PROPOSAL FOR VALIDATION OF PoA “Agricultural Technology Transfer Society”

Technical Proposal

TÜV Rheinland (India) Pvt. Ltd.

Managing Entity: Agricultural Technology Transfer Society

Proposed CDM Project: Production of biogas from animal manure for rural household in Sudan

Project proposal number: TUV/Blr/Qvr-PoA/130257/0422

Date of Proposal 22/04/2013
Validation of CDM PoA entitled: “Production of biogas from animal manure for rural household in Sudan”

To,
Agricultural Technology Transfer Society, P.O.
Box 321 Khartoum Sudan

Dear Mr. Muna Ahmed,

Thank you very much for your enquiry concerning the validation of your PoA in India entitled:

“Production of biogas from animal manure for rural household in Sudan”

which co-apply the baseline / monitoring methodology AMS I.D., version 05.0, AMS III.R version 03.0.

After review of the available information we can offer you the services described below according to the “Modalities and Procedures for a Clean Development Mechanism”, published on November 10th, 2001 as “Decision 17/CP.7” (incl. Annex and Appendix) in the “Report of the Conference of the Parties on its Seventh Session, Held at Marrakesh from 29 October to 10 November, 2001.”

Upon acceptance of this offer and placing an order, you are requested to conclude a “Contract on Validation / Verification” with the Designated Operational Entity (DOE), TÜV Rheinland China Ltd.

1. **Scope of validation**

The services of validation, as a short summary, include the following:

1. Publication of the CDM-PoA-DD, PoA generic CDM-CPA-DD and CDM-CPA-DD (real case) without confidential data;
2. Collection and publication of all comments of stakeholders;
3. Validation of the PoA-DD, PoA generic CPA-DD and CPA-DD (real case);
4. On-site audit;
5. Preparation of the Validation report for the PoA and one real case CPA;

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6. Technical Review

7. Request for Registration (in case of positive validation statement).

For a detailed description of these steps, please see Annex 1.

2. Prices

The following services can be offered to you for a lump sum of

<table>
<thead>
<tr>
<th>Service</th>
<th>Price</th>
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<tr>
<td>CDM PoA Validation in Sudan</td>
<td>USD 48,500/-</td>
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<tr>
<td>Other Expenses (for three persons travel from, Bangalore- Site- Bangalore (India), Boarding and Lodging at site; armed securities and communications etc)</td>
<td>At actual</td>
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This amount is exclusive of the local taxes, which shall be identified during discussions and shall be added to the above amount.

Travel expenses for site visit for local the audit team including accommodation, transportation cost to the project site(s) shall be at actual and will be borne by Project Proponent (PP).

Any costs for translating the Validation Reports into other languages (if requested) are not included in this offer.

If at any stage of the validation, any additional site visit is required for this project activity then the cost for the same will be bear by PP.

The official registration fee to UNFCCC is not included in this price.
Note: Any further inclusions of CPAs and/or additional validations, as requested by the UNFCCC after (a) revision of underlying methodology as per § 19 of EB 55 annex 38 or (b) the re-validations after the expiry of crediting period are not included in this proposal.

Additional services not covered by this offer and/or re-validation of a substantially revised PoA documentation (e.g., change of methodologies, etc.), can be offered on request and will be charged separately. Expected additional costs will be informed beforehand within a new proposal.

3. Assessment Team

The validation services will be performed by a team of qualified employees of TÜV Rheinland (India) Pvt. Ltd., with technical review responsibility resting with the DOE (TÜV Rheinland China Ltd.). The affiliation of the validation team members will be informed after placement of an order, including any external staff under contract with the DOE (TÜV Rheinland China, Ltd.).
4. Timeline

Work Plan for Performing the Assignment

The timelines and the milestones will be determined upon acceptance of the proposal. Generally, the audit team aims to apply following tentative timescale upon execution of Contract to implement validation service; you will also be required to cooperate according to this timescale.

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Activity</th>
<th>Months</th>
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<tr>
<td></td>
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<td>1 2 3 4 5 6 7 8 9 10 11 12 N</td>
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<tr>
<td>1</td>
<td>CDM POA-DD, CDM CPA-DDs submitted to TUV Rheinland</td>
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<tr>
<td>2</td>
<td>Publication of the CDM POA-DD, CDM CPA-DDs (generic and one real case) for global stakeholder consultation</td>
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<tr>
<td>3</td>
<td>On-site audit and preliminary report and findings</td>
<td></td>
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<tr>
<td>4</td>
<td>Preparation of Draft Validation Report</td>
<td></td>
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<tr>
<td>5</td>
<td>Preparation of Final Validation Report*</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Technical Review of validated docket **</td>
<td></td>
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<tr>
<td>7</td>
<td>Request for</td>
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Quotation for PoA Validation: “Production of biogas from animal manure for rural household in Sudan”
<table>
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<tr>
<th>8</th>
<th>Providing comments if required during the registration process</th>
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</table>

* Subject to closure of all points through resolution process.

