CLEAN DEVELOPMENT MECHANISM PROJECT DESIGN DOCUMENT FORM (CDM-SSC-PDD) Version 07 - in effect as of: 02 August 2008

CONTENTS

- A. General description of the small scale <u>project activity</u>
- B. Application of a <u>baseline and monitoring methodology</u>
- C. Duration of the project activity / crediting period
- D. Environmental impacts
- E. <u>Stakeholders'</u> comments

Annexes

- Annex 1: Contact information on participants in the proposed small scale project activity
- Annex 2: Information regarding public funding
- Annex 3: <u>Baseline</u> information
- Annex 4: Monitoring Information

Revision history of this document

Version Number	Date	Description and reason of revision
01	21 January 2003	Initial adoption
02	8 July 2005	 The Board agreed to revise the CDM SSC PDD to reflect guidance and clarifications provided by the Board since version 01 of this document. As a consequence, the guidelines for completing CDM SSC PDD have been revised accordingly to version 2. The latest version can be found at <<u>http://cdm.unfccc.int/Reference/Documents</u>>.
03	22 December 2006	• The Board agreed to revise the CDM project design document for small-scale activities (CDM-SSC-PDD), taking into account CDM-PDD and CDM-NM.

UNFCCC

INFOO

CDM – Executive Board

SECTION A. General description of small-scale project activity

A.1 Title of the <u>small-scale project activity</u>:

Agroceres – Methane capture and combustion at Granja Paraiso Version: 02 Date: 24/09/2009

A.2. Description of the <u>small-scale project activity</u>:

Presently Brazil is ranked among the top five swine beef producers. The production has been increasing reaching the level of Europe and North America. Among the reasons is the higher productivity ratios, changes in the production chain, improvement in the livestock sanitary standards, technical support and researches. Nevertheless, the swine raising is a potentially aggressive activity and represents a threat to natural resources when an inadequately storage and/or disposal occur.

The Agroceres group consists of five companies: Agroceres Nutrição Animal, feed producer, concentrates and premix animal nutrition of high performance; Agroceres PIC, a joint-venture with the English Pig Improvement Company, world leader in swine breeding; Atta-Kill, leader company in ant baits; Biomatrix, company responsible for corn production and sorghum seeds, and Inaceres, a joint-venture with the equatorial group Inaexpo, the palm cultivation in the state of Bahia.

The Agroceres Genética e Nutrição Animal LTDA, CNPJ 04.594.805/0008-35 is a market leader company in swine breeding. It is highlights are technology, products and services, brand, reputation and environmental responsibility. It was the first company from pig farming to achieve ISO 14000 certification, and thinking about the sustainability of its business, implementing projects on Clean Development Mechanism (CDM) in its farm of research in genetics and nutrition.

The sustainable program main goals are: to improve the waste management system, to reduce the GHG emissions and to provide better living conditions to the surrounding communities. The project activity consists in the collection and treatment of the swine waste by installing anaerobic digesters (biodigestors) in the farms.

The captured biogas will be flared reducing the methane emission, the main GHG emitted due to livestock activity.

The manure management system introduced as part of the project activity, as well as the one in the baseline scenario, is in compliance with the regulatory framework in Brazil. The livestock populations are managed under confined condition, which is favorable for the methane production, once livestock waste is easily stored and treated in liquid systems, particularly anaerobic lagoons.

UNFCO

CDM – Executive Board

A.3. <u>Project participants</u>:

The participants involved in the project are listed in the table below:

Name of Party involved (*) ((host) indicates a host Party)	Private and/or public entity(ies) project participants (*) (as applicable)	Kindly indicate if the Party involved wishes to be considered as project participant (Yes/No)					
Brazil	Agroceres Genética e Nutrição Animal LTDA,	No					
(host country)	CNPJ 04.594.805/0008-35	110					
(*) In accordance with the CDM modalities and procedures, at the time of making the CDM-PDD public							
at the stage of validation	on, a Party involved may or may not have provided its ag	<u>oproval</u> . At the time of					
requesting registration	, the approval by the Party(ies) involved is required.						

Agroceres is a solid and traditional organization in agribusiness market, with 62 years of activity. Created with the propose of researching, producing and commercializing hybrid corn seeds is, nowadays, a diversified company, with outstanding reputation in various segments of agribusiness: swine breeding, animal nutrition, ants bait, corn and sorghum seeds and palm production.

Owns one of the most remembered brand in rural areas, the Agroceres not only is part of history but also has important contributions to the development of Brazilian agribusiness. Besides being the first to work with hybrid corn in Brazil, who was anticipated the trend of consumers by cuts of chicken, making an alliance in 1985 with Ross Breeders, for the implementation of the first program of Breeding Birds of the country.

Early, in 1978, the Agroceres initiated the first nucleus for breeding pigs, spreading the concept of breeding of pigs between the scientific class and launched the first hybrid matrix. In 1980, Brazil introduced the concept of biosecurity, in 1985, developed the first program of nutrition exclusively devoted to pigs for high performance and in 1990 launched the "pig Light" (AGPIC405) - actions that demonstrate the role of Agroceres to anticipate the future and create competitive advantages to the Brazilian agribusiness.

A.4. Technical description of the small-scale project activity:

A.4.1. Location of the small-scale project activity:

Figure A.1.: Localization of Patos de Minas (MG)¹

¹ <u>www.maps.google.com.br</u>



A.4.1.1. Host Party(ies):

The host party for the project is Brazil.

A.4.1.2. Region/State/Province etc.:

The project will be located in the State of Minas Gerais.

A.4.1.3. City/Town/Community etc.:

Municipality of Patos de Minas

A.4.1.4. Details of physical location, including information allowing the unique identification of this <u>small-scale project activity</u>:

The state of Minas Gerais is traditionally corporate producer of pigs, one of the most important parts of the country. The Agroceres plays an important role in this direction, because it uses genetically improved breeding. Among the advantages in that process, there is a more healthy meat with more protein and lower in fat.

5

The farm where the biodigestors will be installed is the Granja Paraiso, localized in the road BR 365, km 429, in the municipality of Patos de Minas. Its localization (in UTM – Universal Transverse Mercator – co-ordinates) is 23K 329040m E 7926035m Sin the artesian well, in the center of the property.

The property has 505 hectares and it is divided into three clusters, which are Sítio, NEST 1 and NEST 2. In the Sítio are sows, males (boars), gilts and piglets (nursery a). In NEST 1 and 2 are the piglets from nursery (nursery b), from growing (finishing a) and finishing (finishing b). Each animal has an identification number where all data is described, such as date of birth, weight, applied medication and nutrition. Thus, the production is traceable, ensuring their safety.

Each module is completely independent of each other and it has its own management system, composed by four anaerobic lagoons (anaerobic, facultative and polishing). The dimensions of the lagoons are 52.0 / 48.0 m (length on the surface and bottom) with 24.0 / 18.0 m (width on the surface and bottom) by 3.0 m deep in the first pond. In the other lakes, the widths and lengths do not differ, just changing the depth. In the second lagoon, the depth is 3.5 m; in the lagoon 3 to depth is 1.5 m in the fourth is 1.0 m. The quantities of effluents are 200 m³/day, 220 m³/day and 180 m³/day in Sítio, NEST 1 and NEST 2, respectively. These are sealed by HDPE (HDPE), 1 mm of thickness.

In such scenario will be installed the biodigestor, two in parallel in each core. The animal waste will be launched directly into the biodigestor, where, later, will be released to the lagoons.

According to Lima et al (2006)² the most common manure management system (the baseline scenario) in Brazil is the open tank (*esterqueira*), therefore the animal waste treatments currently used are not able to capture the biogas produced in the manure. The material is generally distributed by pumps or gravity and applied to crops and pastures.

The project technology is based on anaerobic digestion, which works as a reactor that receives a daily load of organic material (barn effluent) and maintains a steady population of methanogenic bacteria that converts organic acids into biogas.

