DETERMINATION REPORT
SIA "VIDZEME EKO"

DETERMINATION OF THE SECONDARY PROCESSING OF THE COAL MINING WASTES WITH THE AIM OF REDUCING GREENHOUSE GAS EMISSION INTO THE ATMOSPHERE

REPORT NO. UKRAINE-DET/0703/2012

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BUREAU VERITAS CERTIFICATION

Report No: UKRAINE-det/0703/2012

DETERMINATION REPORT: "SECONDARY PROCESSING OF THE COAL MINING WASTES WITH THE AIM OF REDUCING GREENHOUSE GAS EMISSION INTO THE ATMOSPHERE"

Date of first issue:	Organizational unit:
21/09/2012	Bureau Veritas Certification Holding SAS
Client:	**Client ref.:**
SIA "Vidzeme Eko"	Victor Tkachenko

Summary:

Bureau Veritas Certification has made the determination of the "Secondary processing of the coal mining wastes with the aim of reducing greenhouse gas emission into the atmosphere" project of SIA "Vidzeme Eko" located in Novodaryivka village, Rovenky town, Luhansk Region, Ukraine 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 determination scope is defined as an independent and objective review of the project design document, the project's baseline study, monitoring plan and other relevant documents, and consisted of the following three phases: i) desk review of the project design and the baseline and monitoring plan; ii) follow-up interviews with project stakeholders; iii) resolution of outstanding issues and the issuance of the final determination report and opinion. The overall determination, from Contract Review to Determination Report & Opinion, was conducted using Bureau Veritas Certification internal procedures.

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

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

Report No.:	Subject Group:
UKRAINE-det/0703/2012	JI

Project title:
Secondary processing of the coal mining wastes with the aim of reducing greenhouse gas emission into the atmosphere

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1 INTRODUCTION

SIA "Vidzeme Eko" has commissioned Bureau Veritas Certification to determine its JI project "Secondary processing of the coal mining wastes with the aim of reducing greenhouse gas emission into the atmospere" (hereafter called "the project") at Novodaryivka village, Rovenky town, Luhansk Region.

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

1.1 Objective

The determination serves as project design verification and is a requirement of all projects. The determination is an independent third party assessment of the project design. In particular, the project's baseline, the monitoring plan (MP), and the project's compliance with relevant UNFCCC and host country criteria are determined in order to confirm that the project design, as documented, is sound and reasonable, and meets the stated requirements and identified criteria. Determination is a requirement for all JI projects and is seen as necessary 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, the JI rules and modalities and the subsequent decisions by the JI Supervisory Committee, as well as the host country criteria.

1.2 Scope

The determination scope is defined as an independent and objective review of the project design document, the project's baseline 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.

1.3 Determination team

The determination 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 determination report was reviewed by:

Ivan Sokolov
Bureau Veritas Certification, Internal reviewer
Nikolay Chekhmestrenko
Bureau Veritas certification, Technical specialist

2 METHODOLOGY

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

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

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

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

2.1 Review of Documents

The Project Design Document (PDD) submitted by SIA "Vidzeme Eko" and additional background documents related to the project design and baseline, i.e. country Law, Guidelines for users of the joint implementation project design document form, Approved CDM methodology and/or Guidance on criteria for baseline setting and monitoring, Kyoto Protocol, Clarifications on Determination Requirements to be Checked by an Accredited Independent Entity were reviewed.

To address Bureau Veritas Certification corrective action and clarification requests, SIA "Vidzeme Eko" revised the PDD and resubmitted it on 25/09/2012.

The determination findings presented in this report relate to the project as described in the PDD version 2.0.

2.2 Follow-up Interviews

On 24/09/2012 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 TANDEM TORG TPK" Ltd 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
TANDEM TORG TPK" Ltd.	➢ Project History ➢ Project Approach ➢ Project boundary ➢ Implementation Schedule ➢ Organization structure ➢ Authorities and responsibilities ➢ Training of personnel ➢ Quality management procedures and technologies ➢ Records on rehabilitation/implementation of equipment ➢ Metering equipment control ➢ Metering record keeping system, database ➢ Technical documentation ➢ Monitoring plan and procedures ➢ Permits and licenses
CONSULTANT SIA "Vidzeme Eko"	➢ Baseline methodology ➢ Monitoring plan ➢ Additionality proofs ➢ Calculation of emission reductions

2.3 Resolution of Clarification and Corrective Action Requests

The objective of this phase of the determination is to raise the requests for corrective actions and clarification and any other outstanding issues that needed to be clarified for Bureau Veritas Certification positive conclusion on the project design.

If the determination team, in assessing the PDD and supporting documents, identifies issues that need to be corrected, clarified or improved with regard to JI project requirements, it will 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 in the published PDD that is not in accordance with the (technical) process used for the project or relevant JI project requirement or that shows any other logical flaw;

(b) Clarification request (CL), requesting the project participants to provide additional information for the determination team to assess compliance with the JI project requirement in question;

(c) Forward action request (FAR), informing the project participants of an issue, relating to project implementation but not project design, that needs to be reviewed during the first verification of the project.

The determination 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 determination.

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

3 PROJECT DESCRIPTION

Proposed JI project foresees implementation of waste heaps dismantling with following beneficiation of coal containing rock mass with the aim of GHG emissions reduction.
The project owner "Tandem Torg TPK" buys coal containing rock mass at waste heaps #1 and #3 of Vakhrusheva mine and benefices it on enrichment plant "Continent-2".

Dismantling of waste heaps is provided in line within NPAOP 10.0-5.21-04 "Instruction to prevent spontaneous combustion, fire and dismantling dumps" and may be described as follow.

Dismantling of waste heaps is provided with bulldozers T-170 which square top of the heap. After decline by bulldozers to lower layer height, the entrance road can be constructed. Further dismantling is carried out by excavators EO-5126 charge dump tracks KAMAZ-55111, which transported coal containing rock mass to enrichment plant "Continent-2".
Enrichment plant "Continent-2" is the second range of enrichment plant "Continent" and is in leasing in "Tandem Torg TPK" LLC.
Coal containing rock mass is supplied to the inertial screening sifter, which remove class +100 mm in the off-corn.
Coal containing rock mass after pre-classification is humidified and moved to the inertial sifter GIL-52, which divided coal containing mass on 3-13 mm and +13 mm classes. Enrichment of heavy class +13 mm is provided in heavy media separator STK 32-550, and enrichment of small class 3-13 mm in hydrocyclone GTsM-630. Next, washing of the suspension of beneficiation products and dehydrating products by dressing screens and centrifuge take place, regeneration suspension at electromagnetic separator. Thus the water in this process is used in closed loop. Beneficiation products (coal concentrate) are transported by conveyor belt into bins for further shipment to the consumer. Waste is transported to the flat dump.

The project capacity of the complex allows to process 900 000 m3 of the rocks per year.
Data on waste heaps such a geographical coordinates, mass value of containing rocks, physical measures are provided in the section A.4.1.4.
Main work characteristics of heavy transporting vehicles and equipment of coal beneficiation plant are provided in the section A.4.2 of the PDD.

The proposed project is aimed at reducing anthropogenic emissions. Emission reductions created by:
- Elimination of greenhouse gases sources associated with waste heaps burning, by extracting coal from the rock dumps;
- Reduction of uncontrolled methane emissions due to replacement of coal that would have been extracted through mining;
- Reduction of electricity consumption at waste heap dismantling in comparison to electricity consumption at coal mine.

Identified problem areas for project description, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (refer to CAR01-CAR03, CL01-CL05)

4 DETERMINATION CONCLUSIONS

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

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

The Clarification and Corrective Action Requests are stated, where applicable, in the following sections and are further documented in the Determination Protocol in Appendix A. The determination of the Project resulted in 14 Corrective Action Requests and 6 Clarification Requests.

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

4.1 Project approvals by Parties involved (19-20)

The project has already received Letter of Endorsement #2561/23/7 dated 12/09/2012 issued by State Environmental Investment Agency.
The Bureau Veritas Certification obtained Letter of Endorsement from SIA "Vidzeme-Eko" and doesn't doubt in its authenticity.
As for this time no written project approvals of the project from the Parties Involved are available (see CAR03 pending till the Host Party LoA received). After receiving Determination Report from the Accredited Independent Entity (AIE) project documentation will be submitted to the Ukrainian Designated Focal Point (DFP) which is State Environment Investment Agency for receiving the Letter of Approval.

The written approvals from the other Party will be obtained later on.

Identified problem areas for written project approvals, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (refer to CAR04)

4.2 Authorization of project participants by Parties involved (21)

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.
Authorisation of the project participants by Parties involved is expected through a written project approval, see CAR04 that is pending

4.3 Baseline setting (22-26)

The PDD explicitly indicates that 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) was the selected approach for identifying the baseline.

The PDD provides a detailed theoretical description in a complete and transparent manner, as well as justification, that the baseline is established:

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

Scenario 1. Continuation of existing situation
This scenario does not anticipate any activities and therefore does not face any barriers.

Scenario 2. Direct energy production from the heat energy of burning waste heap

Technological barrier:
This scenario is based on the highly experimental technology, which has not been implemented even in a pilot project. It is also not suitable for all waste heaps as the project owner will have to balance the energy resource availability (i.e. waste heap location) and the location of the energy user. On-site generation of electricity addresses this problem but requires additional interconnection engineering. In general this technology has yet to prove its viability. In addition it does not allow the control and management of the emitted gases. This technology can be applied only in the presence of dumps with developed combustion centre. Even if the

probability of burning rock dump is very high, it is currently impossible to predict the time of its outbreak and therefore predict the start of the use of thermal energy released during its combustion.

