VERIFICATION REPORT
SIA "VIDZEME EKO"

VERIFICATION OF THE
DISMANTLING OF WASTE HEAP AT "5-BIS " MINE

INITIAL AND FIRST PERIODIC FOR 01/04/2008-31/07/2012

REPORT NO. UKRAINE-VER/0663/2012

REVISION NO. 01

BUREAU VERITAS CERTIFICATION

Date of first issue:	Organizational unit:
28/08/2012	Bureau Veritas Certification Holding SAS
Client:	Client ref.:
SIA "Vidzeme Eko"	Victor Tkachenko

Summary:

Bureau Veritas Certification has made the initial and 1st periodic verification of the "Dismantling of waste heap at 5-bis mine", project of SIA "Vidzeme Eko" located in Leninske village, Sverdlovsk District, Luhansk Region, Ukraine, and applying JI specific approach, on the basis of UNFCCC criteria for the JI, as well as criteria given to provide for consistent project operations, monitoring and reporting. UNFCCC criteria refer to Article 6 of the Kyoto Protocol, the JI rules and modalities and the subsequent decisions by the JI Supervisory Committee, as well as the host country criteria.

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

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

In summary, Bureau Veritas Certification confirms that the project is implemented as planned and described in approved project design documents. Installed equipment being essential for generating emission reduction runs reliably and is calibrated appropriately. The monitoring system is in place and the project is generating GHG emission reductions. The GHG emission reduction is calculated accurately and without material errors, omissions, or misstatements, and the ERUs issued totalize 2117222 tonnes of CO2 equivalent for the monitoring period from 01/04/2008 to 31/07/2012 (404164 tonnes of CO2 equivalent for 01/04/2008-31/12/2008, 494170 tonnes of CO2 equivalent for 01/01/2009-31/12/2009, 472926 tonnes of CO2 equivalent for 01/01/2010-31/12/2010, 470804 tonnes of CO2 equivalent for 01/01/2011-31/12/2011, 275158 tonnes of CO2 equivalent for 01/01/2012-31/07/2012).

Report No.:	Subject Group:	
UKRAINE-ver/0663/2012	JI	
Project title: "Dismantling of waste heap at 5-bis mine"		
Work carried out by: Vyacheslav Yeriomin – Team Leader, Lead Verifier Serhii Verteletskyi – Team member, Verifier		
Work reviewed by: Ivan Sokolov - Technical Reviewer Nikolay Chekhmestrenko – technical specialist		☒ No distribution without permission from the Client or responsible organizational unit
Work approved by: Ivan Sokolov - Operational Manager		☐ Limited distribution
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1 INTRODUCTION

SIA "Vidzeme Eko" has commissioned Bureau Veritas Certification to verify the emissions reductions of its JI project "Dismantling of waste heap at 5-bis mine" (hereafter called "the project") at Leninske village, Sverdlovsk District, Luhansk Region, Ukraine.

This report summarizes the findings of the verification of the project, performed on the basis of UNFCCC criteria, as well as criteria given to provide for consistent project operations, monitoring and reporting.

1.1 Objective

Verification is the periodic independent review and ex post determination by the Accredited Independent Entity of the monitored reductions in GHG emissions during defined verification period.

The objective of verification can be divided in Initial Verification and Periodic Verification.

UNFCCC criteria refer to Article 6 of the Kyoto Protocol, the JI rules and modalities and the subsequent decisions by the JI Supervisory Committee, as well as the host country criteria.

1.2 Scope

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

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

1.3 Verification Team

The verification team consists of the following personnel:

Vyacheslav Yeriomin Bureau Veritas Certification	Team Leader, Climate Change Verifier
Serhii Verteletskyi Bureau Veritas Certification	Climate Change Verifier

This verification report was reviewed by:

Ivan Sokolov Bureau Veritas Certification,	Internal Technical Reviewer

Nikolay Chekhmestrenko
Bureau Veritas Certification, Technical Specialist

2 METHODOLOGY

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

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

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

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

2.1 Review of Documents

The Monitoring Report (MR) submitted by SIA "Vidzeme Eko" and additional background documents related to the project design and baseline, i.e. country Law, Project Design Document (PDD), elements of approved CDM methodology ACM0009 version 03.2 and Guidance on criteria for baseline setting and monitoring, Host party criteria, Kyoto Protocol, Clarifications on Verification Requirements to be Checked by an Accredited Independent Entity were reviewed.

