ANNEX 1
REPORT ON COMMENTS BY PARTIES, STAKEHOLDERS AND NGOS

RIMA Fuel Switch in Bocaiúva

Project No. CDM.Val0574

Date: 15/09/2006

1 INTRODUCTION

In accordance with sub-paragraphs 40 (b) and (c) of the CDM modalities and procedures, the project design document of a proposed CDM project activity shall be made publicly available and the DOE shall make invite comments on the validation requirements from Parties, stakeholders and UNFCCC accredited non-governmental organizations and make them publicly available. This report describes this process for this particular project.

2 PROJECT DETAILS

2.1 Project title

RIMA Fuel Switch in Bocaiúva.

2.2 Description of how and when the PDD was made publicly available

The Project Design Documents and its annexes were made publicly available from 21st July until 19th August on the website http://cdm.unfccc.int/Projects/Validation/DB/GUNA8GXW0N4HRS7Q1DJVIGHQM09CM5/view.html and comments were invited through the UNFCCC CDM homepage.

3 COMMENTS RECEIVED

3.1 Description of how comments were received and made publicly available

Comments could be submitted through a web interface or by email or fax.

As per procedures on public availability of the CDM project design documents and for receiving comments as referred to in paragraphs 40b and 40c of the CDM modalities and procedures, any received comments are displayed from the end of the 30 days commenting period, at the website listed in section 2.2.

3.2 Compilation of all comments received

No comments received to the DOE during the 30 days commenting period.

4 EXPLANATION OF HOW COMMENTS HAVE BEEN TAKEN INTO ACCOUNT

No comments received.

ANNEX 2
LIST OF DOCUMENTS ATTACHED

RIMA FUEL SWITCH IN BOCAIÚVA

Project No. CDM.Val0574

Date: 15/09/2006

/1/ Annex 1: Report on Comments by Parties, Stakeholders and NGOs

/2/ Annex 2: Comprehensive list of documents attached

/3/ Annex 2: List of persons interviewed

/4/ Annex 4: Validation Protocol (UK.AU4.CDM.Val0574)

/5/ Annex 5: Overview of findings (UK.Findings.CDM.VAL0574)

/6/ Annex 6: Answers from local assessor

/7/ Annex 7: Validation Report (UK.AR6.CDM.VAL0574)

/8/ Annex 8: Modalities of communication

ANNEX 3
Overview of documentation that has been reviewed and list of persons interviewed

RIMA Fuel Switch in Bocaiúva

Project No. CDM.Val00574

Date: 15/09/2006

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This document is an Annex to the validation report for CDM project activity registration. It gives overview of documentation that has been reviewed and names of persons that have been an interviewed as part of the validation.

List of documents reviewed

/1/	Project Design Document, RIMA Fuel Switch in Bocaiúva, version 1, 30/06/2006; version 2, 18/8/2006.
/2/	Simplified baseline and monitoring methodology for selected small scale CDM project activity category, IC-Thermal energy for the user, 3 March 2006, version 08.
/3/	RIMA Industrial S/A – BCV – Lista de Presença - (Training certificate) – RIMA Industrial S/A – BCV, 8-10th March 2006.
/4/	Certificate ISO 9001:2000, Nº 14073/06/IS, 10/01/2006 issued by RINA.
/5/	Operation License Nº 661, 2/12/2003, issued by FEAM – Fundação Estadual do Meio Ambiente.
/6/	Invoices of the charcoal with the State Forestall Institute control (IEF), Nº0233197, 04/04/2006.
/7/	Calibration certificate, Nº 162/06 – BAD-102, 21/07/2006, issued by RIMA.
/8/	Calibration certificate, Nº 069/06-BAD103, 03/05/2006, issued by RIMA.
/9/	Relação dos funcionários (list of the employees).
/10/	Associação Mineira de Sivilcutura, 09/08/2006 (charcoal fines study).
/11/	Board meeting - RIMA, 10/02/2005.

