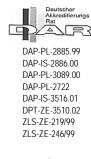


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CDM Executive Board



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Request for Review

Dear Sirs,

Your reference/letter of

Please find below the response to the request for review formulated for the CDM project with the registration number 1163. In case you have any further inquiries please let us know as we kindly assist you.

Your sincerely,

price lostro

Castro Javier Certification Body Climate and Energy

Supervisory Board: Dr. Axel Stepken (Chairman) Board of Management: Dr. Manfred Bayerlein (Spokesman) Dr. Udo Heisel

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Issue 1: Further details and clarification are needed regarding the formula used for calculation of VS, and it should be more clearly stated that the project participant will comply with the requirements of paragraph 6 of the approved methodology to use the lower of the two options.

Response of TÜV SÜD:

VS is determined by weight adjustment based on country weights using IPCC 2006 defaults for VS excretion. Specifically on page 25 of the PDD, equation E2 gives further clarification of VS calculation. The calculation has been validated and considered as correct.

Regarding requirements of paragraph 6 of the approved Section E.1.2.5 of the PDD clearly states: "The ex-ante baseline emissions calculated in section E.1.2.4 of this PDD will be compared to the actual monitored amount of methane captured and combusted by the project activity. The lesser of these values will be used as the project emission reductions of the crediting period."

Issue 2: The reasons for estimated high growth rates in animal numbers on certain farms should be more clearly explained.

Response of TÜV SÜD:

TÜV SÜD auditors interviewed the farmers regarding their growth plan and their expectation of swine market. There are several facts that support the farmers' expectation:

The swine market in Brazil was at the bottom some years ago and many farmers went out of business at that time. However since 2004/2005 the market demand for pig meat in Brazil as well as world wide is increasing steadily (as reference please see http://www.abipecs.org.br/). As a consequence of the previous crisis in Brazil there is shortage of farmers for supply. Hence, still existing farmers can fill the shortage and increase their production capacities.

This observation is underlined by further investment decisions at farms that produce already at their maximum capacity and needs more barns.

Issue 3: Further clarification is required regarding the method to be employed for calculation of the animal population.

Response of TÜV SÜD:

TÜV SÜD auditors interviewed farmers and verified data sources in respect animal population in detail. Every farmer has an inventory system. Inventories are determined usually on a monthly basis. The method of determination is counting, delivery sheets and sold pigs. The inventories are basis for performance evaluation of the farm as well as for financial or tax purposes.

Identified inconsistencies are outlined in the validation protocol in detail, during onsite audit have been solved and included in the final PDD.



Issues 4: As effluent will be stored in secondary and tertiary lagoons information should be provided on how emissions from these sources will be accounted for, further information regarding how sludge will be monitored in accordance with paragraph 5 (v).

Response from TÜV SÜD:

We consider this approach as acceptable, secondary and tertiary are installed after biodigesters. Those subsequent lagoons exist in baseline situation as well as indicated in PDD, section A.4.1.4. Therefore it is not necessary to be addressed in the PDD.

Section A.4.2, Table D1, and Annex 3, Monitoring ID#1 provide information regarding monitoring of the sludge. Sludge is disposed of by applying to soil or some other aerobic process which is documented. Based on professional project management TÜV SÜD is convinced that project participants will be able to monitor sludge properly in accordance with paragraph 5 (v).

5. It should be more clearly stated which parameters are being fixed ex-ante and which parameters will be monitored during the crediting period. For all parameters the methods of monitoring or estimation should be clearly described.

Response from TÜV SÜD:

From TÜV SÜD's perspective all variables in Table E5 are being fixed ex-ante clearly in the PDD. Further annex 3 summarizes what is being monitored during the crediting period and describes the step for each monitoring ID.

6. Further evidence is required regarding how the issue of potential debundling between this and similar projects, both registered and requesting registration, has been validated.

Response from TÜV SÜD:

The validation of potential debundling has been performed by TÜV SÜD and its validation team in several steps. The fact that TÜV SÜD has conducted all validations for the project participant in Brazil facilitated this process, since TÜV SÜD hold information from previous projects as well. The debundling assessment steps are:

1. TÜV SÜD has a data base with all farms and its GPS coordinates; the data base includes farms from all Agcert large and small scale projects (BR05-B01 to BR07-S-34). The data base program calculates the difference among all farms. Is a difference than lower 5 km identified step 2 comes into force.

2. The trigger criteria of 5 km has been chosen, because local GPS data could be taken from both most away points of two farms. However, the debundling criteria ask for the two closest points being not more than 1km. So step 2 includes a more crucial assessment considering maps, tools like GoogleEarth ® or in case of further doubts further onsite visits.

In order to be sure that Agcert is able to control and to monitor debundling issues, the validation team checked their approach. As mentioned by Agcert, they have their own mapping program for identification of potential debundling.



Step one is a standard validation process for all small scale projects from AgCert. Step two is performed if necessary, for instance in the project BR06-S-20 and BR06-S-25 the trigger value indicated a more crucial check. This is mentioned in the validation report.