

 <p align="center">CDM Project Activity Registration and Validation Report Form <i>(By submitting this form, designated operational entity confirms that the proposed CDM project activity meets all validation and registration requirements and thereby requests its registration)</i></p>	
Section 1: Request for registration	
Name of the designated operational entity (DOE) submitting this form	Det Norske Veritas Certification Ltd. (DNV)
Title of the proposed CDM project activity (Section A.1 of the attached CDM-PDD) submitted for registration	India-FaL-G Brick and Blocks Project No.1
Project participants (Name(s))	<input checked="" type="checkbox"/> Eco-Carbon Private Limited (ECPL), <input checked="" type="checkbox"/> International Bank for Reconstruction and Development as the Trustee of the Community Development Carbon Fund (CDCF) of Italy <input checked="" type="checkbox"/> Italy <input checked="" type="checkbox"/> International Bank for Reconstruction and Development as the Trustee of the Community Development Carbon Fund (CDCF) of Netherlands <input checked="" type="checkbox"/> Netherlands
Sector in which project activity falls	Sectoral Scope Nr. : 04 - Manufacturing industries
Is the proposed project activity a small-scale activity?	<u>Yes</u> / No (underline as applicable)
Section 2: Validation report	
List of documents to be attached to this validation report (please check mark):	
<input checked="" type="checkbox"/> The CDM-PDD of the project activity <input checked="" type="checkbox"/> An explanation by the submitting designated operational entity of how it has taken due account of comments on validation requirements received, in accordance with the CDM modalities and procedures, from Parties, stakeholders and UNFCCC accredited non-governmental organizations; <input checked="" type="checkbox"/> The written approval of voluntary participation from the designated national authority of each Party involved, including confirmation by the host Party that the project activity assists it in achieving sustainable development: <ul style="list-style-type: none"> ○ (Attach a list of all Parties involved and attach the approval (in alphabetical order)) <input checked="" type="checkbox"/> Other documents, including any validation protocol used in the validation <ul style="list-style-type: none"> ○ Validation Report including a validation protocol and a list of persons interviewed by the validation team during the validation process <input checked="" type="checkbox"/> Information on when and how the above validation report is made publicly available. <input checked="" type="checkbox"/> Banking information on the payment of the non-reimbursable registration fee <input checked="" type="checkbox"/> A statement signed by all project participants stipulating the modalities of communicating with the Executive Board and the secretariat in particular with regard to instructions regarding	

allocations of CERs at issuance.

Executive Summary and Introduction, including

- ***Description of the proposed CDM project activity***
- ***Scope of validation process (include all documentation that has been reviewed and name persons that have been interviewed as part of the validation, as applicable)***
- ***DOE Validation team (list of all persons involved in the validation, describing functions assumed in the validation)***

Description of the proposed CDM project activity:

The project involves the establishment of fourteen small scale brick manufacturing units based on fly ash, lime/OPC and gypsum (FaL-G) technology in the state of Andhra Pradesh in India. The FaL-G technology differs from the conventional brick making technology in the selection of raw materials (fly ash, lime/OPC and gypsum) and the elimination of the sintering part of the conventional brick making process. The technology thus reduces the anthropogenic GHG emissions by totally displacing fossil fuel in the drying and curing process of the bricks. The project was commissioned in January 2003. The technology used in the project is indigenously developed.

The project is expected to result in emission reductions of 14162 tonnes of CO₂ per year during the ten years of crediting period.

Scope of validation process:

The validation scope is defined as an independent and objective review of the project design document (PDD). The PDD is reviewed against the criteria stated in Article 12 of the Kyoto Protocol, the simplified CDM modalities and procedures as agreed in the Marrakech Accords and the relevant decisions by the CDM Executive Board. The validation team has, based on the recommendations in the Validation and Verification Manual, employed a risk-based approach, focusing on the identification of significant risks for project implementation and the generation of CERs.

