GOLD STANDARD FOR THE GLOBAL GOALS

MICROSCALE PROJECT REQUIREMENTS

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GOLD STANDARD FOUNDATION VISION & MISSION

OUR VISION: Climate security and sustainable development for all.

OUR MISSION: To catalyse more ambitious climate action to achieve the Global Goals through robust standards and verified impacts.

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1. **SCOPE AND APPLICABILITY**

1.1.1 Unless stated otherwise in this document, rules provided in the Gold Standard for the Global Goals Principles & Requirements apply to this scheme. In case of any discrepancy, the rules in this document shall prevail.

1.1.2 The Requirements included in this document are not applicable to Gold Standard Land U-use & Forest Projects. Eligible Land Use and Forest Projects applying the Gold Standard Land-use & Forest Activity Requirements shall apply the Annex B – Requirements for A/R Smallholder & Microscale Projects contained in Land U-use & Forest Activity Requirements that document. The Requirements included in this document are not applicable to Gold Standard Land-use & Forest Projects.

2. **GENERAL 1.0 ELIGIBILITY CRITERIA**

1.1.3 2.1 The following General Eligibility Criteria applies to all microscale projects seeking Gold Standard Certification

(a) Type of Project: Eligible project types are as defined by the Gold Standard for the Global Goals Principles & Requirements except (LU&F Projects) and in the relevant Activity Requirements.

(b) Location of Project: Projects may be located in any part of the world.

(c) Project Scale: Projects are eligible under the microscale scheme;

i. If the annual emission reductions achieved are limited to a maximum of 10,000 tonnes of CO₂eq in each and every year of the crediting period. Whenever actual emission reductions, as per the verification report, exceed the upper threshold for a given registered project, the project can still request for issuance, but the claimable emission reductions are capped at 10,000 tonnes of CO₂eq per annum. OR

ii. project seeking Certified Impact other than emission reductions meets the criteria defined within respective Activity Requirements for the project scale.

(d) Project cycle: Both regular and retroactive cycle projects are eligible to apply under this scheme.

3. **PROJECT CERTIFICATION PERIOD**

3.1.1 Projects shall follow the certification & crediting period rules as defined in the Gold Standard for the Global Goals Principles & Requirements.
4. **3.0—STAKEHOLDER CONSULTATION**

4.1.1 3.1 A two-step The stakeholder consultation must shall be conducted as per the Gold Standard Stakeholder Consultation & Engagement Procedure, Requirements & Guidelines.

4.1.2 3.2 Project developers shall also implement the continuous input & grievance mechanism to solicit feedback from stakeholders on unforeseen issues throughout the certification period of the project following Stakeholder Consultation & Engagement Requirements.

5. **7.0—ADDITIONALITY**

5.1.1 7.1 The additionality criteria for microscale projects as defined in the applicable Activity Requirements shall apply. In the absence of specific Activity Requirements, the requirements outlined in the Gold Standard for the Global Goals Principles & Requirements, Section 3.5 shall apply.

6. **4.0—BASELINE, PROJECT SCENARIO & MONITORING**

6.1.46.1.1 4.1 Baselines, project scenario and monitoring shall be defined as per the Gold Standard Approved Impact Quantification Methodology (including eligible CDM Methodologies). The latest version of the methodology applicable available at the time of first submission$^1$ to The Gold Standard shall be used. Alternatively, a new methodology may be described and submitted as part of the project documentation for approval as per the Gold Standard for the Global Goals Principles & Requirements.

6.1.56.1.2 4.2 New simplified, conservative approaches (e.g. based on default factors) as well as the consideration of suppressed demand elements are encouraged in order to further streamline the evaluation of Sustainable Development Goals (SDGs), as long as convincing arguments are provided as to why the approach proposed is conservative enough.

6.1.66.1.3 New simplified methodology is submitted as part of the Project Design Document submitted for validation. In the context of the proposed project activity, new methodologies should include details on the applicability conditions, description of the applicable baseline and project scenario, ex-ante/default parameters (where applicable), impact quantification approach for the targeted SDGs, monitoring parameters including monitoring frequency, and the list of reference/literature used in proposing the simplified methodology.

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$^1$The time of first submission is the date of project document submission for Preliminary Review to Gold Standard.
6.1.4 **4.3** Once approved as part of a given project, new methodologies can be used by all project developers for future standalone microscale projects.

6.1.5 **4.4** When The Gold Standard Foundation is not in a position to evaluate with sufficient confidence if the newly submitted methodology is appropriate and conservative enough, the proposed methodology will be submitted for external review, as reviewed as per the Fast Track procedures for approval of new methodologies under The Gold Standard outlined in the Impact Quantification methodology approval procedure. In such cases, the cost of external review shall be covered by the applicant, unless the applicant decides to withdraw the methodology.

### 7. **5.0** DE-BUNDLING RULES

7.1.1 **5.1** No de-bundling rules apply to this scheme. The Gold Standard Technical Advisory Committee (TAC) can decide to discontinue the scheme at any time in the case it’s shown as being abused. However, the scheme can be discontinued anytime upon decision of The Gold Standard Technical Advisory Committee (TAC) in case it is shown as being abused. In such cases, projects already submitted or registered remain eligible for their entire crediting period.

### 8. **6.0** BUNDLING AND PoA

8.1.1 **6.1** Projects can be submitted within a bundle, however the upper threshold of 10,000 tonnes of CO₂eq per year for one microscale project, outlined under Section – General Eligibility Criteria above, applies to the bundle as a whole. Project Developers shall refer to the rules in the Programme of Activity Requirements for the submission of microscale projects under a programme.

