



CDM Project Activity Registration and Validation Report Form

(By submitting this form, designated operational entity confirms that the proposed CDM project activity meets all validation and registration requirements and thereby requests its registration)

Section 1: Request for registration

Name of the designated operational entity (DOE) submitting this form	TÜV Industrie Service GmbH TÜV SÜD Group
Title of the proposed CDM project activity (Section A.2 of the attached CDM-PDD) submitted for registration	Granja Becker GHG Mitigation Project
Project participants (Name(s))	- AgCert Canada Co. (Canada) - Granja Becker (Brazil)
Sector in which project activity falls	Waste Handling and Disposal (13) and Agriculture (15)
Is the proposed project activity a small-scale activity?	Yes / <u>No</u> (underline as applicable)

Section 2: Validation report

List of documents to be attached to this validation report (please check mark):	
<p>X The CDM-PDD of the project activity</p> <p>X An explanation by the submitting designated operational entity of how it has taken due account of comments on validation requirements received, in accordance with the CDM modalities and procedures, from Parties, stakeholders and UNFCCC accredited non-governmental organizations. This explanation is included in the Validation Report No. 451774, rev 03;</p> <p>q The written approval of voluntary participation from the designated national authority of each Party involved, including confirmation by the host Party that the project activity assists it in achieving sustainable development:</p> <p>X Other documents, including any validation protocol used in the validation</p> <ul style="list-style-type: none"> o Validation Report (Validation Report No. 451774, rev 03), including a validation protocol, a information reference list and a list of persons interviewed by DOE validation team during the validation process. q Information on when and how the above validation report is made publicly available. q Banking information on the payment of the non-reimbursable registration fee q A statement signed by all project participants stipulating the modalities of communicating with the Executive Board and the secretariat in particular with regard to instructions regarding allocations of CERs at issuance 	

Executive Summary and Introduction, including

- **Description of the proposed CDM project activity**
- **Scope of validation process (include all documentation that has been reviewed and name persons that have been interviewed as part of the validation, as applicable)**
- **DOE Validation team (list of all persons involved in the validation, describing functions assumed in the validation)**

Granja Becker is a 48 ha farm situated in Southeast Brazil in the State of Minas Gerais. The farm is in operation now for 17 years and combines pork production with coffee production. The operation of the farm conforms with industrialised pork production practices. Currently the farm uses a multi lagoon system. The objective of the Granja Becker GHG Mitigation Project is to apply to the farm GHG mitigation measures which will mitigate GHG emissions in an economically sustainable manner. The project foresees to replace the open air lagoons by positive pressure covered lagoon cells, creating ambient temperature anaerobic digesters. The project will also result in other environmental benefits, such as improved water quality and reduced odour.

The validation 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. TÜV SÜD has, based on the recommendations in the Validation and Verification Manual employed a risk-based approach in the validation, focusing on the identification of significant risks for project implementation and the generation of CERs.

All documentation that has been reviewed and name of persons that have been interviewed as part of the validation are listed in Annex 2 to the validation report (Validation Report No. 451774, rev 03).

According to these requirements TÜV SÜD has composed a project team for the validation in accordance with the appointment rules of the TÜV certification body "climate and energy":

Michael Rumberg is head of the division CDM/JI at TÜV Industrie Service GmbH TÜV SÜD Group. In his position he is responsible for the implementation of validation, verification and certifications processes for greenhouse gas mitigation projects in the context of the Kyoto Protocol. Before entering this company he worked as an expert for renewable energy, forestry, environmental issues, climate change and sustainability within the environmental branch of an insurance company. His competences are covering risk assessments, quality and environmental auditing (EMS auditor), baseline setting, monitoring and verification due to the requirements of the Kyoto Protocol.

