VERIFICATION REPORT
CEP CARBON EMISSIONS PARTNERS S.A.

VERIFICATION OF THE

REDUCTION OF GREENHOUSE GASES BY DEMOLITION OF WASTE HEAPS OF LTD. "PROMINVEST-EKOLOHIIA"

2ND PERIODIC
FOR THE PERIOD OF 01/12/2012-31/12/2012

REPORT NO.UKRAINE-ver/0927/2013

REVISION NO. 02

BUREAU VERITAS CERTIFICATION

Report No: UKRAINE-ver/0927/2013

VERIFICATION REPORT

Date of first issue:	Organizational unit:
21/01/2013	Bureau Veritas Certification Holding SAS
Client:	**Client ref.:**
CEP CARBON EMISSIONS PARTNERS S.A.	Fabian Knodel

Summary:

Bureau Veritas Certification has made the 2nd periodic verification for the period of 01/12/2012–31/12/2012 of the "Reduction of greenhouse gases by demolition of waste heaps of Ltd. "PROMINVEST-EKOLOHIIA", project of CEP Carbon Emissions Partners S.A., located in Krasne village, Luhansk region, Ukraine, and applying the JI specific approach, on the basis of UNFCCC criteria for the JI, as well as criteria given to provide for consistent project operations, monitoring and reporting. UNFCCC criteria refer to Article 6 of the Kyoto Protocol, the JI rules and modalities and the subsequent decisions by the JI Supervisory Committee, as well as the host country criteria.

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

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

In summary, Bureau Veritas Certification confirms that the project is implemented as planned and described in approved project design documents. Installed equipment being essential for generating emission reduction runs reliably and is calibrated appropriately. The monitoring system is in place and the project is generating GHG emission reductions. The GHG emission reduction is calculated accurately and without material errors, omissions, or misstatements, and the ERUs issued totalize 166 959 tonnes of CO_2 equivalent for the monitoring period from 01/12/2012 to 31/12/2012.

Our opinion relates to the project's GHG emissions and resulting GHG emission reductions reported and related to the approved project baseline and monitoring, and its associated documents.

Report No:	Subject Group:
UKRAINE-ver/0927/2013	JI

Project title:
Reduction of greenhouse gases by demolition of waste heaps of Ltd. "PROMINVEST-EKOLOHIIA"

Work carried out by:
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Viktoriya Lehka – Technical Specialist

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10/06/2013	02	25

Bureau Veritas Certification Holding SAS

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1 INTRODUCTION

CEP CARBON EMISSIONS PARTNERS S.A. has commissioned Bureau Veritas Certification to verify the emissions reductions of its JI project "Reduction of greenhouse gases by demolition of waste heaps of Ltd. "PROMINVEST-EKOLOHIIA" (hereafter called "the project") located in Krasne village, Luhansk region, Ukraine.

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

Verification encompasses the period from December 01, 2012 to December 31, 2012.

1.1 Objective

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

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

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

1.2 Scope

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

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

1.3 Verification Team

The verification team consists of the following personnel:

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

Vasylii Kobzar
Bureau Veritas Certification Team Member, Technical Specialist

This verification report was reviewed by:

Ivan Sokolov
Bureau Veritas Certification Internal Technical Reviewer

Viktoriya Lehka
Bureau Veritas Certification Technical Specialist

2 METHODOLOGY

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

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

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

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

2.1 Review of Documents

The Monitoring Report (MR) submitted by CEP Carbon Emissions Partners S.A. and additional background documents related to the project design and baseline, i.e. country Law, Project Design Document (PDD), Approved CDM methodology, Determination Report for the project, issued by Bureau Veritas Certification Holding SAS, No.UKRAINE-DET/0833/2012 dated 05/12/2012, and Guidance on criteria for baseline setting and monitoring,

Host party criteria, Kyoto Protocol, Clarifications on Verification Requirements to be Checked by an Accredited Independent Entity were reviewed.

The verification findings presented in this report relate to the Monitoring Report for the period of 01/12/2012 – 31/12/2012, version 01 of 15/01/2013 and version 02 of 11/02/2013, and project as described in the determined PDD.

