculations whereas in the PDD coal extracted from the waste heaps is high quality coal concentrate. Therefore, approach taken in the PDD is conservative as in coal mining more ROW coal should be mined causing more fugitive methane emissions to produce equivalent amount of high quality coal concentrate.

Electricity consumption and related with this greenhouse gas emissions during waste heap dismantling will be included in the calculation of the project emissions. Carbon dioxide emissions as a result of electricity consumption, during coal mining in the amount that equals to the project amount of coal, is leakage that can be taken into account on the basis of State Statistics Committee¹¹ about the specific electricity consumption during coal production in the mines of Ukraine in the relevant year. Data in this link indicates that the specific level of electricity consumption during coal mining is higher than the specific electricity consumption from grid in the project scenario.

Leakages as a result of consumption of other types of energy carriers during coal production in the mines are insignificant in comparison to the leakages as a result of electricity consumption¹², so in this respect, and for reasons of conservatism, we will take them equal to zero.

Leakages in period *y* are calculated as follows:

$$LE_y = LE_{CH_4,y} + LE_{EL,y} \quad (\text{Equation 4}),$$

where:

LE_y - Leakages as a result from the project implementation in period *y*, tCO₂e;

⁸ http://www.ipcc-nggip.iges.or.jp/public/2006gl/pdf/2_Volume2/V2_4_Ch4_Fugitive_Emissions.pdf

⁹ <http://cdm.unfccc.int/UserManagement/FileStorage/K4P3YG4TNO5ECFNA8MBK2QSMR6HTEM>

¹⁰ http://unfccc.int/national_reports/annex_i_ghg_inventories/national_inventories_submissions/items/5888.php

¹¹ <http://www.ukrstat.gov.ua/>

¹² *THE EFFECTIVE METHOD OF ELECTRICITY CONSUMPTION CONTROL AT COAL MINES* Gryaduschy B.A., Doctor of Technical Sciences, DonUGI, Lisovoy G.N., Myalkovsky V.I., ChehlatyN.A., Candidates scientific degree of Technical science, NIIGM named after Fedorov M. M., Donetsk, Ukraine www.mishor.esco.co.ua/2005/Thesis/10.doc

$LE_{CH_4,y}$ - Leakages related to the fugitive methane emissions during the operation of mines in period y , tCO₂e;

$LE_{EL,y}$ - Leakages as a result of electricity consumption from energy grid during coal mining in period y , tCO₂e.

Leakages related to the fugitive methane emissions during the operation of mines in period y are calculated as follows:

$$LE_{CH_4,y} = -FC_{BE,Coal,y} \cdot EF_{CH_4,CM} \cdot \rho_{CH_4} \cdot GWP_{CH_4} \quad (\text{Equation 5}),$$

where:

- $FC_{BE,Coal,y}$ - Amount of coal that would be mined in the baseline scenario and consumed in the energy sector for energy production in period y , t;
- $EF_{CH_4,CM}$ - Fugitive methane emissions factor during coal mining, m³/t;
- ρ_{CH_4} - Methane density, t/m³;
- GWP_{CH_4} - Global warming potential of methane, tCO₂e/tCH₄.

Amount of coal that would be mined in the baseline scenario and combusted for energy production is calculated according to equation (3) of this PDD.

Leakages related to electricity consumption from energy grid during coal mining in period y are calculated as follows:

$$LE_{EL,y} = -(FC_{BE,Coal,y} \cdot N_{coal,y}^E \cdot EF_{grid,y}) \quad (\text{Equation 6}),$$

where:

- $FC_{BE,coal,y}$ - Amount of coal that would be mined in the baseline scenario and consumed in the energy sector for energy production in period y , t;
- $N_{coal,y}^E$ - Average consumption of electricity per tonne of extracted coal in Ukraine in period y , MWh/t;
- $EF_{grid,y}$ - Specific indirect carbon dioxide emissions from electricity consumption by 2nd class electricity consumers in accordance with Procedure for determining the class of consumers, tCO₂/MWh.

Identified problem areas for leakage, project participants' responses and conclusions of TÜV Rheinland (China) Ltd. (TÜV Rheinland) are described in Annex A to the Determination report.

4.9 Estimation of emission reductions

In accordance with paragraphs 42-47 of the DVM the assessment of this area focuses on checking the completeness and correctness of the provided methods and results of emission reduction estimates in the JI project.

The paragraph 42 of the DVM defines two following approaches to estimate the emission reductions or enhancement of net removals generated by the project selected the JI specific approach:

- (a) Assessment of emissions or net removals in the baseline scenario and in the project scenario; or
- (b) Direct assessment of emission reductions.

As per JI specific approach project participants chose the following approach to estimate the emission reductions generated by the project: assessment of emissions in the baseline scenario and in the project scenario. According to this approach emission reductions were calculated as follows:

$$ER_y = BE_y - PE_y - LE_y \quad (\text{Equation } 7)$$

where:

- ER_y – Emission reductions in JI project in year y [tCO₂e];
- BE_y – Baseline emissions in year y [tCO₂e];
- PE_y – Project emissions in year y [tCO₂e];
- LE_y – Leakage in year y [tCO₂e].

Ex ante estimates of emissions for the project scenario (within the project boundary), emissions for the baseline scenario (within the project boundary) and emission reductions are provided in Section E of the PDD. These estimates in the PDD are given on a periodic basis, from the beginning until the end of the crediting period, in tonnes of CO₂ equivalent, using appropriate emission factors. The formula used for calculating these estimates are consistent throughout the PDD.

The baseline emissions of the project are calculated under the formula:

$$BE_y = BE_{WHB,y} \quad (\text{Equation } 8),$$

where:

- BE_y , - Baseline emissions in period y , tCO₂e,
- $BE_{WHB,y}$ - Baseline emissions related to waste heaps combustion in period y , tCO₂e.

Baseline emissions related to waste heaps combustion are in turn calculated as:

$$BE_{WHB} = \frac{FC_{BE,Coal,y}}{1000} \cdot \rho_{WHB} \cdot NCV_{Coal,y} \cdot OXID_{Coal,y} \cdot k_{Coal,y}^c \cdot \frac{44}{12} , \quad (\text{Equation } 9),$$

where:

- $FC_{BE,Coal,y}$ - Amount of coal that would be mined in the baseline scenario and consumed in the energy sector for energy production in the relevant period y , t;
- ρ_{WHB} - Correction factor, determining the probability of spontaneous combustion of the waste heap, dimensionless

	unit;
$NCV_{Coal,y}$	- Net calorific value of coal in period y , TJ/kt;
$OXID_{Coal,y}$	- Carbon oxidation factor for coal in period y , relative unit;
$k_{Coal,y}^C$	- Carbon content of coal in period y , t C/TJ;
44/12	- Ration between molecular mass of CO_2 and C. Reflect oxidation of C to CO_2 ;
1/1000	- Physical transformation [t] in [kt] for calculation purposes.

Amount of coal, mined in the baseline scenario and consumed in the energy sector for energy production, replaced by equivalent amount of coal, extracted from the waste heaps in the project scenario. Qualitative indicators of coal extracted in the coal mine and received as a result of recultivation of waste heaps may differ significantly. All coal-containing fractions consist of carbon, sulphur, water content (water) and ballast particle – ash, which does not burn. Indicators of ash and water content of coal in baseline and project scenarios should be brought to averaged characteristics for Ukraine. It should also be noted that the averaging characteristics of quality of Ukrainian coal is performed for all classes of coal, including lignite coal, which is not used for electricity production at TPPs. High quality coal concentrate will be produced under the project for the purposes of power engineering. In addition to moisture and ash coal (carbonaceous rock) also has sulphur, but its amount does not exceed few percent¹³, its content in carbonaceous rock of waste heap always less, then in coal, extracted in the mines, therefore for calculating the amount of extracted in the mine coal, which is substituted by the coal extracted from the waste heaps, this indicator can be neglected. Amount of coal that would have been mined in the baseline scenario and combusted for energy production is calculated as follows:

$$FC_{BE,coal,y} = FR_{coal,y} \cdot \frac{\left(1 - \frac{A_{coal,PJ,y}}{100} - \frac{W_{coal,PJ,y}}{100}\right)}{\left(1 - \frac{A_{coal,y}}{100} - \frac{W_{coal,y}}{100}\right)} \quad (\text{Equation 10}),$$

where:

$FR_{coal,y}$	Amount of coal product, received by enrichment of carbonaceous rock as a result of project activity in the relevant period y ;
-	
$A_{coal,PJ,y}$	Average ash content of extracted from the waste heaps coal as a result of the project activity in period y , %;
-	
$W_{coal,PJ,y}$	Average water content of extracted from the waste heaps coal as a result of the project activity in period y , %;
-	

¹³ <http://masters.donntu.edu.ua/2009/feht/semkovskiy/library/article9.htm>

- $A_{coal,y}$ Average ash content of thermal coal extracted in Lugansk region of Ukraine in period y , %;
-
- $W_{coal,y}$ Average water content of thermal coal extracted in Lugansk region of Ukraine in period y , %.
-

The detailed algorithms and formulae for estimating emissions in the baseline scenario of the project are described under sections B.1 and D.1. of the PDD. The details of the calculation are provided in the GHG emission reductions calculation spreadsheet in Excel format.

Project emissions are calculated as follows:

$$PE_{y} = PE_{EL,y} + PE_{Diesel,y}, \quad (\text{Equation 11}),$$

where:

- PE_{y} , - Project emissions due to project activity in period y , tCO₂e;
- $PE_{EL,y}$ - Project emissions due to consumption of electricity from the grid by the project activity in period y , tCO₂e;
- $PE_{Diesel,y}$ - Project emissions due to consumption of diesel fuel by the project activity in period y , tCO₂e.

Project emissions due to consumption of electricity from the grid by the project activity are calculated as follows:

$$PE_{EL,y} = EC_{PJ,y} \cdot EF_{grid,y}, \quad (\text{Equation 12}),$$

where:

- $EC_{PJ,y}$ - Amount of electricity, consumed as a result of the project activity in the relevant period y , MWh;
- Specific indirect carbon dioxide emissions from electricity consumption by 2nd class electricity consumers in accordance with Procedure for determining the class of consumers, adopted by Resolution of National Electricity Regulatory Commission of Ukraine on 13 of August 1998 No.1052, tCO₂/MWh.
- $EF_{grid,y}$

Project emissions due to consumption of diesel fuel by the project activity are calculated as follows:

$$PE_{Diesel,y} = \frac{FC_{PJ,Diesel,y}}{1000} \cdot NCV_{Diesel,y} \cdot OXID_{Diesel,y} \cdot k_{Diesel,y}^c \cdot \frac{44}{12}, \quad (\text{Equation 13}),$$

where:

- $FC_{PJ,Diesel,y}$ - Amount of diesel fuel consumed as a result of the project activity in period y , t;
- $NCV_{Diesel,y}$ - Net calorific value of diesel fuel, TJ/kt;

- $OXID_{Diesel,y}$ - Carbon oxidation factor of diesel fuel in period y , ratio;
- $k_{Diesel,y}^C$ - Carbon content of diesel fuel in period y , t C/TJ;
- 44/12 - Ration between molecular mass of CO_2 and C. Reflect oxidation of C to CO_2 .

All detailed algorithms and formulae for estimating emissions in the baseline scenario of the project are described under sections B.1 and D.1. of the PDD. The details of the calculation are provided in the GHG emission reductions calculation spreadsheet in Excel format.