Investment barrier:
Investment into unproven technology carries a high risk. In case of Ukraine, which carries a high country risk, investment into such unproven energy projects are less likely to attract investors than some other opportunities in the energy sector with higher returns. The pioneering character of the project may appeal to development programmes and governmental incentives but cost of the produced energy is likely to be much higher than alternatives.

Scenario 3. Production of construction materials from waste heap matter
Technological barrier:
This scenario is based on known technology, however, this technology 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 materials. High contents of sulphur and moisture can reduce the suitability of the waste heap for processing. A large scale deep exploration of the waste heap has to be performed before the project can start.

Scenario 4. Coal extraction from waste heaps without JI incentives
Investment barrier: This scenario is financially unattractive and faces barriers. Detailed description of proposed scenario barriers is provided in the section B.2 of the PDD version 2.0.

Scenario 5. Systematic monitoring of waste heaps condition and regular fire prevention and extinguishing measures
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 done systematically and in general actions are left to the discretion of the individual owners. Waste heaps are mostly owned by mines or regional coal mining associations. Coal mines in Ukraine suffer from limited investment resulting often in safety problems due to complicated mining conditions and financial constraints, with miners' salaries often being delayed by few months. Waste heaps in this situation are considered as additional burdens and mines often do not even perform minimum required maintenance. Exact data are not always available. From a commercial view point the fines that are usually levied by the authorities are considerably lower than costs of all the measures outlined by this scenario.

(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 following key factors that affect a baseline are taken into account:

- A comprehensive analysis and an in-depth description of the reform policies and legislation concerning the development and reforming of the Ukrainian coal industry. At this time effective united complex state program for prevention of waste heaps burning and reclamation with extraction of coal is absent. Fines paid by pollution costs much less than money spent on measures to prevent ignition or burning For this time 78 % of Luhansk Region waste heaps burned or burning.

- Describing economic situation. Inner coal market in Ukraine is significantly controlled by Ukrainian government, which is owner of number of mines and significantly influencing on coal costs. Level of coal content in waste heap is difficultly predicted, and "Tandem Torg TPK" LLC is a small company which cannot supply coal in big quantities in long range time.
- As far as availability of capital there is a summary of key indicators of business practices in Ukraine as well as a comparison country risk premiums for Ukraine, and Russia are provided by the PP's vividly demonstrating that Ukraine has been always considered a high-risk country for investments and doing business, which extremely limits the opportunities of the project as for its access to financial resources at the international level.
- It is stated by the project participants that modern technologies and best practices existing in the developed countries are unavailable due to their high cost and necessity of the knowledgeable personnel able to introduce and operate the equipment.
- As far as the fuel prices and its availability, the PDD states that electricity and diesel fuel are widely used in Ukrainian industry. Prices for diesel fuel that is mostly imported from the Russian Federation are regulated by Ukrainian Government. Electric energy in Ukraine is produced at the thermal and nuclear power stations mainly by use of fossil fuel. Wholesale Electricity Market of Ukraine is managed by the state enterprise "Energorynok"; the level of prices for electric energy ranges greatly for different types of consumers.

(c) 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 when project activity will generate coal

concentrate, so no emission reductions can be earned due to any changes outside the project activity.

(d) Taking into account uncertainties and using conservative assumptions such as the following:

- Lower range of parameters is used for calculation of baseline emissions and higher range of parameters is used for calculation of project activity emissions;
- Default values were used to the extent possible in order to reduce uncertainty and provide conservative data for emission calculations.
- The emissions of nitrous oxide have not taken into consideration for conservatism

For more details, please, refer to Section B.1. of the PDD.

Emissions in the baseline scenario are calculated as follows:

$$BE_y = BE_{WHB,y}\ , \qquad (1)$$

Where:
$BE_{WHB,y}$ - baseline emissions due to burning of the waste heap in the year *y* (tCO2 equivalent),

Baseline emissions due to burning dumps in year y calculated by the formula:

$$BE_{WHB,y} = FC_{BE,Coal,y}/1000 \cdot \rho_{WHB} \cdot NCV_{Coal} \cdot OXID_{Coal} \cdot K_{Coal}^{C} \cdot 44/12 \qquad (2)$$

where:
$FC_{BE,Coal,y}$ - amount of coal that has been mined in the baseline scenario and combusted for energy use, equivalent to the amount of coal extracted from the waste heap because of the project activity in the year *y,* t;
ρ_{WHB} - probability of waste heap burning , d/l;
NCV_{Coal} - net Calorific Value of coal, TJ/kt;
$OXID_{Coal}$ - carbon Oxidation factor of coal, d/l;
K_{Coal}^{C} - carbon content of coal, tC/TJ;
1/1000 - conversion factor from tons in kilotonnes, d / l
44/12 - stoichiometric relationship between the molecular weight of carbon dioxide and carbon.

The amount of coal produced in mines in the baseline scenario is calculated by the formula:

$$FC_{BE,Coal,y} = FR_{Coal,y} \cdot (1-A_{rock,y}/100-W_{rock,y}/100) \cdot (1-A_{Coal}/100-W_{Coal}/100) \qquad (3)$$

where:
$FR_{Coal,y}$ - amount of coal concentrate, which is extracted from the dumps because of the project in a year y, that came to blending with further combustion in thermal power plants, t;
$A_{rock,y}$ - the average ash content of coal concentrate, which is extracted from dump in year y,%
$W_{rock,y}$ - the average humidity of coal concentrate, which is extracted from dump in year y, %;
A_{Coal} - the average ash content of coal, mined in Donetsk region of Ukraine, %;
W_{Coal} - the average humidity of coal, mined in Donetsk region of Ukraine, %;
100 - conversion factor from percent to fraction, d/l.

Identified problem areas for project baseline, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (refer to CAR05, CAR06)

4.4 Additionality (27-31)

The project "Dismantling of Waste Heap #2 at mine #22 "Lisova"" project ITL UA1000329 is selected as the comparable JI project. Accredited independent entity has already positively determined that it would result in a reduction of anthropogenic emissions by sources or an enhancement of net anthropogenic removals by sinks that is additional to any that would otherwise occur. 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/JIITLProject/DB/YOG1RHBX2UD6R5ZG9QTB84MT26WITY/details

Additionality of the project was demonstrated adequately by demonstrating that the indicated project is implemented under comparable circumstances:

a) Both projects propose **same GHG mitigation measure:** The proposed GHG mitigation measure under both projects is coal extraction from the mine's waste heaps. This will prevent greenhouse gas emissions into the atmosphere during combustion of the heaps and will contribute an additional amount of coal, without the need for mining. Criteria is satisfied

b) Both projects are implemented within the **same country and the same time**: The proposed project and identified comparable project are both located in Ukraine, project crediting periods are divided by 1 year 10 months. Criteria is satisfied

c) **Scale.** The difference between the proposed project and the other project(s) is less than 50 per cent in terms of the projects output (i.e. power output, capacity increase, etc.) or service provided.
The projects envisage production of the same product (rock mass sorting). Both projects use similar technological equipment (vibrating sieves GIL-52, heavy media separators STK and hydrocyclones GTsM). Capacity of both projects are limited by coal contains in the waste heap and waste heaps size and is less than 50% for both projects with work in two-shift regime. Criteria is satisfied

d) There were no significant changes in **regulatory framework** between the starting dates of two projects. Criteria is satisfied.

The desk review of provided information and follow-up interviews enabled Bureau Veritas Certification Holding SAS to assess that all explanations, descriptions and analyses in the demonstration of additionality were made in accordance with criteria of "Guidance on criteria for baseline setting and monitoring" version 03 and this projects is indeed comparable project, implemented under comparable circumstances. The proposed JI activity provides the reductions in emissions by sources that are additional to any that would otherwise occur.

Identified problem areas for project additionality, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (CAR 07-CAR09).

4.5 Project boundary (32-33)

The details on the project boundary were provided in section B.3 of the PDD. The desk review of submitted documentation enabled Bureau Veritas Certification 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. Emissions of carbon dioxide due to:
- Waste heap burning;
- Consumption of coal for energy production (excluded, does not take into the consideration in calculation).

The project emission sources of GHGs that were included in the project boundaries are listed below. Emissions of carbon dioxide due to:
- Consumption of electricity due to extracting coal from dump;
- Consumption of fossil fuel (diesel fuel) due to extracting coal from dump;
- Consumption of coal for energy production (excluded, does not take into the consideration in calculation).

Leakages:
- Fugitive emissions of methane in the mining activities;
- Consumption of electricity from a grid at coal mine.
- Use of other types of energy sources due to mining (excluded).

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 and provided in Table 15 of the PDD.

The delineation of the project boundary and the gases and sources included are appropriately described and justified in the PDD by using Figures 6-7 in section B.3 of the PDD.

Identified problem areas for project boundaries, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (refer to CAR10)

4.6 Crediting period (34)

The PDD states 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, and the starting date is 02/09/2011, which is after the beginning of 2000.

The PDD states the expected operational lifetime of the project in years and months, which is 6 years and 4 months or 76 months.

The PDD states the length of the crediting period in years and months, which is 1 year and 4 months, and its starting date as 02/09/2011, which is on the date the first emission reductions or enhancements of net removals are generated by the project.

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

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

Identified problem areas for project crediting period, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (CAR11, CAR12)

4.7 Monitoring plan (35-39)

The PDD, in its monitoring plan section, explicitly indicates that JI specific approach was the selected.