2.2 Follow-up Interviews

On 14/02/2013 Bureau Veritas Certification performed on-site interviews (Ltd. "Prominvest-Ekolohiia") with project stakeholders to confirm selected information and to resolve issues identified in the document review. Representatives of Ltd. "Prominvest-Ekolohiia" and CEP Carbon Emissions Partners S.A. were interviewed (see References). The main topics of the interviews are summarized in Table 1.

Table 1 Interview topics

Interviewed organization	Interview topics
LTD. "PROMINVEST-EKOLOHIIA"	➢ Organizational Structure ➢ Responsibility and authority ➢ Roles and responsibilities on data collection and processing ➢ Installation of equipment ➢ Data registering, archiving and reporting ➢ Control of metering equipment ➢ System of measurements record keeping, database ➢ IT management ➢ Personnel training ➢ Procedures and technology of Quality Management ➢ Internal audit and control activities
Consultant: CEP CARBON EMISSIONS PARTNERS S.A.	➢ Baseline methodology ➢ Monitoring plan ➢ Monitoring Report ➢ Deviations from the PDD

2.3 Resolution of Clarification, Corrective and Forward Action Requests

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

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

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

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

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

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

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

3 VERIFICATION CONCLUSIONS

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

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

The Clarification, Corrective and Forward Action Requests are stated, where applicable, in the following sections and are further documented in the Verification Protocol in Appendix A. The verification of the Project resulted in 55 Corrective Action Requests and 1 Clarification Request.

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

3.1 Remaining issues and FARs from previous verifications

There are no any remaining CL and FAR from previous verifications.

3.2 Project approval by Parties involved (90-91)

The project has received an approval from the Host Party (Ukraine) - Letter of Approval No.3874/23/7 dated 19/12/2012, issued by the State Environmental Investment Agency of Ukraine, as well as written approval from project participant (Estonia) - Letter of Approval No. 12-1/10813-2-3 dated 18/12/2012, issued by the Government of Estonia.
The abovementioned written approvals are unconditional

3.3 Project implementation (92-93)

The proposed project provides for complete demolition of the waste heaps of mines #20, #42, #3-14, #22 and Engels Mine. The demolition of waste heaps included demolition of rock by special machinery, loading onto trucks and further transportation. This product was further sent to boiler houses to be combusted as fuel. Thus, rock in waste heaps was fully utilized, and coal received substituted coal, which would have been produced by underground mining. Processing of these waste heaps prevented ignition, improved ecological situation in the region, significantly reduced emissions of CO_2 and other harmful substances. Dismantling of waste heaps reduced the probability of groundwater contamination. Also an extra amount of coal was obtained without mining, which allowed to avoid leaks of methane, which accompany underground coal mining.

The project was initiated on January 10, 2008.
The start of the industrial stage on waste heap demolition - 10/01/2008.
The project implementation status during the reporting period of 01/12/2012 – 31/12/2012 is provided below:

Table 2 Project implementation status in the reporting period

Mine	Start of waste heap demolition	End of waste heap demolition
Mine #20	10/01/2008	31/12/2014
Mine #42	28/01/2008	31/12/2014
Mine #3-14	12/02/2008	31/12/2014
Mine #22	25/02/2008	31/12/2014
Engels Mine	17/03/2008	31/12/2014

Table 3 presents data on coal extracted from waste heaps under the project activity and diesel fuel consumed during the diesel fuel production over the reporting monitoring period.

Table 3 Project implementation status in the reporting period

Period	01/01/2012-30/11/2012
Total amount of coal extracted from the waste heaps of mines #20, #42, #3-14, #22 and Engels Mine, t	79 963
Total amount of diesel fuel consumed during demolition of waste heaps of mines #20, #42, #3-14, #22 and Engels Mine, t	214

The proposed project is aimed at the reduction of anthropogenic emissions. Emissions are reduced due to:

- Removal of GHG emission sources associated with waste heap combustion by extraction of coal from the waste heaps;

- Reduction of uncontrolled emissions of methane due to replacement of coal that would have been extract by underground mining;
- Lower electricity consumption during beneficiation of coal extracted from dismantled waste heap against electricity consumption during coal mining.

Implementation of project activities according to the schedule included into the determined PDD version 02.