The verification findings presented in this report relate to the Monitoring Report version(s) 2.0 and project as described in the determined PDD.

2.2 Follow-up Interviews

On 15/08/2012 Bureau Veritas Certification performed on-site interviews with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of SPE "Laguna" and SIA "Vidzeme Eko" were interviewed (see References). The main topics of the interviews are summarized in Table 1.

Table 1 Interview topics

Interviewed organization	Interview topics
SPE "Laguna"	Organizational structure Responsibilities and authorities Roles and responsibilities for data collection and processing Installation of equipment Data logging, archiving and reporting Metering equipment control Metering record keeping system, database IT management Training of personnel Quality management procedures and technology Internal audits and check-ups
CONSULTANT SIA "Vidzeme Eko"	Baseline methodology Monitoring plan Monitoring report Excel spreadsheets

2.3 Resolution of Clarification, Corrective and Forward Action Requests

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

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

(a) Corrective action request (CAR), requesting the project participants to correct a mistake that is not in accordance with the monitoring plan;

(b) Clarification request (CL), requesting the project participants to provide additional information for the Verification Team to assess compliance with the monitoring plan;

(c) Forward action request (FAR), informing the project participants of an issue, relating to the monitoring that needs to be reviewed during the next verification period.

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

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

3 VERIFICATION CONCLUSIONS

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

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

The Clarification, Corrective and Forward Action Requests are stated, where applicable, in the following sections and are further documented in the Verification Protocol in Appendix A. The verification of the Project resulted in 6 Corrective Action Requests, 0 Clarification Requests, and 0 Forward Action Requests.

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

3.1 Remaining issues and FARs from previous verifications

One FAR is pending from determination process provided by Bureau Veritas Certification Holding SAS

FAR01

Please provide written project approvals from both Parties Involved.

Response

Letter of Approval #2362/23/7 has been issued by State Environment Investment Agency of Ukraine from 28/08/2012. Letter of Approval #12.2-02/11916 has been issued by Latvian Ministry of Environment Protection and regional development, from 17/08/2012. Project written approvals have been presented to AIE.

Conclusion

The issue is closed based on documentation provided by SIA "Vidzeme Eko"

3.2 Project approval by Parties involved (90-91)

Letter of Approval #2362/23/7 has been issued by State Environment Investment Agency of Ukraine from 28/08/2012. Letter of Approval #12.2-02/11916 has been issued by Latvian Ministry of Environment Protection and regional development, from 17/08/2012.

The abovementioned written approval is unconditional.

Identified problem areas for written project approvals from Parties involved, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (See CAR01).

3.3 Project implementation (92-93)

Proposed project provides complete dismantling of the dump at the former mine "5-bis" with further reclamation of the area by restoring its fertile layer. During dismantling of the dump, the rocks will be divided into

fractions, which will be used for blending with steam coal and subsequently supplied to heat power plants and boiler houses for burning as fuel. After sorting, the large fractions will be used for building and repairing of roads. As the result, rock mass of the dump will be fully utilized, and the received coal will replace coal, which otherwise would have had to be mined. As the result of the project, the opportunity of self-ignition of heap will be eliminated. An important component of the project is its second phase – complex reclamation of the area by restoring its fertile layer and full restoration of natural ecological community. This part of the project is required, but totally expensive, due to this mechanism of joint implementation was one of the prominent factors of the project from the beginning, and financial benefits as part of this mechanism considered one of the reasons of the project implementation.

The project provides the assemblage and installation of sorting rock mass complex of dump of former mine "5-bis" consisting of:

- Point of loading rock mass on Conveyor SP-202MS;
- -Point of sorting rock mass in classes 0-30 mm and 30 mm (vibrating inertial sifter GIL-52);
- Point of storage class 0-30 mm (sheds).