The monitoring plan describes all relevant factors and key characteristics that will be monitored, and the period in which they will be monitored, in particular also all decisive factors for the control and reporting of project performance, such as value of extracted coal, values of consumed electricity, diesel fuel.

The monitoring plan specifies the indicators, constants and variables that are reliable (i.e. provide consistent and accurate values), valid (i.e. are clearly connected with the effect to be measured), and that provide a transparent picture of the emission reductions or enhancements of net removals to be monitored such as Net Calorific Value of Coal, Net calorific value of Diesel fuel, Carbon Oxidation Factor of Coal, Carbon Oxidation Factor of Diesel Fuel, Carbon content of coal, Carbon content of diesel fuel, Emission factor for fugitive methane emissions from coal mining, Specific carbon dioxide emissions due to production of electricity at TPP and by its consumptions, The average ash content of coal produced in Donetsk region, the average moisture of coal produced in Donetsk Region, probability of waste heap burning, average electricity consumption per tonne of coal, produced in Ukraine.

The monitoring plan draws on the list of standard variables indicated in appendix B of "Guidance on criteria for baseline setting and monitoring" developed by the JISC.

The monitoring plan explicitly and clearly distinguishes:

(i) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), and that are available already at the stage of determination, such as Global Warming potential of the Methane, Methane Density, Net Calorific Value of Coal, Net calorific value of Diesel fuel, Carbon Oxidation Factor of Coal, Carbon Oxidation Factor of Diesel Fuel, Carbon content of coal, Carbon content of diesel fuel, Emission factor for fugitive methane emissions from coal mining, Specific carbon dioxide emissions due to production of electricity at TPP and by its consumptions, The average ash content of coal produced in Donetsk region, the average moisture of coal produced in

Donetsk Region, probability of waste heap burning, average electricity consumption per tonne of coal, produced in Ukraine

(ii) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), but that are not already available at the stage of determination, such as absent.

(iii) Data and parameters that are monitored throughout the crediting period, such as Additional amount of electricity consumed for coal mass beneficiation, amount of diesel fuel consumed for coal containing rock mass transportation, value of produced coal concentrate.

The monitoring plan describes the methods employed for data monitoring (including its frequency) and recording, such as direct monitoring of electricity consumption by meters, sampling of produced coal, etc. Description of employed methods is provided in the section D.1 of the PDD.

The monitoring plan elaborates all algorithms and formulae used for the estimation/calculation of baseline emissions/removals and project emissions/removals or direct monitoring of emission reductions from the project, leakage, as appropriate, such as described below

The annual emission reductions are calculated as follows:

$$ER_y = BE_y - PE_y - LE_y, \quad (4)$$

where:
ER_y - emissions reductions of the JI project in year y (tCO2 equivalent);
BE_y - baseline emission in year y (tCO2 equivalent);
PE_y - project emission in year y (tCO2 equivalent);
LE_y - leakages in year y, (tCO2 equivalent).

Emissions in the baseline scenario are calculated as follows:

$$BE_y = BE_{WHB,y}\ , \quad (5)$$

Where:
$BE_{WHB,y}$ - baseline emissions due to burning of the waste heap in the year y (tCO2 equivalent),

Baseline emissions due to burning dumps in year y calculated by the formula:

$$BE_{WHB,y} = FC_{BE,Coal,y}/1000 \cdot \rho_{WHB} \cdot NCV_{Coal} \cdot OXID_{Coal} \cdot K_{Coal}^{c} \cdot 44/12 \quad (6)$$

where:

$FC_{BE,Coal,y}$ - amount of coal that has been mined in the baseline scenario and combusted for energy use, equivalent to the amount of coal extracted from the waste heap because of the project activity in the year *y,* t;
ρ_{WHB} - probability of waste heap burning , d/l;
NCV_{Coal} - net Calorific Value of coal, TJ/kt;
$OXID_{Coal}$ - carbon Oxidation factor of coal, d/l;
K_{Coal}^{C} - carbon content of coal, tC/TJ;
1/1000 - conversion factor from tons in kilotonnes, d / l
44/12 - stoichiometric relationship between the molecular weight of carbon dioxide and carbon.

The amount of coal produced in mines in the baseline scenario is calculated by the formula:

$$FC_{BE,Coal,y} = FR_{Coal,y} \cdot (1-A_{rock,y}/100-W_{rock,y}/100) \cdot (1-A_{Coal}/100-W_{Coal}/100) \quad (7)$$

where:
$FR_{Coal,y}$ - amount of coal concentrate, which is extracted from the dumps because of the project in a year y, that came to blending with further combustion in thermal power plants, t;
$A_{rock,y}$ - the average ash content of coal concentrate, which is extracted from dump in year y,%
$W_{rock,y}$ - the average humidity of coal concentrate, which is extracted from dump in year y, %;
A_{Coal} - the average ash content of coal, mined in Donetsk region of Ukraine, %;
W_{Coal} - the average humidity of coal, mined in Donetsk region of Ukraine, %;
100 - conversion factor from percent to fraction, d/l.

Emissions from the project activity are calculated as follows:

$$PE_y = PE_{EL,y} + PE_{Diesel,y} \quad (8)$$

where:
PE_y - project emissions due to project activity in the year *y* (tCO2 equivalent),
$PE_{EL,y}$ - project emissions due to consumption of electricity from the grid by the project activity in the year y (tCO2 equivalent),
$PE_{Diesel,y}$ - project emissions due to consumption of diesel fuel by the project activity in the year *y* (tCO2 equivalent).

The Project emissions due to consumption of electricity from a grid in a year y are calculated as follows:

$$PE_{EL,y} = EC_{PE,y} \cdot EF_{CO2,EL} \quad (9)$$

where:
$EC_{PE,y}$ - additional amount of electricity, consumed in project in year y, MWh;
$EF_{CO2,EL}$ - Specific carbon dioxide emissions due to production of electricity at TPP and by its consumption, tCO2/MWh;

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

$$PE_{Diesel,y} = FC_{BE,Diesel,y}/1000 \cdot NCV_{Diesel} \cdot OXID_{Diesel} \cdot K_{Diesel}^{c} \cdot 44/12 \quad (10)$$

where:
$FC_{BE,Diesel,y}$ - amount of diesel fuel, consumed in project in year y, t;
NCV_{Diesel} - Net Calorific Value of diesel fuel, TJ/kt;
$OXID_{Diesel}$ - carbon Oxidation factor of diesel fuel, d/l;
K_{Diesel}^{c} - carbon content of diesel, tC/TJ;
44/12 - stoichiometric relationship between the molecular weight of carbon dioxide and carbon.
1/1000 - conversion factor from tons in kilotonnes, d / l

Leakages in year y are calculated as follows:

$$LE_y = LE_{CH4,y} + LE_{EL,y} \quad (11)$$

where::
LE_y - leakages in year y, (t CO2e);
$LE_{CH4,y}$ - leakages due to fugitive emissions of methane in the mining activities in the year *y*, (t CO2e);
$LE_{EL,y}$ - leakages due to consumption of electricity from a grid at coal mine in a year y,(t CO2e);

Leakages due to fugitive emissions of methane in the mining activities in the year *y* are calculated as follows:

$$LE_{CH4,y} = - FC_{BE,Coal,y} \cdot EF_{CH4} \cdot \rho_{CH4} \cdot GWP_{CH4} , \quad (12)$$

$FC_{BE,Coal,y}$ - amount of coal that has been mined in the baseline scenario and combusted for energy use, equivalent to the amount of coal extracted from the waste heaps because of the project activity in the year *y,* t, calculated as (4);
EF_{CH4} - emission factor for fugitive methane emissions from coal mining, m3/t;
ρ_{CH4} - methane density at standard conditions t/m3;
GWP_{CH4} - Global Warming Potential of Methane, tCO2/ tCH4.

Leakages due to consumption of electricity from a grid at coal mine in a year y are calculated as follows:

$$LE_{EL,y} = - FC_{BE,Coal,y} \cdot N_{Coal,y}^{E} \cdot EF_{CO2,EL,y} \quad (13)$$

Where
$FC_{BE,Coal,y}$ - amount of coal that has been mined in the baseline scenario and combusted for energy use, equivalent to the amount of coal extracted from the waste heaps because of the project activity in the year *y,* t, calculated as (2);
$N_{Coal,y}^{E}$ - Average electricity consumption per tonne of coal, produced in Ukraine in the year y, MWh/t;
$EF_{CO2,EL,y}$ - Specific carbon dioxide emissions due to production of electricity at TPP and by its consumption, tCO2/MWh

The monitoring plan presents the quality assurance and control procedures for the monitoring process described in the section D.2 of the PDD. This includes, as appropriate, information on calibration and on how records on data and/or method validity and accuracy are kept and made available on request.

The monitoring plan clearly identifies the responsibilities and the authority regarding the monitoring activities. Clear and transparent scheme of monitoring data flow is provided in the section D.3 of the PDD.

On the whole, the monitoring plan reflects good monitoring practices appropriate to the project type.

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

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

Identified problem areas for project monitoring plan, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (CAR13, CL06)

4.8 Leakage (40-41)

This project will result in a net change in fugitive methane emissions due to the mining activities. As coal in the baseline scenario is only coming from mines it causes fugitive emissions of methane. These are calculated

as standard country specific emission factor applied to the amount of coal that is extracted from the waste heaps in the project scenario (which is the same as the amount of coal that would have been mined in the baseline scenario. Source of the leakage are the fugitive methane emissions due to coal mining. These emissions are specific to the coal that is being mined. Coal produced by the project activity is not mined but extracted from the waste heap through the advanced beneficiation process. Therefore, coal produced by the project activity substitutes the coal would have been otherwise mined in the baseline. Coal that is mined in the baseline has fugitive methane emissions associated with it and the coal produced by the project activity does not have such emissions associated with it.