Starting date of the crediting period remained unchanged and is deemed the date when first emission reductions were generated, namely: January 10, 2008.

The monitoring system is existing and functioning.

Monitoring equipment, such as truck scales and other metering devices, is in line with the industry standards of Ukraine. All monitoring equipment is included into the detailed verification (calibration) schedule and is calibrated at a frequency set by the manufacturer.

A full-scale EIA in accordance with the legislation of Ukraine was performed for the proposed project in 2008. The main outcomes of that EIA follow:

- The main impact of the project activity on the environment is the impact on air. Project activity will cause additional coal dust and coal concentrate dust emissions. However, a study of emission levels and pollutant distribution charts shows that the impact will not exceed maximum allowable concentration;
- The impact on water is insignificant. The closed circuit water systems will be applied during the project implementation, and no waste water will be discharged.
- The impact on flora and fauna is ambiguous. Project activity will cause changes in the existing landscape, yet the aggregate ultimate impact is positive. Grass and trees will be planted on the re-cultivated areas. No rare or endangered species will be impacted. The project activity will be done in the area remote from national parks or protected zones.
- The impact on flora and fauna is ambiguous. Project activity will cause changes in the existing landscape, yet the aggregate ultimate impact is positive. Grass and trees will be planted on the re-cultivated areas. No rare or endangered species will be impacted. The project activity will be done in the area remote from national parks or protected zones.
- The noise impact is limited. The distance between the main source of noise and residential districts will be as short as allowed, and the operation of movable noise sources (motor vehicles) will comply with local regulations;
- Impact on land use is positive. Considerable land area will be spared from the waste heaps and become available for development;
- No transboundary impact has been detected. Implementation of the project, all of which is physically located in Ukraine, exerts no environmental impact on any other country.

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

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

For calculating the estimates referred to above, such key factors as the Ukrainian environmental legislation and other national legislation, as well as key relevant factors such as availability of funds for implementation of measures envisaged by the project, prices that are set by the state, modern technology and the ability to dismantle waste heaps, influencing the baseline emissions and the activity level of the project and the emissions as well as risks associated with the project were taken into account, as appropriate.

Sources of data that were used for calculation of emission reductions such as documents and archival data of the enterprise, standards and statistical forms, results of periodic logger readings, etc. are clearly defined, credible and transparent.

Emission factors, such as emission factor for non-controlled methane emissions during coal mining (EF_{CH4}), carbon dioxide emission factor for electricity generation by TPPs and electricity consumption ($EF_{CO2,ELEC}$), were chosen through careful balancing of accuracy and appropriateness and properly justified their choice.

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

The monitoring periods per component of the project are clearly specified in the monitoring report and do not overlap with those for which verifications were already deemed final in the past.

The identified areas of concern as to the compliance of the monitoring plan with the monitoring methodology, project participants' responses and conclusions of Bureau Veritas Certification are described in Appendix A to this report (refer to CAR 01, CAR 02, CAR 03, CAR 04, CAR 05, CL 01).

3.5 Revision of monitoring plan (99-100)

Not applicable.

3.6 Data management (101)

The data and their sources, provided in monitoring report, are clearly identified, reliable and transparent.

The implementation of data collection procedures is in accordance with the monitoring plan, including the quality control and quality assurance procedures.

The function of the monitoring equipment, including its calibration status, is in order.

According to current legislation "On metrology and metrological activity", all metering equipment in Ukraine must meet the specified requirements of relevant standards and is subject to a periodic check. Interval of calibration/verification for truck scales is 1 year.
The project complies with legal requirements to calibration and verification.

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

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

The most objective and cumulative factor that provides a clear picture of whether the emission reduction took place is waste heap demolition. It is waste heap demolition that causes GHG emission reductions.

The following parameters are subject to monitoring:

- Diesel fuel consumed in the relevant period as a result of project activity.
- Coal extracted from the waste heap in the respective period and combusted for generation of power used for project activities, equal to the amount of coal that would have been produced by mining and combusted for energy generation in the baseline scenario.

Data and parameters subject to periodic monitoring, according to the monitoring plan provided in the PDD version 02, as well as the list of constant values used to calculate emission reductions, are provided in Section B.2.1. of the Monitoring Report, as well as in Annex 2.