List of persons interviewed

	Name and position	Company name	Date interviewed
/1/	Shigueo Watanabe Jr. / Geoklock	Consultant	16 and 17 August 2006
/2/	José Geraldo Suite Texeira / Rima	Accountant Manager	16 and 17 August 2006
/3/	Valdivino S. Gomes	Quality Manager	16 and 17 August 2006
/4/	Anderson dos Reis	Finance Diretor	16 and 17 August 2006
/5/	Flávio Eulalio	Engineer	16 and 17 August 2006
/6/	Bernardo de Vasconcelos	Forest Director	16 and 17 August 2006
/7/	José Romário	Production Manager	16 and 17 August 2006

Annex 4 - Validation Protocol – Rima Fuel Switch in Bocaiúva. CDM.Val0574

This validation protocol is designed to ensure that the project meets the requirements for CDM projects that are detailed in paragraph 37 of the CDM modalities and procedures. Each requirement is covered in a separate table. The following requirements are discussed in this protocol:

Requirement	Description	
Participation requirements	The participation requirements as set out in Decision 17/CP7 need to be satisfied	Covered in table 1
Baseline and monitoring methodology	The baseline and monitoring methodology complies with the requirements pertaining to a methodology previously approved by the Executive Board	Baseline methodology is covered in table 2 Monitoring methodology is covered in table 4
Additionality	The project activity is expected to result in a reduction in anthropogenic emissions by sources of greenhouse gases that are additional to any that would occur in the absence of the proposed project activity	Covered in table 3
Monitoring plan	Provisions for monitoring, verification and reporting are in accordance with relevant decisions of the COP/MOP	Covered in table 5
Environmental impacts	Project participants have submitted to the designated operational entity documentation on the analysis of the environmental impacts of the project activity, including transboundary impacts and, if those impacts are considered significant by the project participants or the host Party, have undertaken an environmental impact assessment in accordance with procedures as required by the host Party;	Covered in table 6
Comments by local stakeholders	Comments by local stakeholders have been invited, a summary of the comments received has been provided, and a report to the designated operational entity on how due account was taken of any comments has been received;	Covered in Table 7
Other requirements	The project activity conforms to all other requirements for CDM project activities in relevant decisions by the COP/MOP and the Executive Board.	Covered in Table 8

Small sale projects and AR projects have specific requirements which are covered in Table 9-11. Small scale SSC projects have special requirements which might deviate from the requirements of other CDM projects. These requirements are tested in table 9. Please note that some questions in table 9 overlap with questions in the other tables. Where the questions in table 9 contradict or overlap questions elsewhere in the checklist, the questions in table 9 shall prevail. For the validation of small scale projects, assessor is required to address the questions in table 9 first before starting with the questions in the other tables.

Further remarks on the use of this document:

- text in *italic blue* is meant as guidance for the assessor
- MoV = Means of Verification, DR= Document Review, I= Interview

This protocol should be adapted as required. For example, if the project is not a small scale project or an AR project, some tables can be deleted.

Table 1 Participation Requirements for Clean Development Mechanism (CDM) Project Activities (Ref PDD, Letters of Approval and UNFCCC website) All CDM project activities

REQUIREMENT	MoV	Ref	Comment	Draft finding	Concl
1.1 The project shall assist Parties included in Annex I in achieving compliance with part of their emission reduction commitment under Art. 3 and be entered into voluntarily.	DR	PDD	No Annex I in this project.	Ok	Ok
1.2 The project shall assist non-Annex I Parties in achieving sustainable development and shall have obtained confirmation by the host country thereof, and be entered into voluntarily	DR	PDD	No letter of approval from non Annex I, Brazil.	Send the validation report to DNA	
1.3 All Parties (listed in Section A3 of the PDD) have ratified the Kyoto protocol and are allowed to participate in CDM projects	DR	UNFCCC web site	Yes. Brazil 23 Ago 02.	Ok	Ok
1.4 The project results in reductions of GHG emissions or increases in sequestration when compared to the baseline; and the project can be reasonably shown to be different from the baseline scenario	DR	PDD	The project activity uses renewable biomass to substitute fossil fuel oil.	Ok	Ok
1.5 Parties, stakeholders and UNFCCC	DR	PDD	PDD public available:	Ok	Ok