** Subject to closure of all TR (technical review) comment
5. Accreditation status:

TÜV Rheinland China Ltd as DOE is accredited by UNFCCC for both validation and verification services for “Sectoral scopes” 1-15.

http://cdm.unfccc.int/DOE/list/index.html

TÜV Rheinland (India) Pvt. Ltd. is authorised by the DOE office to carry out the required validations.

6. Schedule of payment:

Payment schedule for validation shall be as follows:

- 40 per cent as advance with work order;
- 30 per cent after site visit;
- 20 per cent upon submission of the Draft Validation Report;
- 10 per cent upon submission of the Final Validation Report.

Payments shall be made within 30 days of the date of invoice.

Miscellaneous Conditions

The acceptance of our offer does neither automatically entail a positive validation opinion of the assessor nor the registration of the project by the CDM EB supervisory board.

7. Validity

This quotation is valid for 15 days from the date of issue of this quotation.

We hope this offer finds your interest and that we can establish a successful business relationship.

In case of non-satisfactory service by TUV Rheinland India Pvt Ltd, the Verification contracts (Technical and Commercial) can be terminated by Agricultural Technology Transfer Society. After maturity of any terms of payment stages and clearing of the payments for the mature terms. The reason of non-satisfaction is needed to be formally informed to TUV Rheinland (India) Pvt. Ltd. Bangalore office.
Sincerely Yours,

__________________________

M.P. Kanal

Head
Climate Change, Energy & Environment Technology

Enclosures:
Annex 1 — Validation Steps Description

We accept the quotation and order the validation as stated.

__________________________

(Date, Location)
(Signature / company stamp)
Annex 1 – Validation Steps Description:

1. Publication of the project documentation without confidential data:

The project participants will provide the complete CDM PoA DD and CPA DDs in English language, based on the current template version and completed following relevant UNFCCC requirements, as electronic file in PDF format.

In accordance with the provisions on confidentiality contained in paragraph 27(h) of Annex Decision 17/CP.7, the PoA documentation will be made publicly available either directly on the UNFCCC homepage or by linking to a distinct project homepage prepared by the DOE. Publication of the documentation will be made in strong agreement with the project developer, i.e. all information marked as proprietary or confidential will not be disclosed without written consent of the provider of this information – except as required by national and international law. However, information used to determine additionality as defined in paragraph 43 of Annex Decision 17/CP.7, to describe the baseline methodology and its application, and to support an environmental impact assessment (EIA) referred to in paragraph 37 of Annex Decision 17/CP.7, will not be considered as proprietary or confidential.

2. Collection and publication of all comments of stakeholders:

Any stakeholder comments received during a period of 30 days after making the project documentation (CDM PoA DD and CPA DDs) publicly available will be forwarded to the project participants (upon receipt), collected, and will be made publicly available. These comments will find special consideration in the validation process.

3. Validation of CDM PoA DD, PoA generic CPA DD and CPA DD(one real case):

The validation will be performed against the “Modalities and Procedures for a Clean Development Mechanism”, published as “Decision 17/CP.7” incl. Annex and Appendix in the “Report of the Conference of the Parties on its Seventh Session, held at Marrakesh from 29 October to 10 November, 2001”. The validation process investigates whether the statements are complete, technically feasible, plausible and lead to real and measurable emission reductions. The requirements set forth in the most recent versions of the CDM rules, and any relevant documents released by the CDM EB and available on the UNFCCC CDM website shall be duly considered during the course of validation. Validation team shall consider the most recent version of the CDM
Validation and Verification Manual for the validation of the said CDM PoA.

Apart from above some specific PoA procedures and guidelines shall be considered which are elaborated below:

- Procedures for registration of a programme of activities as a single CDM project activity and issuance of certified emission Reductions for a programme of activities (ver 04.1, annex 38 of EB 55).
- Procedures for review of erroneous inclusion of a CPA (version 03.0, annex 22: EB 61)
- Standard for demonstration of additionality of GHG Emission Reductions achieved by a programme of activities, version 01, annex 02, EB 63
- Standard for the development of eligibility criteria for the inclusion of a project activity as a CPA under a PoA (version 01.0), Annex 03 of EB 63
- Standard for application of multiple CDM methodologies for a Programme of activities, version 01, Annex 04, EB 63
- Clarifications Regarding The Procedures For Registration Of A Programme Of Activities As A Single CDM Project Activity And Issuance Of Certified Emission Reductions For A Programme Of Activities(version 01, annex 26 of EB 60).
- The host country criteria as applicable under the CDM related laws and regulations of the country in which the PoA and CPAs are physically located, namely those of Kenya.