Organizational and management structure of project owner, Ltd. “Prominvest-Ekolohiia”, is used for data collection for approved monitoring plan. Company administration headed by the director of the company, Borys Filipov, is responsible for performance of monitoring, data collection, registration, visualization, storage and reporting of data that were monitored, and periodic inspection of measuring instruments. The structure of data collection and processing is demonstrated by the following chart:

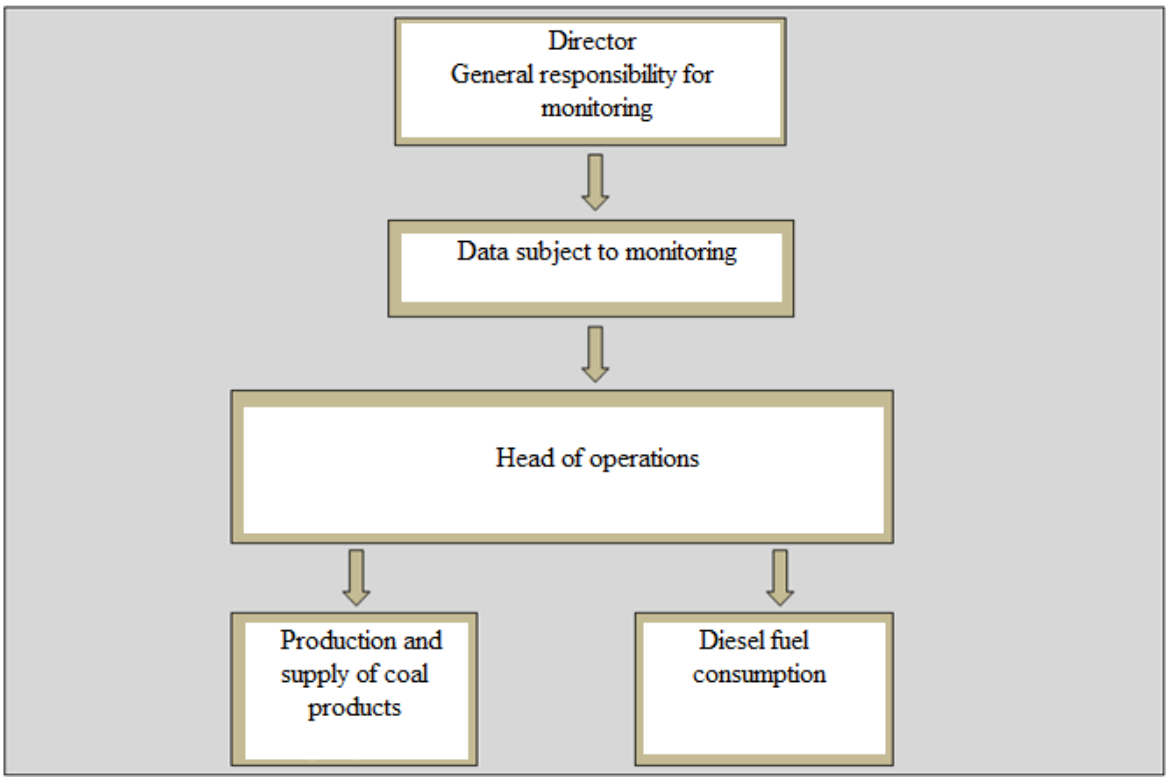

Figure 1. The structure of data collection and processing under the monitoring plan

The operational structure of the company envisages data collection, compilation and cross-verification, as part of monitoring plan preparation.

All necessary information for monitoring of GHGs emission reductions is stored in paper or/and electronic copies and will be stored till the end of the crediting period and for two years since the last ERU transaction.

The Monitoring Report version 02 provides sufficient information on the roles, responsibilities and authorities assigned for implementation and maintenance of monitoring procedures including data management. The verification team confirms effectiveness of the existing management and operational systems and found them eligible for reliable project monitoring.

3.7 Verification regarding programmes of activities (102-110)

Not applicable.