REQUIREMENT	MoV	Ref	Comment	Draft finding	Concl
accredited NGOs shall have been invited to comment on the validation requirements for minimum 30 days (45 days for AR projects), and the project design document and comments have been made publicly available		/ UNFCCC web site	21 July 2006 – 19 August 2006 http://cdm.unfccc.int/Projects/Validation/DB/GUNA8GXW0N4HRS7Q1DJVIGHQM09CM5/view.html No comments received.		
1.6 The project has correctly completed a Project Design Document, using the current version and exactly following the guidance	DR	PDD	Yes. The project use version 02, 8 July 2005.	Ok	Ok
1.7 The project shall not make use of Official Development Assistance (ODA), nor result in the diversion of such ODA	DR	PDD	The project doesn't make use of ODA. The project make use of own resources.	Ok	Ok
1.8 For AR projects, the host country shall have issued a communication providing a single definition of minimum tree cover, minimum land area value and minimum tree height. Has such a letter been issued and are the definitions consistently applied throughout the PDD?			NA	NA	NA
1.9 Does the project meet the additional requirements detailed in: Table 9 for SSC projects Table 10 for AR projects Table 11 for AR SSC projects	DR	PDD	Yes, see table 9.	Ok	Ok
1.10 Is the current version of the PDD complete and does it clearly reflect all the information presented during the validation assessment.	DR	PDD	Yes, used the current version.	Ok	Ok
1.11 Does the PDD use accurate and reliable information that can be verified in an objective manner?	DR	PDD	To be confirmed by local assessor. References and data used can be confirmed during validation assessment. CAR 3 was raised: To review the net calorific value of the charcoal fines according to the analysis verified during site visit and all	CAR 3	Ok

REQUIREMENT	MoV	Ref	Comment	Draft finding	Concl
			information presented in the PDD under this data. The revised PDD (version 2) and worksheet presents the correct information. CAR 3 was closed out.		

Table 2 Baseline methodology (ies) (Ref: PDD Section B and E and Annex 3 and AM) Normal CDM projects only - NA

Table 3 Additionality (Ref: PDD Section B3 and AM) Normal CDM projects only - NA

Table 4 Monitoring methodology (PDD Section D and AM) Normal CDM projects only - NA

Table 5 Monitoring plan (PDD Annex 4) Normal CDM projects only - NA

Table 6 Environmental Impacts (Ref PDD Section F and relevant local legislation) Normal CDM projects only - NA

Table 7 Comments by local stakeholders (Ref PDD Section G) All CDM projects activities

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
7.1 Have relevant stakeholders been consulted?	PDD	DR	The letters were sent to local stakeholders. Bocaiúva – BH, City Hall, sent on 28/06/06. Bocaiúva – BH, City Council, sent on 23/06/2006. State of Belo Horizonte Environmental Agency, sent on 23/06/2006. Conselho Municipal de Desenvolvimento Ambiental do Município (Environmental department) de Bocaiúva – BH, sent on 23/06/2006. Erval Velho and Campos Novos NGO – Non-Governmental Organization, sent on 23/06/2006.	CAR 2	Ok

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			State Public Attorney, sent on 23/06/2006. AO CDL – Clube de Diretores Lojistas (Communitarian Association) sent on 17/08/2006. Verify if IEF (Instituto Estadual de Florestas/MG) was included in the consult. CAR 2 was raised: to send a letter to IEF (local stakeholder). The letter was sent and copy was provided. CAR 2 was closed out.		
7.2 Have appropriate media been used to invite comments by local stakeholders?	PDD	DR	To be confirmed by local assessor. Yes, letters were sent in local language, describing the project and inviting to comment.	Verify	Ok
7.3 If a stakeholder consultation process is required by regulations/laws in the host country, has the stakeholder consultation process been carried out in accordance with such regulations/laws?	PDD	DR	To be confirmed by local assessor. Verify if the process follow Brazilian Resolution. It was verified documented evidences that the organization sent letters to local stakeholders. The consultation was carried out in compliance with Brazilian DNA requirements, Resolution #1. Verified letters and delivery receipts.	Verify	Ok
7.4 Is a summary of the stakeholder comments received provided?	PDD	DR	No comments received.	Verify	Ok
7.5 Has due account been taken of any stakeholder comments received?	PDD	DR	No comments received.	Verify	Ok