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

This leakage is measurable: through the same procedure as used in 2006 IPCC Guidelines (See Volume 2, Chapter 4, Page 4-11) and also used in CDM approved methodology ACM009, Version 03.2 (Page 8). Activity data (in our case amount of coal extracted from the waste heap which is monitored directly) is multiplied by the emission factor (which is sourced from the relevant national study – National Inventory Report of Ukraine under the Kyoto Protocol) and any conversion coefficients.

Electricity consumption and related greenhouse gas emissions due to dismantling of waste heap to be taken into account in calculating the project emissions. Carbon dioxide emissions due to electricity consumption in the coal mine way in an amount, equivalent to the design of coal - a leakage that can be taken into account at base of the State Statistics Committee data, concerning unit costs of electricity at coal mines in Ukraine in the relevant year.

This leakage is directly attributable to the JI project activity according to the following assumption: the coal produced by the project activity from the waste heap will substitute the coal produced by underground mines of the region in the baseline scenario. This assumption is explained by the following logic: Energy coal market is demand driven as it is not feasible to produce coal without demand for it. Coal is a commodity that can be freely transported to the source of demand and coal of identical quality can substitute some other coal easily. The project activity cannot influence demand for coal on the market and supplies coal extracted from the waste heaps. In the baseline scenario demand for coal will stay the same and will be met by the traditional source – underground mines of the region. Therefore, the coal supplied by the project in the project scenario will have to substitute the coal mined in the baseline scenario. According to this approach equivalent product supplied by the project activity (with lower associated specific green-house gas emissions) will substitute the baseline product (with higher associated specific green-house gas emissions). This methodological approach is very common and is applied

in all renewable energy projects (substitution of grid electricity with renewable-source electricity), projects in cement sector (e.g. JI0144 Slag usage and switch from wet to semi-dry process at JSC "Volyn-Cement", Ukraine), projects in metallurgy sector (e.g. UA1000181 Implementation of Arc Furnace Steelmaking Plant "Electrostal" at Kurakhovo, Donetsk Region) and others.

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

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

The PDD provides the ex ante estimates of:

(a) Emissions for the project scenario within the project boundary which is 25 463 tonnes of CO2 equivalent for 02/09/2011-31/12/2012 and 94210 tonnes of CO2 equivalent for 01/01/2013-31/12/2017
(b) Leakages which is -570 769 tonnes of CO2 equivalent for 02/09/2011-31/12/2012 and -2 070 515 for 01/01/2013-31/12/2017
(c) Emissions for the baseline scenario which is 1 897 955 tonnes of CO2 equivalent for 02/09/2011-31/12/2012 and 6 884 995 tonnes of CO2 equivalent for 01/01/2013-31/12/2017
(d) Emission reductions adjusted by leakages which is 2 443 261 tonnes of CO2 equivalent for 02/09/2011-31/12/2012 and 8 861 300 tonnes of CO2 for 01/01/2013-31/12/2017

The PDD provides the ex ante estimates of:

The estimates referred to above are given:

(a) On a yearly basis;

(b) From 02/09/2011 to 31/12/2017, covering the whole crediting period;

(c) On a source-by-source/sink-by-sink basis;

(d) For each GHG gas, which is CO2, CH4

(e) In tonnes of CO2 equivalent, using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5 of the Kyoto Protocol;

The formula used for calculating the estimates referred above, which are described in the section 4.7 of this Determination Report, are consistent throughout the PDD.

For calculating the estimates referred to above, key factors, e.g. local prices for electricity, coal and diesel fuel, available production resources, influencing the baseline emissions or removals and the activity level of the project and the emissions or net removals as well as risks associated with the project were taken into account, as appropriate.

Data sources used for calculating the estimates referred to above, such as work and laboratory logbooks, work and laboratory monthly and yearly reports, production sailing invoices are clearly identified, reliable and transparent.

Emission factors, such as emission factor for electricity consumption, Carbon Oxidation Factor of Coal, Carbon Oxidation Factor of Diesel Fuel, etc, were selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice.

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

The estimates referred to above are consistent throughout the PDD.

The annual average of estimated emission reductions or enhancements of net removals over the crediting period is calculated by dividing the total estimated emission reductions or enhancements of net removals over the crediting period by the total months of the crediting period, and multiplying by twelve.
Identified problem areas for estimations of project emission reductions, project participants' responses and conclusions of Bureau Veritas Certification are described in Annex A (CAR14)

4.10 Environmental impacts (48)

The PDD lists and attaches documentation on the analysis of the environmental impacts of the project, including transboundary impacts, in accordance with procedures as determined by the host Party, such as permit on pollutant by stationary sources, analysis of the environmental impacts, a part of separation fabric work project which is mentioned in the PDD.

The PDD provides conclusion and all references to supporting documentation of an environmental impact assessment undertaken in accordance with the procedures as required by the host Party, if the analysis referred to above indicates that the environmental impacts are considered significant by the project participants or the host Party.

The problem areas for environmental impacts of the project were not identified

4.11 Stakeholder consultation (49)

The host Party for the project is Ukraine. The project meets the applicable standards and requirements, set forth in Ukraine. The Host Party does not put forward the requirement to consult with stakeholders to JI projects. The project was presented to the local authorities, and was approved (approval on building, etc).

Any comments from local authorities or stakeholders were not obtained.

4.12 Determination regarding small scale projects (50-57)

"Not applicable"

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

"Not applicable"

4.14 Determination regarding programmes of activities (65-73)

"Not applicable"

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

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

6 DETERMINATION OPINION

Bureau Veritas Certification has performed a determination of the "Secondary processing of the coal mining wastes with the aim of reducing greenhouse gas emission into the atmosphere" Project in Novodaryivka village, Rovenky borough council lands, Luhansk Region, Ukraine. The determination was performed on the basis of UNFCCC criteria and host country criteria and also on the criteria given to provide for consistent project operations, monitoring and reporting.

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

Project participant/s used the latest tool for demonstration of the additionality. In line with this tool, the PDD provides barrier analysis and

common practice analysis, to determine that the project activity itself is not the baseline scenario.

Emission reductions attributable to the project are hence additional to any that would occur in the absence of the project activity. Given that the project is implemented and maintained as designed, the project is likely to achieve the estimated amount of emission reductions.

The determination revealed two pending issues related to the current determination stage of the project: the issue of the written approval of the project and the authorization of the project participant by the host Party. If the written approval and the authorization by the host Party are awarded, it is our opinion that the project as described in the Project Design Document, Version 2.0 meets all the relevant UNFCCC requirements for the determination stage and the relevant host Party criteria.

The review of the project design documentation (version 2.0) and the subsequent follow-up interviews have provided Bureau Veritas Certification with sufficient evidence to determine the fulfillment of stated criteria. In our opinion, the project correctly applies and meets the relevant UNFCCC requirements for the JI and the relevant host country criteria.

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

7 REFERENCES

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

/1/ Project Design Document "Secondary processing of the coal mining wastes with the aim of reducing greenhouse gas emission into the atmosphere" version 1.0 dated 12/09/2012
/2/ Project Design Document "Secondary processing of the coal mining wastes with the aim of reducing greenhouse gas emission into the atmosphere" version 2.0 dated 01/10/2012
/3/ ERUs calculation Excel-file "TandemK.xls"
/4/ Letter of Endorsement #2561/23/7 dated 12/09/2012 issued by State Environment Investment Agency of Ukraine

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

/1/ Passport: waste heap #1 of Vahrusheva mine
/2/ Passport: waste heap #2 of Vahrusheva mine
/3/ Purchase and Sell Agreement of carbonaceous rock # 8k/01-2011 from 01/09/2011 between "Torgivelna firma "Yuvant I K" and "TANDEM TORG TPK" Ltd
/4/ Purchase and Sell Agreement of carbonaceous rock # 12k/01-2012 from 01/01/2012 between "Torgivelna firma "Yuvant I K" and "TANDEM TORG TPK" Ltd
/5/ Delivery and acceptance certificate of carbonaceous rock (for November 2011) from 03/12/2011 between "Torgivelna firma "Yuvant I K" and "TANDEM TORG TPK" Ltd
/6/ Delivery and acceptance certificate of carbonaceous rock (for March 2012) from 02/04/2012 between "Torgivelna firma "Yuvant I K" and "TANDEM TORG TPK" Ltd
/7/ Lease agreement of non-residential premises (enrichment plant) #08/16a-2011from 01/09/2011 between PE "Continent" and "TANDEM TORG TPK" Ltd
/8/ Delivery and acceptance certificate of non-residential premises (enrichment plant) from 02/09/2011 between PE "Continent" and "TANDEM TORG TPK" Ltd
/9/ EIA: conclusion of the state ecological expertise #04-12-4335-144 from 19/12/2005
/10/ EIA: conclusion of the state ecological expertise #1918from 20/12/2005
/11/ Order #2 of "TANDEM TORG TPK" Ltd director from 15/07/2011 about consideration of Kyoto Protocol involvement
/12/ Attestation certificate of the chemical Laboratory #R064/2006 from 09/06/2006, #RO71/2009 from 05/06/2009 and #RO73/2012 from 06/06/2012
/13/ Agreement of waste heap exploitation and freight traffic #11pg/09-2011 from