It was assessed by the desk review of submitted documentation, especially GHG emission reductions calculation spreadsheet in Excel format that key factors influencing the baseline emissions and the activity level of the project and the emissions as well as risks associated with the project were taken into account. Data sources used for calculating the estimates referred above are clearly identified, reliable and transparent. Emission factors used for calculating the estimates referred to above, were selected by carefully balancing accuracy and reasonableness, and the choice is appropriately justified. The estimation referred to above is based on conservative assumptions and the most plausible scenarios in a transparent manner. The estimates of emission reductions are consistent throughout the PDD. The annual average of estimated emission reductions 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.

According to the PDD and GHG emission reductions calculation spreadsheet in Excel format the emissions for the project scenario, emissions for the baseline scenario and emission reductions are provided in Tables 9,10,11 below.

Table 9 – Estimated emission reductions generated by the project over the part of crediting period before the first commitment period of the Kyoto Protocol

Period:	N/A
Emissions for the project scenario, tCO ₂ e	0
Leakage, tCO ₂ e	0
Emissions for the baseline scenario, tCO ₂ e	0
Emission reductions, tCO ₂ e	0
Annual average of estimated emission reductions, tCO ₂ e	0

There are no emission reductions during the part of the crediting period before the first commitment period under the Kyoto Protocol.

Table 10 – Estimated emission reductions generated by the project over the part of crediting period within the first commitment period of the Kyoto Protocol

Period:	01/03/2008 – 31/12/2012
Emissions for the project scenario, tCO ₂ e	25 420
Leakage, tCO ₂ e	-829 230
Emissions for the baseline scenario, tCO ₂ e	2 734 297
Emission reductions, tCO ₂ e	3 538 107
Annual average of estimated emission reductions, tCO ₂ e	732 022

Table 11 – Estimated emission reductions generated by the project over the part of the crediting period after the end of the first commitment period of the Kyoto Protocol

Period:	01/01/2013 – 31/12/2014
Emissions for the project scenario, tCO ₂ e	7 354
Leakage, tCO ₂ e	-239 531
Emissions for the baseline scenario, tCO ₂ e	796 504
Emission reductions, tCO ₂ e	1 028 681
Annual average of estimated emission reductions, tCO ₂ e	514 341

Identified problem areas for calculation of GHG emission reductions, project participants’ responses and conclusions of TÜV Rheinland (China) Ltd. (TÜV Rheinland) are described in Annex A to the Determination report.

4.10 Environmental impacts

In accordance with paragraph 48 of the DVM the assessment of this area focuses on checking the completeness and correctness of the provided information on the assessment of the environmental impacts of the JI project.

The host Party for the project is Ukraine.

The Host Party for this project is Ukraine. Environmental Impact Assessment (EIA) is the part of the Ukrainian project planning and permitting procedures. Implementation regulations for EIA are included in the Ukrainian State Construction Standard DBN A.2.2.-1-2003¹⁴ (Title: “Structure and Contents of the Environmental Impact Assessment

¹⁴ State Construction Standard DBN A.2.2.-1-2003: “Structure and Contents of the Environmental Impact Assessment Report (EIR) for Designing and Construction of Production Facilities, Buildings and Structures” State Committee Of Ukraine On Construction And Architecture, 2004.

Report (EIR) for Designing and Construction of Production Facilities, Buildings and Structures”).

In Annex E of this standard there is a list of “types of projects or activities that are of high environmental hazard” for which full-scale EIA is obligatory, Ministry of Environment and Natural Resources of Ukraine is competent authority for performing of it. Project activities that consist of utilization of wastes of coal industry and of coal production are included in this list.

Comprehensive EIA according to the legislation of Ukraine was performed for the proposed project in 2007 by Scientific Research Production and Commercial Firm “CER “Eko-Tera Ukraine” LLC. Here are some general conclusions of this EIA:

- The main impact of the project activity on the environment is the impact on air. Additional amount of coal dust and dust of coal concentrate will be released to the atmosphere as a result the project activity. However, the study of emission levels and pollutant distribution schemes show that during the project lifetime maximum concentration boundaries will not be exceeded. Fugitive emissions of dust and hazardous substances from the waste heap can also be avoided;
- Impact on water is insignificant. During the project activity water will be used in a closed cycle without draining wastewater. For replenishment of water cycle drainage water from a nearby mine will be used. Thus discharge of this water (treated with chlorine) into the environment will be reduced;
- Impact on flora and fauna is mixed. As a result of the project activity the existing landscape will change, but the aggregate final effect is positive. Grass and trees will be planted on the recultivated land. Rare or endangered species will avoid impact. Place of the project activity implementation is not located near national parks or areas that are protected;
- Noise impact is limited. The main source of noise will be at the minimum desired distance from residential areas, mobile sources as for noise (traffic) provisions of local standards will be met;
- Impact on land use is positive. Considerable areas of land will be exempt from waste heaps and available for building;
- There are no transboundary effects. There are no impacts which occur on the territory of any other country, and which are caused by the implementation of this project that is physically located entirely within Ukraine.

Comprehensive EIA was performed in 2007 by Scientific Research Production and Commercial Firm “CER “Eko-Tera Ukraine” LLC. This study was focused on the impact of waste heaps dismantling on the environment. Conclusions of the report are above in section F.1. Project impact on the environment is not significant and harmful. According to Ukrainian laws and regulations, preparation of reports from

Environmental Impact Assessment and positive conclusions of State Department of Ecology and Natural Resources makes procedure of environmental impact assessment.

The evidence documents of environmental impacts were provided by project participants to the determination team as supporting documents (please refer to evidence documents # /58/ in Table 2 – Documents reviewed during the determination in section 3.1. of the Determination Report).

Identified problem areas for environmental impacts, project participants' responses and conclusions of TÜV Rheinland (China) Ltd. (TÜV Rheinland) are described in Annex A to the Determination report.

4.11 Stakeholder consultation

In accordance with paragraph 49 of the DVM the assessment of this area focuses on checking if stakeholder consultation was undertaken in accordance with procedures as required by the host Party.

The host Party for the project is Ukraine.

No stakeholder consultation process for the JI projects is required by the Host Party. Stakeholder comments will be collected during the time of this PDD publication in the internet during the determination procedure. As a part of EIA, stakeholders must be informed via mass media about the proposed project as provided in *State construction standards of Ukraine DBN A.2.2.-1-2003: “Structure and Contents of the Environmental Impact Assessment (EIA) materials during design and construction of enterprises, buildings and structures”* issued by State Committee of Construction and Architecture in 2004. In accordance with the mentioned regulations, the relevant information was published in the local newspaper “Krasnodonskye vesti” (Krasnodon) # 35 (414) dated February 5, 2007 and # 39 (424) dated April 30, 2007. No comments were received.

The evidence documents related to the stakeholder consultation were provided by project participants to the determination team as supporting documents (please refer to evidence documents # /68/ in Table 2, section 3.1. of the Determination Report).

Identified problem areas for comments by local stakeholders, project participants' responses and conclusions of TÜV Rheinland (China) Ltd. (TÜV Rheinland) are described in Annex A to the Determination report.

4.12 Other areas

In accordance with paragraphs 50 - 73 of the DVM the assessment of the areas such as additional elements for assessment in determination regarding large scale projects, determination regarding land use, land-use change and forestry projects, determination regarding programmes of activities is not applicable to this JI project.

**5 SUMMARY OF COMMENTS RECEIVED PURSUANT TO
PARAGRAPH 32 OF THE JI GUIDELINES**

According to paragraph 32 of the JI Guidelines, the AIE shall make the project design document publicly available through the secretariat, subject to confidentiality provisions set out in paragraph 40 of the JI Guidelines, and receive comments from Parties, stakeholders and UNFCCC accredited observers on the project design document and any supporting information for 30 days from the date the project design document is made publicly available.

TÜV Rheinland (China) Ltd. (TÜV Rheinland) published the project design document (version 1.0 dater 12/10/2012) on page (<http://www.tuv.com.ua/content/view/75/79/>) 15/10/2012 and invited comments by Parties, stakeholders and UNFCCC accredited observers till 15/11/2012.

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

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Annex A: Determination protocol of the Joint Implementation Large Scale Project**Table 1 Mandatory Requirement for Joint Implementation (JI) Project Activities**

REQUIREMENT	REFERENCE	CONCLUSION	Cross Reference/comment
1. The project shall have the approval of the Parties involved.	Kyoto Protocol Article 6.1 (a)	Unresolved issue FAR 01	<p>Table 2, Section A.5.</p> <p>The project has been officially presented for endorsement to the State Environmental Investment Agency of Ukraine. According to the legislation of Estonia, no LoE is needed. After AIE completes the determination report, the PDD and the Determination Report will be presented to the State Environmental Investment Agency of Ukraine to obtain a Letter of Approval from Ukraine. Letter of Approval from Estonia will be received after the publication of the PDD on the JISC website.</p> <p>The project does not have an approval of the host Party and an investor country. Verifiers note: JISC Glossary of joint implementation terms, version 02 defines the following:</p> <p>a) At least the written project approval(s) by the host Party(ies) should be provided to the AIE and made available to the secretariat by the AIE when submitting the determination report regarding the PDD for publication in accordance with paragraph 34 of the JI guidelines;</p> <p>b) At least one written project</p>

REQUIREMENT	REFERENCE	CONCLUSION	Cross Reference/comment
			<p>approval by a Party involved in the JI project, other than the host Party(ies), should be provided to the AIE and made available to the secretariat by the AIE when submitting the first verification report for publication in accordance with paragraph 38 of the JI guidelines, at the latest.</p> <p>For receiving Letter of Approval the final Determination Report shall be submitted to State Environmental Investment Agency of Ukraine, including with Determination Protocol and the list of reference information.</p> <p>Letter of Approval from Estonia as from investor country at this stage of the project is not received.</p> <p>FAR 01. The project has no written project approvals by Parties involved.</p>
<p>2. Is the aim of the project formulated, and is this formulation accompanied by brief (no more than 1-2 pages) summarized explanation:</p> <ul style="list-style-type: none"> a) situation existing before the start date of the project; b) baseline scenario and c) project scenario (its expected results, including with its technical summary)? 	<p>Kyoto Protocol Article 6.1 (b)</p>	<p>OK</p>	<p><u>Baseline scenario</u></p> <p>Of the proposed project suggests that, in practice, neglecting measures on extinction of waste heaps will be continued, and they will burn and will lead to greenhouse gas (GHG) emissions in the atmosphere for as long as all coal will not burn in it.</p> <p><u>Project scenario</u> involves extraction</p>

REQUIREMENT	REFERENCE	CONCLUSION	Cross Reference/comment
			of coal from waste heap that will allow preventing greenhouse gas (GHG) emissions in the atmosphere, which would occur in case of spontaneous combustion, and will also allow producing additional amount of coal instead of its extraction by mining method.
3. The sponsor Party shall not acquire emission reduction units if it is not in compliance with its obligations under Articles 5 & 7.	Kyoto Protocol Article 6.1 (c)	OK	Article 5 requires: “Each Party included in Annex I shall have in place, no later than one year prior to the start of the first commitment period, a national system for the estimation of anthropogenic emissions by sources and removals by sinks of all greenhouse gases”. According to the Article 7: “Annex I Parties to submit annual greenhouse gas inventories, as well as national communications, at regular intervals, both including supplementary information to demonstrate compliance with the Protocol”.
4. The acquisition of emission reduction units shall be supplemental to domestic actions for the purpose of meeting commitments under Article 3.	Kyoto Protocol Article 6.1 (d)	OK	Please refer to Table 2, Section B.2.
5. Parties participating in joint implementation designate national control entity for approving JI projects and have in	Marrakech Accord, JI Modalities, §20	OK	Ukraine has designated its control entity. National rules and procedures for approving JI