The digester technology consists in covered primary lagoon, where the manure originated in the barns enters on a continuous flow powered by gravity. This system is capable to provide an adequate ambient to the anaerobic digestion.

As a result of the anaerobic digestion process, the biogas is produced and stored under the biodigestor cover; the effluent is oriented to a secondary, terciary e quaternarey lagoon and then, spread aerobically on the land as a biofertilizer.

The biogas, which contains methane, is collected and then flared, generating carbon dioxide. The flare system will be enclosed, as required by the methodology, and was projected with automated burning system to guarantee a high efficiency on the methane combustion.

The GHG emission reduction is achieved by the combustion of methane content of the biogas, which is converted in CO_2 and other non GHG gases, therefore avoiding methane emissions.

² Lima, M.A., Pessoa, M.C.P.Y., Ligo, M.A.V., **Inventário Brasileiro de Emissões Antrópicas de Gases de Efeito Estufa, Emissões de metano na pecuária,** Relatório de Referência, Embrapa - Ministério da Ciência e Tecnologia 2006.

UNFOCO

CDM – Executive Board

The biodigestors have a warranty against installation and manufacturing defect for ten years. The average lifetime for the biodigestor cover is about five years, according to Sansuy (provider of the service), and for the structure is about ten years, according to Top Construtura.

The fraction of methane in the biogas will be analyzed monthly with GEM 2000 gas analyzer. The biogas temperature and pressure will be measured with electronic devices and stored in a datalogger. Tests will be undertaken to assure 95% of confidence level and, if needed, the measurement frequency can be adjusted.

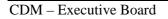
The principal characteristics about the biodigestor, the lagoons and the flare are listed bellow:

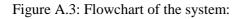
	Biodigester Capacity	(m ³)				
	Unit Capacity	Total Capacity				
Sítio 01	2,335	4,670				
NEST 01	2,335	4,670				
NEST 02 2,335 4,670						
Total Capacity: 14,010 m ³						

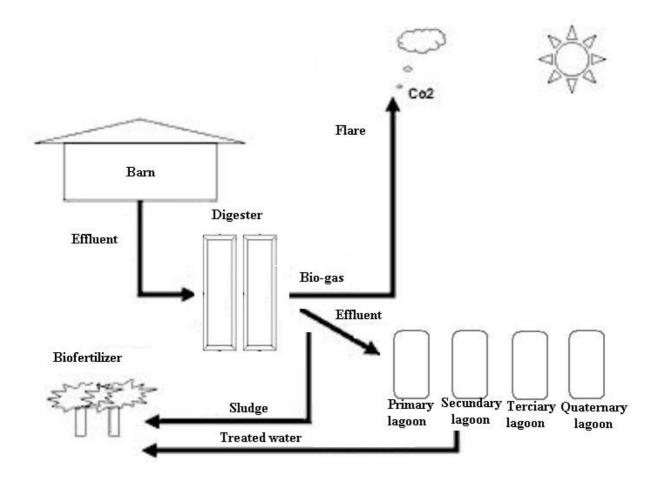
Biogas Capacity (m ³)					
	Unit Capacity	Total Capacity			
Sítio 01	1,221	2,442			
NEST 01	1,221	2,442			
NEST 02	1,221	2,442			
Total Capacity: 7,326 m ³					

Aerobic Lagoon Capacity (m ³)							
	First Secondary Terciary Quaternary Total						
Sítio 01	4,270	2,555	3,170	1,655	11,650		
NEST 01	5,760	3,915	4,870	2,430	16,975		
NEST 02	5,760	3,915	4,870	2,430	16,975		
Total Capacity: 45,600 m ³							
COD in the	COD in the end of Aerobic Treatment: 0.01 mg/L						

7







The external temperature and the biodigestors' hydraulic retention time play an important role in the methane conversion factor (MCF). Manure that is managed as a liquid under warm conditions for an extended period of time benefits the methane formation. The digester has been projected to allow sludge removal from its bottom without breaking the gas retention seal. The removal will happen by suction through the lateral pipe.

The technical project has been leaded by the Agroceres' engineering team, who was responsible to analyze the available technologies and define the ones to be applied in the project activity. The same team identified capable suppliers to install the biodigestors and related system's equipment. All the project implementation will be supported by that team.

A.4.2. Type and category(ies) and technology/measure of the small-scale project activity

According to the Appendix B³ of the "Simplified modalities and procedures for small-scale clean development mechanism project activity", this project is classified as Type III, Category D., "*Methane recovery in agricultural and agro industrial activities*", version 14.

A.4.3. Estimated amount of emission reductions over the chosen crediting period:

³ <u>http://cdm.unfccc.int/methodologies/SSCmethodologies</u>

Estimated amount of Emission Reductions during the crediting period					
Years	Estimation of annual emission				
	reductions in tonnes of CO ₂				
2009	1,443				
2010	17,316				
2011	17,316				
2012	17,316				
2013	17,316				
2014	17,316				
2015	17,316				
2016	15,873				
Total estimated reductions	121 210				
(tonnes of CO ₂ e)	121,210				
Total number of crediting years	7				
Annual average over the crediting period of estimated reductions (tones of CO ₂ e)	17,316				

A.4.4. Public funding of the small-scale project activity:

There is no public funding involved in this project activity.

A.4.5. Confirmation that the small-scale project activity is not a debundled component of a large scale project activity:

This project activity can not be categorized as a debundled one, according to the definition in paragraph 2 in the *"Appendix C of the Simplified Modalities and Procedures for Small-Scale CDM project activities*"⁴. The reasons that reinforce it are listed below:

§ There isn't any registered small scale project in the same category and technology/ measure, within the previous 2 years, with the same project participants of this project;

§ The project boundaries of this project are not within 1 km of any other proposed small-scale activity at the nearest point.

⁴ <u>http://cdm.unfccc.int/EB/Meetings/007/eb7ra07.pdf</u>

SECTION B. Application of a baseline and monitoring methodology

B.1. Title and reference of the <u>approved baseline and monitoring methodology</u> applied to the <u>small-scale</u> <u>project activity</u>:

a) The approved baseline methodology that applies to this project is a Type III, Other Project Activities and is referenced as "AMS III.D. Methane recovery in animal manure management system (Version 14)" in

http://cdm.unfccc.int/UserManagement/FileStorage/CDMWF_AM_73YN6I9YJNAT05U4J7TK9YOUH9 W8ERe and "AMS I.D. Grid connected renewable electricity generation – Version 13" in http://cdm.unfccc.int/UserManagement/FileStorage/CDMWF_AM_PHPV5WESACMBTJ2YY54GAJ YSIEI3HD.

b) Methodological tool used: "Tool to calculate baseline, project and/or leakage emissions from electricity consumption – Version 01" in http://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-05-v1.pdf and "Tool to determine project emissions from flaring gases containing methane" in http://cdm.unfccc.int/methodologies/PAmethodologies/tools/am-tool-06-v1.pdf.

B.2. Justification of the choice of the project category:

The methodology AMS III.D can be used because:

- The project activity is a modification of an anaerobic manure management system in livestock farms to achieve methane recovery and destruction by flaring.

- The livestock population in the farm is managed under confined conditions;
- Manure or the streams obtained after treatment are not discharged into natural water resources;

- The annual average temperature of baseline site is located is 22°C, higher than 5°C;

- In the baseline scenario, the retention time of manure waste in the anaerobic treatment system is greater than 1 month; considering a flow rate of 100 m³/day (information on RADA), the time of retention is 116 days in Sítio 1 and 169 days in NEST 01 and 02;

- In the baseline scenario, the anaerobic lagoons should have depths at least 1 m; the depths are: first lagoon -3.0 m, second lagoon -3.5 m, tertiary lagoon -1.5 m, quaternary lagoon -1.0 m.

- No methane recovery and destruction by flaring, combustion or gainful use takes place in the baseline scenario.

- The final sludge will be handled aerobically.