01/09/2011 between OJSC "Fahivets Alchevsk" and "TANDEM TORG TPK" Ltd

/14/ Delivery and acceptance certificate of freight traffic completion according to the Agreement of waste heap exploitation and freight traffic activity services #11pg/09-2011 from 01/09/2011 between OJSC "Fahivets Alchevsk" and "TANDEM TORG TPK" Ltd from 03/10/2011 (for September 2011) and from 04/01/2012 (for December 2011)

/15/ Delivery and acceptance certificate of diesel fuel according to the Agreement of waste heap dismantling and freight traffic activity services #11pg/09-2011 from 01/09/2011 between OJSC "Fahivets Alchevsk" and "TANDEM TORG TPK" Ltd from 04/01/2012 (for December 2011) and from 01/02/2012 (for January 2012)

/16/ Delivery and acceptance certificate of coal products according to the Purchase and Sell Agreement #6p/01-2011 from 01/09/2011 between "Optovyk" Ltd and "TANDEM TORG TPK" Ltd from 02/11/2011 (for October 2011)

/17/ Delivery and acceptance certificate of coal products according to the Purchase and Sell Agreement #4u-2011/01 from 01/09/2011 between PE "Vuglepostavka" and "TANDEM TORG TPK" Ltd from 02/11/2011 (for October 2011)

/18/ Delivery and acceptance certificate of coal products according to the Purchase and Sell Agreement #01/01-2011u from 01/09/2011 between "Elit-Petrolium" Ltd and "TANDEM TORG TPK" Ltd from 02/11/2011 (for October 2011)

/19/ Passport . Automobile electronic scales tensometric VA-60E-1

Persons interviewed:

List persons interviewed during the determination 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/ Berezhko Roman Yuriyovich – Director of "Tandem Torg TPK" LLC
/5/ Boiko Oleksandr Anatolievych – Head shifts man of "Tandem Torg TPK" LLC
/6/ Bazylskyi Sergii Mykolayovych - power engineering specialist of "Tandem Torg TPK" LLC

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APPENDIX A: DETERMINATION PROTOCOL

Check list for determination, according JOINT IMPLEMENTATION DETERMINATION AND VERIFICATION MANUAL (Version 01)

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
General description of the project				
Title of the project				
-	Is the title of the project presented?	The title of project is "Secondary processing of the coal mining wastes with the aim of reducing greenhouse gas emission into the atmosphere "	OK	OK
-	Is the sectoral scope to which the project pertains presented?	The sectoral scope is 8. Mining/mineral production	OK	OK
-	Is the current version number of the document presented?	The current version number is 1.0	OK	OK
-	Is the date when the document was completed presented?	The date when the document is completed is 12/09/2012	OK	OK
Description of the project				
-	Is the purpose of the project included with a concise, summarizing explanation (max. 1-2 pages) of the: a) Situation existing prior to the starting date of the project; b) Baseline scenario; and c) Project scenario (expected outcome, including a technical description)?	*The situation existing prior to the starting date of the project* Very often it was not economically feasible to extract all 100% of coal from the rock mass. Therefore, waste heaps of Luhansk region contains a large amount of coal, which is self-ignited later on. All the waste heaps that were self-ignited or the ones that are close to self-ignition are the centre of uncontrolled pollutants and greenhouse gas emissions *The baseline scenario assumed* that the common practice will be continued – heap can be spontaneously	CAR01 CAR02 CL01 CL02	OK OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
		ignited with a certain probability, and the process of burning will continue till all coal, contained there, will be burned. The process of combustion is accompanied by release the carbon dioxide into atmosphere. *Project scenario*-provides complete dismantling of the dump. 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.. 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 *CAR01* Please add relevant order or another legal document that confirm JI component from the project beginning *CAR02* Please provide correct name of enrichment plant "Continent" through all PDD *CL01* Please provide information that highlight status of waste heap by years *CL02* Please highlight work relations between "Tandem Torg TPK" Ltd and enrichment plant "Continent".		
-	Is the history of the project (incl. its JI component) briefly summarized?	The history of project JI component is briefly summarized	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
Project participants				
-	Are project participants and Party(ies) involved in the project listed?	"Tandem Torg TPK" Ltd from Ukraine and SIA "Vidzeme Eko" from Latvia Republic are listed in the PDD	OK	OK
-	Is the data of the project participants presented in tabular format?	The data of the project participants is presented in tabular format	OK	OK
-	Is contact information provided in Annex 1 of the PDD?	The contact information of project participants is provided in the Annex 1	OK	OK
-	Is it indicated, if it is the case, if the Party involved is a host Party?	Ukraine is indicated as the Host Party	OK	OK
Technical description of the project				
Location of the project				
-	Host Party(ies)	Ukraine	OK	OK
-	Region/State/Province etc.	Luhansk Region, Rowenky council lands	OK	OK
-	City/Town/Community etc.	Novodaryivka village	OK	OK
-	Detail of the physical location, including information allowing the unique identification of the project. (This section should not exceed one page)	The project geographical coordinates of the dismantled waste heaps *CAR03* Please add geographical coordinates of enrichment plant *CL03* Please clarify the source of project geographical coordinates	CAR03 CL03	OK OK
Technologies to be employed, or measures, operations or actions to be implemented by the project				
-	Are the technology(ies) to be employed, or measures, operations or actions to be implemented by the project, including all relevant technical data and the implementation schedule described?	Bulldozers T-170 dismantle waste heap to the horizontal layers. Further dismantling is made by excavator Caterpillar M322D with direct loading into the dump tracks KAMAZ 53111. At the second stage rock mass supplied to the beneficiation plant "Tandem 2006". Rock mass is supplied to	CL04 CL05	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
		the inertial screening sifter for the pre-classification by class of 100 mm. After the pre-classification, the coal mass delivered to the preparatory screening to sifter GIL-52a by dry or wet mode. Beneficiation of large class 13 mm is made on heavy media separator STK 32-550, and beneficiation of small class 3-13 mm - at hydrocyclone GTSM-630. Next take place washing of the suspension of beneficiation products and dehydrating products by dressing screens and centrifuge, regeneration suspension at electromagnetic separator. Thus the water in this process is used in closed loop. Beneficiation products (coal concentrate) are transported by conveyor belt into bins for further shipment to the consumer. Waste is transported to the flat dump *CL04* Please add information on separation principle of heavy media separator STK 32-550 (wet or dry) *CL05* Please clarify wet or dry conditions of coal containing rock mass at sifter GIL-52		
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				
-	Is it stated how anthropogenic GHG emission reductions are to be achieved? (This section should not exceed one page)	The proposed project is aimed at reducing anthropogenic emissions. Emission reductions created by: - Elimination of greenhouse gases sources associated with burning waste heaps, by extracting coal from the rock dumps; - Reduction of uncontrolled methane emissions due to replacement of coal that would have been extracted	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
		through mining; - Reduction of electricity consumption at waste heap dismantling in comparison to electricity consumption at coal mine.		
-	Is it provided the estimation of emission reductions over the crediting period?	The estimation of emission reductions over crediting period is 2 443 261 tCO2e	OK	OK
-	Is it provided the estimated annual reduction for the chosen credit period in tCO2e?	The estimated annual reduction for chosen credit period is 1 832 445 tCO2e	OK	OK
-	Are the data from questions above presented in tabular format?	The data from questions above is presented in tabular format	OK	OK
Estimated amount of emission reductions over the crediting period				
-	Is the length of the crediting period Indicated?	The length of crediting period is 1 year 4 months (16 months)	OK	OK
-	Are estimates of total as well as annual and average annual emission reductions in tonnes of CO2 equivalent provided?	All estimates are provided in tCO2e	OK	OK
Project approvals by Parties				
19	Have the DFPs of all Parties listed as "Parties involved" in the PDD provided written project approvals?	"Tandem Torg TPK" Ltd and SIA "Vidzeme Eko" was indicated as project participants from Ukraine and Republic Latvia *CAR04* Please provide written approvals from both parties involved	CAR04	OK
19	Does the PDD identify at least the host Party as a "Party involved"?	The Host Party Ukraine is identified as Party Involved	OK	OK
19	Has the DFP of the host Party issued a written project approval?	See section 19 of this protocol	pending	pending