Class +30 mm is expected (as required under discharging tray of sifter) to be loaded in transports and delivered to customers for building and repairing of category 4-5 roads. Class 0-30 mm is expected to be loaded in transports, undergoes a mandatory procedure of weighting and is sent to the consumer for blending and subsequent combustion in the thermal power plants or boiler houses. Blending of fraction (0- 30) with a steam coal allows to realize the fine finishing of quality the energy coal to the requirements of Standard 4083-2002, without compromising the quality of fuel on the one hand, but resulting in saving valuable energy coal on the other hand

Technological scheme of the complex is described as follows:
The rock mass, after been dismantled bulldozers T-170 is delivered to the feeding conveyor SP-202 by frontal loader HK 632L. Before the delivery of rock mass on the belt conveyor, the moisture is applied (humidity of raw materials does not exceed 8%) with sprinklers.
After bulldozers, layer by layer, get to the height, where the entrance road can be made- the combined method is used for the dump dismantling; further dismantling is made by excavator EO-5126 with the direct rock loading on the conveyor, or on the intermediate site, where, with the help of the loader, the rock is delivered to the scraper conveyor SP – 202

Product of sorting class 0-30 through handling unit of sifter supplied on belt conveyor KLS. From the belt conveyor rock mass of class 0-30 mm through the handling unit of conveyor with built-in nozzles for humidification, emptied on the intermediate platform without significant accumulation, where loader HK 319L loads it in trucks or on a platform

(warehouse) for storage. Warehouse is used if necessary without long-term storage. From storage the rock mass 0-30 mm by loader is loaded into trucks.

The starting date of the project is considered 03/03/2008 – the date when decision on waste heap dismantling project implementation was approved by SPE "Laguna". The monitoring starting date 01/04/2008 is the date when dismantling of the waste heap was started. During the monitoring period project equipment was in work and waste heap dismantling was in continuous, without significant stops by technical problems or disasters. Project equipment works in two-shift cycle and stops by holidays.

SPE "Laguna" is Management Company without own their work capacities. SPE "Laguna" signed relevant contracts with following enterprises for required works
- Contractors of dismantling and sorting of dump: PE "INVEST PROM";
- Renter of weighing works: PE "KSILUGMET VEST";
- Conducting the chemical analysis: "Skhid DRGP"

SPE "Laguna" buys coal containing rock mass from waste heap of 5-bis mine and sales sorted rock mass.
PE "INVEST PROM" is owner of rock-transporting vehicles and sorting unit in stuff of conveyors SP-202, KSL and inertial sieve GIL-52.
Data on coal scales which is in ownership of PE "KSILUGMET VEST, its calibration status and description of weighting process is provided in section 3.6 of Verification Report and section B of the Monitoring Report/
Data on Chemical laboratory, list and calibration status of laboratory equipment, description of coal parameters definition are provided in the section B of Monitoring Report.

Enterprises-subcontractors of SPE "Laguna", list of sorting and laboratory equipment were not changed during the monitoring period.

Waste heap dismantling was provided during the site-visit time. Level of project activity is depends on steam coal demand on Ukraine inside market. Project owner doesn't keep sorted rock mass and produce it on consumers needs

Difference between value of ERUs indicated in the PDD and value of ERUs in the Monitoring Report detected for period from 01/01/2012 till 31/07/2012 is explained in that way - coal demand is not constant and depends on steam coal demand on Ukraine inside market.
Calculations in the PDD and MR are performed ex post.

Identified problem areas for project implementation status, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (See CAR02).

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

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

For calculating the emission reductions, key factors, such as demand of energy-class coal at Ukraine market, availability of work power, local prices and availability of energy sources, such as electric energy and diesel fuel, policies and regulation in Ukraine mining and environmental protection sectors, economical situation in Ukraine energy and mining sectors influencing the baseline emissions and the activity level of the project and the emissions as well as risks associated with the project were taken into account, as appropriate.

Data sources used for calculating emission reductions, such as act on beneficiated coal containing mass acceptance-transmitting, acts on diesel fuel retirements, monthly bills on consumed by project equipment electric energy, statements on laboratory analyses, which use for identification ash content and moisture of beneficiated sorted fractions, statistical data of State statistical service of Ukraine and Ukraine ministry of coal industry, statistical researches of Scientific centre "Respirator" are clearly identified, reliable and transparent.