4 VERIFICATION OPINION

Bureau Veritas Certification has performed the 2nd periodic verification for the period of 01/12/2012–31/12/2012 of the “Reduction of greenhouse gases by demolition of waste heaps of Ltd. “PROMINVEST-EKOLOHIIA” project in

Krasne village, Luhansk region, Ukraine, which applies JI specific approach. The verification was performed on the basis of UNFCCC criteria and host country criteria and also on the criteria given to provide for consistent project operations, monitoring and reporting.
The verification consisted of the following three phases: i) desk review of the monitoring report against the project design and the baseline and monitoring plan; ii) follow-up interviews with project stakeholders; iii) resolution of outstanding issues and the issuance of the final verification report and opinion.

The management of Ltd. "Prominvest-Ekolohiia" is responsible for the preparation of the GHG emissions data and the reported GHG emissions reductions of the project. CEP CARBON EMISSIONS PARTNERS S.A. provides consulting support to Ltd. "Prominvest-Ekolohiia" in regards to data collection issues and is responsible for the preparation of the monitoring report on the basis set out within the project Monitoring Plan indicated in the final PDD version 02.

Bureau Veritas Certification verified the Project Monitoring Report version 02 for the reporting period of 01/12/2012 – 31/12/2012, as indicated below. Bureau Veritas Certification confirms that the project is implemented as planned and described in approved project design documents. Installed equipment being essential for generating emission reduction runs reliably and is calibrated appropriately. The monitoring system is in place and the project is generating GHG emission reductions.

Emission reductions achieved under the project in the period of 01/12/2012 – 31/12/2012 do not differ much from the amount stipulated for the same period in the determined PDD. For emission reductions stipulated by the determined PDD version 02, MR version 02, see Table 4 below.

Table 4 Emission reductions stipulated by the determined PDD version 02 and MR version 02

Period	Estimated GHG emission reductions from the determined PDD, in tonnes of CO_2e	Ex-post GHG emission reductions from the Monitoring Report, in tonnes of CO_2e
01/12/2012 – 31/12/2012	211 435	166 959

This is attributable to the fact that it was impossible to obtain precise data to calculate GHG emission reductions for the reporting period at the moment of PDD development. All the required information has been provided to calculate GHG emissions for the reporting period, which ensured accurate calculation of emissions in the baseline and the project scenarios. Emission reductions for the period of 01/12/2012 – 31/12/2012, stipulated by the determined PDD, were calculated by dividing the total annual emission reductions stated in the PDD by 12 (12 months) and multiplying by 1 (1 month).

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

Reporting period: from 01/12/2012 to 31/12/2012

Baseline emissions	:	131 424	t CO_2 equivalent.
Project emissions	:	668	t CO_2 equivalent.
Leakage	:	- 36 203	t CO_2 equivalent.
Emission reductions	:	166 959	t CO_2 equivalent.

5 REFERENCES

Category 1 Documents:

Documents provided by project participants that relate directly to the GHG components of the project.

/1/	Monitoring Report of JI project "Reduction of greenhouse gases by demolition of waste heaps of Ltd. "PROMINVEST-EKOLOHIIA" for the period of 01/12/2012 – 31/12/2012, version 01 dated 15/01/2013
/2/	Monitoring Report of JI project "Reduction of greenhouse gases by demolition of waste heaps of Ltd. "PROMINVEST-EKOLOHIIA" for the period of 01/12/2012 – 31/12/2012, version 02 dated 11/02/2013
/3/	Annex 1: Definition of key notions and abbreviations
/4/	Annex 2: Calculation of GHG emission reductions for the period 01/12/2012 – 31/12/2012 (Excel file)
/5/	PDD "Reduction of greenhouse gases by demolition of waste heaps of Ltd. "PROMINVEST-EKOLOHIIA" , version 02 dated 04/12/2012
/6/	Bureau Veritas Certification Holding SAS Determination Report No. UKRAINE-DET/0833/2012 "Reduction of greenhouse gases by demolition of waste heaps of Ltd. "PROMINVEST-EKOLOHIIA", version 02 dated 05/12/2012
/7/	Letter of Approval for the JI project "Reduction of greenhouse gases by demolition of waste heaps of Ltd. "PROMINVEST-EKOLOHIIA" No.3874/23/7 issued by the State Environmental Investment Agency of Ukraine dated 19/12/2012.
/8/	Letter of Approval No. 12-1/10813-2-3 issued by the Ministry of Environmental Protection of Estonia dated 18/12/2012

Category 2 Documents:

Background documents related to the design and/or methodologies employed in the design or other reference documents.