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
20	Are all the written project approvals by Parties involved unconditional?	See section 19 of this protocol	Pending	pending
Authorization of project participants by Parties involved				
21	Is each of the legal entities listed as project participants in the PDD authorized by a Party involved, which is also listed in the PDD, through: − A written project approval by a Party involved, explicitly indicating the name of the legal entity? or − Any other form of project participant authorization in writing, explicitly indicating the name of the legal entity?	Authorization of "Tandem Torg TPK" Ltd and SIA "Vidzeme Eko" will be provided through written approvals, explicitly indicating the name of the entity	pending	pending
Baseline setting				
22	Does the PDD explicitly indicate which of the following approaches is used for identifying the baseline? − JI specific approach − Approved CDM methodology approach	The PDD explicitly indicates that JI specific approach is used for baseline establishing	OK	OK
JI specific approach only				
23	Does the PDD provide a detailed theoretical description in a complete and transparent manner?	*CAR05* Please provide evidences that coal containing rock mass is produced by necessity and doesn't keep in warehouses, so methane emissions from beneficiated rock mass are negligible. *CAR06* Please add information on size of fraction after	CAR05 CAR06	OK OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
		beneficiation plant, and provide evidences that this fraction is not self-ignited		
23	Does the PDD provide justification that the baseline is established: (a) By listing and describing plausible future scenarios on the basis of conservative assumptions and selecting the most plausible one? (b) Taking into account relevant national and/or sectoral policies and circumstance? − Are key factors that affect a baseline taken into account? (c) In a transparent manner with regard to the choice of approaches, assumptions, methodologies, parameters, date sources and key factors? (d) Taking into account of uncertainties and using conservative assumptions? (e) In such a way that ERUs cannot be earned for decreases in activity levels outside the project or due to force majeure? (f) By drawing on the list of standard variables contained in appendix B to "Guidance on criteria for baseline setting and monitoring", as appropriate?	The PDD provides justification of baseline establishing (a) By listing and describing five plausible future scenarious (b) Taking into account national and sectoral policies. Ukrainian policies doesn't require or encourage waste heaps dismantling (c) In transparent manner, with regard to the approaches, methodologies, parameters, data sources and key factors (d) Uncertaintites and conservative assumptions are taken into account (e) ERUs cannot be earned for decreasing in activity levels outside the project, because in case of projects stop, generation of emission reduction will be stopped also. (f) Variables used for baseline calculations in line within appendix B to "Guidance on criteria for baseline setting and monitoring"	OK	OK
24	If selected elements or combinations of approved CDM methodologies or	Elements of CDM approved methodology ACM009 version 03.2 were used for leakages calculations	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	methodological tools for baseline setting are used, are the selected elements or combinations together with the elements supplementary developed by the project participants in line with 23 above?			
25	If a multi-project emission factor is used, does the PDD provide appropriate justification?	The project use multi-project factors for baseline calculations, such - oxidation factor of steam coal - carbon content of steam coal - emission factor for electricity consumption Proposed factors is in line within the National GHG Inventory report, approved by Ukraine DFP	OK	OK
Approved CDM methodology approach only_Paragraphs 26(a) – 26(d)_Not applicable				
Additionality				
JI specific approach only				
28	Does the PDD indicate which of the following approaches for demonstrating additionality is used? (a) Provision of traceable and transparent information showing the baseline was identified on the basis of conservative assumptions, that the project scenario is not part of the identified baseline scenario and that the project will lead to emission reductions or enhancements of removals; (b) Provision of traceable and transparent information that an AIE has already positively determined that a comparable	The approach (b) "Provision of traceable and transparent information that an AIE has already positively determined that a comparable project (to be) implemented under comparable circumstances has additionality" was used for demonstration additionality. *CAR07* Please provide correct reference on "Dismantling of Waste Heap #2 at Mine #22 "LISOVA"" project at JI UNFCCC web-site	CAR07	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	project (to be) implemented under comparable circumstances has additionality; (c) Application of the most recent version of the "Tool for the demonstration and assessment of additionality. (allowing for a two-month grace period) or any other method for proving additionality approved by the CDM Executive Board".			
29 (a)	Does the PDD provide a justification of the applicability of the approach with a clear and transparent description?	The justification of proposed approach applicability is provided	OK	OK
29 (b)	Are additionality proofs provided?	a) *GHG mitigation measure*. The project boundary is virtually identical, the expected annual average GHG emission reduction is differ by 77.463%. Criteria is satisfied b) *Geography and time*. Both projects is implemented in Ukraine, starting date are divided by 22 months. Criteria is satisfied c) *Scale.* The projects envisage production of the same product (coal). d) *Regulatory framewok.* There were no significant changes in regulatory framework between the starting dates of two projects. Criteria is satisfied. *CAR08* Please add information for more clear and transparent demonstration of project additionally information on	CAR08 CAR09	OK OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
		both projects start time, also please provide demonstration of additionality in line with article 12 of "Guidance of criteria for baseline setting and monitoring", version 03 *CAR09* Please provide data on project output in tonnes of coal containing rock mass per year with indication of shift-cycle		
29 (c)	Is the additionality demonstrated appropriately as a result?	The additionality is demonstrated adequately as a result	OK	OK
30	If the approach 28 (c) is chosen, are all explanations, descriptions and analyses made in accordance with the selected tool or method?	The approach 28(b) was used	OK	OK
Approved CDM methodology approach only_ Paragraphs 31(a) – 31(e)_Not applicable				
Project boundary (applicable except for JI LULUCF projects				
JI specific approach only				
32 (a)	Does the project boundary defined in the PDD encompass all anthropogenic emissions by sources of GHGs that are: (i) Under the control of the project participants? (ii) Reasonably attributable to the project? (iii) Significant?	The project boundaries defined in the PDD encompass all anthropogenic emissions by GHG sources that are (i) Under control of the project participants, such as emissions of electricity and diesel fuel consumption during waste heap dismantling (ii) Reasonably attributable to the project, such as emissions from waste heap burning or methane emissions as result of coal industry (iii) Significant *CAR10*	CAR10	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
		Please provide evidences that coal concentrate obtained in project frames will be used in Ukraine		
32 (b)	Is the project boundary defined on the basis of a case-by-case assessment with regard to the criteria referred to in 32 (a) above?	The project boundary is defined on the basis of a case-by-case assessment with regard to the criteria in 32(a) above	OK	OK
32 (c)	Are the delineation of the project boundary and the gases and sources included appropriately described and justified in the PDD by using a figure or flow chart as appropriate?	The delineation of project boundaries and gases and sources excluded is clearly described in the PDD, using flow charts.	OK	OK
32 (d)	Are all gases and sources included explicitly stated, and the exclusions of any sources related to the baseline or the project are appropriately justified?	All gases and sources inclusions are explicitly stated in the project and baseline scenarios	OK	OK
Approved CDM methodology approach only_Paragraph 33_ Not applicable				
Crediting period				
34 (a)	Does the PDD state the starting date of the project as the date on which the implementation or construction or real action of the project will begin or began?	The PDD indicates starting date of the project as 02/09/2011 *CAR11* Please add evidences that project started 02/09/2011	CAR11	OK
34 (a)	Is the starting date after the beginning of 2000?	02/09/2011 is after the 2000 beginning	OK	OK
34 (b)	Does the PDD state the expected operational lifetime of the project in years and months?	The expected operation lifetime of the project is 1 year and 4 months or 16 months (02/09/2011-31/12/2012) *CAR12* Please correctly indicate length of project operational lifetime, which is shorter than potential crediting period	CAR12	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
		after 2012		
34 (c)	Does the PDD state the length of the crediting period in years and months?	The project crediting period is identical with project operational lifetime	OK	OK
34 (c)	Is the starting date of the crediting period on or after the date of the first emission reductions or enhancements of net removals generated by the project?	The starting date of the project is 02/09/2011 – the date when the waste heap dismantling begun and first emission reductions were generated	OK	OK
34 (d)	Does the PDD state that the crediting period for issuance of ERUs starts only after the beginning of 2008 and does not extend beyond the operational lifetime of the project?	The PDD states that 02/09/2011 is after beginning of 2008 and crediting period doesn't extends beyond project lifetime	OK	OK
34 (d)	If the crediting period extends beyond 2012, does the PDD state that the extension is subject to the host Party approval? Are the estimates of emission reductions or enhancements of net removals presented separately for those until 2012 and those after 2012?	The crediting period may be extended beyond 2012 year in case of Host Party approval	OK	OK
Monitoring plan				
35	Does the PDD explicitly indicate which of the following approaches is used? − JI specific approach − Approved CDM methodology approach	The PDD explicitly states that JI specific approach was used for monitoring plan establishing	OK	OK
JI specific approach only				
36 (a)	Does the monitoring plan describe: − All relevant factors and key	The monitoring plan describes all relevant factors and key characteristics that will be monitored, such as:	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	characteristics that will be monitored? − The period in which they will be monitored? − All decisive factors for the control and reporting of project performance?	- electricity and fuel consumed in project activity; - value of extracted coal concentrate, its ash content and moisture. The period in which they will be monitored are indicated, frequency of measuring procedures is identified All decisive factors for the control and reporting of project performance are described		
36 (b)	Does the monitoring plan specify the indicators, constants and variables used that are reliable, valid and provide transparent picture of the emission reductions or enhancements of net removals to be monitored?	The monitoring plan specify the indicators, constants and variables used, that are reliable, valid and provide transparent picture of the emission reductions to be monitored	OK	OK
36 (b)	If default values are used: − Are accuracy and reasonableness carefully balanced in their selection? − Do the default values originate from recognized sources? − Are the default values supported by statistical analyses providing reasonable confidence levels? − Are the default values presented in a transparent manner?	The default values, such as: - global warming potential of methane - methane density in standard conditions - carbon emission factors for electricity consumption - carbon oxidation factors for coal and diesel fuel - carbon content of diesel fuel and coal, etc these default values is in line within National GHG inventory Report developed and approved by Ukraine DFP(SEIA) *CL06* Please note in the PDD that parameters of diesel fuel for outdoor transport from NIR are used	CL06	OK
36 (b) (i)	For those values that are to be provided by	For monitored data provided by the project participants	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	the project participants, does the monitoring plan clearly indicate how the values are to be selected and justified?	monitoring plan identify selection and justification		
36 (b) (ii)	For other values, − Does the monitoring plan clearly indicate the precise references from which these values are taken? − Is the conservativeness of the values provided justified?	References on values obtained from sources another from indicated above is provided. Conservativeness of this value is justified	OK	OK
36 (b) (iii)	For all data sources, does the monitoring plan specify the procedures to be followed if expected data are unavailable?	The procedures following if expected data is unavailable are described in the section D.1 of the PDD	OK	OK
36 (b) (iv)	Are International System Unit (SI units) used?	Some units from International System Unit are used	OK	OK
36 (b) (v)	Does the monitoring plan note any parameters, coefficients, variables, etc. that are used to calculate baseline emissions or net removals but are obtained through monitoring?	The monitoring plan clearly indicate next parameters that obtained through monitoring but used for baseline calculations: - amount of coal that has been mined in the baseline scenario and combusted for energy use, equivalent to the amount of coal extracted from the waste heap because of the project activity - net Calorific Value of coal - carbon Oxidation factor of coal - carbon content of coal - the average ash content of sorted fractions - the average humidity of sorted fractions	OK	OK
36 (b) (v)	Is the use of parameters, coefficients,	The use of parameters, coefficients, variables is	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	variables, etc. consistent between the baseline and monitoring plan?	consistent between the baseline and the monitoring plan		
36 (c)	Does the monitoring plan draw on the list of standard variables contained in appendix B of "Guidance on criteria for baseline setting and monitoring"?	The monitoring plan was drawn in accordance with the list of standard variables contained in appendix B of "Guidance on criteria for baseline setting and monitoring" *CAR13* Please provide units of parameter L1 in the table D.1.3.1 in accordance with "Guidance on criteria for baseline setting and monitoring"	CAR13	OK
36 (d)	Does the monitoring plan explicitly and clearly distinguish: (i) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), and that are available already at the stage of determination? (ii) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), but that are not already available at the stage of determination? (iii) Data and parameters that are monitored throughout the crediting period?	The monitoring plan explicitly and clearly distinguish: (i) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), and that are available already at the stage of determination? (ii) Data and parameters that are not monitored throughout the crediting period, but are determined only once (and thus remain fixed throughout the crediting period), but that are not already available at the stage of determination? (iii) Data and parameters that are monitored throughout the crediting period.	OK	OK
36 (e)	Does the monitoring plan describe the methods employed for data monitoring	The monitoring plan clearly describes the methods employed for data monitored, such as direct measuring	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	(including its frequency) and recording?	with metering devices and laboratory samples, account from bookkeeper invoices; frequency of monitoring procedures and recording		
36 (f)	Does the monitoring plan elaborate all algorithms and formulae used for the estimation/calculation of baseline emissions/removals and project emissions/removals or direct monitoring of emission reductions from the project, leakage, as appropriate?	The monitoring plan elaborates all formulae required to baseline and project emissions adjusted by leakages calculation	OK	OK
36 (f) (i)	Is the underlying rationale for the algorithms/formulae explained?	The underlying rationale for the formulae is explained	OK	OK
36 (f) (ii)	Are consistent variables, equation formats, subscripts etc. used?	All variables, equation formats, subscripts are used in consistent way	OK	OK
36 (f) (iii)	Are all equations numbered?	All equations are numbered	OK	OK
36 (f) (iv)	Are all variables, with units indicated defined?	All variables with units are indentified	OK	OK
36 (f) (v)	Is the conservativeness of the algorithms/procedures justified?	The conservativeness of the procedures are justified	OK	OK
36 (f) (v)	To the extent possible, are methods to quantitatively account for uncertainty in key parameters included?	Uncertainty level of Key parameters is indicated as low in the section D.2 of the PDD. Only uncertainty level of probability of waste heap self-ignition is indicated as medium	OK	OK
36 (f) (vi)	Is consistency between the elaboration of the baseline scenario and the procedure for calculating the emissions or net removals of the baseline ensured?	Consistency between the elaboration of the baseline scenario and the baseline emission calculation procedure is ensured	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
36 (f) (vii)	Are any parts of the algorithms or formulae that are not self-evident explained?	The monitoring plan contains detailed explanation of each part of formulae	OK	OK
36 (f) (vii)	Is it justified that the procedure is consistent with standard technical procedures in the relevant sector?	The proposed monitoring plan is similar with monitoring plans of JI projects implemented at SIA "Antracit", SIA "Monolit", "Temp" LLC etc, determined by Global Carbon B.V.	OK	OK
36 (f) (vii)	Are references provided as necessary?	The references are provided in relevant points		
36 (f) (vii)	Are implicit and explicit key assumptions explained in a transparent manner?	The explicit and implicit key assumptions are explained in transparent manner	OK	OK
36 (f) (vii)	Is it clearly stated which assumptions and procedures have significant uncertainty associated with them, and how such uncertainty is to be addressed?	The project participants describe uncertainty level of key factors as low. Key project parameters monitoring equipment is calibrated/verified in accordance with state rules and approved methodologies of quality control and quality assurance	OK	OK
36 (f) (vii)	Is the uncertainty of key parameters described and, where possible, is an uncertainty range at 95% confidence level for key parameters for the calculation of emission reductions or enhancements of net removals provided?	The uncertainty level of parameters monitored is indicated in the section D.2, quality control and quality assurance procedures. The uncertainty level of parameters monitored is indicated as low, only Probability of waste heap burning is indicated as medium	OK	OK
36 (g)	Does the monitoring plan identify a national or international monitoring standard if such standard has to be and/or is applied to certain aspects of the project? Does the monitoring plan provide a reference as to where a detailed description of the standard can be found?	The monitoring plan identifies next state ruling documents: (a) GOST 11022-95 and GOST 11014-2001 for sampling analysis process (b) GOST 305-82 on diesel fuel parameters References on detailed description of mentioned standard are provided	OK	OK
36 (h)	Does the monitoring plan document	The monitoring plan uses some statistical data sources	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	statistical techniques, if used for monitoring, and that they are used in a conservative manner?	such as researches of waste heap self-ignition probability from Scientific Centre "Respirator", data from Ukrainian State Statistic Service		
36 (i)	Does the monitoring plan present the quality assurance and control procedures for the monitoring process, including, as appropriate, information on calibration and on how records on data and/or method validity and accuracy are kept and made available upon request?	The quality control and quality assurance procedures of monitoring process are presented. Information on project measuring devices calibration is provided	OK	OK
36 (j)	Does the monitoring plan clearly identify the responsibilities and the authority regarding the monitoring activities?	The monitoring plan clearly identifies the responsibilities and the authorities regarding the monitoring activities, see please figure 9, section D.3 of the PDD	OK	OK
36 (k)	Does the monitoring plan, on the whole, reflect good monitoring practices appropriate to the project type? If it is a JI LULUCF project, is the good practice guidance developed by IPCC applied?	The monitoring plan is identical to monitoring plans in JI projects implemented at SIA "Antracit", SIA "Monolit", "Temp" LLC etc, determined by Global Carbon B.V.	OK	OK
36 (l)	Does the monitoring plan provide, in tabular form, a complete compilation of the data that need to be collected for its application, including data that are measured or sampled and data that are collected from other sources but not including data that are calculated with equations?	The monitoring plan provides in tabular form a complete compilation of the data collected and required for emission reduction calculation, including data that are measured or sampled and data that are collected from other sources but not including data that are calculated with equations	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
36 (m)	Does the monitoring plan indicate that the data monitored and required for verification are to be kept for two years after the last transfer of ERUs for the project?	The monitoring plan indicates that data monitored and required for ERUs calculation will be kept two years after the last ERUs transfer	OK	OK
37	If selected elements or combinations of approved CDM methodologies or methodological tools are used for establishing the monitoring plan, are the selected elements or combination, together with elements supplementary developed by the project participants in line with 36 above?	Selected elements of CDM methodology ACM009,Version 03.2 was used for leakages estimations in line within the section 36 above	OK	OK
Approved CDM methodology approach only_Paragraphs 38(a) – 38(d)_Not applicable				
Applicable to both JI specific approach and approved CDM methodology approach_Paragraph 39_Not applicable				
Leakage				
JI specific approach only				
40 (a)	Does the PDD appropriately describe an assessment of the potential leakage of the project and appropriately explain which sources of leakage are to be calculated and which can be neglected?	The PDD appropriately describe an assessment of related to the project activity leakages.	OK	OK
40 (b)	Does the PDD provide a procedure for an ex ante estimate of leakage?	The PDD provides a procedure for ex ante leakages estimates	OK	OK
Approved CDM methodology approach only_Paragraph 41_Not applicable				
Estimation of emission reductions or enhancements of net removals				
42	Does the PDD indicate which of the following approaches it chooses? (a) Assessment of emissions or net	The PDD indicates that assessment of emissions in the baseline scenario and in the project scenario was chosen	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	removals in the baseline scenario and in the project scenario (b) Direct assessment of emission reductions			
43	If the approach (a) in 42 is chosen, does the PDD provide ex ante estimates of: (a) Emissions or net removals for the project scenario (within the project boundary)? (b) Leakage, as applicable? (c) Emissions or net removals for the baseline scenario (within the project boundary)? (d) Emission reductions or enhancements of net removals adjusted by leakage?	The PDD provides ex ante estimates for: (a) Emissions for the project scenario within the project boundary which is 25 463 tonnes of CO2 equivalent for 02/09/2011-31/12/2012 and 94210 tonnes of CO2 equivalent for 01/01/2013-31/12/2017 (b) Leakages which is -570 769 tonnes of CO2 equivalent for 02/09/2011-31/12/2012 and -2 070 515 for 01/01/2013-31/12/2017 (c) Emissions for the baseline scenario which is 1 897 955 tonnes of CO2 equivalent for 02/09/2011-31/12/2012 and 6 884 995 tonnes of CO2 equivalent for 01/01/2013-31/12/2017 (d) Emission reductions adjusted by leakages which is 2 443 261 tonnes of CO2 equivalent for 02/09/2011-31/12/2012 and 8 861 300 tonnes of CO2 for 01/01/2013-31/12/2017 *CAR14* Please check JI PDD form in the sub-heads of section E	CAR14	OK
44	If the approach (b) in 42 is chosen, does the PDD provide ex ante estimates of: (a) Emission reductions or enhancements of net removals (within the project	See section 42 of this protocol	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	boundary)? (b) Leakage, as applicable? (c) Emission reductions or enhancements of net removals adjusted by leakage?			
45	For both approaches in 42 (a) Are the estimates in 43 or 44 given: (i) On a periodic basis? (ii) At least from the beginning until the end of the crediting period? (iii) On a source-by-source/sink-by-sink basis? (iv) For each GHG? (v) In tones of CO2 equivalent, using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5 of the Kyoto Protocol? (b) Are the formula used for calculating the estimates in 43 or 44 consistent throughout the PDD? (c) For calculating estimates in 43 or 44, are key factors influencing the baseline emissions or removals and the activity level of the project and the emissions or net removals as well as risks associated with the project taken into account, as appropriate? (d) Are data sources used for calculating	a) The estimates are given on (i) on a yearly basis (ii) from 02/09/2011 till 31/12/2017 (iii) On a source-by-source/sink-by-sink basis - for each GHG, which are CH4 and CO2 - in tonnes of CO2 equivalent - using global warming potentials defined by decision 2/CP.3 (b) The formula used for calculating in 43 is consistent throughout the PDD (c) The 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 for calculating estimates in 43 (d) The data sources used for calculating the estimates in 43 are clearly identified, reliable and transparent. (e) emission factors used for calculations in 43 are in line with National GHG Inventory Report approved by Ukrainian DFP (f) The estimations in 43 are based on conservative assumptions and the most plausible scenarios in a transparent manner (g) the estimates in 43 are consistent throughout the PDD	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	the estimates in 43 or 44 clearly identified, reliable and transparent? (e) Are emission factors (including default emission factors) if used for calculating the estimates in 43 or 44 selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice? (f) Is the estimation in 43 or 44 based on conservative assumptions and the most plausible scenarios in a transparent manner? (g) Are the estimates in 43 or 44 consistent throughout the PDD? (h) Is the annual average of estimated emission reductions or enhancements of net removals calculated by dividing the total estimated emission reductions or enhancements of net removals over the crediting period by the total months of the crediting period and multiplying by twelve?	(h) the annual average value of estimated emission reductions is calculated by dividing the total estimated emission reductions or enhancements of net removals over the crediting period by the total months of the crediting period and multiplying by twelve.		
46	If the calculation of the baseline emissions or net removals is to be performed ex post, does the PDD include an illustrative ex ante emissions or net removals calculation?	PDD contains ex-post calculations for 2009-2011 years. Ex-ante calculations is provided for 2012-2017 years	OK	OK
Approved CDM methodology approach only_Paragraphs 47(a) – 47(b)_Not applicable				
Environmental impacts				