- Technical measures will be used (including a flare for exigencies) to ensure that all biogas produced by the digester is used or flared.

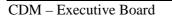
B.3. Description of the project boundary:

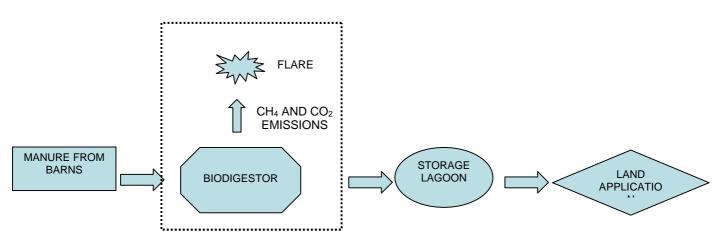
The boundary is restricted to the methane recovery facility, as stated by the small scale methodology, and then will comprise the biodigestor and the flare. In fact, this is the best model, once those are the only emissions that can effectively be measured and monitored.

Figure B.1: Project activity boundary:

UNFCCC

UNFCCO





The emissions sources and gases included in the project boundary are listed bellow:

	Source	Gas	Included?	Justification/Explanation
	Emissions from	CO_2	Yes	Major emission source
و	electricity	CH_4	No	Not mentioned in AMS III.D
lin	consumption	N ₂ O	No	Not mentioned in AMS III.D
Baseline	Emissions from	CO ₂	Yes	Major emission source
B	decomposition at the	CH ₄	Yes	Major emission source
	landfill site	N ₂ O	No	Not mentioned in AMS III.D
	Emissions from	CO_2	Yes	From power consumption by
>	electricity			project activity
Project Activity	consumption	CH_4	No	Not mentioned in AMS III.D
cti		N ₂ O	No	Not mentioned in AMS III.D
it A	Emissions from the	CO ₂	Yes	From power consumption by
jec	system			project activity
Jro		CH_4	Yes	Physical leakage of biogas in
				project activity
		N_2O	No	Not mentioned in AMS III.D

B.4. Description of <u>baseline and its development</u>:

The final draft of this baseline section was completed on 23/12/2008. The name of entity determining the baseline is PricewaterhouseCoopers Ltda, who is the project developer.

As reported in section A.4.3, the most common manure management system in use in Brazil (and therefore a plausible baseline scenario) is the open tank (*esterqueira*) where the manure is stored, stabilized and finally daily distributed as fertilizer (daily spread). This system advantages are its low implementation cost and easy operation. The disadvantages are the significant physical area wich is required, the need to remove the accumulated sludge (each 3/5 years) and low nitrogen removal efficiency.

The baseline emissions calculation are done by obtaining data *ex ante* from organic substance which should have suffered an anaerobic digestion process in the absence of this project. To calculate the scenario which best represents the reality and attends to IPCC Tier 2 specific information, animal sub-categories description is the first step.

Table B.1. Swine production weight categorization in Brazil:

	Weight (kg/ animal)			
ANIMAL CATEGORY	Livestock (Brazil) ⁵	IPCC Default Values ⁶		
Sows	240	198		
Gilts	120	198		
Boars	250	198		
Nursery ^a	4	50		
Nursery ^b	18.25	50		
Finishing ^a	48	50		
Finishing ^b	87	50		

The B_0 (maximum methane producing potential of the volatile solids) and the VS default (volatile solids) values are presented in table B.2.

ANIMAL CATEGORY	Bo	VS	
AMIVIAL CATEGORI	$(m^3 CH_4/ kg VS)$	(kg/ head/day)	
Sows	0.45	0.46	
Gilts	0.45	0.46	
Boars	0.45	0.46	
Nursery ^a	0.45	0.30	
Nursery ^b	0.45	0.30	
Finishing ^a	0.45	0.30	
Finishing ^b	0.45	0.30	

Table B.2. IPCC default values of B_o and VS for the swine production:

The parameters presented above correspond to those of Western Europe type. The Agroceres is itself the producer of the genetic source *PIC Agroceres*⁷ (British origin). The genetic combined with a rigorous nutrition control assure a production compared to those obtained in the European countries.

The other default values used in the baseline calculation are presented in the table below:

Parameter	Value	Unit	Source ⁸	Commentary		
Density CH ₄	0.67	Kg/ m ³	Page 10.42	This value is used to estimate the emission reduction <i>ex ante</i> . During the project activity, another density value with be estimated, at the temperature and pressure of the measured biogas		
MCF	78%	N/A	Page 10.45, Table 10.17	The baseline manure treatment system is an uncovered anaerobic lagoon. Patos de Minas (Minas Gerais): average		

Table B.3. Baseline parameters used in the estimation:

⁵ The annual average weight data from Agroceres' swine production.

⁶ From "**2006 IPCC Guidelines for National Greenhouse Gas Inventories- Volume 4, Chapter 10**, Table 10A- 7 and 10A- 8, pages 10.80 and 10.81.

⁷ http://www.agrocerespic.com.br

⁸2006 IPCC Guidelines for National Greenhouse Gas Inventories, Volume 4, Chapter 10 in <u>http://www.ipcc-nggip.iges.or.jp/public/2006gl/pdf/4_Volume4/V4_10_Ch10_Livestock.pdf</u>

				ambient temperature: 22°C.
GWP	21	N/A	Global Warming Potential	_

B.5. Description of how the anthropogenic emissions of GHG by sources are reduced below those that would have occurred in the absence of the registered small-scale CDM project activity:

B.5.1 Timeline project:

The following sections show that the CDM was considered for the development of the project activity. The CDM is being considered through the project development as can be evidenced by the relationship with different stakeholders such as service providers.

On 11/07/2008 occurred a meeting from Agroceres direction board to discuss CDM projects.

On 01/09/2008 was signed the contract with Baltazar Reis de Mendonça - ME in order to construct the biodigestors.

On 21/11/2008 was sent the first proposal by PwC to support Agroceres on the CDM process. On 27/04/2009 was finished the first PDD version.

B.5.2 Assessment of Barriers:

The swine raising is an activity historically developed in Brazil and, as stated before, when not undertaken in an adequate way can cause damages to soil and water. The manure treatment, presently, is better than used to be, concern with the effluents disposal has grown and the legislation has been restricted as well. Thus, the manure treatment systems have improved, but there are several barriers to the adoption of this project activity on a national level.

B.5.3 Investment Barriers:

The employ of biodigestors to the waste treatment is not a recent practice. However, the investment demanded to implement such system is very high to the majority of the potential users. The construction of a biodigestor would be most unlikely once; despite of improving the environmental and social condition, it would not add value to the production and thus would not increase the activity income. Additionally, as will be discussed in section B.5.4, there is no legislation demanding this kind of treatment.

A simple cost analysis was elaborated to compare the investment made in earthwork and construction of the anaerobic lagoons (baseline scenario) and the construction and the structure needed in the biodigestors to attend the UNFCCC's requirements. The table below reveals that the costs to accomplish the biodigestor's structure are, approximately, six times higher than the costs to implement the anaerobic lagoons.

Table B.4 Simple cost analysis

Simple cost analysis - Anaerobic lagoons and biodigestors						
Anaerobic lagoons						
Action Supplier Value						
Earthwork and construction NEST I and NEST II	Falk Construtora Ltda	R\$	135,000.00			
Earthwork and construction NEST I and NEST II	Falk Construtora Ltda	R\$	40,000.00			
	Total	R\$	175,000.00			
	Biodigestors*					
Biodigestor cover	Sansuy S/A Indústria de Plásticos	R\$	322,500.00			
Plateau and cells	Baltazar Reis de Mendonça ME	R\$	213,000.00			
Vinibiodigestors execution	Top Construtora	R\$	130,000.00			
Civil construction	Vieira Borges Engenharia Ltda	R\$	130,000.00			
Skid+flare	TEC Tecnologia em Calor Ltda	R\$	200,000.00			
Methane analyser	Landtec Produtos e Serviços Ambientais Ltda	R\$	23,133.60			
	Total	R\$	1,018,633.60			

* The values are related to the three clusters

Correcting the cost of the anaerobic lagoons with the IGP-M (General Price Index) in 07/2000 to 09/2008 (starting date of the project activity) period, using a Brazilian Central Bank⁹ tool to monetary conversion, there is a percentual value related of 121% so it increases to R\$ 387,127.67. Still the biodigestors costs are almost three times higher.