Table 8 Other requirements. All CDM project activities

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
8.1 Project Design Document					
8.1.1 Editorial issues: does the project correctly apply the PDD template and has the document been completed without modifying/adding headings or logo, format or font.	PDD	DR	They used the current version, no changes have been observed.	Ok	Ok
8.1.2 Substantive issues: does the PDD address all the specific requirements under each header. If requirements are not applicable / not relevant, this must be stated and justified	PDD	DR	Yes.	Ok	Ok
8.2 Technology to be employed					
8.2.1 Does the project design engineering reflect current good practices?	PDD	DR	Yes.	Ok	Ok
8.2.2 Does the project use state of the art technology or would the technology result in a significantly better performance than any commonly used technologies in the host country?	PDD	DR	To be confirmed by local assessor. The project was developed internally, using own resources and internal personnel.	Verify	Ok
8.3 Is the project technology likely to be substituted by other or more efficient technologies within the project period?	PDD	DR	No.	Ok	Ok
8.2.4 Does the project require extensive initial training and maintenance efforts in order to work as presumed during the project period?	PDD	DR	According section B.3 of the PDD, to implement the project, training personnel was necessary. To verify training (procedure, certificate, training costs). It was verified certificate of the training (Operação do novo maçarico do FCIII – inserção de combustível). (Ref.3)	Verify	Ok
8.3 Duration of the Project/ Crediting Period					
8.3.1 Are the project's starting date	PDD	DR	Starting date: 01/04/2006	Ok	Ok

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
and operational lifetime clearly defined and reasonable?			Lifetime: 20 years		
8.3.2 Is the assumed crediting time clearly defined and reasonable (renewable crediting period of max. two x 7 years or fixed crediting period of max. 10 years)?	PDD	DR	Fixed crediting period, 10 years. The crediting period will start: 01/01/2007	Ok	Ok
8.3.3 Does the project's operational lifetime exceed the crediting period	PDD	DR	Yes.	Ok	Ok

Table 9 Additional requirements for SSC projects

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
SSC projects use the SSC PDD and simplied baseline and monitoring methodologies as detailed in Appendix B (to the Modalities and Procedures for Small scale CDM projects, Annex II to Decision 21/CP.8) Indicative simplied baseline and monitoring methodologies for selected small scale CDM project activity categories					
9.1 Does the project qualify as a small scale CDM project activity as defined in paragraph 6 (c) of decision 17/CP.7 on the modalities and procedures for the CDM?	PDD	DR	Renewable energy for the user with thermal capacity installed 12.5 MW (less than 15 MW).	Ok	Ok
9.2 The project conforms to one of the categories listed in Appendix B to Annex II to Decision 21/CP8	PDD	DR	Yes, I.C – Thermal energy for the user. The project will displace fuel oil in the dolomite kiln with charcoal fines (renewable biomass generated in the internal process).	Ok	Ok
9.3 The small scale project activity is not a debundled component of a larger project activity?	PDD	DR	To revise section A.4.5 of the PDD according Appendix C (Simplified Modalities and Procedures for SSC CDM). NIR 1 was raised. Section A.4.5 was revised in the new version of the PDD (version 2). NIR 1 was closed out.	NIR 1	Ok
9.4 PDD has been prepared in accordance with appendix A of	PDD	DR	They used the current version.	Ok	Ok

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
Annex II to Decision 21/CP8					
9.5 The project uses a simplified baseline and monitoring methodology specified in Appendix B. If not, they may propose changes to the meths or a new SSC project category	PDD	DR	The choice of the applicable baseline calculation for the project category is justified in the PDD. The project complies with applicability conditions.	Verify	Ok
9.6 Is there any bundling of SSC activities into one PDD? If so, does the monitoring plan consider sampling of activities? Refer to para 19 of Annex II. Also, note bundling provisions in SSC Briefing Note and SSC meths I C / I D and III D and Para 22e of Appendix B	PDD	DR	No. The UNFCCC website does not show another registered project with the same characteristics in the same place.	Ok	Ok
9.7 Is EIA required by host party? If not, none is required irrespective of SHC. If yes, has one been performed consistent with local requirements?	PDD	DR	Verify environmental license to confirm if EIA was required. The environmental agency don't require an EIA. It was verified operation license, Nº 661, 2/12/2006, issued by FEAM – Fundação Estadual do Meio Ambiente – MG (environmental agency) (Ref 5).	Verify	Ok
9.8 The project results in emission reductions that area additional in accordance with the following requirements: (para 26) The project is additional if emissions are reduced below those in the absence of the project (Para 27) Simplified baseline can be used; if not, baseline proposed shall cover all gases, sectors and sources listed in Annex A to the KP Para 28) One or more barriers as detailed in attachment A to Appendix B to Annex II will be used to demonstrate that the project would not proceed without the CDM	PDD	DR	To be confirmed by local assessor. The project uses simplified baseline. It was verified the board meetings (02/02/2005 and 10/02/2005) that consider the carbon credits and the possibility to implement the CDM project as real and necessary to enable the change from fuel oil to charcoal fines in the dolomite kiln. (Ref 11) To verify barriers described in the PDD.	Verify	Ok