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
48 (a)	Does the PDD list and attach documentation on the analysis of the environmental impacts of the project, including transboundary impacts, in accordance with procedures as determined by the host Party?	The PDD lists documentation on the project environmental impact analysis in accordance with actual Ukrainian legislation.	OK	OK
48 (b)	If the analysis in 48 (a) indicates that the environmental impacts are considered significant by the project participants or the host Party, does the PDD provide conclusion and all references to supporting documentation of an environmental impact assessment undertaken in accordance with the procedures as required by the host Party?	The analysis mentioned in 48(a) indicates that impact on air is significant. Assessment of impact on the environment under the laws of Ukraine was held for the proposed project in 2011.	OK	OK
Stakeholder consultation				
49	If stakeholder consultation was undertaken in accordance with the procedure as required by the host Party, does the PDD provide: (a) A list of stakeholders from whom comments on the projects have been received, if any? (b) The nature of the comments? (c) A description on whether and how the comments have been addressed?	Actual Ukraine legislation doesn't require public information for JI project. Any comments from local stakeholders are obtained. Comments will be collect during determination process	OK	OK
Determination regarding small-scale projects (additional elements for assessment)_Paragraphs 50 - 57_Not applicable				
Determination regarding land use, land-use change and forestry projects _Paragraphs 58 – 64(d)_Not applicable				