Klaus Nürnberger is head of the division energy certification at TÜV Industrie Service GmbH TÜV SÜD Group. In his position he is responsible for the implementation of verification and certifications processes for electricity production based on renewable sources. The division has assessed more than 600 plants and sites all over Europe. He has received extensive training in the CDM and JI validation processes and participated already in several CDM and JI project assessments.

Wilson Tomao is a consultant for quality and environmental management systems (according to ISO 9001 and ISO 14001) at Ingwaass Qualidade Continua. He is based in Sao Paulo. In his position he is responsible for the implementation of management systems. He has received extensive training in the CDM validation process and participated already in several CDM project assessments.

The audit team covers the defined requirements as follows:

- Ø Knowledge of Kyoto Protocol and the Marrakech Accords (RUMBERG/TOMAO)
- Ø Environmental and Social Impact Assessment (RUMBERG/TOMAO)

- Ø Skills in environmental auditing (ISO 14000, EMAS) (ALL)
- Ø Quality assurance (RUMBERG / TOMAO)
- Ø Agricultural operations especially regarding manure management (RUMBERG/ NÜRNBERGER)
- Ø Technical aspects of gas flaring and biodigester operation (RUMBERG/ NÜRNBERGER)
- Ø Monitoring concepts (RUMBERG/ NÜRNBERGER)
- Ø Political, economical and technical random conditions in host country (TOMAO)

In order to have an internal quality control of the project, a team of the following persons has been composed by the certification body "climate and energy":

- Ø Thomas Kleiser (GHG lead auditor)
- Ø Dieter Reiml (Technical expert)
- Ø Werner Betzenbichler (project manager, GHG lead auditor)

For further details, please, refer to the "Introduction" section of the validation report (Validation Report No. 451774, rev 03).

Description of methodology for carrying out validation

- **Review of CDM-PDD and additional documentation attached to it**
- **Assessment against CDM requirements (e.g. by use of a validation protocol)**
- **Report of findings by the DOE, e.g. by use of type of findings (e.g. corrective action requests, clarifications or observations). Please explain the way findings are "labelled" during validation.**
- **Include statements or assessments in the section "Conclusions, final comments and validation opinion" below.**

The validation of the project consists of the following three phases:

- Desk review
- Follow-up interviews
- Resolution of clarification and corrective action requests

The audit team has been provided with a draft PDD in August 2004. Based on this documentation a document review and a fact finding mission in form of an on site audit has taken place. Afterwards the client decided to revise the PDD according to the guidance given by the approved methodology and the findings indicated in the audit process. The final PDD version was submitted in December 2004 and has undergone a renewed document review. The validation findings relate to the project design as documented and described in the final project design documentation.

In order to ensure transparency, a validation protocol was customised for the project, according to the Validation and Verification Manual. The protocol shows, in a transparent manner, criteria (requirements), means of verification and the results from validating the identified criteria. The validation protocol serves the following purposes:

- It organises, details and clarifies the requirements a CDM project is expected to meet;
- It ensures a transparent validation process where the validator will document how a particular requirement has been validated and the result of the validation.

The completed validation protocol is enclosed in Annex 1 to the validation report (Validation Report No. 451774, rev 03).

Findings established during validation can either be seen as non fulfilment of validation criteria or where a risk to the fulfilment of the project objectives is identified. Such findings are termed Corrective Action Requests. The term "Clarification Request" is used when the validation team has

identified a need for further clarification.

The Corrective Action Requests and Clarification Requests raised by TÜV SÜD were resolved during communications between the client and TÜV SÜD. To guarantee the transparency of the validation process, the concerns raised and responses that have been given are summarised in chapter 3 of the validation report (Validation Report No. 451774, rev 03) and documented in more detail in the validation protocol in Appendix 1 to the report. The validation of the project resulted in no Corrective Action Requests and four Clarification Requests.

For further details, please, refer to the "Methodology" section of the validation report (Validation Report No. 451774, rev 03).