/1/	Passport of waste heap No.9 of Ltd. "Prominvest-Ekolohiia"
/2/	Passport of waste heap No.17 of Ltd. "Prominvest-Ekolohiia"
/3/	Passport of waste heap No.20 of Ltd. "Prominvest-Ekolohiia"

/4/	Passport of waste heap No.22 of Ltd. “Prominvest-Ekolohiia”
/5/	Passport of waste heap No.23 of Ltd. “Prominvest-Ekolohiia”
/6/	Passport of waste heap No.30 of Ltd. “Prominvest-Ekolohiia”
/7/	Passport of waste heap No.31-32 of Ltd. “Prominvest-Ekolohiia”
/8/	Passport of waste heap No.35 of Ltd. “Prominvest-Ekolohiia”
/9/	Passport of waste heap No.42 of Ltd. “Prominvest-Ekolohiia”
/10/	Passport of waste heap No.174 of Ltd. “Prominvest-Ekolohiia”
/11/	Passport of waste heap No.178 of Ltd. “Prominvest-Ekolohiia”
/12/	Calibration certificate of working instrument of measurement equipment (truck scales) dated 17/09/2012

Persons interviewed:

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

	Name	Organisation	Title
/1/	Yu.V. Shentsev	Ltd. “Prominvest-Ekolohiia”	Deputy Director
/2/	A.V. Melnyk	Ltd. “Prominvest-Ekolohiia”	Financial Director
/3/	Yu.A. Potapov	Ltd. “Prominvest-Ekolohiia”	Chief Engineer
/4/	N.H. Chyzhov	Ltd. “Prominvest-Ekolohiia”	Chief Accountant
/5/	S.A. Chypilin	Ltd. “Prominvest-Ekolohiia”	Chief Power Engineer
/6/	E.N. Stetsenko	Ltd. “Prominvest-Ekolohiia”	Chief Economist
/7/	V.H. Prykhodko	Ltd. “Prominvest-Ekolohiia”	Geologist
/8/	H.M. Babyk	Ltd. “Prominvest-Ekolohiia”	Markscheider
/9/	S.Repinetskyi	“CEP” LLC	CEP CARBON EMISSIONS PARTNERS S.A. Consultant