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			Investment barrier: verify project cash flow (data used, formulas). During validation assessment it was verified the data used in the investment barrier, verified the worksheet that describes the invoice, item, description, value and supplier related to the new equipment installed for the project activity (references were verified, Brazilian energetic balance, ANP, BCB). The project invested US$ 250,000 until now and will invest more US$ 308,000 to conclude the project. The NPV is negative without CERs and positive with CERs. The data presented under investment barrier demonstrates that CERs is necessary to implement the project. Technological barrier: this barrier results in additional investments and operational costs and training personnel. Verified evidences of training, investments (procedures, certificates, internal reports with costs, invoices). It was necessary to contract more employees (ref 9). Verified the implementation chronogram for the changes implemented and changes that will be implemented. The project and new equipments were developed internally, many changes were necessary. This represents a real barrier		

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			to implement the project activity.		
9.9 Leakage is calculated according to the provisions of the SSC methodologies in Appendix B (http://cdm.unfccc.int/Projects/pac/ssclistmeth.pdf)	PDD	DR	Leakage is not applicable. The equipment used was not transferred from or to another activity.	Ok	Ok
9.10 The project boundary shall be constructed in accordance with the requirements of the SSC meths in Appendix B	PDD	DR	The project boundary is limited to Rima´s plant.	Ok	Ok
9.11 The Monitoring plan shall be consistent with the requirements of the SSC methodology in Appendix B and shall provide for the collection and archiving of data needed to determine project emissions, baseline emissions and leakage.	PDD	DR	The monitoring plan encompasses: biomass consumed times the net calorific value, and output of the dolomite kiln.	Ok	Ok
9.12 The monitoring plan shall present good monitoring practice appropriate to the circumstances of the project activity (para 33)	PDD	DR	To verify procedures. Verified that the fossil fuel oil was used before project activity; procedure: IT-BCV-MG-CA-003, 31/03/1999 and 21/11/2005 (Recebimento e estocagem de oleo BPF). Verified procedures concerning charcoal and charcoal fines: IT-BCV-MG-CA-005, 10/03/2003 (Moagem de finos de carvão e moinho). Production procedure using charcoal fines: IT BCV-MG-CA-015, 21/11/2005 (Procedimento de Boletim de Produção do FCIII).	Verify	Ok
9.13 If project activities are bundled, separate monitoring plan shall be prepared for each of the activities or an overall plan reflecting good monitoring practice will be prepared, consistent with the above requirements	PDD	DR	The project is not bundled.	Ok	Ok

Table 10 Additional requirements for AR projects - NA

Table 11 Additional requirements for SSC AR projects - NA

Table 12 Additional information to be verified by local assessors / site visit

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
To verify project installations like described in the PDD. (old oil burner and new installation)	Site visit	visit	During site visit it was possible to verify the project installation and the old equipments used. Verified the old oil burner, control room, place where charcoal fines is received. It was possible to interview operators to understand how the project is operated, calibrated, how maintenance occurs.	Ok	Ok
Verify fuel oil consumption before the project implementation (evidences that fuel oil was used, reports, invoices).	Site visit	DR	Verified the internal oil report for the years 2005 and 2006 (Razão do estoque Rima Industrial). Verified oil invoices for the years 2005 and 2006. The oil consumption finishes on March 2006 and the charcoal fines consumption starts on April 2006. (Petrobrás invoices 2005-2006)	Ok	Ok
Verify capacity of the kiln.	Site visit	DR	Kiln capacity: 2800 Kg/h (confirmed by procedure FCIII IT-BCV-MG-CA-015, 21/11/2005).	Ok	Ok
Verify evidence of environmental compliance of the wood charcoal. (the biomass sources used by the project activity are deemed as renewable because they come from charcoal used at Rima´s plant).	Site visit	DR	Verified that charcoal suppliers are in according to environmental requirements. Verified invoices of the charcoal and all invoices present the State Forestall	Ok	Ok