REQUIREMENT	REFERENCE	CONCLUSION	Cross Reference/comment
place national rules and procedures for the approval of JI projects.			<p>projects have been published. Contact data in Ukraine: State Environmental Investment Agency of Ukraine 35 Urytskogo Str., Kyiv, P.O. 03035, Ukraine Phone: +380 44 594 91 11 Fax: +380 44 5949115</p> <p>National rules and procedures for the approval of JI projects are on the site www.neia.gov.ua. On February 22, 2006 the Cabinet of Ministers of Ukraine adopted the Regulation № 206, which established assessment and implementation procedures of JI projects within the Kyoto Protocol.</p>
6. The host Party shall be a Party to the Kyoto Protocol.	Marrakech Accord, JI Modalities, §21(a)/24	OK	The Ukraine is a Party (Annex I Party) to the Kyoto Protocol and has ratified the Kyoto Protocol at February 4, 2004.
7. The host Party's assigned amount shall have been calculated and recorded in accordance with the modalities for the accounting of assigned amounts.	Marrakech Accord, JI Modalities, §21(b)/24	OK	<p>The arranged extent for Ukraine is 100% of its emissions by 1990. In the Initial Report (Ukraine's Initial Report Under Article 7, Paragraph 4, Of The Kyoto Protocol) submitted by Ukraine to the UNFCCC Secretariat, on the 26 May 2006 the AAUs are quantified with:</p>

Determination Report – “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning”

REQUIREMENT	REFERENCE	CONCLUSION	Cross Reference/comment
			925 362 174.39 (x 5) = 4 626 810 872 tCO ₂ e http://unfccc.int/files/national_reports/initial_reports_under_the_kyoto_protocol/application/pdf/ukraine_aa_report.pdf Currently Ukraine has submitted to the UNFCCC its fifth national communication on climate change under the Kyoto Protocol.
8. The host Party shall have in place a national registry in accordance with Article 7, paragraph 4.	Marrakech Accord, JI Modalities, §21(d)/24	OK	The designed system of the national registry has been described in the Initial Report: http://unfccc.int/files/national_reports/initial_reports_under_the_kyoto_protocol/application/pdf/ukraine_aa_report.pdf

REQUIREMENT	REFERENCE	CONCLUSION	Cross Reference/comment
9. Project participants shall submit to the independent entity a project design document that contains all information needed for the determination.	Marrakech Accord, JI Modalities, §31	OK	Project participant – “AGS-2008” LLC – submitted to the Accredited Independent Entity – TÜV Rheinland (China) Ltd. (TÜV Rheinland) – PDD that contains all information needed for the determination.
10. The project design document shall be made publicly available and Parties, stakeholders and UNFCCC accredited observers shall be invited to, within 30 days, provide comments.	Marrakech Accord, JI Modalities, §32	OK	PDD was published on the website http://www.tuv.com.ua from August 4 to October 3, 2012
11. Documentation on the analysis of the environmental impacts of the project activity, including transboundary impacts, in accordance with procedures as determined by the host Party shall be submitted, and, if those impacts are considered significant by the project participants or the host Party, an environmental impact assessment in accordance with procedures as required by the host Party shall be carried out.	Marrakech Accord, JI Modalities, §33(d)	OK	Please refer to Table 2, section F.
12. The baseline for a JI project shall be the scenario that reasonably represents the GHG emissions or removal by sources that would occur in absence of the proposed project.	Marrakech Accord, JI Modalities, Appendix B	OK	Please refer to Table 2, section B.
13. A baseline shall be established on a project-specific basis, in a transparent manner and taking into account relevant national and/or sectoral policies and circumstances.	Marrakech Accord, JI Modalities, Appendix B	OK	Please refer to Table 2, section B.
14. The baseline methodology shall exclude to earn ERUs for decreases in activity levels outside the project activity or due to force majeure.	Marrakech Accord, JI Modalities, Appendix B	OK	Please refer to Table 2, section B.

Determination Report – “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning”

REQUIREMENT	REFERENCE	CONCLUSION	Cross Reference/comment
15. The project shall have an appropriate monitoring plan.	Marrakech Accord, JI Modalities, §33(c)	OK	Please refer to Table 2, section D.
16.A project participant is a legal entity authorized by a Party involved to participate in the JI project.	“Glossary of Joint Implementation Terms”, Version 02.	OK	Please refer to Table 2, section A. Project participant from Ukraine will be authorized by the Host Party through receiving project approval.

Table 2 Requirements Checklist

CHECKLIST QUESTION	REF.*	MoV**	COMMENTS	Draft Concl.	Final Concl.
<u>A. General description of the project</u>					
A.1. Title of the project					
1.1. Is the title of the project activity presented?	PDD	DR	“Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning”	OK	OK
1.2. Is (are) the sectoral scope(s) to which the project pertains presented?	PDD	DR	Sectoral scope: 8 - Mining/mineral production CAR 01. PDD should contain the contact information of the entity - the owner of the source where JI project implementation is planned, including: object’s EDRPOU code (Uniform State Register of Enterprises and Organizations of Ukraine) and title of KVED type of economic activities (Code of economic activities according to the general classification of economic activities). Please provide the relevant information.	CAR 01	OK
1.3. Are the version number and date of the document presented?	PDD	DR	Yes, the version number of the document and the date are presented as: <ul style="list-style-type: none"> 1.0 Date of the PDD: October 12, 2012. Final PDD Version of after re-submission:	OK	OK

			<ul style="list-style-type: none"> 2.5 Date of the PDD: November 19, 2012. 		
A.2. Description of the project					
2.1. Is the purpose of the project indicated (with the concise, summarizing explanation of the situation existing prior to the starting date of the project, baseline scenario and project scenario)?	PDD	DR	<p>Thus, this section includes brief summary of the project:</p> <p><u>Project purpose:</u></p> <p>Purpose of the proposed project is dismantling and processing waste heaps by extracting thermal coal from carbonaceous rock, thus avoiding carbon dioxide emissions into the atmosphere from burning carbon component. The project is ecological and is aimed at improving the environmental situation in the region by preventing self-heating and self-ignition of waste heaps, formed by coal mines.</p> <p><u>Situation in the baseline :</u></p> <p>Baseline scenario assumes that the problem of waste heaps combustion will not be effectively resolved, carbonaceous rock of waste heaps will undergo self-ignition and burn until all volume of coal contained in it does not burn. Continuation of existing situation will lead to large emissions of greenhouse gases in the atmosphere and to the general pollution of the ecosystem of the region. In addition, the baseline scenario assumes coal extraction by mining method that leads to fugitive methane emissions during extraction and carbon dioxide emissions for electricity consumption from the power grid of Ukraine.</p>	OK	OK

			<p><u>Project scenario:</u></p> <p>The proposed JI project is implemented in urban type settlement Izvarino, Krasnodonskiy District, Lugansk region, Ukraine. Project boundaries include two waste heaps, by the mine formed # 7, 8 “Izvarino” and heap #2 of the mine “Poluantracite” as well as processing complex, located in urban type settlement Izvarino.</p> <p>The project “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning” involves the introduction of complex of measures aimed at waste heaps dismantling with the aim of black coal extraction, which will partially replace coal that would otherwise be extracted by mining method, which would in turn lead to fugitive emissions of methane and carbon dioxide by electricity consumption.</p>		
2.2. Is the history of the Project including its JI component summarized?	PDD	DR	Yes, the history of the project including its JI component is summarized in section A.2. of the PDD.	OK	OK
2.1.1. Is it clarified how the proposed project activity reduces emissions GHG that would occur in the baseline scenario?	PDD	DR	Yes, thermal coal will be produced under the project for the needs of thermal power and households. Technical characteristics of complex for processing waste heap will allow extracting additional amount of coal that will replace coal produced in coal mines, extraction of which would resulted in fugitive methane emissions, as well as CO ₂	OK	OK

			emissions from electricity consumption.		
A.3. Project participants					
3.1. Are project participants and Party (ies) involved in the project listed?	PDD	DR	Section A.3 Table 1 of the PDD names two project participants: - Limited Liability Company “AGS-2008” and - “ProEffect OÜ”	OK	OK
3.2. Is contact information provided in Annex 1 of the PDD that is indicated in section A.3?	PDD	DR	The contact information of project participants is provided in Annex 1 of the PDD.	OK	OK
3.3. Is it indicated, if the Party involved is a Host Party?	PDD	DR	Ukraine is indicated as a Host Party.	OK	OK
3.4. Is it indicated, if it is the case, if the Party involved wishes to be considered as a project participant?	PDD	DR	Parties involved don't wish to be considered project participants.	OK	OK
A.4. Technical description of the project					
A.4.1. Location of the project					
4.1.1. Host Party(ies)	PDD	DR	Ukraine	OK	OK
4.1.2. Region/State/Province etc.	PDD	DR	Lugansk region	OK	OK
4.1.3. City/Town/Community etc.	PDD	DR	See section A 4.1.4.	OK	OK
4.1.4. Detail of the physical location, including information allowing the unique identification of the project (maximum one page)					
4.1.4.1. Does the information provided on the location of the project activity allow for a clear identification of the site(s) (this section should not exceed one page)?	PDD	DR	Detailed information is presented in Section A.4.1.4. CAR 02. Please bring Section A.2 in line with “Guidelines for users, Form of documents of Joint Implementation Project Development Document”, version 04.	CAR 02 CAR 03	OK

			Section shall not exceed one page. CAR 03. Please bring numbering of tables in a proper form throughout the PDD.		
A.4.2. Technology(ies) to be employed, or measures, operations or actions to be implemented by the project					
4.2.1. Are the technology (ies) to be employed, or measures, operations or actions to be implemented by the project described?	PDD	DR	Please see the detailed description in Section A.4.2 of the PDD. CL 01. In order to add transparency to the project description and emission reduction calculation, please clarify the different types of products that will be produced at the processing facility. During the site visit it became apparent that different products (according to size, ash content, water content and NCV) are produced.	CL 01.	OK
4.2.1.1. Does the project design engineering reflect current good practices?	PDD	DR	CL 02. Please provide information on whether the project design engineering reflects current good practices. CL 03. Please provide an explanation if weather conditions are affecting the level of coal production under the project. CAR 04. Please provide technological scheme of concentrating complex, which includes the main technological equipment, and provide list of this equipment.	CL 02. CL 03. CAR 04.	OK
4.2.1.2. Does the project use state of the art technology or would the technology result in a significantly better performance than any commonly used technologies in the	PDD	DR	Installation for the enrichment with severe environment provides a very efficient separation process. It is perfect for	OK	OK