Regarding the biogas power generation, another possible source of income, besides the high investment demanded, the technology applied to small scale use is not yet reliable and the equipment durability is not yet satisfactory, preventing its large use. Moreover, Brazilian system does not stimulate biogas power generation, since its implementation requires high investment compared to current electricity prices.

Despite the recent successive reductions in domestic interest rates, they are among the highest in the world, which is one more obstacle to the project activity.

According to the stated above can be concluded that the CDM incentive is crucial to the decision of undertaking the project activity.

B.5.4 Legal constraints:

The existing legislation in Brazil, in order to protect water sources from contamination, establishes water quality parameters required to lagoons and rivers, avoiding effluent direct discharge to the environment. Apart from that, there is no specific legislation (nor there are any plans to implement one) that requires specific manure treatment and GHG emission control through biodigestors. Based on that, the proposed project activity clearly exceeds current Brazilian regulations for swine waste treatment.

B.6. Emission reductions:

B.6.1. Explanation of methodological choices:

The baseline emissions estimation was done according to the methodology III.D, and will be described below.

Baseline emissions

⁹ Brazilian Central Bank (<u>http://www4.bcb.gov.br/Pec/Correcao/corrige.asp?idpai=correcao</u>)

 $BE_{y} = GWP_{CH4} * D_{CH4} * UF_{b} * \sum_{i, IT} MCF_{i} * B_{0,LT} * N_{LT,y} * VS_{LT,y} * MS\%_{Bl,j}$

CDM – Executive Board

Where:

$$\begin{split} BE_{y} &= Baseline \ emissions \ in \ year \ ``y'' \ (tCO_{2}e) \\ GWP_{CH4} &= Global \ Warming \ Potential \ (GWP) \ of \ CH_{4} \\ D_{CH4} &= CH_{4} \ density \\ LT &= Index \ for \ all \ types \ of \ livestock \\ j &= Index \ for \ animal \ waste \ management \ system \\ MCF_{j} &= Annual \ methane \ conversion \ factor \ (MCF \ for \ the \ baseline \ animal \ waste \ management \ system \ ``j'') \\ B_{0,LT} &= Maximum \ methane \ producing \ potential \ of \ the \ volatile \ solid \ generated \ for \ animal \ type \ ``LT'' \ (m^{3} \ CH_{4}/kg \ dm) \end{split}$$

N $_{LT,y}$ = Annual average number of animal of type "LT" in year "y"

VS _{LT,y} = Volatile solids for livestock "LT" entering the animal manure management system in year "y" (on a dry matter weight basis, kg dm/animal/year)

MS% BLj = Fraction of manure handled in baseline animal manure management system "j"

 $UF_b = Model$ correction factor to account for model uncertainties

Baseline emissions – Volatile Solids calculation

$$VS_{LT,y} = \left(\frac{W_{site}}{W_{default}}\right) * VS_{default} * nd_{y}$$

Where:

 W_{site} = Average animal weight of a defined livestock population at the project site (kg)

 $W_{default}$ = Default average animal weight of a defined population

 $VS_{default}$ = Default value for the volatile solid excretion rate per day on a dry-matter basis for a defined livestock population (kg dm/animal/day)

 $nd_y = number of days in year "y" where the treatment plant was operational$

Project Activity Emissions - PE leakage

$$PE_{PL,y} = 0.10 * GWP_{CH4} * D_{CH4} * \sum_{i,LT} B_{0,LT} * N_{LT,y} * VS_{LT,y} * MS\%_{i,y}$$

Where:

 $MS\%_{i,y}$ = Fraction of manure handled in system "i" in year "y"

Project Activity Emissions - PE flare

According to the methodology III.D, project emissions from flaring are estimated using the procedures described in the "Tool to determine project emission from flaring gases containing methane".

$$PE_{flare} = BE_y * (1 - \eta_{flare})$$

Where:

 $D_{flare} = Flare efficiency$

Project Activity Emissions - PE power

According to the methodology III.D, project emissions from electricity use are estimated using the procedures described in the methodology AMS I.D.

$PE_{power} = EL * CEF_{electricity}$

Where:

EL = Electricity consumption (MWh) CEF*electricity* = Combined Emission Factor from electricity (tCO₂e/MWh)

Project Activity Emissions - PE power - Combined Emission Factor

Despite having a big potential of energy generation in sustainable and diversified way, the composition of the brazilian energetic source is changing to the use of fossil combustible. The determinate information of the baseline is: the electric system in Brazil was historically divided in two systems: North/Northeast and South/South east/Central West. That configuration is a reflex of the historical physical evolution of the systems, that were naturally developed next to the big center consumers of the country.

The evolution of the systems reveals that the integration of them was a natural tendency in the grid of national supply. In 1998, the brazilian government announced the first phase of the connection, integrating the North/Northeast lines with the South/South East/Central West lines. With investment nearly to US\$ 700 millions, the connection had as mainly objective helps to resolve the electric problems in the country. That way, the energy production is able to supply energy to any of the systems.

In the composition of emission factor of the SIN was used values of Operating Margin and Build Margin more updated available by MCT (<u>www.mct.gov.br</u> – Menu Theme – Climate Change - PPA), as allowed by the methodology AMS I.D., "calculation must be based on data from an official source (where available) and made publicly available".

To calculate the average of the Operation Margin was used the values referents to 2007. The parameters used in calculation are published by Ministry of Science and Technology (MST)¹⁰. According to the site of MST, the methodological tool "Tool to calculate the emission factor for an electricity system" is used to calculate BM and OM.

The emission factor of the interconnected system is a combination of emission factor of OM, which reflects the intensity of CO_2 emissions of the energy dispatch in the grid, and emission factor of BM, which reflects the intensity of CO_2 emissions of the last five plants constructed.

The emission factor from Combined Margin (CM) is calculated as follows:

 $EF_{grid,CM,y} = EF_{grid,OM,y} * W_{OM} + EF_{grid,BM,y} * W_{BM}$

¹⁰ MST (http://www.mct.gov.br/index.php/content/view/74689.html)

Where:

 $EF_{grid,BM,y}$ = Build Margin (BM) CO₂ emission factor for grid connected power generation in year y $EF_{grid,OM,y}$ = Operating margin (OM) CO₂ emission factor for grid connected power generation in year y W_{OM} = Weighting of operating margin emissions factor (%) W_{BM} = Weighting of build margin emissions factor (%)

The following default values should be used for W_{OM} and W_{BM} : $W_{OM} = 0.5$ e $W_{BM} = 0.5$ for the first crediting period, and $W_{OM} = 0.25$ e $W_{BM} = 0.75$ for the second and third crediting period, unless otherwise in the approved methodology by the methodological tool "Tool to calculate the emission factor in an electricity system" version 01.1.

Alternative weights can be proposed, as long as $W_{OM}+W_{BM}=1.0$ and that be presented evidence that the data are representative of the system.

Project Activity Emission

$$PE_{y} = PE_{PL,y} + PE_{\mathit{flare},y} + PE_{\mathit{power},y}$$

Where:

 $PE_{y} = Project emissions in year "y" (tCO_{2}e)$ $PE_{PL,y} = Emission due to physical leakage of biogas stream in the year "y" (tCO_{2}e)$ $PE_{flare,y} = Emissions from flaring or combustion of the biogas stream in the year "y" (tCO_{2}e)$ $PE_{power,y} = Emission from the use of fossil fuel or electricity for the operation of the installed facilities in the year "y" (tCO_{2}e)$

Estimated emissions reductions

 $ER_{y,estimated} = BE_{CH4} - PEy$

B.6.2. Data and parameters that are available at validation:

Agroceres is the entity responsible for data storage and availability at the time of validation. It is also responsible for guarantee a Quality Control and Assurance of the data.