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
Determination regarding programmes of activities_Paragraphs 66 – 73_Not applicable				

Table 2 Resolution of Corrective Action and Clarification Requests

Draft report clarifications and corrective action requests by validation team	Ref. to checklist question in table 1	Summary of project participant response	Determination team conclusion
CAR01 Please add relevant order or another legal document that confirm JI component from the project beginning	-	Added in Section A.2.: "From the beginning, the project was considered as a JI project (according to the order # 2 from 15/07/2011)" Order is added to the list of supporting documents	The issue is closed based on project participants documents
CAR02 Please provide correct name of enrichment plant "Continent" through all PDD	-	Name of enrichment plant was corrected to «Continent-2»	The issue is closed
CAR03 Please add geographical coordinates of enrichment plant	-	Geographical coordinates were added: 48°4'50.92" N.L., 39°27'37.91"E.l.	The issue is closed
CAR04 Please provide written approvals from both parties involved	19	The written project approvals will be obtained after DR submission to DFPs of Parties Involved	Pending

CAR05 Please provide evidences that coal containing rock mass is produced by necessity and doesn't keep in warehouses, so methane emissions from beneficiated rock mass are negligible.	23	In Section B1, Sub-step 2-d Baseline identification. Is added item 9) Carbonaceous rocks are delivered to the consumer without significant accumulation on the intermediate storage, due to this, emissions of methane of enriched rocks can be neglected.	The issue is closed based on project participants' documents
CAR06 Please add information on size of fraction after beneficiation plant, and provide evidences that this fraction is not self-ignited	23	In Section B1, Sub-step 2-d Baseline identificationб item 10)- is corrected. Waste coal enrichment products include minimum amount of coal and have no tendency to spontaneous combustion.	The issue is closed based on project participants' documents
CAR07 Please provide correct reference on "Dismantling of Waste Heap #2 at Mine #22 "LISOVA"" project at JI UNFCCC web-site	28	Corrected. Correct reference on web-site is provided	The issue is closed
CAR08 Please add information for more clear and transparent demonstration of project additionally information on both projects start time, also please provide demonstration of additionality in line with article 12 of "Guidance of criteria for baseline setting and monitoring", version 03	29(b)	Corrected: in the section 2) Step 2 next follow is added – "Both projects are implemented in the **same country and the same time**". Proposed and determined project is situated in Ukraine. Time between project starts is about 2 years (proposed project starts in September 2011, comparing – in October 2011), so satisfy criterias of article 12 (b) of "Guidance of baseline setting and monitoring" version 03	The issue is closed based on corrections of PDD

CAR09 Please provide data on project output in tonnes of coal containing rock mass per year with indication of shift-cycle	29(b)	Detailed calculations, including calculations on annual coal production, are provided in accompanying materials.	The issue is closed based on project participants' documents
CAR10 Please provide evidences that coal obtained in project frames will be used in Ukraine	32(a)	Coal concentrate, which is the end product of this project, does not meet European standards for coal quality, therefore it is consumed only in the region where the project activities take place.	The issue is closed based on project participants' clarifications
CAR11 Please add evidences that project started 02/09/2011	34(a)	Statement on acceptance-transmittance dated 03/10/2011 was added to project documentation	The issue is closed based on documentation provided by project participants
CAR12 Please correctly indicate length of project operational lifetime, which is shorter than potential crediting period after 2012	34(b)	Section C.1 of English PDD was corrected: "The project lifetime begin 02/09/2011 and finished 31/12/2007"	The issue is closed
CAR13 Please provide units of parameter L1 in the table D.1.3.1 in accordance with "Guidance on criteria for baseline setting and monitoring"	36(c)	Parameter L1 (in English PDD version) was fixed: tC/MWh	The issue is closed
CAR14 Please check JI PDD form in the sub-heads of section E	43	discrepancies between PDD and JI PDD form are eliminated	The issue is closed
CL01 Please provide information that highlight status of waste heap by years	-	Year of the beginning of waste heaps formation was given in Table 2. Section A.4.1.4. Added information: year of waste heaps closure - 1976	The issue is closed based on information provided by project participants

CL02 Please highlight work relations between "Tandem Torg TPK" Ltd and enrichment plant "Continent".	-	"Tandem Torg TPK" LLC take in leasing enrichment plant "Continent-2" 01/09/2011 in accordance with contract #08/16a-2011. Mentioned contract is provided in project documentation	The issue is closed based on documentation provided by project participants
CL03 Please clarify the source of project geographical coordinates	-	The source of project geographical coordinates is Google Earth version 6.0 program	The issue is closed
CL04 Please add information on separation principle of heavy media separator STK 32-550 (wet or dry)	-	Benefication in heavy mode separator provides wet separation in the mode with higher density than water has.	The issue is closed based on clarifications provided by project participants
CL05 Please clarify wet or dry conditions of coal containing rock mass at sifter GIL-52	-	Description is corrected: " After the pre-classification, the coal mass is delivered to the preparatory screening to sifter GIL-52a by dry mode.	The issue is closed based on clarifications provided by project participants
CL06 Please note in the PDD that parameters of diesel fuel for outdoor transport from NIR are used	36 (b)	Table 16 - List of constants used in emissions calculations for diesel fuel was made the reference to "Mobile combustion. Off-higway vehicles "	The issue is closed