The following documents were reviewed:

- ☒ PDD version 1 , Version 2 and the latest Version 03 dated 28th August 2006 submitted by Eco Carbon Private Limited (ECPL)
- ☒ Host country letter of approval dated 26th July 2006. and Letter of approval from Annex-1 country Italy ref no 3118/RSA/2006
- ☒ Letter of Approval from Netherlands dated 30th June 2006.
- ☒ International Emission Trading Association (IETA) & the World Bank's Prototype Carbon Fund (PCF): *Validation and Verification Manual*. <http://www.vvmanual.info>
- ☒ CDM EB, *Indicative simplified baseline and monitoring methodologies for selected small-scale CDM project activity categories, AMS-II.D*, Version 07: 3 March 2006.

The following persons were interviewed:

- ☒ Dr. Bhanumathidas, ECPL
- ☒ Dr. N Kalidas, ECPL

The validation team consists of the following personnel:

Mr Amit Thusu	DNV, India	GHG auditor
Mr C. Kumaraswamy	DNV, India	GHG Auditor, Sector expert
Mr Venkata Raman K	DNV, India	Technical reviewer

For further details, please refer to the "Introduction" and "References" Section of DNV's Validation Report (DNV Report 2006-1610, rev. 01).

Description of methodology for carrying out validation

- **Review of CDM-PDD and additional documentation attached to it**
- **Assessment against CDM requirements (e.g. by use of a validation protocol)**
- **Report of findings by the DOE, e.g. by use of type of findings (e.g. corrective action requests, clarifications or observations). Please explain the way findings are "labelled" during validation.**
- **Include statements or assessments in the section "Conclusions, final comments and validation opinion" below.**

The validation consisted of the following three phases:

- A desk review of the project design documentation.
- Follow-up interview with project stakeholders.
- The resolution of outstanding issues and the issuance of the validation report and opinion.

The PDD version 1 and the and latest version 03 dated 28/08/2006 submitted by the World Bank Carbon Finance Unit and additional background documents related to the project design and baseline, like the emission reduction calculations worksheet, documents relating to the baseline energy consumption, market patterns and the environmental and social review document were assessed as a part of validation.

During May 2006, DNV Certification performed interviews with representatives of Eco-Carbon Private Limited, to resolve issues identified during the document review

In order to ensure transparency, a validation protocol has been customized for the project, according to the Validation and Verification Manual. The protocol shows, in a transparent manner, criteria (requirements), means of verification and the results from validation of the identified criteria.

Findings established during the validation can either be seen as a non- fulfilment of validation criteria or where a risk to the fulfilment of project objectives is identified. Such findings are termed Corrective Action Requests (CAR). The term Clarification may be used where additional information is needed to fully clarify an issue. The Corrective Action Requests and requests for Clarification raised by DNV were resolved through communication with the project participants. To guarantee the transparency of the validation process, the concerns raised by DNV and the response provided by the project participants are documented in the DNV's Validation Report.

For further details, please refer to the "Methodology" Section of DNV's Validation Report (DNV Report 2006-1610, rev. 01) and the IETA/PCF Validation and Verification Manual (www.vvmanual.info).

Explanation by the submitting designated operational entity of how it has taken due account of comments on validation requirements received, in accordance with the CDM modalities and procedures, from Parties, stakeholders and UNFCCC accredited non-governmental organizations;

- **Description of how and when the PDD was made publicly available**
- **Description of how comments were received and made publicly available**
- **Explanation of how due account has been taken of comments received**
- **Compilation of all comments received (Identify the submitter)**

The PDD of version 1 was made publicly available on DNV's climate change website (www.dnv.com/certification/climatechange) and Parties, stakeholders and NGOs were through the CDM website invited to provide comments during a 30 days period from 21 April 2006 to 20 May 2006. No comments were received.