Data / Parameter:	D _{CH4}
Data unit:	Kg/m ³
Description:	Methane density
Source of data used:	2006 IPCC Guidelines for National Greenhouse Gas
	Inventories, Volume 4, Chapter 10
Value applied:	0.67
Justification of the choice of data or	Default value
description of measurement methods	
and procedures actually applied :	
Any comment:	-

Data unit:	tCO ₂ / t CH ₄
Description:	Global Warming Potential of Methane, valid for the relevant
	commitment period.
Source of data used:	Intergovernmental Panel on Climate Change, Climate Change
	1995: The Science of Climate Change (Cambridge, UK:
	Cambridge University Press, 1996)
Value applied:	21
Justification of the choice of data or	Decisions under UNFCCC and the Kyoto Protocol (a value of
description of measurement methods	21 is to be applied for the first commitment period of the
and procedures actually applied :	Kyoto Protocol)
Any comment:	-

Data / Parameter:	VS
Data unit:	kg/head/day
Description:	Volatile solids excreted for animal type
Source of data used:	Obtained from 2006 IPCC Guidelines for National Greenhouse Gas
	Inventories, Volume 4, Chapter 10, Annex 10A.2, Tables 10A-7
	and 10A-8, p. 10.80 and 10.81.
Value applied:	Breeding swine: 0.46
	Market swine: 0.30
Justification of the choice of data	Once the Agroceres' genetic source has an English origin, the
or description of measurement	Western Europe animal type parameters were used
methods and procedures actually	
applied :	
Any comment:	-

Data / Parameter:	Во
Data unit:	$m^{3}CH_{4}/Kg$ of VS
Description:	Maximum methane producing capacity for manure produced by
	animal type
Source of data used:	Obtained from 2006 IPCC Guidelines for National Greenhouse Gas
	Inventories, Volume 4, Chapter 10, Annex 10A.2, Tables 10A-7
	and 10A-8, p. 10.80 and 10.81.
Value applied:	Market swine: 0.45
	Breeding swine: 0.45
Justification of the choice of data	Once the Agroceres' genetic source has an English origin, the
or description of measurement	Western Europe animal type parameters were used
methods and procedures actually	
applied :	
Any comment:	-

Data / Parameter:	MCF
Data unit:	%
Description:	Methane conversion factor
Source of data used:	Obtained from 2006 IPCC Guidelines for National Greenhouse Gas
	Inventories, Volume 4, Chapter 10, Page 10.45, Table 10.17.
Value applied:	78% for uncovered anaerobic lagoon
Justification of the choice of data	Based on the regional temperature (22°C), determinate by INMET

or description of measurement methods and procedures actually applied :	(Instituto Nacional de Meteorologia).
Any comment:	A conservativeness factor should be applied by multiplying MCF values (estimated as per above bullet) with a value of 0.94, to account for the 20% uncertainty in the MCF values as reported by IPCC 2006.

B.6.3 Ex-ante calculation of emission reductions:

The baseline emissions are calculated through an MSExcel spreadsheet developed by the project developer. This spreadsheet will be available to the DOE at the time of project activity validation. The values calculated for each cluster are presented in the annex 3.

Baseline emissions - Volatile solids calculation

$$VS_{LT,y} = \left(\frac{W_{site}}{W_{default}}\right) * VS_{default} * nd_{y}$$

	VALUES					_	
UNIT	Boars*	Sows*	Gilts*	Nursery ^a	Nursery ^b	Finishing ^a	Finishing ^b
kg	<mark>१</mark> 250	<mark>१</mark> 240	<mark>१</mark> 120	<mark>१</mark> 4	18.25 [°]	<mark>१</mark> 48	<mark>१</mark> 87
kg	198	198	198	50	50	50	50
kg/head/day	0.46	0.46	0.46	0.3	0.3	0.3	0.3
kg/head/year	211.9949	203.5152	101.7576	8.7600	39.9675	105.1200	190.5300

Baseline emissions

$$BE_{y} = GWP_{CH4} * D_{CH4} * UF_{b} * \sum_{j \ LT} MCF_{j} * B_{0,LT} * N_{LT,y} * VS_{LT,y} * MS\%_{Bl,j}$$

$$\mathbf{BE}_{\mathbf{y}} = 22,868 \qquad t \operatorname{CO}_2 \mathbf{e}$$

Project Activity Emissions - PE leakage

$$PE_{PL,y} = 0.10 * GWP_{CH4} * D_{CH4} * \sum_{i,LT} B_{0,LT} * N_{LT,y} * VS_{LT,y} * MS\%_{i,y}$$

$$PE_{PL,y} = 3,119$$
 tCO₂e

Project Activity Emissions - PE flare

$$PE_{flare} = BE_y * (1 - \eta_{flare})$$

$$Pe_{flare} = 2,287 \text{ tCO}_2e$$

	$EF_{grid,CM,y} = EF_{grid,OM,y} * W_{OM} + EF_{grid,BM,y} * W_{BM}$						
Operating	January	February	March	April	May	June	
Margin ¹	0.2292	0.1954	0.1948	0.1965	0.1606	0.2559	
	July	August	September	October	November	December	Average
	0.3096	0.3240	0.3550	0.3774	0.4059	0.4865	0.2054
Build Margin ¹	2007 0.0775						
Weight (W _{om} /W _{bm}) ²	Default 0.5						
Emission			2007*				
Factor (EF)	(0.2054 * 0.	5) + (0.0775 *	(0.5) = 0.1842 to	CO ₂ e/MWh			

1 Default values – MCT (www.mct.gov.br)

2 Default value - UNFCCC

* Was used a 2007's value because it was the most updated data available at the validation beginning.

Project Activity Emissions - PE power – Electricity consumption

Each cluster have: two biodigesters, a compressor set (7.5 cv) and two motors (15 cv each).

	Potency (cv)	Potency (HP)	Consumption
Compressor set	7.5 cv	7.397 HP	5.516 kWh
Motor set	30 cv	29.589 HP	22.064 kWh
			27.580 kWh
Convertion factor cv to HP	0.9863		0.0276 MWh
Convertion factor HP to kWh	0.74569		

Project Activity Emissions - PE power

 $PE_{power} = EL * CEF_{electricity} * (24 * 365)$	
$Pe_{power} = 0.0276 * 0.1842 = 45 \text{ tCO}_2 e \text{ per cluster}$	

 $Pe_{power} = 134 \text{ tCO}_2 e \text{ in the farm}$

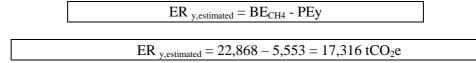
According to the methodology AMS III.D, version 14, a plus of 10% should be assumed to account for distribution losses, in absence of monitoring. That way, the PE_{power} is 47 tCO₂e per cluster and 147 tCO₂e in the farm.