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			Institute control (IEF). Verified invoices and IEF control from April 2006-May 2006. (Ref 6)		
Before project implementation, the charcoal fines were partially sold to cement, ceramic and brick companies. Verify invoices and understand if the old buyers were affected by project implementation.	Site visit	DR	Verified invoices of the charcoal fines sold to other companies (invoices 24219, 24220, 25307, 25306). Rima contracted AMS (Associação Mineira de Silvicultura) to prepare a study about the charcoal fines market in the region where project is located; the study demonstrates that the project do not affect the old charcoal fines buyers (AMS, 09/08/2006). (Ref 10)	Ok	Ok
The thermal capacity of the kiln is equivalent to 12.5 MW. How this data was obtained.	Site visit	DR	The thermal capacity of the kiln was confirmed during site visit by technical information provided: kiln capacity * LHV oil/3600/24 (confirmed by Balanço Energético Nacional and Pillard do Brasil – Tubeira mista oleo n°1084-01-000).	OK	Ok
Verify the controlling department to check how biomass is measured, periodic maintenance and calibration.	Site visit	DR/I	The charcoal fines is directly measured and monitored at the injection point of the rotary kiln. The data (weight of the charcoal fines consumed and output of dolomite) are controlled and archived by the controlling department. Periodic maintenance and calibration of measuring equipment will occur in accordance with internal procedures. It was verified the calibration certificate; verified the worksheet	Ok	Ok

CHECKLIST QUESTION	Ref.	MoV*	COMMENTS	Draft Concl	Final Concl
			where data is registered. (BAD-102, certificate 162/06, 21/07/2006 ref 7 ; BAD-103 certificate 069/06, 20/05/2006 ref 8) Verified the maintenance system (Samurai), calibration procedure, frequency of calibration.		
Verify ISO9001 certificate.	Site visit	DR	Certificate 14073/06/IS, 20/01/2006 issued by RINA. The project activity is under ISO scope. (Ref 4)	Ok	Ok
Verify data used to calculate CERs (worksheets with data, formula, where data was obtained, default values).	Site visit	DR	Verified the worksheet with CERs calculation (Rima Massa Energia – "ER").	Ok	Ok

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Annex 5 - FINDINGS OVERVIEW

FINDINGS FROM VALIDATION OF RIMA FUEL SWITCH IN BOCAIÚVA CDM.VAL0574

Each Table below represents a finding from the validation assessment. The findings are numbered consecutively, approximately in the order that they have been identified.

Description of table:

Type	Findings are either New Information Requests (NIR) or Corrective Action Requests (CAR). CARs are items that must be addressed before a project can receive a recommendation for registration. NIRs may lead to the raising of CARs. Observations are included at the end and may or may not be addressed. They are primarily to act as signposts for the verifying DOE.
Issue	Details the content of the finding
Ref	refers to the item number in the Validation Protocol
Response	Please insert response to finding, starting with the date of entry.

Rows for comments and further response will be appended to the table until the Findings has been addressed to the satisfaction of the Lead Assessor.

Please note that this is an open list and more findings may be added as validation progresses.

Date: 16/08/2006 Raised by: Fabian Gonçalves

No.	Type	Issue	Ref
1	NIR	To revise section A.4.5 of the PDD according Appendix C (Simplified Modalities and Procedures for SSC CDM).	9.3
Date: 18/08/2006 [Comments] Revised PDD (version 2).			
Date: 18/08/2006 – Fabian Gonçalves [Acceptance and close out] Section A.4.5 was revised in the new version of the PDD (version 2). NIR 1 was closed out.			

Date: 16/08/2006 Raised by: Fabian Gonçalves

No.	Type	Issue	Ref
2	CAR	To send a letter to IEF (local stakeholder).	7.1
Date: 18/08/2006 [Comments] Letter was sent to IEF.			
Date: 18/08/2006 – Fabian Gonçalves [Acceptance and close out] The letter was sent on and copy was provided. CAR 2 was closed out.			