Host country?			complicated separation and purification of coal for domestic and industrial use. Overall, this process differs from other processes with use of water because it creates an environment using magnetite (fine particles of iron) instead of small particles in the raw material. This allows more efficient control of the process and increase of the separation range by the relative density.		
4.2.1.3. Are technologies, measures, operations or actions to be applied within the project, including all relevant technical data and plan of their installation described?			<p>Description of applicable project equipment with the provision of technical specifications as well as implementation stages are given in Section A.4.2.</p> <p>CAR 05. Please indicate the specific consumption of electricity per 1 ton of thermal coal extracted from waste heaps.</p> <p>CAR 06. Productivity of heavy environment hydrocyclone has no measuring units. Please identify this parameter.</p> <p>CL 04. Please provide information on the coal content in +50mm fraction and its further application.</p>	CL 04 CAR 05 CAR 06	
4.2.1.4. Is the project technology likely to be substituted by other or more efficient technologies within the project period?	PDD	DR	Technology, used in this project, is modern, and there is no probability that it will be replaced by any other technology during project life cycle.	OK	OK
4.2.2. Are all relevant technical data and the implementation schedule indicated?	PDD	DR	<p>Yes. Please see Section A.4.2. of the PDD.</p> <p>CAR 07. Please specify in Section A.2. the</p>	CAR 07 CAR 08 CAR 09	OK

			<p>appropriate order of the Director of “AGS-2008” LLC, which regulates the starting date of the JI project .</p> <p>CAR 08. Please include clear and complete information in Section A.2 concerning the weighing of coal production and logistics.</p> <p>CAR 09. Please bring tables 4-5 of the PDD in accordance with the Guidelines.</p> <p>CAR 10. Please indicate when Letter of Approval from the second Party of the project – Estonia – will be received.</p>	CAR 10	
<p>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</p>					
4.3.1. Is it stated how anthropogenic GHG emission reductions are to be achieved? (This section should not exceed one page).	PDD	DR	<p>Coal extracted from the waste heap will replace coal, which is extracted by mining method, and will be used to generate electricity at TPPs. Also, electricity consumption from power grid of Ukraine will decrease at the expense of more economical method of coal mining, which involves project, compared to the mining method. Another positive factor for the implementation of this project is the reduction of fugitive methane emissions during extraction of coal in coal mines. Amount of generated emission reduction units can be sold on the international trading</p>	CAR 11	OK

			<p>market of emission reductions.</p> <p>Emission reductions resulting from this project will come from three main sources:</p> <ul style="list-style-type: none"> • Elimination of carbon dioxide emissions sources from combustion of waste heap by extraction of thermal coal from it; • Reduction of the fugitive methane emissions volume related to coal mining by substitution of amount of such coal to the coal that is produced from the waste heaps as a result of the project activity; • Reducing electricity consumption from the grid during recultivation of the waste heaps in comparison with energy consumption during coal production in the mine. <p>CAR 11. Section A.4.3 exceeds one page, please make the appropriate corrections.</p>		
A.4.3.1. Estimated amount of emission reductions over the crediting period					
4.3.1.1. Is it provided the estimated annual reduction for the chosen credit period in tCO ₂ e?	PDD	DR	Yes. Section A.4.3.1. of the PDD provides the tables indicating estimated annual reduction for the chosen credit period in tCO ₂ e. Annual average of estimated emission reductions over the crediting period is 732 022 tones of CO ₂ equivalent. Average annual indicator of emission reductions after the crediting period is 514 341 tones of CO ₂ equivalent.	OK	OK
A.5. Project approval by the Parties involved					

5.1. Are written project approvals by the Parties involved attached? Are they unconditional?	PDD	DR	According to the national Ukrainian procedure Letter of Approval from Ukraine is expected after passing determination of the project	OK	OK
<u>B. Baseline</u>					
B.1 Description and justification of the baseline chosen					
1.1. Is it indicated in PDD: - a detailed theoretical description of the baseline in a complete and transparent manner, as well as a justification of chosen baseline using the step-wise approach;; - a justification of baseline setting; - references on regulations according to baseline setting.	PDD	DR	Yes, there is the description of the baseline chosen. To establish baseline specific approach to JI projects is used. Justification of the chosen baseline and detailed theoretical description are in Section B.1. of the PDD.	OK	OK
1.2. Is it indicated in the PDD that baseline was established :					
1.2.1. by listing and describing plausible (alternative) future scenarios on the basis of conservative assumptions and selecting the most plausible one?	PDD	DR, I	Plausible future scenarios are listed and described on the basis of conservative assumptions and selecting the most plausible one in the context of this project. All scenarios, except continuation of existing situation, face prohibitive barriers. Therefore, continuation of existing situation is the most plausible future scenario and is the baseline scenario. Analysis of the barriers is given in Section 4.2	OK	OK
1.2.2. taking into account valid political demands and circumstances present at the national and (or) sectoral levels?	PDD	DR	Taking into account valid political demands and circumstances. Key factors influencing the baseline are taken into account. CAR 12. Please provide complete information on key parameters used to	CAR 12 CAR 13	OK

			<p>establish the baseline.</p> <p>CAR 13. Please provide the exact reference to National Inventory Report in Ukraine for 1990-2010.</p>		
1.2.3. in a transparent manner with regard to the choice of approaches, assumptions, methodologies, parameters, data sources and key factors?	PDD	DR	<p>JI specific approach is used for baseline setting.</p> <p>The baseline was identified by listing and analysing plausible future scenarios on the basis of conservative assumptions and choosing the most probable of them.</p>	OK	OK
1.2.4. taking into account relevant national and/or sectoral policies and circumstances, such as sectoral reform initiatives, local fuel availability, power sector expansion plans, and the economic situation in the project sector?	PDD	DR	<p>Taking into account relevant national and/or sectoral policies and circumstances, such as sectoral reform initiatives, local fuel availability, power sector expansion plans, and the economic situation in the project sector. It is demonstrated by the above analysis that the baseline chosen clearly represents the most probable future scenario given the circumstances of modern day Donbas coal sector.</p> <p>CAR 14. Please correct the reference to the information, which is specified in Table 9 of the PDD.</p>	CAR 14	OK
1.2.5. in such a way that emission reduction units (ERUs) cannot be earned for decreases in activity levels outside the project activity or due to force majeure?	PDD	DR	<p>ERUs cannot be obtained by reducing the activity outside the project or force majeure circumstances.</p>	OK	OK
1.2.6. taking account of uncertainties and using conservative assumptions.	PDD	DR	<p>Baseline was established taking into account uncertainties and using conservative assumptions.</p>	CAR 15	OK

			CAR 15. Please specify appropriate data source that will be used in case of inaccessibility of data on average ash content and water content of coal extracted from the waste heaps.		
1.3. Does the PDD explicitly indicate the approach used for identifying the baseline with references on regulations?	PDD	DR	Jl specific approach is used for baseline setting.	OK	OK
1.4. Are number, name and version of the methodology clearly indicated in the context of the project?	PDD	DR	Not applicable	OK	OK
1.5. Is the applied version of the CDM methodology the most recent one and/or is this version still applicable?	PDD	DR	For determination of leakage in the baseline scenario elements of CDM methodology ACM0009 were used which are consistent with Section B.1 of this protocol.	OK	OK
1.6 Is it described how the chosen approach is applied in the context of the project?	PDD	DR	Jl specific approach applied in the context of the project is completely and clearly described in Section B.1. of the PDD.	OK	OK
1.7. Are the key information and data used to establish the baseline (variables, parameters, data sources etc.) indicated in tabular form?	PDD	DR	Yes, the necessary information in tabular form is provided in section B.1. of the PDD.	OK	OK
1.8. Are all regulations and sources clearly referenced?	PDD	DR	Yes. All regulations and sources clearly referenced.	OK	OK
B.2. Description of how the anthropogenic emissions of greenhouse gases by sources are reduced below those that would have occurred in the absence of the Jl project					
2.1. Is the step-wise approach used for the demonstration of project additionality indicated and described?	PDD	DR	Step-wise approach is used for this project in order to demonstrate that the project provides a reduction of emissions from sources that are additional to any reductions	OK	OK

			<p>that would occur in the absence of the project.</p> <p>Besides, comparable project is considered to be the final according to JISC that confirms that the project, according to the documentation, is transparent and rational, and also meets the stated requirements and identified criteria and is aimed at generating emission reduction units (ERUs). More detailed description of comparability is given in Section 4.2:</p> <p>http://ji.unfccc.int/UserManagement/FileStorage/P21NS8K075WULAO9GHFER3TI6M4YBD</p>		
2.2. Does the PDD provide a justification of the applicability of the approach with a clear and transparent description with relevant reference on regulations?	PDD	DR	<p>PDD contains justification for the applicability of this approach in accordance with paragraph 44 (b) of Annex 1 of Guidance.</p> <p>Please see Section 2.0 of the PDD.</p>	OK	OK
2.3. Is it described how the chosen approach is applied in the context of the project?	PDD	DR	<p>Yes, section B.2. of the PDD provided the description how the chosen approach is applied in the context of the project.</p>	OK	OK
2.4. Are additionality proofs provided?					
2.4.1. If the application of the most recent version of the “Tool for the demonstration and assessment of additionality” is chosen, are all explanations, descriptions and analyses made in accordance with the selected tool or method?	PDD	DR	<p>Yes, section B.2. of the PDD includes all explanations, descriptions and analyzes.</p>	OK	OK
2.4.2. Is an analysis showing why the emissions in the baseline scenario would likely exceed the emissions in the project scenario included?	PDD	DR	<p>Detailed analysis provided in sections A.4.3., B.1. and B.2. of the PDD demonstrates that emissions in the baseline scenario would likely exceed the emissions in the project scenario by the implementation of project activities.</p>	CL 05.	OK

			CL 05. The chosen baseline includes the complete burning of the waste heaps. Please provide supporting evidence that in the absence of the project (a) the coal contained in the waste heaps will burn completely (100%) and (b) the coal would burn within a is timeframe comparable to the operational lifetime of the project. On page 2 of the PDD it is stated that waste heaps burn 5-7 years, but no source is indicated.		
2.4.3. Is it demonstrated that the project activity itself is not a likely baseline scenario?	PDD	DR	Yes, it is clearly demonstrated scenario in sections A.2., B.1. and B.2. of the PDD that the project activity itself is not a likely baseline.	OK	OK
2.5. Are national policies and circumstances relevant to the baseline of the proposed project activity summarized?	PDD	DR	Baseline is set by taking into account relevant national policies and circumstances (please refer to sections B.1. and B.2. of the PDD). None of listed in section B.1. alternatives do not contradict Ukrainian legislation.	OK	OK
B.3. Description of how the definition of the project boundary is applied to the project					
3.1. Does the project boundary defined in the PDD encompass all anthropogenic emissions by sources of GHGs that are: - under the control of the project participants; - reasonably attributable to the project; - significant?	PDD	DR	Project boundaries identified in the PDD include all GHG anthropogenic emissions by their sources that: - are controlled by the project participants, and as emissions from consumption of electricity and diesel fuel during processing waste heap - are reasonably attributed to the project, such as CO ₂ emissions as a result of waste heaps burning, methane leakage as a result of coal mining, emissions as a result of electricity consumption during coal	CAR 16 CAR 17 CAR 18 CL 06 CL 07	OK