Project Activity Emission

$$PE_{y} = PE_{PL,y} + PE_{flare,y} + PE_{power,y}$$

$$PEy = 3,119 + 2,287 + 147 = 5,553 \text{ tCO}_2\text{e}$$

Estimated emissions reductions



B.6.4 Summary of the ex-ante estimation of emission reductions:

Year	Estimation of project activity emissions (tCO ₂ e)	Estimation of baseline emissions (tCO ₂ e)	Estimation of leakage (tCO ₂ e)	Estimation of overall emissions reductions (tCO ₂ e)
2009	2,776	11,434	0	1,443
2010	5,553	22,868	0	17,316
2011	5,553	22,868	0	17,316
2012	5,553	22,868	0	17,316
2013	5,553	22,868	0	17,316
2014	5,553	22,868	0	17,316
2015	5,553	22,868	0	17,316
2016	2,776	11,434	0	15,873
Total (tonnes of CO ₂ e)	38,870	160,077	0	121,210

B.7 Application of a monitoring methodology and description of the monitoring plan:

B.7.1 Data and parameters monitored:

Data / Parameter:	Feed rations
Data unit:	-
Description:	Formulated feed rations
Source of data used:	Agroceres data files
Value of data applied for the purpose	British origin, section B.4
of calculating expected emission	
reductions in section B.5	
Description of measurement methods	Nutritional tables
and procedures to be applied:	
QA/QC procedures to be applied:	The audit process will assure that the correct swine manure
	treatment is being done

UNFCCC

Any comment:	-
Data / Parameter:	Genetic source
Data unit:	-
Description:	Genetic source of the livestock population
Source of data used:	Agroceres data files
Value of data applied for the purpose	British origin, section B.4
of calculating expected emission	
reductions in section B.5	
Description of measurement methods	By an animal health certification for imports issued by the
and procedures to be applied:	Ministry of Agriculture, Livestock and Supply
QA/QC procedures to be applied:	The audit process will assure that the correct swine manure
	treatment is being done
Any comment:	-

Data / Parameter:	n (T)
Data unit:	Number of days of operation
Description:	Days in which animals are resident in the system per year
Source of data used:	Agroceres data files
Value of data applied for the purpose	365
of calculating expected emission	
reductions in section B.5	
Description of measurement methods	Data is stored digitally using PigChamp software.
and procedures to be applied:	
QA/QC procedures to be applied:	The audit process will assure that the correct swine manure
	treatment is being done
Any comment:	-

Data / Parameter:	MS%
Data unit:	Percentage
Description:	Percent of animal effluent used in system.
Source of data used:	Agroceres management system
Value of data applied for the purpose	100%
of calculating expected emission	
reductions in section B.5	
Description of measurement methods	The monitoring is automatic. There is no effluent that is not
and procedures to be applied:	treated because of the engineering used in the construction
	planning.
QA/QC procedures to be applied:	The audit process will assure that the correct swine manure
	treatment is being done
Any comment:	-

Data / Parameter:	W _{SITE}
Data unit:	kg
Description:	Average weight of the livestock
Source of data to be used:	Agroceres data files
Value of data applied for	Sows - 240
the purpose of calculating	Gilts – 120
expected emission	Boars – 250

reductions in section B.5	Nursery ^a – 4
	$Nursery^{b} - 18.25$
	Finishing ^a – 48
	Finishing ^b – 87
Description of	Agroceres performs regular monitoring of livestock. Data is stored
measurement methods and	digitally using PigChamp software. Historical records were used to
procedures to be applied:	determine weight of animals.
QA/QC procedures to be	Data will be verified on site routine inspections by a responsible person.
applied:	
Any comment:	The consistency between the data acquired at the monitoring will be
	assessed by the records of food purchases

Data / Parameter:	N _{LT,y}
Data unit:	Heads
Description:	Livestock Population
Source of data to be used:	Agroceres data files
Value of data applied for	Sows – 4,000
the purpose of calculating	Gilts – 166
expected emission	Boars – 10
reductions in section B.5	Nursery ^a $- 6,000$
	Nursery ^b $- 11,046$
	Finishing ^a – 14,556
	Finishing ^b – 10,853
Description of	Agroceres performs regular monitoring of livestock. Data is stored
measurement methods and	digitally using PigChamp software. Historical records were used to
procedures to be applied:	determine number of animals.
QA/QC procedures to be	Data will be verified on site routine inspections by a responsible person.
applied:	
Any comment:	The consistency between the data acquired at the monitoring will be
	assessed by the records of food purchases

Data / Parameter:	BG _{burnt}
Data unit:	m^3
Description:	Biogas burned (cumulative)
Source of data to be used:	Monitoring parameters spreadsheet
Value of data applied for	A value calculated 4,433,501.995 m ³ biogas/year was used
the purpose of calculating	
expected emission	
reductions in section B.5	
Description of	A flow meter will continuously measure the biogas flow and the data will
measurement methods and	be stored in the datalogger
procedures to be applied:	
QA/QC procedures to be	Preventive maintenance will be conducted in accordance with
applied:	manufacturer's recommendations, as stated in the monitoring plan, and
	will be assured by the audit in the monitoring process
Any comment:	Data will be archived electronically and kept for the duration of the
	crediting period plus 2 years

Data / Parameter:	W _{CH4}	
Data unit:	%	
Description:	Fraction of the methane content in the biogas produced during the	
	anaerobic digestion	
Source of data to be used:	Monitoring parameters spreadsheet	
Value of data applied for	50%	
the purpose of calculating		
expected emission		
reductions in section B.5		
Description of	The fraction of methane in the biogas will be measured monthly, with a	
measurement methods and	GEM 2000 gas analyzer. The biogas temperature and pressure will be	
procedures to be applied:	measured with electronic devices and stored in a datalogger. Tests will be	
	undertaken to assure 95% of confidence level and, if needed, the	
	measurement frequency can be adjusted	
QA/QC procedures to be	The equipments used to measure methane content will be properly	
applied:	calibrated periodically and it will be assured by the audit process	
Any comment:	The value used is conservative, using has source CETESNET, an official	
	site about biogas of CETESB, in	
	http://homologa.ambiente.sp.gov.br/biogas/biogas.asp, accessed April 6 th ,	
	2009	
	Data will be archived electronically and kept for the duration of the	
	crediting period plus 2 years	

Data / Parameter:	T _{flare}
Data unit:	°C
Description:	Flare temperature
Source of data to be used:	Manufacturer's specifications
Value of data applied for	Above 500°C
the purpose of calculating	
expected emission	
reductions in section B.5	
Description of	Continuous check of compliance with the manufacturer's specification by
measurement methods and	monitoring parameters spreadsheet
procedures to be applied:	
QA/QC procedures to be	Preventive maintenance will be conducted and it will assured by the audit
applied:	process. The data will be stored in the datalogger
Any comment:	Data will be archived electronically and kept for the duration of the
	crediting period plus 2 years

Data / Parameter:	pflare
Data unit:	atm
Description:	Flare pressure
Source of data to be used:	Manufacturer's specifications
Value of data applied for	
the purpose of calculating	
expected emission	
reductions in section B.5	
Description of	Continuous check of compliance with the manufacturer's specification by

measurement methods and procedures to be applied:	monitoring parameters spreadsheet			
QA/QC procedures to be applied:	Preventive maintenance will be conducted and it will assured by the audit process. The data will be stored in the datalogger			
Any comment:	Data will be archived electronically and kept for the duration of the			
	crediting period plus 2 years			

Data / Parameter:	Biogas flow rate
Data unit:	Nm3
Description:	Biogas flow rate
Source of data to be used:	Manufacturer's specifications
Value of data applied for	
the purpose of calculating	
expected emission	
reductions in section B.5	
Description of	Continuous check of compliance with the manufacturer's specification by
measurement methods and	monitoring parameters spreadsheet
procedures to be applied:	
QA/QC procedures to be	Preventive maintenance will be conducted and it will assured by the audit
applied:	process. The data will be stored in the datalogger
Any comment:	Data will be archived electronically and kept for the duration of the
	crediting period plus 2 years

Data / Parameter:	Ŋflare
Data unit:	%
Description:	Efficiency of flaring process
Source of data to be used:	Default value
Value of data applied for	90%
the purpose of calculating	
expected emission	
reductions in section B.5	
Description of	Continuous check of compliance with the manufacturer's specification of
measurement methods and	the flare device (temperature, biogas flow rate) will be done. If in any
procedures to be applied:	specific hour any of the parameters is out of the range of specifications,
	50% of default value should be used for this specific hour
QA/QC procedures to be	Preventive maintenance will be conducted and it will assured by the audit
applied:	process
Any comment:	Data will be archived electronically and kept for the duration of the
	crediting period plus 2 years