Date: 16/08/2006 Raised by: Fabian Gonçalves

No.	Type	Issue	Ref
3	CAR	To review the net calorific value of the charcoal fines according to the analysis verified during site visit and all information presented in the PDD under this data.	1.11
Date: 18/08/2006 [Comments] Revised PDD (version 2) and “Rima massaenergia worksheet”.			
Date: 12/09/2006 [Acceptance and close out] The revised PDD (version 2) and worksheet presents the correct			

information. CAR 3 was closed out.

Observations:

Annex 6 - Local assessment checklist

Rima Fuel Switch in Bocaiúva – CDM.Val0574

This checklist is designed to provide confirmation of in-country data and information provided in the Project Design Document. It serves as a "reality check" on the project. It is to be completed by a local assessor from SGS Brazil

Issue	Findings	Source /Means of Verification	Further action / clarification / information required?
To verify project installations like described in the PDD. (old oil burner and new installation)	During site visit it was possible to verify the project installation and the old equipments used. Verified the old oil burner, control room, place where charcoal fines is received. It was possible to interview operators to understand how the project is operated, calibrated, how maintenance occurs.	Site visit/visit	No
Verify fuel oil consumption before the project implementation (evidences that fuel oil was used, reports, invoices).	Verified the internal oil report for the years 2005 and 2006 (Razão do estoque Rima Industrial). Verified oil invoices for the years 2005 and 2006. The oil consumption finishes on March 2006 and the charcoal fines consumption starts on April 2006. (Petrobrás invoices 2005-2006)	Site visit/DR	No
Verify capacity of the kiln.	Kiln capacity: 2800 Kg/h (confirmed by FCIII IT-BCV-MG-CA-015, 21/11/2005).	Site visit/DR	No
Verify evidence of environmental compliance of the charcoal suppliers. (the biomass sources used by the project activity are deemed as renewable because they come from	Verified that charcoal suppliers are in according to environmental requirements. Verified invoices of the wood and all invoices present the State Forestall Institute control (IEF). Verified invoices and IEF control from April 2006-May 2006.	Site visit/DR	No

Issue	Findings	Source /Means of Verification	Further action / clarification / information required?
charcoal used at Rima´s plant).			
Before project implementation, the charcoal fines were partially sold to cement, ceramic and brick companies. Verify invoices and understand if the old buyers were affected by project implementation.	Verified invoices of the charcoal fines sold to other companies (invoices 24219, 24220, 25307, 25306). Rima contracted AMS (Associação Mineira de Silvicultura) to prepare a study about the charcoal fines market in the region where project is located; the study demonstrates that the project do not affect the old charcoal fines buyers. (AMS, 09/08/2006)	Site visit/DR	No
The thermal capacity of the kiln is equivalent to 12.5 MW. How this data was obtained.	The thermal capacity of the kiln was confirmed during site visit by technical information provided: kiln capacity * LHV oil/3600/24 (confirmed by Balanço Energético Nacional and Pillard do Brasil – Tubeira mista oleo n°1084-01-000).	Site visit/DR	No
Verify the controlling department to check how biomass is measured, periodic maintenance and calibration.	The charcoal fines is directly measured and monitored at the injection point of the rotary kiln. The data (weight of the charcoal fines consumed and output of dolomite) are controlled and archived by the controlling department. Periodic maintenance and calibration of measuring equipment will occur in accordance with internal procedures. It was verified the calibration certificate, verified the worksheet where data is registered. (BAD-102, certificate 162/06, 21/07/2006 ref 1 ; BAD-103 certificate 069/06, 20/05/2006 ref 2) Verified the maintenance system (Samurai), calibration procedure, frequency of calibration.	Site visit/DR/I	No

Issue	Findings	Source /Means of Verification	Further action / clarification / information required?
Verify ISO9001 certificate.	Certificate 14073/06/IS, 20/01/2006 issued by RINA. The project activity is under ISO scope.	Site visit/DR	No
Verify data used to calculate CERs (worksheets with data, formula, where data was obtained, default values).	Verified the worksheet with CERs calculation (Rima MassaEnergia – “ER”).	Site visit/DR	No