APPENDIX A: COMPANY PROJECT VERIFICATION PROTOCOL

BUREAU VERITAS CERTIFICATION HOLDING SAS

VERIFICATION PROTOCOL

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

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
Project approvals by Parties involved				
90	Has the DFPs of at least one Party involved, other than the host Party, issued a written project approval when submitting the first verification report to the secretariat for publication in accordance with paragraph 38 of the JI guidelines, at the latest?	The project was approved by both Host Party (Ukraine) and another Party involved (Estonia). Written approvals for the project were issued by the National Coordinating Entities of the Parties involved. Both Letters of Approval were available as of the start of the first project verification.	OK	OK
91	Are all the written project approvals by Parties involved unconditional?	All the written project approvals by Parties involved are unconditional.	OK	OK
Project implementation				
92	Has the project been implemented in accordance with the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website?	The project has been implemented in accordance with the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website.	OK	OK
93	What is the status of operation of the project during the monitoring period?	Implementation of project activities according to the schedule included into the determined	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
		PDD version 02.		
Compliance with monitoring plan				
94	Did the monitoring occur in accordance with the monitoring plan included in the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website?	The monitoring occurred in accordance with the monitoring plan included in the PDD regarding which the determination has been deemed final and is so listed on the UNFCCC JI website.	OK	OK
95 (a)	For calculating the emission reductions or enhancements of net removals, were key factors, e.g. those listed in 23 (b) (i)-(vii) above, influencing the baseline emissions or net removals and the activity level of the project and the emissions or removals as well as risks associated with the project taken into account, as appropriate?	For calculating the estimates referred to above, such key factors as the Ukrainian environmental legislation and other national legislation, as well as key relevant factors such as availability of funds for implementation of measures envisaged by the project, prices that are set by the state, modern technology and the ability to dismantle waste heaps, influencing the baseline emissions and the activity level of the project and the emissions as well as risks associated with the project were taken into account, as appropriate. **CAR 01.** Data units for parameter $N^{p}_{ELEC,coal}$ are incorrect in Annex 2. **CAR 02.** Monitoring period for parameter $FC^{b}_{coal,y}$ is incorrect in Table	**CAR 01** **CAR 02** **CAR 03**	OK OK OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
		8 in Section B.2.3. of MR. **CAR 03.** There are not all parameters in Table 10 of MR.		
95 (b)	Are data sources used for calculating emission reductions or enhancements of net removals clearly identified, reliable and transparent?	Yes, data sources used for calculating emission reductions are clearly identified, reliable and transparent. **CAR 04.** The name of Annex 2 that is specified in MR is not the same as name that is specified on a title page of Annex2. **CAR 05.** Delete the repeated information on baseline and project emissions and leakages in Section E of MR. **CL 01.** Please specify in formula 4 description in Section D.1. of the MR that the calculation refers to the baseline scenario.	**CAR 04** **CAR 05** **CL 01**	OK OK OK
95 (c)	Are emission factors, including default emission factors, if used for calculating the emission reductions or enhancements of net removals, selected by carefully balancing accuracy and reasonableness, and appropriately justified of the choice?	Emission factors, such as emission factor for non-controlled methane emissions during coal mining (EF_{CH4}), carbon dioxide emission factor for electricity generation by TPPs and electricity consumption ($EF_{CO2,ELEC}$), were chosen through careful balancing of accuracy and appropriateness and properly justified their choice.	OK	OK
95 (d)	Is the calculation of emission reductions or enhancements of net removals based on conservative assumptions and the most plausible scenarios in a	The calculation of emission reductions is based on conservative assumptions and the most plausible scenarios in a transparent manner.	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	transparent manner?			
Applicable to JI SSC projects only				
96	Is the relevant threshold to be classified as JI SSC project not exceeded during the monitoring period on an annual average basis? If the threshold is exceeded, is the maximum emission reduction level estimated in the PDD for the JI SSC project or the bundle for the monitoring period determined?	N/a	N/a	N/a
Applicable to bundled JI SSC projects only				
97 (a)	Has the composition of the bundle not changed from that is stated in F-JI-SSCBUNDLE?	N/a	N/a	N/a
97 (b)	If the determination was conducted on the basis of an overall monitoring plan, have the project participants submitted a common monitoring report?	N/a	N/a	N/a
98	If the monitoring is based on a monitoring plan that provides for overlapping monitoring periods, are the monitoring periods per component of the project clearly specified in the monitoring report? Do the monitoring periods not overlap with those for which verifications were already deemed final in the past?	N/a	N/a	N/a

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
Revision of monitoring plan				
Applicable only if monitoring plan is revised by project participant				
99 (a)	Did the project participants provide an appropriate justification for the proposed revision?	N/a	N/a	N/a
99 (b)	Does the proposed revision improve the accuracy and/or applicability of information collected compared to the original monitoring plan without changing conformity with the relevant rules and regulations for the establishment of monitoring plans?	N/a	N/a	N/a
Data management				
101 (a)	Is the implementation of data collection procedures in accordance with the monitoring plan, including the quality control and quality assurance procedures?	Yes, the implementation of data collection procedures is in accordance with the monitoring plan, including the quality control and quality assurance procedures.	OK	OK
101 (b)	Is the function of the monitoring equipment, including its calibration status, is in order?	According to current legislation "On metrology and metrological activity", all metering equipment in Ukraine must meet the specified requirements of relevant standards and is subject to a periodic check. Interval of calibration/verification for truck scales is 1 year.	OK	OK
101 (c)	Are the evidence and records used for	Organizational and management structure of	OK	OK