Data / Parameter:	Sludge's disposition					
Data unit:	Number of events					
Description:	The monitoring of produced sludge disposition					
Source of data to be used:	The sludge's monitoring data will be recorded in the monitoring					
	parameters spreadsheet					
Value of data applied for	Not available					
the purpose of calculating						
expected emission						

reductions in section B.5	
Description of	A correct disposition of the sludge produced during the waste treatment
measurement methods and	will be done after its removing
procedures to be applied:	
QA/QC procedures to be	The audit process will assure that the correct disposition is being done
applied:	
Any comment:	Data will be archived electronically and kept for the duration of the
	crediting period plus 2 years

Data / Parameter:	EF _y					
Data unit:	tCO ₂ /MWh					
Description:	Emission factor of the grid					
Source of data to be used:	ONS (Nacional Operator of the Electric System)					
Value of data applied for	0.1842					
the purpose of calculating						
expected emission						
reductions in section B.5						
Description of	A baseline emission factor (EF_y) is calculated as a combined margin (CM),					
measurement methods and	that is a combination of the operating margin (OM) and build margin (BM).					
procedures to be applied:	The CM calculation was made based on official data (ONS).					
	Ex-ante data calculated and monitored in validation and during the					
	creditation period of the project					
QA/QC procedures to be	The value will be followed annually in MCT site, where the publications are					
applied:	made (www.mct.gov.br)					
Any comment:	The value will be updated annually					

Data / Parameter:	Electricity					
Data unit:	MWh					
Description:	Electricity consumed by the project activity					
Source of data to be used:	The Nominal Power sourced by the biogas blower producer and monitoring parameter spreadsheet					
Value of data applied for the purpose of calculating expected emission reductions in section B.5	The compressor set has 7.5 cv potency and the set of motor has 15 cv potency, for each production site					
Description of measurement methods and procedures to be applied:	The nominal power sourced by the biogas blower producer times the equipment operating time in a daily basis					
QA/QC procedures to be applied:	Preventive maintenance will be conducted in accordance with manufacturer's recommendations and will be assured by the audit in the monitoring process					
Any comment:	Data will be archived electronically and kept for the duration of the crediting period plus 2 years					

Data / Parameter:	$\mathbf{ER}_{v,estimated} - \mathbf{E}_{v, calculated}$					
Data unit:	tCO2e / year					
Description:	Comparison of the yearly methane generation potential with the actual emission reduction					

Source of data to be used:	PDD (estimated) and the monitoring parameters spreadsheet (calculated)				
Value of data applied for	The estimated value is $17,316 \text{ t CO}_2\text{e/year}$				
the purpose of calculating					
expected emission					
reductions in section B.5					
Description of	The estimated value was calculated according to the methodological tool				
measurement methods and	During the monitoring this value will be calculated based on the				
procedures to be applied:	monitoring spreadsheets				
QA/QC procedures to be	The equipments used to measure methane content will be properly				
applied:	calibrated periodically and it will be assured by the audit process				
Any comment:	The maximal emission reduction in any year is limited to the yearly				
	methane generation potential calculated in the project design document				
	for that year				
	If $(\mathbf{ER}_{y,estimated} - \mathbf{E}_{y, calculated}) < 0$, $\mathbf{ER}_{y,estimated}$ shall be used as the actual				
	emission reduction				

The actual emission reduction achieved by the project will be calculated through the formula presented below:

$$ER_{y,ex-post} = \min \left[(BE_{y,ex-post} - PE_{y,ex-post}), (MD_y - PE_{power,y,ex-post}) \right]$$

Where:

ER _{y,ex-post} = Emission reduction achieved by the project activity based on monitored values for year "y" (tCO₂e) BE _{y,ex-post} = Baseline emissions calculated using formula 1 using ex post monitored values of N _{LT,y} and if applicable VS _{LT,y}

PE $_{y,ex-post}$ = Project emissions calculated using formula 4 using ex post monitored values of N $_{LT,y}$, MS% $_{i,y}$ and if applicable VS $_{LT,y}$

 $MD_y =$ Methane captured and destroyed or used gainfully by the project activity in year "y" (tCO₂e) PE _{power,y,ex-post} = Emissions from the use of fossil fuel or electricity for the operation of the installed facilities based on monitored values in the year "y" (tCO₂e)

The project activity uses flaring/combustion, so MD_y will be measured using the conditions of the flaring process:

$$MD_y = BG_{burnt,y} * w_{CH4,y} * D_{CH4} * FE * GWP_{CH4}$$

Where:

 $BG_{burnt,y} = Biogas$ flared or combusted in year "y" (m³) w_{CH4,y} = Methane content in biogas in the year "y" (mass fraction) FE = Flare efficiency in the year "y" (fraction)

Biogas and methane content measurement shall be on the same basis (wet or dry).

The biogas flow will only exist when the flare is burning, then the BG_{burnt} will correspond to the biogas that passed through the flow meter.

B.7.2 Description of the monitoring plan:

UNFCCO

A monitoring procedure has been carefully created and covers all the parameters required by the methodology. It establishes the quality standards to assure that all the information will be adequately obtained and stored.

Regarding the monitoring equipment, used for metering, recording and processing the data obtained, the Agroceres' engineering has conducted a market research to try to reach a good cost/benefit ratio, using equipments with an adequate confidence level and a good durability as well. Calibration will be performed by an accredit firm in the periodicity required by the manufacturer.

Agroceres will provide a training program to the responsible for the monitoring, explaining their responsibilities and roles in the project. All the people involved in the project will be trained before the starting date of the crediting period.

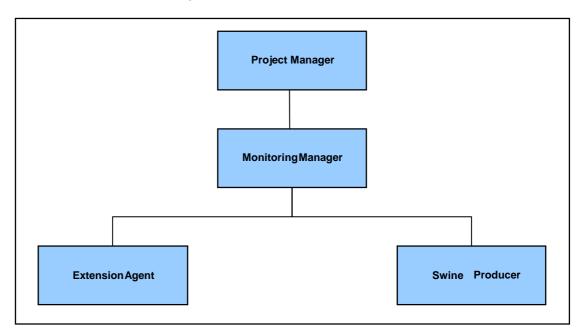
To safety issues and emergency preparedness in flare, prior to performing any maintenance on the flare system, the gas flow must be turned off. Care should be exercised when working around the flare system as components can be extremely hot. The preventive maintenance shall be conduced by the manufacturer's recommendations.

For control of unintended emissions, the variables burn temperature and biogas volume will be controlled by a datalogger.

The genetic source will be monitored by an animal health certification for imports issued by the Ministry of Agriculture, Livestock and Supply.

The formulated feed rations will be monitored by nutritional tables made by a nutritionist responsible.

The persons involved in the monitoring are demonstrated bellow:



B.8 Date of completion of the application of the baseline and monitoring methodology and the name of the responsible person(s)/entity(ies)

UNFOCC

CDM – Executive Board

The version 01 of the application of the baseline and monitoring methodology was concluded in 06/04/2009 and was elaborated by PricewaterhouseCoopers LTDA. The responsible for the project is Ernesto Cavasin, and can be contacted by phone +55 11 3674-2333.

UNFCCC

CDM – Executive Board

SECTION C. Duration of the project activity / crediting period

C.1 Duration of the <u>project activity</u>:

C.1.1. <u>Starting date of the project activity:</u>

The starting date of the project activity is 01/09/2008. On that date the contract was signed with Baltazar Reis de Mendonça – ME in order to construct the biodigestors. The contract is available has evidence with that date.

C.1.2. Expected operational lifetime of the project activity:

The expected operational lifetime of some materials (like the biodigestor cover) is expected to be 10 years but they will be reformed in order to provide a longer lifetime (21 years) with the same technology described along the PDD.

C.2 Choice of the crediting period and related information:

C.2.1. <u>Renewable crediting period</u>

C.2.1.1. Starting date of the first <u>crediting period</u>:

01/12/2009 or the project activity's registration date.