As per the procedures, the DOE will validate the following as provided by the Managing Entity:

- A completed CDM PoA DD
- A PoA generic CPA DD with generic information relevant to all CPAs
- A completed CDM- CPA-DD which is to be based on the PoA to one real case.

Validation of the CDM PoA DD

DOE will validate the following information provided by the managing/coordinating entity in the CDM PoA DD:

- Coordinating/managing entity, host party/ies and PoA participants.
Validation of the PoA generic CDM CPA DD

The PoA generic CDM CPA DD provides generic information relevant to all CPAs of the proposed PoA. The CDM PoA DD and PoA generic CDM CPA DD required under the PoA procedures define the conditions for all CPAs that the managing entity intends to include in the PoA at a later stage during the crediting period.
of PoA. The DOE will validate the following information provided by the Managing Entity in the generic CPA DD:

- Unique identification of the CPA by location
- Contact details of persons responsible for each CPA
- Host party
- Starting date and duration of the crediting period.
- Eligibility criteria for the inclusion in the PoA.
- Demonstration of additionally as described in the PoA DD.
- Baseline emissions
- Estimated emission reductions
- Environmental analysis if required by the host DNA. If done on the PoA level not required for each CPA level
- Stakeholders consultation process, if done on the PoA level not required for each CPA level
- Confirmation on the subject that no prior CDM registration or inclusion in another PoA
- Consistency with CDM POA DD

Validation of real case CDM CPA DD

The DOE will validate the real case CDM CPA DD with regard to

- Consistency with the CDM PoA DD.
- Consistency with the PoA generic CDM CPA DD.
- Additionality with respect to the PoA (as outlined in the PoA DD and PoA generic CPA DD).
- Eligibility criteria as stated in the PoA DD and PoA generic CPA DD.
- Operational and management structures as defined in the PoA DD and PoA generic CPA DD.

Note: Any change in the guideline and procedures mentioned above during the course of validation shall be considered and applicable.
4. On-site assessment:
An on-site visit and audit report will usually be performed in order to confirm the statements made in the project documentation. A detailed site visit can provide our validation team a better image of the whole project and a deeper understanding with associated issues around the project. Thus, the on-site audit is an essential part of the service in order to provide a more complete and holistic assessment including local stakeholder interviews and consultation of local authorities as well as on-site assessment of utilized data sources and documentation and relevant permits.

5. Preparation of Validation report:
The draft validation report (in English language) summarizes the results of the investigation of the project documentation (PoA DD, PoA generic CPA DD and CPA DD-real case) and the on-site visit. This draft report may contain requests for clarification and/or requests for corrective action, which should be responded to and resolved by the Managing entity/consultant appointed by the Managing entity in due time.

The final validation report either confirms that the CDM PoA meets the requirements for the CDM, or it provides the reasons why the project activity is judged not to fulfil those requirements. In the latter case it is required that the Executive Board is informed about the decision.

6. Technical Review: The validated docket will be independently checked by technical review appointed by TÜV Rheinland DOE office. The outcome of the TR process (if any) need to be resolved by the Managing entity/consultant appointed by the Managing entity.
7. Request for registration (in case of positive validation statement):

If the project activity is found to meet all requirements for a CDM project, a request for registration will be submitted to the Executive Board together with the final validation report. For this purpose the following documents are required and shall be provided by project participants (unless there is no other written agreement):

- a written approval of voluntary participation from the Designated National Authority (DNA) of each Party involved;
- a confirmation by the host Party that the project activity supports sustainable development;
- a statement signed by the Managing/coordinating entity/ies stipulating the modalities of communication with the Executive Board and the secretariat in particular with regard to instructions regarding allocations of CERs at issuance (mandatory public version, and any confidential version);
- evidence required to support additionality; if the project starting date is before the beginning of validation, also evidence for serious consideration of the CDM.

Once the request for registration is placed, the project participants will receive a notification about the amount of the registration fee. The participants shall transfer the fee to the UNFCCC account and provide a proof of payment to the DOE for upload. The registration request becomes effective only upon that latter step.

In case of a negative validation opinion and if Requests for Correction or Clarification cannot be resolved, the final validation report with a justification of findings will be submitted to the project participants and UNFCCC.