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	the monitoring maintained in a traceable manner?	project owner, Ltd. “Prominvest-Ekolohiia”, is used for data collection for approved monitoring plan. Company administration headed by the director of the company, Borys Filipov, is responsible for performance of monitoring, data collection, registration, visualization, storage and reporting of data that were monitored, and periodic inspection of measuring instruments. The structure of data collection and processing is demonstrated by the chart in Section C.1. of the MR.		
101 (d)	Is the data collection and management system for the project in accordance with the monitoring plan?	The data collection and management system for the project is in accordance with the monitoring plan. The verification team confirms effectiveness of the existing management and operational systems and found them eligible for reliable project monitoring.	OK	OK
Verification regarding programs of activities (additional elements for assessment)				
102	Is any JPA that has not been added to the JI PoA not verified?	N/a	N/a	N/a
103	Is the verification based on the monitoring reports of all JPAs to be verified?	N/a	N/a	N/a
103	Does the verification ensure the accuracy and conservativeness of the emission reductions or enhancements of removals generated by each JPA?	N/a	N/a	N/a
104	Does the monitoring period not overlap	N/a	N/a	N/a

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	with previous monitoring periods?			
105	If the AIE learns of an erroneously included JPA, has the AIE informed the JISC of its findings in writing?	N/a	N/a	N/a
Applicable to sample-based approach only				
106	Does the sampling plan prepared by the AIE: (a) Describe its sample selection, taking into account that: (i) For each verification that uses a sample-based approach, the sample selection shall be sufficiently representative of the JPAs in the JI PoA such extrapolation to all JPAs identified for that verification is reasonable, taking into account differences among the characteristics of JPAs, such as: − The types of JPAs; − The complexity of the applicable technologies and/or measures used; − The geographical location of each JPA; − The amounts of expected emission reductions of the JPAs being verified; − The number of JPAs for which emission reductions are being verified; − The length of monitoring periods of the JPAs being verified; and	N/a	N/a	N/a

DVM Paragraph	Check Item	Initial finding	Draft Conclusion	Final Conclusion
	− The samples selected for prior verifications, if any?			
107	Is the sampling plan ready for publication through the secretariat along with the verification report and supporting documentation?	N/a	N/a	N/a
108	Has the AIE made site inspections of at least the square root of the number of total JPAs, rounded to the upper whole number? If the AIE makes no site inspections or fewer site inspections than the square root of the number of total JPAs, rounded to the upper whole number, then does the AIE provide a reasonable explanation and justification?	N/a	N/a	N/a
109	Is the sampling plan available for submission to the secretariat for the JISC.s ex ante assessment? (Optional)	N/a	N/a	N/a
110	If the AIE learns of a fraudulently included JPA, a fraudulently monitored JPA or an inflated number of emission reductions claimed in a JI PoA, has the AIE informed the JISC of the fraud in writing?	N/a	N/a	N/a

TABLE 2 RESOLUTION OF CORRECTIVE ACTION AND CLARIFICATION REQUESTS

Clarification and corrective action requests issued by the verification team	Ref. to checklist question in table 1	Summary of project participants' responses	Verification team conclusion
CAR 01. Data units for parameter $N^{p}_{ELEC,coal}$ are incorrect in Annex 2.	95(a)	Data units for parameter $N^{p}_{ELEC,coal}$ were changed in Annex 2.	The issue is closed as corresponding corrections are made.
CAR 02. Monitoring period for parameter $FC^{b}_{coal,y}$ is incorrect in Table 8 in Section B.2.3. of MR.	95(a)	Monitoring period for parameter $FC^{b}_{coal,y}$ is 01/12/2012–31/12/2012.	The issue is closed as corresponding corrections are made.
CAR 03. There are not all parameters in Table 10 of MR.	95(a)	Relevant data listed in Table 10 of the MR version 02.	The issue is closed as corresponding data are added.
CAR 04. The name of Annex 2 that is specified in MR is not the same as name that is specified on a title page of Annex2.	95 (b)	Annex 2: Calculation of GHG emission reductions for the period 01/12/2012 – 31/12/2012. Relevant corrections were made in MR version 02.	The issue is closed as corresponding changes are made.
CAR 05. Delete the repeated information on baseline and project emissions and leakages in Section E of MR.	95 (b)	Repeated information was deleted. See Section E of MR version 02.	The issue is closed as corresponding changes are made.
CL 01. Please specify in formula 4 description in Section D.1. of the MR that the calculation refers to the baseline scenario.	95 (b)	Formula 4 - Calculation of emissions in the baseline scenario associated with waste heap burning in year *y*	The issue is closed as relevant information is provided.