



UNFCCC Secretariat  
United Nations Framework Convention on Climate Change  
Martin-Luther-King-Strasse 8  
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Germany

July 3, 2007

Attn: CDM Executive Board

**Request for review: Mitigation of Methane Emissions in the Charcoal Production of Plantar, Brazil (Ref. no. 1051)**

Honorable Members of the CDM Executive Board,

This communication is in response to the review of request of the proposed CDM project activity "Mitigation of Methane Emissions in the Charcoal Production of Plantar, Brazil" (Ref. no. 1051). The information relevant for the issues outlined in the review of request is presented below.

- 1. The validation report should clearly state how the project activity satisfies the prompt start criteria, e.g. the PDD was submitted for validation before 31 December 2005 or a new methodology was submitted before 11 January 2006.**

**Response:**

The new methodology "Mitigation of Methane Emissions in the Charcoal Production of Plantar, Brazil" together with the Draft PDD was submitted for consideration of the CDM Methodology Panel in **April 2005**. After the completeness check of the documents submitted, the new methodology was assigned NM-110 and posted at the UNFCCC website. The call for public inputs on this new methodology occurred between **9 May 2005 and 27 May 2005**. The link to the new methodology listed at the UNFCCC is provided below.

<http://cdm.unfccc.int/methodologies/PAmethodologies/publicview.html?OpenRound=10&single=1&OpenNM=NM0110>

After the Methodology Panel's review, the NM110-rev was approved as the AM0041: "Mitigation of Methane Emissions in the Wood Carbonization Activity for Charcoal Production"

Therefore, the project activity "Mitigation of methane emission on Wood Carbonization Activity for Charcoal Production" is in full compliance with the CDM and UNFCCC prompt start criteria.

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2. Further evidence should be provided to demonstrate that the CDM was seriously considered in the decision to proceed with this project activity.

**Response:**

The following information and supporting evidence demonstrates that the CDM was seriously considered in the decision to proceed with this project activity.

- **The Government of the State of Minas Gerias, Brazil** through its letter dated **23 May 2000** outlined its support to the project entity apply for funding from the Prototype Carbon Fund of the World Bank to develop the project as the CDM project (**copy of the letter enclosed as Annex 8A**).
- **The Government of Brazil** (host country under the CDM) issued a **letter of no objection** dated 30 August 2000 for undertaking the project as a CDM project. The Brazilian Ministry of Science and Technology communicated its no objection for undertaking the project as a CDM project and for initiating project development and funding application to the Prototype Carbon Fund of the World Bank (**copy of the letter enclosed as Annex 8B**).
- **The Prototype Carbon Fund (PCF) and Plantar** (project entity) signed a **Letter of Intent** on **25 April 2001** to purchase an agreed amount of *Emissions Reductions* generated by the Plantar's replacement of coke with **charcoal** in the pig iron manufacture. The letter confirms the PCF's interest in obtaining the *Certified Emission Reductions achieved by a project under the Clean Development Mechanism defined under Article 12 of the Kyoto Protocol to the United Nations Framework Convention on Climate Change* provided it meets the quality standards of the PCF and the project confirms to the World Bank environmental and social safeguards. The letter further confirms the intent of both the project participants to enter into an Emissions Reductions Purchase Agreement (**copy of the letter enclosed as Annex 8C**).
- **The Rabobank International, Brazil S/A** in its communication to Plantar dated **8 January 2002** outlined the proposal for financing of the project to be undertaken as the CDM project (**copy of the letter enclosed as Annex 8D**).
- The contracts and research reports on carbonization undertaken since 2001 are available. The **Contractual Agreement between Plantar and RS Consultants** dated **1 July 2001** facilitated the initiation of **Carbonization Research** undertaken in support of the project. The first attempts to assess the relationship between emissions and flaring of carbonization gases were unsuccessful due to technical constrain (Annex 5 A). The results of research to demonstrate the flaring of methane in the carbonization process were unsuccessful (**copy of the initial contractual agreement between Plantar and RS Consultants is enclosed as Annex 8E**).
- As a consequence, the contractual agreement was revised and extended on 22 December 2002 to cover the revised research protocol to demonstrate the mitigation of methane emissions in the carbonization process. The complete carbonization research is submitted as Annexes 5 A and 5 B to the PDD In 2002, researchers considered evaluation of future technological improvements to the carbonization process, capable of reducing methane emissions (**copy of extension of the contractual agreement between Plantar and RS Consultants is enclosed as Annex 8F**).





The research reached maturity by the end of 2003 and the improvements were implemented for the first time in July 2004. Therefore, July 2004 is adopted as the start date of the project from which the CERs are expected to be counted as soon as the project is approved and registered as a CDM activity.

**3. The PDD should display the annual average emission reductions for the first crediting period.**

In response to the request for review the Version 6 of the PDD dated March 6, 2007 has been revised. The Table below presents the annual average emissions reductions and total emission reductions for the first crediting period.

Year	Annual estimation of emission reductions in tonnes of CO <sub>2</sub> e
2004 (from July to December)	4,343
2005	9,659
2006	6,338
2007	16,763
2008	21,596
2009	21,596
2010	21,596
2011 (up to June)	10,798
<b>Total estimated reductions (tonnes of CO<sub>2</sub>e)</b>	<b>112,689</b>
<b>Total number of crediting years</b>	<b>7</b>
<b>Annual average over the crediting period of estimated reductions (tonnes of CO<sub>2</sub>e)</b>	<b>16,098</b>

We are open to provide further information and clarifications with regard to the request for review.

Yours Sincerely,

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