Explanation by the submitting designated operational entity of how it has taken due account of comments on validation requirements received, in accordance with the CDM modalities and procedures, from Parties, stakeholders and UNFCCC accredited non-governmental organizations;

- Description of how and when the PDD was made publicly available
- Description of how comments were received and made publicly available
- Explanation of how due account has been taken of comments received
- Compilation of all comments received (Identify the submitter)

TÜV SÜD published the project documents on its website and made it public through the CDM website of the UNFCCC on December 20, 2004 and invited comments within 30 days, until January 19, 2005 by Parties, stakeholders and non-governmental organisations. No comments were received.

Conclusions, final comments and validation opinion

- Provide conclusions on each requirement under paragraph 37 of the CDM modalities and procedures, describing how these requirements have been met. This shall include assessments and findings (e.g. corrective action requests, clarifications or observations) in relation to each requirement, including a confirmation that all issues raised have been addressed to the satisfaction of the DOE.
- Final comments and validation opinion

TÜV SÜD has performed a validation of the Granja Becker GHG Mitigation Project in Brazil. The validation was performed on the basis of UNFCCC criteria and host country criteria, as well as criteria given to provide for consistent project operations, monitoring and reporting. UNFCCC criteria refer to Article 12 of the Kyoto Protocol, the CDM modalities and procedures and subsequent decisions by the CDM Executive Board.

As an outstanding issue it has to be mentioned that so far TÜV SÜD has not received a Letter of Approval and Letter of Authorization by the Parties involved. The host Party has moreover not demonstrated so far that the project activity assists it in achieving sustainable development.

The review of the project design documentation and the subsequent follow-up interviews have provided TÜV SÜD with sufficient evidence to determine the fulfilment of stated criteria.

The validation of the project consists of the following three phases:

- Desk review
- Follow-up interviews
- Resolution of clarification and corrective action requests

The Corrective Action Requests and Clarification Requests raised by TÜV SÜD were resolved

during communications between the client and TÜV SÜD in a satisfactory manner.

In our opinion, the project does meet all relevant UNFCCC requirements for the CDM and all relevant host country criteria.

The participation requirements defined in paragraph 28-30 of the modalities and procedures (decision 17/CP.7) for the Clean Development Mechanism are satisfied.

Comments by local stakeholder have been invited, a summary of comments received has been provided and a report on how due account was taken of any comment has been received.

An analysis of the environmental impacts of the project activity has been submitted.

The project is based on an approved methodology.

By avoiding GHG emissions from open air lagoons, the project results in reductions of GHG emissions that are real, measurable and give long-term benefits to the mitigation of climate change. An economic comparison with alternative scenarios and an analysis of the investment and technological barriers demonstrates that the proposed project activity is not a likely baseline scenario. Emission reductions attributable to the project are hence additional to any that would occur in the absence of the project activity. Given that the project is implemented as designed, the project is likely to achieve the estimated amount of emission reductions.

Provisions for monitoring, verification and reporting are in accordance with the requirements.

Additionally the assessment team reviewed the estimation of the projected emission reductions. We can confirm that the indicated amounts of emission reductions of annually 5.086 tonnes CO_{2e} over a crediting period of ten years represents a conservative estimation using the assumptions given by the project documents.

The project will hence be recommended by TÜV SÜD for registration with the UNFCCC under the CDM.

The DOE declares herewith that in undertaking the validation of this proposed CDM project activity it has no financial interest related to the proposed CDM project activity and that undertaking such a validation does not constitute a conflict of interest which is incompatible with the role of a DOE under the CDM.

By submitting this validation report, the DOE confirms that all validation requirements are met.

Name of authorized officer signing for the DOE

Michael Rumberg

Date and signature for the DOE

25/01/2005

Section below to be filled by UNFCCC secretariat

Date when the form is received at UNFCCC secretariat

Date at which the registration fee has been received

Date at which registration shall be deemed final

Date of request for review, if applicable

Date and number of registration

Date

Number