Emission factors, including default emission factors, are selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice. Values of emission factors for electricity consumption are used in accordance with relevant Orders of SEIA. Relevant values of coal net calorific value, oxidation factors for coal and diesel fuel, carbon content in coal are obtained from National Greenhouse Gases Inventory Report for 1990-2010 in Ukraine (NIR for 1990-2010 years). Data for diesel fuel was used from NIR for 1990-2010 years from outdoor vehicles.

Emission factor for fugitive methane emission from coal mining is obtained from NIR for 1990-2009. This value uses for conservativeness provision, so actual version of NIR for 1990-2010 contains only estimation of methane emissions from coal mining lowering tendency.

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

Identified problem areas for compliance of the project monitoring plan with the monitoring methodology, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (See CAR03, CAR04).

3.5 Revision of monitoring plan (99-100)

"Not applicable"

3.6 Data management (101)

The data and their sources, provided in monitoring report, are clearly identified, reliable and transparent. List of data sources such as laboratory forecasts, invoices on sorted rock mass and diesel fuel, bills on consumed electric energy is provided in the Monitoring Report

The implementation of data collection procedures is in accordance with the monitoring plan, including the quality control and quality assurance procedures. These procedures are mentioned in the sections B and C of the Monitoring Report/

The function of the monitoring equipment, including its calibration status, is in order. Data on monitoring equipment, including its calibration and work status is provided

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

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

Identified problem areas for compliance of the project data management, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (See CAR05, CAR06).

3.7 Verification regarding programmes of activities (102-110)

"Not applicable"

4 VERIFICATION OPINION

Bureau Veritas Certification has performed the initial and 1st periodic verification of the "Dismantling of waste heap at 5-bis mine" Project in Leninske village, Sverdlovsk District, Luhansk Region, Ukraine, which applies JI specific approach. The verification was performed on the basis of UNFCCC criteria and host country criteria and also on the criteria given to provide for consistent project operations, monitoring and reporting.

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

The management of SIA "Vidzeme Eko" is responsible for the preparation of the GHG emissions data and the reported GHG emissions reductions of the project on the basis set out within the project Monitoring and Verification Plan indicated in the final PDD version 2.0. The development and maintenance of records and reporting procedures in

accordance with that plan, including the calculation and determination of GHG emission reductions from the project, is the responsibility of the management of the project.

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

Bureau Veritas Certification can confirm that the GHG emission reduction is accurately calculated and is free of material errors, omissions, or misstatements. Our opinion relates to the project's GHG emissions and resulting GHG emissions reductions reported and related to the approved project baseline and monitoring, and its associated documents. Based on the information we have seen and evaluated, we confirm, with a reasonable level of assurance, the following statement:

Reporting period: From 01/04/2008 to 31/07/2012

Baseline emissions	: 1614536	tonnes of CO_2 equivalent.
Project emissions	: 70631	tonnes of CO_2 equivalent.
Leakages	: -573318	tonnes of CO_2 equivalent.
Emission Reductions	: 2117222	tonnes of CO_2 equivalent.

From 01/04/2008 to 31/12/2008

Baseline emissions	: 313305	tonnes of CO_2 equivalent.
Project emissions	: 13716	tonnes of CO_2 equivalent.
Leakages	: -136182	tonnes of CO_2 equivalent.
Emission Reductions	: 404164	tonnes of CO_2 equivalent.

From 01/01/2009 to 31/12/2009

Baseline emissions	: 374127	tonnes of CO_2 equivalent.
Project emissions	: 16139	tonnes of CO_2 equivalent.
Leakages	: -136182	tonnes of CO_2 equivalent.
Emission Reductions	: 494170	tonnes of CO_2 equivalent.

From 01/01/2010 to 31/12/2010

Baseline emissions	: 358533	tonnes of CO_2 equivalent.
Project emissions	: 15921	tonnes of CO_2 equivalent.
Leakages	: -130314	tonnes of CO_2 equivalent.
Emission Reductions	: 472926	tonnes of CO_2 equivalent.