C.2.1.2. Length of the first crediting period:

The length of the first crediting period is 7 years.

C.2.2. <u>Fixed crediting period</u> :					
C.2.2.1.	Starting date:				
[8				
C.2.2.2.	Length:				

UNFCO

CDM – Executive Board

SECTION D. Environmental impacts

D.1. If required by the <u>host Party</u>, documentation on the analysis of the environmental impacts of the project activity:

An environmental impact analysis is not required to this kind of project.

The manure waste treatment proposed by the project will provide several environmental benefits. The project contributes to the sustainable development while promoting the greenhouse gases emission reduction. The anaerobic digester reduces the organic load of the wastewater in comparison to the anaerobic open lagoon. Furthermore, the unpleasant odor of the volatile molecules resultant of the anaerobic digestion is significantly decreased as the gases formed are contained within the floating cover and afterwards burned in the flare.

The project will hugely improve the standards of living in the farms and its surroundings. In most cases, the neighborhood is breathing continuously the characteristic odor spread out by the lagoons around the region. The smell also attracts flies, which disturb a lot as well. The project activity will cease both of them. Environmentally speaking, after the biodigestion the effluent has a lower organic load and then, is more adequate to the agricultural use.

The environment licenses of farm were presented to the DOE at the time of validation.

D.2. If environmental impacts are considered significant by the project participants or the <u>host Party</u>, please provide conclusions and all references to support documentation of an environmental impact assessment undertaken in accordance with the procedures as required by the <u>host Party</u>:

No actions are required.

INFOO

CDM – Executive Board

SECTION E. Stakeholders' comments

E.1. Brief description how comments by local <u>stakeholders</u> have been invited and compiled:

The stakeholders' invitation followed the procedures of the Brazilian "Resolution 1 of September 11, 2003", approved by Administrative Rule nº 863 of November, 27, 2003 and published in the Federative Republic of Brazil "Diário Oficial" (Official Gazette) of December, 2, 2003. Invitations reports are available upon request.

According to local and federal laws, the invitations for environmental license ask for public consultation with the local community. Also the same legislation ask for a publication of the licenses (LP, LI and LO) in the State and Local Official Gazette and in the regional journal.

In relation to the project development with the standards set by the UNFCCC, the Designated National Authority, and in the highest standards of transparency with the society that Agroceres maintains, was performed a specific public consultation on the Project of Clean Development Mechanism (CDM) about Granja Paraiso. The community can answer its questions in relation to the Kyoto Protocol, the CDM and the impact of this project in the region.

In addition to the comments of the stakeholders required for environmental license, the Brazilian Designated National Authority (AND), the Interministerial Commission for Global Climate Change, requires reviews of local stakeholders based on a transliterated version of the PDD, and the validation report issued by a DOE in accordance with Resolution no.1 edited on September 11, 2003, to provide the letter of approval.

The stakeholders who received the invite are listed bellow:

- City Hall of Patos de Minas;
- City Council of Patos de Minas;
- Economical Development Secretary of Patos de Minas (municipal environmental entity);
- Environment and Sustainable Development Secretary of Minas Gerais;
- Brazilian Forum of NGOs and Environmental and Development Social Movements FBOMS;
- Community associations;
- State Prosecutors Office of Minas Gerais state;
- National Prosecutors Office.

E.2. Summary of the comments received:

Two comments were received, coming from City Hall of Minas Gerais and National State Prosecutors Office. The institutions reported receiving and congratulated the project.

E.3. Report on how due account was taken of any comments received:

No action required.

UNFCCC

CDM – Executive Board

Annex 1

CONTACT INFORMATION ON PARTICIPANTS IN THE PROJECT ACTIVITY

Organization:	Agroceres Genética e Nutrição Animal LTDA					
Street/P.O.Box:	Rodovia Rio Claro-Piracicaba, s/n SP 127, Km 2,1 - Caixa Postal 400					
Building:	-					
City:	Rio Claro					
State/Region:	São Paulo					
Postfix/ZIP:	Cxa. Postal 400					
Country:	Brazil					
Telephone:	+55 (19) 3526-8500 - (19) 3526-8694					
FAX:	+55 (19) 3526-8500 - (19) 3526-8694					
URL:	www.agroceres.com.br					
Represented by:	Vitor Vanetti de Araujo					
Title:	Mr.					
Salutation:						
Last Name:	Araujo					
Middle Name:	Vanetti					
First Name:	Vitor					
Department:						
Mobile:						
Direct FAX:	+55 (19) 3526-8500					
Direct tel:	+55 (19) 3526-8500 - (19) 3526-8694					
Personal E-Mail:	vitor@agroceres.com.br					

UNFCCC

CDM – Executive Board

Annex 2

INFORMATION REGARDING PUBLIC FUNDING

There is no public funding involved in the proposed project activity.

Annex 3

BASELINE INFORMATION

The ex-ante baseline calculation for each farm is presented below:

Granja Paraiso – Cluster: Sítio							
Category	N	W Livestock	W Default	VS	VS	n	Emission Factor
Category	11	(kg)	(kg)	Default*	Calculated*		(kgCH ₄ /head/day)
Boars	10	250	198	0.46	0.5808	365	0.1366
Sows	4,000	240	198	0.46	0.5576	365	0.1311
Gilts	166	120	198	0.46	0.2788	365	0.0656
Nursery ^a	6,000	4	198	0.3	0.0240	365	0.0056
Nursery ^b	-	-	-	-	-	-	-
Finishing ^a	-	-	-	-	-	-	-
Finishing ^b	-	-	-	-	-	-	-

Baseline emissions tCO ₂ /ano	4,111
Project emissions tCO ₂ /ano	1,021
Emissions reduction tCO ₂ /ano	3,091

* Kg dry matter of volatile solids/head/day $B_0 = 0.45 \text{ m}^3 \text{ CH4/kg VS}$ for all swine categories

Granja Paraiso – Cluster: NEST 1							
Category	Ν	W Livestock (kg)	W Default (kg)	VS Default*	VS Calculated*	n	Emission Factor (kgCH4 /cabeça/dia)
Boars	-	-	-	-	-	-	-
Sows	-	-	-	-	-	-	-
Gilts	-	-	-	-	-	-	-
Nursery ^a	-	-	-	-	-	-	-
Nursery ^b	5,720	18.25	50	0.3	0.1095	365	0.0258
Finishing ^a	7,183	48	50	0.3	0.2880	365	0.0677
Finishing ^b	4,970	87	50	0.3	0.5220	365	0.1228

Baseline emissions tCO ₂ /ano	8,962
Project emissions tCO ₂ /ano	2,168
Emissions reduction tCO ₂ /ano	6,795

* Kg dry matter of volatile solids/head/day $B_0 = 0.45 \text{ m}^3 \text{ CH4/kg VS}$ for all swine categories

Granja Paraiso – Cluster: NEST 2							
Category	Ν	W Livestock (kg)	W Default (kg)	VS Default*	VS Calculated*	n	Emission Factor (kgCH4 /cabeça/dia)
Boars	-	-	-	-	-	-	-
Sows	-	-	-	-	-	-	-
Gilts	-	-	-	-	-	-	-
Nursery ^a	-	-	-	-	-	-	-
Nursery ^b	5,326	18.25	50	0.3	0.1095	365	0.0258
Finishing ^a	7,383	48	50	0.3	0.2880	365	0.0677
Finishing ^b	5,883	87	50	0.3	0.5220	365	0.1228

Baseline emissions tCO ₂ /ano	9,794
Project emissions tCO ₂ /ano	2,364
Emissions reduction tCO₂/ano	7,430

* Kg dry matter of volatile solids/head/day $B_0 = 0.45 \text{ m}^3 \text{ CH4/kg VS}$ for all swine categories

Annex 4

MONITORING INFORMATION

The monitoring plan is described in the item **B.7.2.**