



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	AWMS GHG Mitigation Project BR05-B-03, Brazil
Project participants (Name(s))	AgCert Do Brasil Solucuoess Ambientas Ltda
Sector in which project activity falls	Scope 13 - Waste Handling and Disposal, and Sectoral Scope 15 – Agriculture.
Is the proposed project activity a small-scale activity?	<u>No</u> / Yes (<i>underline as applicable</i>)

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. 645204, rev 01;</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. 67139, rev 03), including a validation protocol, a information reference list and a list of persons interviewed by DOE validation team during the validation process. <p>q Information on when and how the above validation report is made publicly available.</p> <p>q Banking information on the payment of the non-reimbursable registration fee</p> <p>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</p>	

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)**

This project proposes to apply to multiple swine Confined Animal Feeding Operations (located in Minas Gerais, Mato Grosso, Mato Grosso do Sul and Goias, Brazil) a GHG mitigation methodology which is applicable to intensive livestock operations. The proposed project activities will mitigate AWMS GHG emissions in an economically sustainable manner, and will result in other environmental benefits, such as improved water quality and reduced odour. The project proposes to move the designated farms from a high-GHG AWMS practice; an open air lagoon, to a lower-GHG AWMS practice; an ambient temperature anaerobic digester with the capture and combustion of the resulting biogas. The concluding purpose of this project is to mitigate animal effluent related GHG by improving AWMS practices.

Project participants is AgCert Do Brasil Solucoes Ambientas Ltda. The host party for this project activity is Brazil. In total 28 farmers with 31 sites are contracted in the states of Minas Gerais, São Paulo, Mato Grosso, Mato Grosso do Sul and Goais, Brazil.

The category of the project activity is in Sectoral Scope 13 - Waste Handling and Disposal, and Sectoral Scope 15 – Agriculture.

The starting date of the project activity is 20/04/04. The 10 year non renewable crediting period starts 01/03/2005.

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.

The validation is based on the information made available to TÜV SÜD and the engagement conditions detailed in this report. TÜV SÜD can not guarantee the accuracy or correctness of this information. Hence, TÜV SÜD can not be held liable by any party for decisions made or not made based on this report.

The validation 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.

The audit team has been provided with a draft PDD in April 2005. 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 the CRs indicated in the audit process. This PDD version was submitted in July 2005 and published from July 12 to August 10, 2005. This public version which has also undergone a renewed document review, serves as the starting point for the assessment. This version submitted in September 2005 serves as the basis for the final assessment presented herewith.

For further details, please, refer to the "Methodology" section of the validation report (Validation Report No645204, rev 01)

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**

<p>“labelled” during validation.</p> <ul style="list-style-type: none"> • Include statements or assessments in the section “Conclusions, final comments and validation opinion” below.
<p>The validation of the project consists of the following three phases:</p> <ul style="list-style-type: none"> • Desk review • Follow-up interviews • Resolution of clarification and corrective action requests <p>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:</p> <ul style="list-style-type: none"> • 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. <p>The validation protocol consists of three tables. The different columns in these tables are described and the completed validation protocol is enclosed in Annex 1 to the validation report.</p>
<p>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;</p> <ul style="list-style-type: none"> • 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)
<p>TÜV SÜD published the project documents on its website from July 12 to August 10, 2005 and invited comments within 30 days, by Parties, stakeholders and non-governmental organisations. Published on http://www.netinform.de/KE/Wegweiser/Ebene1.aspx?Ebene1_ID=26</p> <p>A comment has been submitted on July, 23rd 2005 by Axel Michaelowa, Hamburger Welt-Wirtschafts-Archiv (HWWA). HWWA is an accredited observer organisation to the United Nations Framework Convention on Climate Change Conference of the Parties.</p> <p>The comment has the following content:</p> <p><i>“Dear colleagues,</i></p> <p><i>This project and all the other AWMS projects currently under validation by TÜV Süd are bundling sites that are geographically dispersed. Bundling is only allowed for small-scale projects and the AWMS projects do not apply small-scale project rules but AM 0016. The AWMS projects would fall under category III.D and only can be bundled up to the maximum threshold of 15,000 t CO₂ equivalent per year. [...] my comment refers to [...] AWMS GHG Mitigation Project BR05-B-02, Minas Gerais and Sao Paulo, [...] “</i></p> <p>The comment has been submitted during the 30 days stakeholder period and is submitted by an accredited observer organisation. Hence the comment had to be considered in the validation process. TÜV SÜD has included the aspects addressed by the comment already in the discussions on-site and in his additional claims (CARs/CRs) in order to provide more details on the argumentation in the PDD. TÜV SÜD came to the following conclusion:</p>

The validation team does not follow that argumentation. The validation team can not identify any regulation which does not allow bundling of several sites. Furthermore such rules would contradict the definition of small scale project according to the Kyoto Protocol that a small scale project must not be part of a debundled project.

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**

The Certification Body "Climate and Energy" has been ordered by AgCert International LLC, Ireland (AgCert International) to perform a validation of the above mentioned project.

In summary, it is TÜV SÜD's opinion that the project "AWMS GHG Mitigation Project BR05-B-03, Brazil", as described in the revised project design document of September 2005, meets all relevant UNFCCC requirements for the CDM, set by the Kyoto Protocol, the Marrakech Accords and relevant guidance by the CDM Executive Board and that the project furthermore meets all relevant host country criteria and correctly applies the baseline and monitoring methodology AM0016 / Ver. 02 entitled "*Greenhouse gas mitigation from improved Animal Waste Management Systems in confined animal feeding operations.*"

Hence, TÜV SÜD will recommend the project for registration as CDM project activity by the CDM Executive Board.

Prior to the submission of this validation report to the CDM Executive Board, TÜV SÜD will have to receive the written approval of the DNA of involved parties, including confirmation by the DNA of Brazil that the project assists in achieving sustainable development.

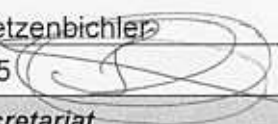
By avoiding GHG emissions from open air lagoons, the project results in reductions of GHG emissions that are real, measurable and give long-term benefits to the mitigation of climate change. An economic comparison with alternative scenarios and an analysis of the investment and technological barriers 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.

Additionally the assessment team reviewed the estimation of the projected emission reductions. We can confirm that the indicated amount of emission reductions of 1,820,790 tonnes CO_{2e} over a crediting period of ten years, resulting in a calculated annual average of 182,079 tonnes CO₂ represents a reasonable estimation using the assumptions given by the project documents.

The validation is based on the information made available to us and the engagement conditions detailed in this report. The validation has been performed using a risk based approach as described above. The only purpose of this report is its use during the registration process as part of the CDM project cycle. Hence, TÜV SÜD can not be held liable by any party for decisions made or not made based on the validation opinion, which will go beyond that purpose.

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

Name of authorized officer signing for the DOE	Werner Betzenbichler	
Date and signature for the DOE	30/09/2005 	
<i>Section below to be filled by UNFCCC secretariat</i>		
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