From 01/01/2011 to 31/12/2011

Baseline emissions	: 358861	tonnes of CO_2 equivalent.
Project emissions	: 15708	tonnes of CO_2 equivalent.
Leakages	: -127651	tonnes of CO_2 equivalent.
Emission Reductions	: 470804	tonnes of CO_2 equivalent.

From 01/01/2012 to 31/07/2012

Baseline emissions	:	209710	tonnes of CO_2 equivalent.
Project emissions	:	9147	tonnes of CO_2 equivalent.
Leakages	:	-74596	tonnes of CO_2 equivalent.
Emission Reductions	:	275158	tonnes of CO_2 equivalent.

5 REFERENCES

Category 1 Documents:
Documents provided by SIA "Vidzeme Eko" that relate directly to the GHG components of the project.

/1/ Project Design Document "Dismantling of waste heap at "5-bis" mine" version 2.0 dated 20/08/2012
/2/ Monitoring Report "Dismantling of waste heap at 5-bis mine" version 1.0 dated 26/08/2012
/3/ Monitoring Report "Dismantling of waste heap at 5-bis mine" version 2.0 dated 30/08/2012
/4/ ERUs calculation Excel-file "Calculation5-BIS K10.xls"
/5/ Letter of Approval #2362/23/7 dated 28/08/2012 issued by State Environment Investment Agency of Ukraine
/6/ Letter of Approval #12.2-02/11916 issued by Latvian Ministry of Environment Protection and regional development, dated 17/08/2012

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

/1/ Passport of the dump under dismantling
/2/ Passport. Automobile scales electronic tensometric VTA-60
/3/ Act of admission and transmission of the waste heap from 03/03/2008 between "SKADI" Ltd. and SPE "LAGUNA"
/4/ Agreement # 3/03/08 from 03/03/2008 between "SKADI" Ltd. and SPE "LAGUNA"
/5/ Delivery contract of Carbonaceous fraction between PE "INVEST PROM" and PE"ISTLUGPOSTAVKA-2006" # 334 from 03/03/2008 (in Russian).
/6/ Agreement of subcontract # 355 from 03/03/2008 between PE "INVEST PROM" and PE"KSILUGMET VEST" Ltd on the works of the dump dismantling
/7/ Agreement of subcontract # 338 from 03/03/2008 between SPE "LAGUNA"(Customer) and PE "INVEST PROM" (Performer) on the works of the dump dismantling
/8/ Act of performed work of weighing from 01/07/08 of 47272.35 tons of carbonaceous rocks
/9/ Act of admission and transmission of performed work from 01/07/08 for 5 976 434.52 UAH. and calculation of the costs for the act of performed works
/10/ Sales invoice# 67 for 47272.35 tons of Carbonaceous rocks
/11/ Act of performed work of weighing from 01/04/09 of 46836.60 tons of carbonaceous rocks
/12/ Act of admission and transmission of performed work from 01/04/09 for 5 707 152.89 UAH. and calculation of the costs for the act of performed works..
/13/ Sales invoice# 21 for 46836.60 tons of Carbonaceous rocks