			<p>production in mines - are essential, as it is shown above</p> <p>CL 06. During the project implementation large number of rock mass containing certain percentage of carbon is processed. Please provide justification that enrichment wastes do not affect the level of emissions in the project scenario. Also, please justify that methane emissions from enriched coal that is stored at the factory are neglected.</p> <p>CAR 16. In the section of description of leakages calculation of CO2 emissions factor from electricity consumption is indicated incorrectly. Please provide the appropriate correction.</p> <p>CAR 17. Description of the parameters used in the calculations of emission reductions under the project does not have univocal interpretation throughout the text of the PDD. Please make the necessary corrections.</p> <p>CAR 18. Please correct the reference to the project JI 0144.</p> <p>CL 07. Please provide an explanation, how the project boundaries are established and give an appropriate source.</p>		
<p>3.2. Is the project boundary defined on the basis of a case-by-case assessment with regard to the criteria referred to in 3.1? above?</p>	<p>PDD</p>	<p>DR</p>	<p>Some sources have been excluded from the project boundaries based on the assessment of individual cases and taking into account the criteria provided in Section</p>	<p>OK</p>	<p>OK</p>

			3.1.		
3.3. 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 as appropriate?	PDD	DR	Project boundaries and emission sources of relevant gases are indicated in section B.3. of the PDD as figure 7-8.	OK	OK
3.4. Are all gases and sources included explicitly stated, and the exclusions of any sources related to the baseline or the project are appropriately justified?	PDD	DR	Yes, there is justification of the exclusion of sources.	OK	OK
B.4. Further baseline information, including the date of baseline setting and the name(s) of the person(s)/entity(ies) setting the baseline					
4.1. Is the date of the baseline setting presented (in DD/MM/YYYY)?			Date of completion of the baseline study: 09/10/2012	OK	OK
4.2. Is the contact information of persons setting the baseline provided?			Baseline is set by “AGS-2008” LLC. Contact information is provided in Section B.4. of the PDD.	OK	OK
4.3. Is the person/entity also a project participant listed in Annex 1 of PDD?	PDD	DR	“AGS-2008” LLC is listed as a project participant in Annex 1.	OK	OK
<u>C. Duration of the period/crediting period</u>					
C.1. Starting date of the project					
1.1. Is the project’s starting date clearly defined?	PDD	DR	The project’s starting date is clearly defined in section C.1. of the PDD – 25/01/2008.	OK	OK
1.2. Does the PDD state the starting date of the project as the date on which the implementation or construction or real action of the project will begin or began?	PDD	DR	No. The starting date of the project is date, when order on implementation of JI project under the Kyoto Protocol was signed. After this decision real actions aimed at implementing the proposed project began.	OK	OK
1.3. Is the starting date after the beginning of 2000?	PDD	DR	Yes. The starting date is after the beginning	OK	OK

			of 2000.		
C.2. Expected operational lifetime of the project					
2.1. Is the project's operational lifetime clearly defined in years and months?	PDD	DR	<p>The implemented measures provided proper maintenance could be operational at least 6 years and 10 months.</p> <p>CAR 19. Please specify the reason under which the operating life cycle of the project will last until 31/12/2014. And also provide the appropriate document confirming operational term for concentrating equipment.</p>	CAR 19	OK
C.3. Length of the crediting period					
3.1. Is the length of the crediting period specified in years and months?	PDD	DR	<p>4 years and 10 months or 58 months. From 01/03/2008 to 31/12/2012.</p> <p>CAR 20. Expected operational lifetime of the project is indicated incorrectly. Please submit the relevant information.</p> <p>CAR 21. Duration of the crediting period is indicated incorrectly. Please provide appropriate corrections.</p>	CAR 20 CAR 21	OK
3.2. Are estimated values of emission reductions or enhancements of net removals indicated separately for the period up to 2012 and the period after 2012?	PDD	DR	<p>Yes, estimated values of emission reductions or enhancements of removals are listed separately for the period up to 2012 and period after 2012.</p>	OK	OK
3.3. 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 separately for those until 2012 and those after 2012?	PDD	DR	<p>Yes, it is indicated in Section C.3. of the PDD that lengthening of the crediting period can take place with the agreement of the Host party. Duration of implementation of the project activity ends on 31/12/2014. Emission reductions estimations or enhancement of absorption for the period after 2012 are presented separately.</p>	OK	OK

<u>D. Monitoring plan</u>					
D.1. Description of monitoring plan chosen					
1.1. Is it indicated in PDD a detailed theoretical description in a complete and transparent manner, as well as a justification of chosen monitoring plan using the step-wise approach?	PDD	DR	The justification of chosen monitoring plan is sufficient, its theoretical description is indicated in Section D.1. of the PDD.	OK	OK
1.2. Does the PDD explicitly indicate the chosen approach used for monitoring with references on regulations?	PDD	DR	The project participant has chosen the JI specific approaches regarding monitoring according to “Guidance on criteria for baseline setting and monitoring”, version 03.	OK	OK
1.3. Is the applied methodology considered being the most appropriate one?	PDD	DR	Yes, the chosen JI specific approach is relevant for this project.	OK	OK
1.4. If national or international monitoring standard has to be applied to monitor certain aspects of the project, is this standard identified and is the reference as to where a detailed description of the standard can be found provided?	PDD	DR	Yes, all relevant references are listed in Section D of the PDD.	OK	OK
1.5. Are the description of the assumptions, formulae, parameters, data sources and key factors indicated?	PDD	DR	<p>Yes, it is in Section D.1. of the PDD.</p> <p>CAR 22. Please provide valid DSTU to determine the density of diesel fuel, and also justify its applicability. The given DSTU is invalid.</p> <p>CAR 23. Please provide more precise reference to the average electricity consumption per ton of extracted coal in Ukraine.</p> <p>CL 08. Please provide explanations on how to use the coefficient of fugitive methane emissions from extracting coal from the mines from National Greenhouse</p>	CAR 22 CAR 23 CL 08 CL 09	OK

			Gas Inventory for 1999-2009. CL 09. Clarify how coal from other source is excluded in the monitoring.		
1.5.1. Is it stated how uncertainties are taken into account and conservativeness is safeguarded?	PDD	DR	Yes, it is indicated in Section D.1. of the PDD. CL 10. Emissions in baseline scenario are calculated based on assumption that total amount of coal processed will be burned in a heap for the same period. Please provide background for such assumption.	CL 10	OK
1.6. Is it described how the chosen approach is applied in the context of the project?	PDD	DR	Monitoring for the projects will be assessed using option (a) of Annex 2 of “Guidance on criteria for baseline setting and monitoring”, version 03.	OK	OK
1.7 Is justification that used procedure is consistent with standard technical procedures used in the respective fields, given?	PDD	DR	Yes, the appropriate justification is given. CAR 24. Please provide justification that the used procedure is consistent with the standard procedures used in the relevant field with reference to determined PDD, where such procedure was used. CL 11. Please specify if there was any replacement of technical equipment during monitoring period.	CAR 24 CAR 11	OK
1.8. Does the monitoring plan explicitly and clearly distinguish: 1) 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 regarding the PDD;	PDD	DR	All necessary information is clearly and precisely stated in accordance with the “Guidelines for users of the JI PDD”, version 04. CAR 25. Please describe in more details how weighing of extracted coal on automobile scales specified in the	CAR 25 CAR 26 CAR 27 CL 12	OK

<p>2) 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 at the stage of determination regarding the PDD; 3) data and parameters that are monitored throughout the crediting period?</p>			<p>monitoring plan occurs.</p> <p>CAR 26. Please include information on the certification of Coal Chemistry laboratory that analyzes samples of coal.</p> <p>CAR 27. Not all data sources parameters of which are not monitored throughout the crediting period, but are determined only once, are presented in Section B. Please make the appropriate corrections.</p> <p>CL 12. During the site visit it was indicated that the measuring of coal produced is taking place right away after facility work. Please explain how coal humidity is taken into account.</p>												
<p>1.9. Are alternative tables used instead of the tables provided in sections D.1.1.1., D.1.1.3., D.1.2.1., D.1.3.1. and D.2. in line with the approach regarding monitoring chosen for all data/parameters?</p>	PDD	DR	Not applicable	OK	OK										
<p>1.9.1. Are all the required data/parameters according to the used methodology indicated?</p>			Not applicable	OK	OK										
<p>1.9.2. Fill in the required amount of sub checklists for fixed data and comment any line answered with “No” (items may be added depending on the number of data parameters).</p>															
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">1.10.1. Parameter Title</th> </tr> <tr> <th style="width: 80%;">Data Checklist</th> <th style="width: 20%;">Yes/No</th> </tr> </thead> <tbody> <tr> <td>Is the title in line with methodology?</td> <td></td> </tr> <tr> <td>Are data unit correctly expressed?</td> <td></td> </tr> <tr> <td>Is the appropriate description of parameter indicated?</td> <td></td> </tr> </tbody> </table>	1.10.1. Parameter Title		Data Checklist	Yes/No	Is the title in line with methodology?		Are data unit correctly expressed?		Is the appropriate description of parameter indicated?		PDD	DR	Not applicable	OK	OK
1.10.1. Parameter Title															
Data Checklist	Yes/No														
Is the title in line with methodology?															
Are data unit correctly expressed?															
Is the appropriate description of parameter indicated?															

Is the time of monitoring clearly indicated?					
Is the source clearly referenced?					
Is the correct value provided?					
Has this value been verified?					
Is the choice of data correctly justified or is the measurement method correctly described?					
Are quality control and quality assurance procedures indicated?					
D.1.1. Option 1 – Monitoring of the emissions in the project scenario and the baseline scenario					
1.1.1. Is the option 1 used for monitoring of the emissions in the project scenario and the baseline scenario?	PDD	DR	Monitoring using Option 1 is applied for project scenario and the baseline scenario.	OK	OK
D.1.1.1. Data to be collected in order to monitor emissions from the project, and how these data will be archived					
1.1.1.1. Are the data to be collected in order to monitor emissions from the project described?	PDD	DR	Table D.1.1.1. of the PDD contains the data to be collected for monitoring emissions in the project.	OK	OK
1.1.1.2. Is it indicated how the data will be archived?	PDD	DR	It is indicated how data will be stored in Table D.1.1.1. of the PDD.	OK	OK
1.1.1.3. Is it indicated that data monitored are to be kept for two years after the last transfer of ERUs for the project?	PDD	DR	Documents and other data monitored and required for determination and verification, as well as any other data that are relevant to the operation of the project will be kept for at least two years after the last transfer of ERUs.	OK	OK
D.1.1.2. Description of formulae used to estimate project emissions (for each gas, source etc.; emissions in units of CO₂ equivalent)					
1.1.2.1. Are the formulae clearly and consistently indicated throughout the PDD?	PDD	DR	The formulae are clearly and consistently indicated in section D.1.1.2. of the PDD.	OK	OK
D.1.1.3. Relevant data necessary for determining the baseline of anthropogenic emissions of greenhouse gases by sources within the project boundary, and how such data will be collected and archived:					

