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Date:

27 November 2008

Expert Statement

for "Co-destruction of HFC23 and SF₆ at "KCKK Polimer Plant" Ltd. project

Project title Co-destruction of HFC23 and SF₆ at "KCKK Polimer Plant" Ltd.
Sector Chemical Industry
JISC Reference No. 0109
Project participants "KCKK Polimer Plant" Ltd
CAMCO International Ltd

Determination Report: DNV Report No.: 2008-0931, rev. 01

Expert Statement

Det Norske Veritas Certification AS (DNV) has applied for accreditation as an Independent Entity for Joint Implementation (JI) projects following the verification procedure under the JI Supervisory Committee and DNV has on 29 July 2008 received an indicative letter in which the JI Accreditation Panel recommends the accreditation of DNV in all sectoral scopes, depending on the successful completion of witnessing activities. Since DNV is a Designated Operational Entity under the Clean Development Mechanism (CDM), DNV may act provisionally as Independent Entity for the JI until a final accreditation decision is taken. On 14 March 2008 the Ministry of Economic Development and Trade of the Russian Federation approved DNV as expert organization for the determination of JI projects in Russia.

Following the request of Camco International Ltd, DNV has performed a determination of the proposed Joint Implementation project "Co-destruction of HFC23 and SF₆ at "KCKK Polimer Plant" Ltd.". The determination was performed on the basis of UNFCCC criteria for Joint Implementation projects, in particular the verification procedure under the JI Supervisory Committee (JI track II) described in the Guidelines for the implementation of Article 6 of the Kyoto Protocol, Resolution #332 of 28 May 2007 by the Government of the Russian Federation, as well as criteria given to provide for consistent project operations, monitoring and reporting. The review of the project design documentation and the subsequent follow-up interviews have provided DNV with sufficient evidence to determine the fulfilment of stated criteria.

The host Party is the Russian Federation and the Annex I sponsor Party is yet to be

identified.

By the destruction of the maximum permissible quantity of HFC23 and SF₆ that could be released to the atmosphere in absence of the project activity, the project activity results in emission reductions that are real, measurable and give long-term benefits to the mitigation of climate change.

The project activity applies the approved CDM baseline methodology AM0001 (version 05.2) "Incineration of HFC 23 waste stream". Adjustments to AM0001 were made to include the destruction of SF₆ and to consider the plant specific regulation on HFC23 and SF₆ emissions in the baseline determination. The inclusion of SF₆ destruction is in our opinion acceptable considering the fact that SF₆ is also a recognized GHG gas as per the Kyoto Protocol and is like HFC23 captured and destroyed instead of being released to the atmosphere in absence of the project activity. Prevailing regulation on HFC23 and SF₆ emissions is adequately considered in the baseline determination. It is demonstrated that the project is not a likely baseline scenario. Emission reductions attributable to the project are hence additional to any that would occur in the absence of the project activity.

The total emission reductions from the project are estimated to be on the average 995 735 t CO₂e per year from 2008-2012. The emission reduction forecast has been checked and it is deemed likely that the stated amount is achieved given that the underlying assumptions do not change.

Adequate training and monitoring procedures have been implemented at "KCKK Polimer Plant" Ltd. The project is not expected to have significant environmental impacts. According to the actual Russian environmental legislation the EIA and environmental expertise endorsement is not required for the considered project.

In summary, it is DNV's opinion that the "Co-destruction of HFC23 and SF₆ at "KCKK Polimer Plant" Ltd." project in the Russian Federation, as described in the PDD of 22 July 2008, meets all relevant UNFCCC requirements for the JI. Hence, we recommend the approval of this project by the Government of the Russian Federation for the purpose of article 6 of the Kyoto protocol.

This statement represents an expert statement in accordance with resolution #332 of 28 May 2007 by the Government of the Russian Federation. The only purpose of this statement is its use for project approval process by the JI Focal Point of the Russian Federation. Hence, DNV can not be held liable by any party for decisions made or not made based on this expert statement, which will go beyond that purpose.

This statement has been submitted on the basis of the legislation of the Russian Federation effective on the date of its submission. This excludes assertive and mandatory requirements of normative acts which will be appointed belated, i.e. following the date of this expert statement signing.

for DET NORSKE VERITAS CERTIFICATION AS

Michael Lehmann

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