/14/ Act of performed work of weighing from 01/11/09 of 46836.65 tons of carbonaceous rocks
/15/ Act of admission and transmission of performed work from 01/11/09 for 5 707 152,89 UAH. and calculation of the costs for the act of performed works.
/16/ Sales invoice# 114 for 46836.65 tons of Carbonaceous rocks
/17/ Act of performed work of weighing from 01/08/10 of 47290.45 tons of carbonaceous rocks
/18/ Act of admission and transmission of performed work from 01/08/10 for 5 819 276.54 UAH. and calculation of the costs for the act of performed works.
/19/ Sales invoice# 78 for 47290.45 tons of Carbonaceous rocks
/20/ Act of performed work of weighing from 01/12/10 of 45038.45 tons of carbonaceous rocks
/21/ Act of admission and transmission of performed work from 01/12/10 for 5 547 904.87 UAH. and calculation of the costs for the act of performed works
/22/ Sales invoice# 111 for 45038,45 tons of Carbonaceous rocks
/23/ Act of performed work of weighing from 01/03/11 of 45844.35 tons of carbonaceous rocks
/24/ Act of admission and transmission of performed work from 01/03/11 for 5 679 932.31 UAH. and calculation of the costs for the act of performed works.
/25/ Sales invoice# 21 for 45844.35 tons of Carbonaceous rocks
/26/ Act of performed work of weighing from 01/10/11 of 46403.45 tons of carbonaceous rocks
/27/ Act of admission and transmission of performed work from 01/10/11 for 5 747 721.21 UAH. and calculation of the costs for the act of performed works.
/28/ Sales invoice# 96 for 46403.45 tons of Carbonaceous rocks
/29/ Act of performed work of weighing from 01/04/12 of 42440.80tons of carbonaceous rocks
/30/ Act of admission and transmission of performed work from 01/04/12 for 5 336 162.86 UAH. and calculation of the costs for the act of performed works.
/31/ Sales invoice# 33 for 42440.80 tons of Carbonaceous rocks

Persons interviewed:

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

/1/ Gints Klavinsh - SIA "Vidzeme Eko" JI Project Manager
/2/ Tymofeev Sergiy Petrovych - SIA "Vidzeme Eko" JI Consultant
/3/ Stah Yuri Mykhailovych - SIA "Vidzeme Eko" JI Consultant
/4/ Hruts Iryna Myhailivna - DRGP "Vostok" Head of Laboratory, subcontractor of SPE "Laguna"
/5/ Frolov Ivan Petrovych – PE "KSILUGMET VEST" Production Manager, subcontractor of SPE "Laguna"
/6/ Hubernachuk Kateryna Volodymyrivna – PE "INVEST PROM" manager of TCD, subcontractor of SPE "Laguna"

APPENDIX A: VERIFICATION PROTOCOL

VERIFICATION PROTOCOL

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

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
Project approvals by Parties involved				
90	Has the DFPs of at least one Party involved, other than the host Party, issued a written project approval when submitting the first verification report to the secretariat for publication in accordance with paragraph 38 of the JI guidelines, at the latest?	Proposed project was approved by Party-buyer of ERUs – Republic Latvia (Letter of Approval #12.2-02/11916 dated 17/08/2012 issued by Ministry of Environmental protection and regional development) *CAR01* Please provide written approval from the Host Party	CAR01	OK
91	Are all the written project approvals by Parties involved unconditional?	Letter of approval from Republic Latvia is unconditional. Also see CAR01	OK	OK
Project implementation				
92	Has the project been implemented in accordance with the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website?	The project is implemented in accordance with the PDD which determination has been deemed final	OK	OK
93	What is the status of operation of the project during the monitoring period?	*CAR02* Please correct length of the monitoring period in the section A.4	CAR02	OK
Compliance with monitoring plan				
94	Did the monitoring occur in accordance with the monitoring plan included in the PDD regarding which the determination	The monitoring was provided in accordance with the monitoring plan included in the PDD which determination has been deemed final	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	has been deemed final and is so listed on the UNFCCC JI website?			
95 (a)	For calculating the emission reductions or enhancements of net removals, were key factors, e.g. those listed in 23 (b) (i)-(vii) above, influencing the baseline emissions or net removals and the activity level of the project and the emissions or removals as well as risks associated with the project taken into account, as appropriate?	Project developer taking into account key factors listed in the section 23(b) (i)-(vii) of Determination protocol, such as economic circumstances in Ukraine energy and mining branches, local prices on steam coal, electricity and diesel fuel, availability of work power and technologies, influencing the baseline emissions and activity level of the project, as risks associated with the projects in appropriate way.	OK	OK
95 (b)	Are data sources used for calculating emission reductions or enhancements of net removals clearly identified, reliable and transparent?	The data sources such as laboratory certificates, invoices for coal containing rock mass, bills for electricity consumed, are clearly identified, reliable and transparent	OK	OK
95 (c)	Are emission factors, including default emission factors, if used for calculating the emission reductions or enhancements of net removals, selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice?	*CAR03* Please indicate values of diesel fuel NCV, oxidation factor and carbon content for outdoor vehicles, in accordance with Natinal GHG Report for 1990-2010 years	CAR03	OK
95 (d)	Is the calculation of emission reductions or enhancements of net removals based on conservative assumptions and the most plausible scenarios in a transparent manner?	*CAR04* The determined PDD indicates that HCV of coal is lowered by 10% comparing with value indicated in the "Guide of quality, volume of coal production and enrichment products in 2008-2010" for conservativeness. Please note this in the table 4	CAR04	OK
Applicable to JI SSC projects only_Not applicable				
Applicable to bundled JI SSC projects only_Not applicable				