1.1.3.1. Are the data necessary for determining the baseline of anthropogenic emissions of greenhouse gases by sources within the project boundary described?	PDD	DR	In Table D.1.1.3. of the PDD there are data to be collected for monitoring emissions in the project.	OK	OK
1.1.3.2. Is it indicated how data will be archived?	PDD	DR	It is indicated in Table D.1.1.3 of the PDD how these data will be stored.	OK	OK
D.1.1.4. Description of formulae used to estimate baseline emissions (for each gas, source etc.; emissions in units of CO₂ equivalent)					
1.1.4.1. Are the formulae clearly and consistently indicated throughout the PDD?	PDD	DR	The formulae are clearly and consistently indicated in section D.1.1.4. of the PDD and throughout the PDD.	OK	OK
D.1.2. Option 2 Direct monitoring of emission reductions from the project (values should be consistent with those in section E)					
1.2.1. Is the option 2 used for monitoring of the emissions in the project scenario and the baseline scenario?	PDD	DR	This option is used to monitor emission reductions received due to sub-projects of Group 3.	OK	OK
D.1.2.1. Data to be collected in order to monitor emission reductions from the project, and how these data will be archived:					
1.2.1.1. Are the data to be collected in order to monitor emissions from the project described?	PDD	DR	Data that should be collected for monitoring emissions under the project is indicated in Table D.1.2.1. of the PDD.	OK	OK
1.2.1.2. Is it indicated how the data will be archived?	PDD	DR	It is indicated in Table D.1.2.1. PDD how these data will be stored.	OK	OK
1.2.1.3. Is it indicated that data monitored are to be kept for two years after the last transfer of ERUs for the project?	PDD	DR	Please see Section D.1 “Archiving, storage and procedure of documentation turnover”	OK	OK
D.1.2.2. Description of formulae used to calculate emission reductions from the project (for each gas, source etc.; emissions/emission reductions in units of CO₂ equivalent)					
1.2.2.1. Are the formulae clearly and consistently indicated throughout the PDD?	PDD	DR	The formulae are clearly and consistently indicated in the PDD.	OK	OK
D.1.3. Treatment of leakage in the monitoring plan					
1.3.1. Are data and information that will be collected	PDD	DR	Fugitive methane emissions resulting from	CAR 28	OK

in order to monitor leakage effects of the project described, if applicable?			coal extraction from mines in Ukraine are considered to be leakage. Data that should be collected to monitor leakage under the project is indicated in Table D.1.3.1. of the PDD. CAR 28. Please add in Section D.1.3.1 indirect CO ₂ emissions factor, which is used in the calculation of leakage.		
1.3.2. Are formulae used to estimate leakage (for each gas, source etc.; emissions in units of CO ₂ equivalent) described?	PDD	DR	These formulae are clearly and consistently indicated in Section D.1.3.2. of the PDD and throughout the PDD.	OK	OK
D.1.4. Description of formulae used to estimate emission reductions for the project (for each gas, source etc.; emissions/emission reductions in units of CO₂ equivalent):					
1.4.1. Are the formulae clearly and consistently indicated throughout the PDD?	PDD	DR	Description of formulae is clearly and consistently indicated in Section D.1.4. of the PDD.	OK	OK
D.1.4. Where applicable, in accordance with procedures as required by the host Party, information on the collection and archiving of information on the environmental impacts of the project:					
1.4.1. Is information on the collection and archiving of information on the environmental impacts of the project?	PDD	DR	Collection and archiving of the information on the environmental impacts of the project will be done based on the approved EIA in accordance with the Host Party legislation.	OK	OK
1.4.2. Is reference to the relevant host Party regulation(s) provided?	PDD	DR	All references presented in Section F.1	OK	OK
1.4.3. If not applicable is it stated so?	PDD	DR	-	OK	OK
D.2. Quality control (QC) and quality assurance (QA) procedures undertaken for data monitored					
2.1. Are the quality assurance and control procedures for the monitoring process established? This includes, as appropriate, information on calibration and on how records on data and/or method validity and accuracy are kept and made	PDD	DR	Quality control and quality assurance procedures undertaken for data monitored are indicated in tabular format in Section D.2. of the PDD.	CAR 29	OK

available on request?			CAR 29. Please add information in Table D.2 about all parameters used for calculating GHG emission reductions.		
2.2. Are data corresponded with those in section D.1?	PDD	DR	Yes. Data are corresponded with those in section D.1 of the PDD.	OK	OK
D.3. Please describe the operational and management structure that the project operator will apply in implementing the monitoring plan					
3.1 Is it described briefly the operational and management structure that the project participants(s) will implement in order to monitor emission reduction and any leakage effects generated by the project?	PDD	DR	The project owner – “AGS-2008”, has made all the required actions to implement provisions of this monitoring plan into its organizational and quality management structure. The operational and management structure are presented in section D.3. of the PDD in figure (block diagram) 8. CAR 30. Executive and management structures for implementing monitoring plan are presented not in a clear way and do not reflect the complete picture of the interactions between the project owner and contracting companies.	CAR 30	OK
3.2. Are responsibilities and institutional arrangements for data collection and archiving clearly provided?	PDD	DR	Yes. All relevant responsibilities and institutional arrangements for data collection and archiving clearly are provided.	OK	OK
3.3. Does the monitoring plan, on the whole, reflect good monitoring practices appropriate to the project type?	PDD	DR	Monitoring plan, on the whole, reflects good monitoring practices appropriate to the project type.	OK	OK
D.4. Name of person(s)/entity(ies) establishing the monitoring plan:					
4.1. Is the contact information of person(s)/entity(ies) establishing the monitoring plan	PDD	DR	Reference to Annex 1 of the PDD is provided.	OK	OK

provided?					
4.2. Is the person/entity also a project participant listed in Annex 1 of PDD?	PDD	DR	Necessary information is given in Section D.4. of the PDD.	OK	OK
E. Estimation of greenhouse gases emission reductions					
E.1 Estimated project emissions					
1.1. Are described the formulae used to estimate anthropogenic emissions by source of GHGs due to the project (for each gas, source etc.; emissions in units of CO ₂ equivalent)?	PDD	DR	Yes, there is such explanation. Formulae used to estimate project emissions (through energy consumption and for fugitive methane emissions from coal extraction in the mines) are described in Section D of the PDD.	OK	OK
1.1.1. Is there a description of calculation of GHG project emissions in accordance with the formula? (supporting documentation)	PDD	DR	The description of calculation of GHG project emissions is provided in EXCEL electronic files as supporting documentation. Calculations are performed according to these formulae. The results of these calculations are presented in Section E.1. of the PDD.	OK	OK
1.1.2. Have conservative assumptions been used to calculate project GHG emissions?	PDD	DR	Yes. Assumptions which were used to calculate project GHG emissions are conservative.	OK	OK
E.2. Estimated leakage					
2.1. Are described the formulae used to estimate leakage due to the project activity where required (for each gas, source etc.; emissions in units of CO ₂ equivalent)?	PDD	DR	Yes. There are all formulae explanations in Section D, which were used to estimate leakage caused by the activities under the project.	OK	OK
2.1.1. Is there a description of calculation of leakage in accordance with the formula? (supporting documentation)	PDD	DR	Yes. Explanation of calculating project leakage is given in electronic files EXCEL as supporting documentation. Calculations are performed according to specified formulae. The results of these calculations are presented in Section E.2. of the PDD.	OK	OK

2.2. Have conservative assumptions been used to calculate leakage?	PDD	DR	Yes. Assumptions, which were used to calculate project GHG emissions, are conservative and are described in Section B.3 of the PDD.	OK	OK
2.3. If not applicable, is it stated in the PDD?	PDD	DR	-	OK	OK
E.3 Sum of E.1 and E.2.					
3.1. Does the sum of E.1. and E.2. represent the project activity emissions?	PDD	DR	Yes. The sum of E.1. and E.2. represents the project activity emissions.	OK	OK
E.4. Estimated baseline emissions					
4.1. Are the formulae used to estimate the anthropogenic emissions by source of GHGs in the baseline using the baseline methodology for the applicable project category described (for each gas, source etc.; emissions in units of CO ₂ equivalent)?	PDD	DR	Formulae used to estimate baseline emissions, are explained in Section D. of the PDD.	OK	OK
4.1.1. Is there a description of calculation of GHG baseline emissions in accordance with the formula? (supporting documentation)	PDD	DR	Explanation of calculating baseline emissions is given in electronic files EXCEL as supporting documentation. Calculations are performed according to specified formulae. The results of these calculations are presented in Section E.1. of the PDD.	OK	OK
4.2. Have conservative assumptions been used to calculate baseline emissions?	PDD	DR	Yes, they have. Conservative assumptions were used to calculate baseline emissions.	OK	OK
E.5. Difference between E.4. and E.3. representing the emission reductions of the project					
5.1. Does the difference between E.4. and E.3. represent the emission reductions due to the project during a given period?	PDD	DR	Emission reductions achieved due to the project are listed in Section E.6.	OK	OK
E.6. Table providing values obtained when applying formulae above					
6.1. Is the data provided under this section in consistency with data as presented by other chapters E of the PDD?	PDD	DR	The data provided under section E.6. is in consistency with data as presented by other chapters of the PDD.	OK	OK

6.2. Is there a table providing the total value of emission reductions?	PDD	DR	Yes. A table which providing the total value of emission reductions located in section E.	OK	OK
<u>F. Environmental impacts</u>					
F.1. Documentation on the analysis of the environmental impacts of the project, including transboundary impacts, in accordance with procedures as determined by the host Party:					
1.1. Has an analysis of the possible environmental impacts of the project been sufficiently described?	PDD	DR	Yes, please see Section F of the PDD.	OK	OK
1.2. Are there any host Party requirements for an Environmental Impact Assessment (EIA)?	PDD	DR	<p>The Host Party for this project is Ukraine. Environmental Impact Assessment (EIA) is the part of the Ukrainian project planning and permitting procedures. Implementation regulations for EIA are included in the Ukrainian State Construction Standard DBN A.2.2.-1-2003.</p> <p>CAR 31. Annex of standard DBN A.2.2.-1-2003 is indicated incorrectly. Please correct this mistake.</p>	CAR 31	OK
1.3. Are transboundary environmental impacts considered in the analysis?	PDD	DR	Transboundary impacts are not observed. There are no impacts that manifest within the area of any other country and that are caused by a proposed project activity which wholly physically originates within the area of Ukraine.	OK	OK
1.4. Are all regulations and sources clearly referenced?	PDD	DR	Yes. All regulations and sources clearly referenced.		OK
F.2. If environmental impacts are considered significant by the project participants or the host Party, provision of conclusions and all references to supporting documentation of an environmental impact assessment undertaken in accordance with the procedures as required by the host Party.					
2.1. Is viewpoint regarding significant environmental	PDD	DR	Yes, in Section F.2. of the PDD the project	OK	OK

impacts of the project participants or the host Party indicated?			participants concluded that the proposed project has a positive impact on the environment.		
2.2. Have conclusions and all references to the supporting documentation on the analysis of the environmental impacts been indicated?	PDD	DR	Yes. All references and conclusions to the supporting documentation on the analysis of the environmental impacts have been indicated.	OK	OK
<u>G. Stakeholders' comments</u>					
G.1. Information on stakeholders' comments on the project, as appropriate					
1.1. Have relevant stakeholders been consulted and how?	PDD	DR	No stakeholder consultation process for the JI projects is required by the Host Party. Stakeholder comments will be collected during the time of this PDD publication in the internet during the determination procedure. As a part of EIA, stakeholders must be informed via mass media about the proposed project as provided in <i>State construction standards of Ukraine DBN A.2.2.-1-2003: "Structure and Contents of the Environmental Impact Assessment (EIA) materials during design and construction of enterprises, buildings and structures"</i> issued by State Committee of Construction and Architecture in 2004. In accordance with the mentioned regulations, the relevant information was published in the local newspaper "Krasnodonskye vesti" (Krasnodon) #35 (414) dated February 5, 2007 and #39 (424) dated April 30, 2007. No comments were received.	OK	OK