Please refer to the "Comments by Parties, Stakeholders and NGOs" Section of DNV's Validation Report (DNV Report 2006-1610, rev. 01) and the above mentioned CDM website.

Conclusions, final comments and validation opinion

- **Provide conclusions on each requirement under paragraph 37 of the CDM modalities and procedures, describing how these requirements have been met. This shall include assessments and findings (e.g. corrective action requests, clarifications or observations) in relation to each requirement, including a confirmation that all issues raised have been addressed to the satisfaction of the DOE.**
- **Final comments and validation opinion**

Det Norske Veritas Certification Ltd. (DNV) has performed a validation of the "India-FaL-G Bricks and Blocks Project No 1" in Andhra Pradesh, India. The validation is performed on the basis of UNFCCC criteria for the Clean Development Mechanism and host country criteria as well as criteria given to provide for consistent project operations, monitoring and reporting. UNFCCC criteria refer to Article 12 of the Kyoto Protocol, the CDM modalities and procedures and the subsequent decisions by the CDM Executive Board.

The project participant is Eco Carbon Private Limited (ECPL). The host Party India and the Annex-1 Parties Italy and Netherlands meet all participation requirements. The DNA of India has approved the project.

The validation has confirmed that the project is eligible as category II.D small-scale CDM project activity and correctly applies the simplified baseline and monitoring methodology AMS-II.D. The determination of the baseline is well elaborated, transparent and sufficiently supported with facts. The selected baseline scenario is reasonable for the selected 10 year crediting period. Moreover, an analysis of the barriers facing the project demonstrates that project is not a likely baseline scenario.

The project will contribute to sustainable development by the manufacturing of bricks using the FaL-G technology which uses fly ash, lime and gypsum as the main raw materials and totally eliminates the energy consuming step of sintering and curing in the conventional brick manufacturing process. The project will also provide benefits such as employment generation during for operation of the project, ensuring environmental well being. The DNA of India has confirmed that the project assists in achieving sustainable development and has accorded the approval for the project on 26th July 2006.

The validation did not reveal any information indicating that the project can be seen as a diversion of ODA funding towards India.

The project results in the reduction of GHG emissions those are real, measurable and give long-term benefits and that are additional to what would have occurred in the absence of the project. The project will on average reduce 14162 t CO_{2e} per year.

The monitoring plan makes sufficient provision for monitoring relevant project and baseline emission indicators. Responsibilities and authorities for project management, monitoring and reporting and QA/QC procedures have also been addressed.

A local stake holder consultation process has been carried out by the project participant. DNV

published the PDD on the DNV climate change web site and comments by Parties, stakeholders and UNFCCC accredited NGOs were invited through the CDM web site. No comments were received during this period.

In summary, it is DNV's opinion that the project, as described in the project design document of 28th August 2006 meets all relevant UNFCCC requirements for the CDM, is eligible as category II.D Version 07: 3 March 2006 small-scale CDM project activity and correctly applies the approved simplified baseline and monitoring methodology AMS-II.D. Hence, DNV requests the registration of the "India-FaL-G Bricks and Blocks Project No 1" as a CDM project activity.

For further details, please refer to DNV's Validation Report (DNV Report 2006-1610, rev. 01).

The DOE declares herewith that in undertaking the validation of this proposed CDM project activity it has no financial interest related to the proposed CDM project activity and that undertaking such a validation does not constitute a conflict of interest which is incompatible with the role of a DOE under the CDM.

By submitting this validation report, the DOE confirms that all validation requirements are met.

Susanne Haefeli-Hestvik

Name of authorized officer signing for the DOE

Date and signature for the DOE

09 Oct. 2006

S. Haefeli-Hestvik

1.1.1.1 Section below to be filled by UNFCCC secretariat

Date when the form is received at UNFCCC secretariat		
Date at which the registration fee has been received		
Date at which registration shall be deemed final		
Date of request for review, if applicable		
Date and number of registration	Date	Number