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
Revision of monitoring plan				
Applicable only if monitoring plan is revised by project participant				
99 (a)	Did the project participants provide an appropriate justification for the proposed revision?	Not applicable	Not applicable	Not applicable
99 (b)	Does the proposed revision improve the accuracy and/or applicability of information collected compared to the original monitoring plan without changing conformity with the relevant rules and regulations for the establishment of monitoring plans?	Not applicable	Not applicable	Not applicable
Data management				
101 (a)	Is the implementation of data collection procedures in accordance with the monitoring plan, including the quality control and quality assurance procedures?	The implementation of data collection procedures is in accordance with the monitoring plan included in the PDD which determination has been deemed final	OK	OK
101 (b)	Is the function of the monitoring equipment, including its calibration status, in order?	*CAR05* Please add information on power meter "Mikrosystema" s/n 48912317 *CAR06* Please add data on hygrometer which was installed before psychometric hygrometer VIT s/n687	CAR05 CAR06	OK OK
101 (c)	Are the evidence and records used for the monitoring maintained in a traceable manner?	The evidences and records used for the monitoring are obtained in a traceable manner	OK	OK
101 (d)	Is the data collection and management system for the project in accordance with	The data collection and management system for the proposed JI project is in accordance with the	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	the monitoring plan?	monitoring plan		
Verification regarding programmes of activities (additional elements for assessment) _Not applicable				
Applicable to sample-based approach only				

Table 2 Resolution of Corrective Action and Clarification Requests

Draft report clarification and corrective action requests by verification team	Ref. to checklist question in table 1	Summary of project participant response	Verification team conclusion
CAR01 Please provide written approvals from the Host Party	90	Letter of Approval #2362 dated 28/08/2012 has been issued by State Environment Investment Agency of Ukraine. Relevant amendment was provided in the MR	The issue is closed by corrections of the Monitoring Report
CAR02 Please correct length of the monitoring period in the section A.4	93	length of the monitoring period is corrected: -Monitoring period starting date: 01/04/2008 at 00:00 -Monitoring period closing date: 31/07/2012 at 24:00	The issue is closed based on corrections in the Monitoring Report
CAR03 Please indicate values of diesel fuel NCV, oxidation factor and carbon content for outdoor vehicles, in accordance with Natinal GHG Report	95(c)	In this project there is used the value of lower heat of combustion NCV under National Inventories for 2012. "Mobile fuel combustion. Outdoor vehicles. Clarifying done in the Table 4.	The issue is closed based on project developer calrifications

CAR04 The determined PDD indicates that HCV of coal is lowered by 10% comparing with value indicated in the "Guide of quality, volume of coal production and enrichment products in 2008-2010" for conservativeness. Please note this in the table 4	95(d)	Explanations is made in Section D1: Net Calorific Value , calculated by the formula (14), is a lower value, provided by the National Inventory is around 10% that is why, for reasons of conservatism, the project takes on a value calculated by the formula (14).	
CAR05 Please add information on power meter "Mikrosystema" s/n 48912317	101(b)	In Section B added: For the measurement of this parameter uses a special electricity meter MC-3314-R1-A № 48912317. This counter is installed in 22.01.2008, instead of counter MC-3314-R1-A № 48875919	The issue is closed based on information provided in MR
CAR06 Please add data on hygrometer which was installed before psychometric hygrometer VIT s/n0687	101(b)	Added: Higrometer psychrometric VIT № 0687. Date of installation 08.11.07, date of last calibration 10.12.06	The issue is closed based on information provided in MR