1.1.1. Have appropriate media been used to invite comments by local stakeholders?	PDD	DR	-	OK	OK
1.2. Is there a list of stakeholders from whom comments on the project have been received?	PDD	DR	-	OK	OK
1.3. Is the nature of comments provided?	PDD	DR	-	OK	OK
1.4. Has due account been taken of any stakeholder comments received?	PDD	DR	-	OK	OK
<u>Annexes</u>					
Annex 1. Contact information on project participants					
1.6. Is the information provided in consistency with the one given under section A.3?	PDD	DR	The information provided in Annex 1 is in a consistency with the one given under Section A.3.	OK	OK
1.7. Are the mandatory fields for each organisation listed in section A.3. of the PDD filled notably organisation, name of contact person, street, city, postal code, country, telephone number(s) and fax number or e-mail address?	PDD	DR	Yes. The mandatory fields for each organization listed in section A.3. of the PDD are filled.	OK	OK
Annex 2. Baseline information					
2.1. Is a table containing the key elements of the baseline (including variables, parameters and data sources) provided?	PDD	DR	Baseline information is provided in Section B of this PDD.	OK	OK
2.2. If additional background information on baseline data is provided: is this information in consistency with data presented by other sections of the PDD?	PDD	DR	There is no additional background information.	OK	OK
Annex 3. Monitoring plan					
3.1. Is the detail description of all key elements of monitoring plan provided?	PDD	DR	All necessary information is presented in Section D of the PDD.	OK	OK
3.2. Is the provided information on monitoring plan in consistency with data presented in section D of the PDD?	PDD	DR	The information on monitoring plan is in a consistency with the one given under Section D of the PDD.	CAR 32	OK

Determination Report – “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning”

		CAR 32. Please provide the information in tabular form on the measuring equipment used under the project.		
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Table 3 Resolution of Corrective Actions and Clarification Requests

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
FAR 01. The project has not received the approval from the participating Parties.	Table 1, issue of checklist A.1.1.	Approval by the participating Parties will be involved after a positive determination report, under the law of the relevant Parties.	FAR 01 will be closed after the parties will provide letters of approval.
CAR 01. PDD should contain the contact information of the entity - the owner of the source where JI project implementation is planned, including: object's EDRPOU code (Uniform State Register of Enterprises and Organizations of Ukraine) and title of KVED type of economic activities (Code of economic activities according to the general classification of economic activities). Please provide the relevant information.	Table 2, checklist question A.1.2.	Appropriate adjustments are made. Additional information on project participants is presented in Annex 6. <u>Please see the revised PDD, version 2.5.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 02. Please bring Section A.2 in line with “Guidelines for users, Form of documents of Joint Implementation Project Development Document”, version 04. Section shall not exceed one page.	Table 2, checklist question A.4.1.4.1	Appropriate corrections were given. <u>Please see the revised Section A.2 of the PDD, version 2.5</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 03. Please bring numbering of tables in a proper form throughout the PDD.	Table 2, checklist question A.4.1.4.1	Relevant photo was presented. <u>Please see the revised Section A.2 of the PDD, version 2.5</u>	The issue is closed on the basis of corrections made in the PDD version 2.5 and Excel file.
CAR 04. Please provide technological scheme of concentrating complex, which includes the main technological	Table 2, checklist question A. 4.2.1.1	Corresponding technological scheme and equipment list were given.	The issue is closed on the basis of corrections made in

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
equipment, and provide list of this equipment.		<u>Please see the revised Section A.4.3 of the PDD, version 2.5</u>	the PDD version 2.5.
CAR 05. Please indicate the specific consumption of electricity per 1 ton of thermal coal extracted from waste heaps.	Table 2, checklist question A. 4.2.1.3.	Relevant information was provided. <u>Please see the revised Section A.2 of the PDD, version 2.5</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 06. Productivity of heavy environment hydrocyclone has no measuring units. Please identify this parameter.	Table 2, checklist question A. 4.2.1.3.	Relevant corrections were made. <u>Please see the revised Section A.4.1.4 of the PDD, version 2.5</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 07. Please specify in Section A.2. the appropriate order of the Director of “AGS-2008” LLC, which regulates the starting date of the JI project .	Table 2, checklist question A.4.2.2	Order No. 14/08 dated 25/01/2008 on JI project implementation under the Kyoto Protocol was presented. This date is the starting date of the project. <u>Please see the revised Section A.4.2. of the PDD, version 2.5 and supporting documents</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 08. Please include clear and complete information in Section A.2 concerning the weighing of coal production and logistics.	Table 2, checklist question A.4.2.2	Relevant information was provided. <u>Please see the revised Section A.4.2 of the PDD, version 2.5</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 09. Please bring tables 4-5 of the PDD in accordance with the Guidelines.	Table 2, checklist question A. 4.2.2	Appropriate corrections were made. <u>Please see the revised Section A.4.2 of the PDD, version 2.5</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
CAR 10. Please indicate when Letter of Approval from the second Party of the project – Estonia – will be received.	Table 2, checklist question A.4.2.2	Relevant explanation was specified. <u>Please see the revised Section A.4.2 of the PDD, version 2.5</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 11. Section A.4.3 exceeds one page, please make the appropriate corrections.	Table 2, checklist question A.4.3.1	Appropriate corrections were made. <u>Please see the revised Section A.4.2 of the PDD, version 2.5</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 12. Please provide complete information on key parameters used to establish the baseline.	Table 2, checklist question B.1.2.2	Relevant information was presented. <u>Please see the revised Section A.5 of the PDD, version 2.5</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 13. Please provide the exact reference to National Inventory Report in Ukraine for 1990-2010.	Table 2, checklist question B.1.2.2	Relevant reference was presented. <u>Please see the revised Section A.5 of the PDD, version 2.5</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 14. Please correct the reference to the information, which is specified in Table 9 of the PDD.	Table 2, checklist question B.1.2.4	Reference was corrected. <u>Please see the revised Section B.1 of the PDD, version 2.5</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 15. Please specify appropriate data source that will be used in case of inaccessibility of data on average ash content and water content of coal extracted from the waste heaps.	Table 2, checklist question B.1.2.6.	Guide of quality, volume of coal production and enrichment products, Ministry of Coal Industry of Ukraine, State Committee of Ukraine – will be used if data are not available. Relevant information was provided. <u>Please see relevant explanations that are included in Section B.2. of the PDD.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 16. In the section of description of	Table 2, checklist	Appropriate changes were made.	The issue is closed on the basis of

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
leakages calculation of CO2 emissions factor from electricity consumption is indicated incorrectly. Please provide the appropriate correction.	question B.3.1.	<u>Please see the revised PDD, version 2.5., Section B.2.</u>	corrections made in the PDD version 2.5.
CAR 17. Description of the parameters used in the calculations of emission reductions under the project does not have univocal interpretation throughout the text of the PDD. Please make the necessary corrections.	Table 2, checklist question B.3.1.	Appropriate corrections were made. <u>Please see the revised PDD, version 2.5., Section B.2.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 18. Please correct the reference to the project JI 0144.	Table 2, checklist question B.3.1.	Appropriate corrections were made. <u>Please see the revised PDD, version 2.5., Section D.1.1.3.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 19. Please specify the reason under which the operating life cycle of the project will last until 31/12/2014. And also provide the appropriate document confirming operational term for concentrating equipment.	Table 2, checklist question C.2.1.	Length of the project lifecycle depends on the volumes of waste heaps, which are dismantled under the project. It is assumed that they will be dismantled by the end of 2013. Operating life of concentrating equipment without major overhauls ends in 2015. Relevant information was provided. <u>Please see the revised PDD, version 2.5., Section C.2.1.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
CAR 20. Expected operational lifetime of the project is indicated incorrectly. Please submit the relevant information.	Table 2, checklist question C.3.1.	Relevant information was provided. <u>Please see the revised PDD, version 2.5., Section C.3.1.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 21. Duration of the crediting period is indicated incorrectly. Please provide appropriate corrections.	Table 2, checklist question C.3.1.	Appropriate corrections were made. <u>Please see the revised PDD, version 2.5., Section C.3.1.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 22. Please provide valid DSTU to determine the density of diesel fuel, and also justify its applicability. The given DSTU is invalid.	Table 2, checklist question D.1.5.	Relevant information was presented. <u>Please see the revised PDD, version 2.5., Section D.1.5.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 23. Please provide more precise reference to the average electricity consumption per ton of extracted coal in Ukraine.	Table 2, checklist question D.1.5.	Relevant reference was provided. <u>Please see the revised PDD, version 2.5., Section . D 1.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 24. Please provide justification that the used procedure is consistent with the standard procedures used in the relevant field with reference to determined PDD, where such procedure was used.	Table 2, checklist question D.1.7.	Used monitoring procedure corresponds to the standard procedures for projects of this type and common practice in the field. Following monitoring plans of the projects can be given as an example of the standard monitoring procedures: UA2000020 Waste heaps dismantling with the aim of decreasing the greenhouse gases emissions into the atmosphere ¹⁵ ; UA2000034 Processing of	The issue is closed on the basis of corrections made in the PDD version 2.5.

¹⁵http://ji.unfccc.int/JI_Projects/DB/VOZK3HERSNQGFLCY0YZ3AX5W676M5R/Determination/Bureau%20Veritas%20Certification1277814730.41/viewDeterminationReport.html

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
		<p>Waste Heaps at “Monolith-Ukraine”¹⁶.</p> <p>The monitoring approach in this project is fully consistent with the standards in the field and includes monitoring of the amount of coal, extracted from the waste heap, the amount of fuel, consumed by the project activity, and the amount of electricity, consumed under the project. Additional monitoring parameters (ash and water content of coal is removed from the waste heap, emission factors, etc.) serve to improve the accuracy of monitoring and correspond to the applied approach to determining the baseline and monitoring in the project.</p> <p>Appropriate explanation was provided.</p> <p><u>Please see the revised PDD, version 2.5., Section D 1.</u></p>	

¹⁶ http://ji.unfccc.int/JI_Projects/DB/IPT7L3CLGIZTGGX27T2101W7XCUCWW/Determination/DNV-CUK1315829182.27/viewDeterminationReport.html

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
CAR 25. Please describe in more details how weighing of extracted coal on automobile scales specified in the monitoring plan occurs.	Table 2, checklist question D.1.8.	Appropriate explanation was provided. <u>Please see the revised PDD, version 2.5., Section D 1.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 26. Please include information on the certification of Coal Chemistry laboratory that analyzes samples of coal.	Table 2, checklist question D.1.8.	Relevant information was provided. <u>Please see the revised PDD, version 2.5.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 27. Not all data sources parameters of which are not monitored throughout the crediting period, but are determined only once, are presented in Section B. Please make the appropriate corrections.	Table 2, checklist question D.1.8.	All parameters that are taken for the calculation of GHG emission reductions under the project, and sources of which is National Inventory Report in Ukraine for 1990-2010, as well as data of the State Statistics Service of Ukraine and DFP of Ukraine (SEIA), publications of the Intergovernmental Panel on Climate Change and the research on fire hazard of waste heaps, held by Scientific Research Institute “Respirator”, can be updated in case of publications of new relevant documents. If the data for the current period are not available, the last available data are taken into calculation of GHG emission reductions. Appropriate changes were made. <u>Please see the revised PDD, version 2.5.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 28. Please add in Section D.1.3.1 indirect CO ₂ emissions factor, which is	Table 2, checklist question D. 1.3.1.	Appropriate changes were made. <u>Please see the revised PDD, version 2.5., Section D.1.3.1.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
used in the calculation of leakage.			
CAR 29. Please add information in Table D.2 about all parameters used for calculating GHG emission reductions.	Table 2, checklist question D. 2.1.	Relevant information was provided. <u>Please see the revised PDD, version 2.5., Section D.2.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 30. Executive and management structures for implementing monitoring plan are presented not in a clear way and do not reflect the complete picture of the interactions between the project owner and contracting companies.	Table 2, checklist question D. 3.1.	Relevant information was provided. <u>Please see the revised PDD, version 2.5., Section D. 3.1.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 31. Annex of standard DBN A.2.2.-1-2003 is indicated incorrectly. Please correct this mistake.	Table 2, checklist question F. 1.2.	Relevant correction in Section E was made. <u>Please see the revised PDD, version 2.5., Section F.1.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CAR 32. Please provide the information in tabular form on the measuring equipment used under the project.	Table 2, Annex 3	Relevant information on the monitoring equipment was provided. <u>Please see the revised PDD, version 2.5., Annex 3.</u>	The issue is closed on the basis of corrections made in the PDD version 2.5.
CL 01. In order to add transparency to the project description and emission reduction calculation, please clarify the different types of products that will be produced at the processing facility. During the site visit it became apparent that different products (according to size, ash content, water content and	Table 2, checklist question A.4.2.1	For the purpose to facilitate monitoring of the project and add transparency used the total amount of coal as a sum of different types of products. Sizes, ash content, water content of different types of products are not used in the formulas for emission reductions calculation. Calculation is based on NCV of coal, which	Clarification has been provided. Issue is closed.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
NCV) are produced.		value is conservative.	
CL 02. Please provide information on whether the project design engineering reflects current good practices.	Table 2, checklist question A. 4.2.1.1.	<p>Use of heavy environment hydrocyclone is a reflection of modern engineering solutions in the field of mineral dressing. This method is economical and effective. It allows enriching raw material in a wide range by size and also allows in a maximum quality way extracting useful component from ballast mass.</p> <p><u>Please see the revised PDD, version 2.5., Section A.4.2.</u></p>	Explanations were provided. The issue is closed.
CL 03. Please provide an explanation if weather conditions are affecting the level of coal production under the project.	Table 2, checklist question 4.2.1.1.	<p>Concentrating complex is situated in a compact building that is heated. All main technological equipment is in the premises, where the temperature is not below 10°C. So, the weather conditions in no way affect the operation of concentrating point. Weather conditions only affect the intensity of waste heaps dismantling, because in winter waste heaps may be covered with ice and rock mass may solidify. But this factor does not affect substantially the overall rate of coal mining.</p> <p><u>Please see the revised PDD, version 2.5., Section A.4.2.</u></p>	Explanations were provided. The issue is closed.
CL 04. Please provide information on the coal content in +50mm fraction and its further application.	Table 2, checklist question A. 4.2.1.3.	This parameter is not a monitoring indicator so analysis of coal content in +50 mm fraction is not performed. However, the use of efficient technology of enriching rock mass allows maximum extracting all amount of carbonaceous fraction. This factor allows avoiding re-ignition of rock because enrichment wastes are inert mass of degassed	Explanations were provided. The issue is closed.

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
		raw materials. These wastes can be used for road construction, etc.	
<p>CL 05. The chosen baseline includes the complete burning of the waste heaps. Please provide supporting evidence that in the absence of the project (a) the coal contained in the waste heaps will burn completely (100%) and (b) the coal would burn within a timeframe comparable to the operational lifetime of the project. On page 2 of the PDD it is stated that waste heaps burn 5-7 years, but no source is indicated.</p>	<p>Table 2, checklist question B.2.4.2</p>	<p>According to “<i>Analysis on the fire risk of Luhansk Region’s waste heaps</i>”, Scientific Research Institute “Respirator”, Donetsk, 2010 “... the burning process ends after burning of combustible materials. Currently there are no studies and mathematical models of the combustion process waste heaps, because the process is complex and depends on many parameters that vary for different waste heaps and at different times. Various data sources give different periods of burning dumps, which indicates the absence of compelling basics. Therefore, the project is not takes into account the period of burning waste heaps, as it may be very different for different waste heaps.”</p> <p>Time of burning waste heaps is an expert evaluation of Scientific Research Institute “Respirator” in accordance with the letter. <u>Please find file Letter Respirator Antratzit 153-1 20.08.2004</u></p>	<p>Issue is closed based on corrections introduced in PDD ver. 3.0.</p>
<p>CL 06. During the project implementation large number of rock mass containing certain percentage of carbon is processed. Please provide justification that enrichment wastes do not affect the level of emissions in the project scenario. Also, please justify that methane emissions from enriched</p>	<p>Table 2, checklist question B.3.1.</p>	<p>The aim of the project is processing waste heaps and removing carbon from the waste mass. Sorted fraction with high carbon content is used for energy purposes in the national economy. Enrichment wastes are inert rock mass which has very low carbon content. Besides, waste heap of flat shape is formed from enrichment wastes that does not lead to</p>	<p>Explanations were provided. The issue is closed.</p>

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
coal that is stored at the factory are neglected.		<p>erosion and allows effective monitoring the condition of heap. Due to these factors the possibility of emissions creation as a result of burning heaps from enrichment wastes is excluded. Emissions factors as consumption of fuel and electricity for enrichment waste treatment (removal, warehousing, etc.) are already included in the calculation of project emissions as the entire volume fuel and electricity consumption by enterprise is taken into account.</p> <p>Methane emissions from enriched coal, which is stored at the site of the project implementation, are neglected since this coal is already degassed during primary production from the mine and subsequent storage in heaps. In any case, the amount of coal that would be mined in the baseline scenario would be subject to the same storage and transportation leading to the same emissions. Therefore, this potential source of emissions is neglected and such that does not affect the calculation of the project emission reductions.</p> <p><u>Please see the revised PDD, version 2.5.</u></p>	
<p>CL 07. Please provide an explanation, how the project boundaries are established and give an appropriate source.</p>	<p>Table 2, checklist question B.3.1.</p>	<p>Emission sources in this PDD are presented in accordance with the provisions of Articles 13 and 14 of the JISC Guidance.</p> <p><u>Please see the revised PDD, version 2.5., Section B.3.</u></p>	<p>Explanations were provided. The issue is closed.</p>

Determination Report – “Complex of measures, directed on decreasing GHG in atmosphere due to waste heaps burning”

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
<p>CL 08. Please provide explanations on how to use the coefficient of fugitive methane emissions from extracting coal from the mines from National Greenhouse Gas Inventory for 1999-2009.</p>	<p>Table 2, checklist question D.1.5</p>	<p>National Inventory Report in Ukraine for 1990-2009 gives clear and transparent information on the value of the coefficient of fugitive methane emissions during operation of mines. In the new edition of this source there is no numerical value for this coefficient, and it is represented as a curve on the graph. This way of data demonstration does not give an opportunity to accurately and transparently identify appropriate value of the coefficient, but only shows trend of change of this indicator by years. The use of this source includes presence of high level of uncertainty that puts into doubt overall results of emission reductions calculations.</p> <p><u>Please see the revised PDD, version 2.5., Section D.1.</u></p>	<p>Explanations were provided. The issue is closed.</p>

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
<p>CL 09. Clarify how coal from other source is excluded in the monitoring</p>	<p>Table 2, checklist question D.1.5</p>	<p>Only shipped coal is taken into account and is attributed to the project activity. Weighting of the coal is caring out on railway station by the special railway scale. Regular cross-checks with the customers are performed.</p> <p>Cross-checks can be performed against the internal data on coal extraction obtained at the weighbridge near the coal storage. The data is manually recorded in a journal at the weighbridge and summary data is then transferred to a journal at the processing plant.</p> <p>As indirect confirmation the following fact can be used: specific values do not contradict the rated capacity of one processing plant and assumed coal content in the material before processing.</p> <p>So any coal from other sources cannot be reflected in the monitoring reports.</p>	<p>Clarification has been provided. Issue is closed.</p>
<p>CL10. Emissions in baseline scenario are calculated based on assumption that total amount of coal processed will be burned in a heap for the same period. Please provide background for such assumption.</p>	<p>Table 2, checklist question D.1.5.1</p>	<p>As indicated in the above currently there are no studies and mathematical models of the combustion process waste heaps, because the process is complex and depends on many parameters that vary for different waste heaps and at different times. Therefore, it is impossible to take into account with reasonable certainty speed of burning waste heaps.</p> <p>Coal in heaps can be burned slower or faster than in the project scenario. For eliminate any</p>	<p>Clarifications have been provided. Issue is closed.</p>

Draft report clarifications and corrective action requests by determination team	Ref. to checklist question in tables 1, 2	Summary of project owner response	Determination team conclusion
		<p>estimate inaccuracy in the project the assumption is made that total amount of coal processed in the project will be burned in the waste heaps for the same period.</p> <p>This approach was used in a project “Waste heaps dismantling with the aim of decreasing the greenhouse gases emissions into the atmosphere” that has already positively determined by Accredited independent entity. This determination has already been deemed final by the JISC. Appropriate documentation such as PDD and Determination Report regarding this project is available traceably and transparently on the UNFCCC JI website http://ji.unfccc.int/JI_Projects/DB/VOZK3HERS_NQGFLCY0YZ3AX5W676M5R/Determination/Bureau%20Veritas%20Certification1277814730.41/viewDeterminationReport.html</p> <p>Taking into account commissioning schedule for the processing plants the period waste heaps processing is about 7 years according to material volume in the waste heaps. This period is expected to be longer than the period of burning of waste heaps (5-7 years according to the letter Scientific Research Institute “Respirator”). Please find file Letter Respirator Antrazit 153-1 20.08.2004.</p> <p>During the monitoring period the purchase of other waste heaps is provided. That's the reason the period of waste heaps processing will take much longer than 7 years according to</p>	

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		additional material volume in new waste heaps. Therefore the assumption “Total amount of coal processed in the project will be burned in the waste heaps for the same period” is conservative.	
<p>CL 11. Please specify if there was any replacement of technical equipment during monitoring period.</p>	<p>Table 2, checklist question D.1.7.</p>	<p>All project equipment is new and has operational lifetime up to 2015 inclusively. Therefore, significant changes in the technological links of the complex are not expected. Only planned replacements of gearboxes, motors and other auxiliary devices are possible under the project in order to prevent accidents.</p> <p><u>Please see the revised PDD, version 2.5., Section D.1.</u></p>	<p>Explanations were provided. The issue is closed.</p>
<p>CL 12. During the site visit it was indicated that the measuring of coal produced is taking place right away after facility work. Please explain how coal humidity is taken into account.</p>	<p>Table 2, checklist question D.1.8</p>	<p>Only shipped coal is taken into account and is attributed to the project activity. It has the lowest humidity. So coal humidity is not significant and is not taken into account.</p> <p>Coal is produced by ordinary mining method also has certain humidity which goes from a concentration process.</p>	<p>Clarifications have been provided. Issue is closed.</p>