### 9. **8.0** VALIDATION

9.1.1 **8.1** Validation shall be conducted in one of the following ways:

(a) **Contracting** (a) The contracting of an accredited Gold Standard Validation/Verification Body (eligible GS-VVB - hereafter VVB) (as per the Gold Standard Validation & Verification Body Requirements), as for any other project. The project shall make use of an existing methodology or submit a new methodology as part of project documentation, with opinion of VVB, to Gold Standard for approval at time of requesting design certification.

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2 Several project activities which form a single project activity or portfolio without the loss of distinctive characteristics of each component.
Gold Standard for approval at time of requesting design certification prior to Validation by the VVB.

(b) Applying for (b) The submission to the Gold Standard Internal Validation and by. This option implies the paying payment of a required flat fee to the Gold Standard Validation Fund, to initiate the validation of the project.

(c) If the project proposes a new methodology for the accounting and monitoring of methodology as part of the project documents and SDG outcomes, the internal validation process includes the approval or rejection of the proposed new approach. The validation methodology shall be reviewed as per 4.0 Baseline, Project Scenario & Monitoring. Gold Standard, unless, as discussed above, the new methodology is sent for external review.

(b) If the project proposes a new methodology as part of the project documents, the proposed methodology shall be reviewed as per Error! Reference source not found. above.

9.1.2 The following procedure applies for the Gold Standard Internal Validation option:

(a) The Gold Standard shall be notified of the use of the Internal Validation Fund option.

(b) The completed PDD along with supporting evidence and documents with information on baseline and monitoring and the Validation Appraisal Report must be uploaded to the GS Registry to initiate the validation process.

Gold Standard Secretariat will decide and notify

(c) The Project Developer is notified on whether the project is selected for external validation by a VVB, or will be validated internally by Gold Standard. This decision is made through a ‘target-random’ selection among microscale projects opting to make use of the Validation Fund. In both cases, the Validation Fund covers the validation costs. At all times, any assistance from The Gold Standard Validation Fund is subject to the availability of funds.

(g) This decision is made through a ‘target-random’ selection among microscale projects opting to make use of the Validation Fund. In the case when a project is selected for external validation by a VVB, Gold Standard Secretariat will ask the Project Developer to provide competitive quotes from three VVBs. Based on the quotes, Gold Standard will contract and pay the VVB from the
Validation fund and The project will follow the steps of a regular validation.

(d) For an internal validation, the Project Developer will be notified on whether the project is selected for an appraisal of sustainable development aspects, including SDG 13, by an Objective Observer, or if these aspects will be validated internally by Gold Standard alone. The Validation Fund will cover these costs.

(f) At all times, any assistance from the Gold Standard Validation Fund is subject to the availability of funds. This decision is made through a 'target-random' selection among microscale projects opting to make use of the Validation Fund (section 10.0 details the Sustainable Development Assessment Process).

10. 9.0—VERIFICATION

10.1.1 9.1—Verification shall be conducted in either of the following ways:

(a) The Contracting of an accredited GS-VVB as for any other project

(b) Applying for submission to The Gold Standard Internal Verification by paying required fee to The Gold Standard Verification Fund, to initiate the verification of the project. The first fee being paid within nine months after registration.

10.1.2 9.2—The following procedure applies for the Gold Standard Internal Verification option:

(a) The Gold Standard shall be notified of the selection of the Internal Verification option.

(b) The Monitoring Report along with supporting evidence and documents and Verification Appraisal Report must be provided to Gold Standard to initiate the verification process uploaded into the registry with all necessary supporting documentation.

(c) Gold Standard will decide and notify the Project Developer. The project developer is notified on whether the project is selected for an external verification by a VVB or will be verified internally by Gold Standard. This decision is made through a ‘target-random’ selection among microscale projects opting to make use of the Verification Fund. In both cases, the Verification Fund covers the costs. At all times, any assistance from the Gold Standard Verification Fund is subject to the availability of funds.
(a) This decision is made through a ‘target-random’ selection among microscale projects opting to make use of the Verification Fund. In the case when a project is selected for external verification by a VVB, Gold Standard Secretariat will ask the Project Developer shall provide competitive quotes from three VVBs. Based on the quotes, Gold Standard will contract and pay the VVB from Verification fund and. The project will follow the steps of a regular verification. Project Developers requested to have their project externally verified must provide The Gold Standard with at least three competitive offers from VVBs contract the GS selected VVB, and follow the steps of a regular Verification.

(d) For an internal verification, the Project Developer is notified on whether the project is selected for an appraisal of sustainable development aspects, including SDG 13, by an Objective Observer, or if these will be verified internally by Gold Standard alone. The Verification Fund will cover these costs.

(b) At all times, any assistance from the Gold Standard Verification Fund is subject to the availability of funds. This decision is made through a ‘target-random’ selection among microscale projects opting to make use of the Verification Fund.

(f) 10.1.3 If Project developer has deliberately provide information that is incorrect, or use the flexibility provided under the microscale scheme to obtain Gold Standard status, or to inflate the SDG outcomes and impacts, the project will be subject to an investigation by Gold Standard. If such wrongdoing was suspected, it would be determined through the several rounds of requests for clarification and/or corrective action. If the resulting Gold Standard investigation shows that the project documentation is fraudulent and credible evidence shows the negative intent of the Project Developer, and if Gold Standard has credible evidence that shows the negative intent of the Project Developer, the party submitting the project is permanently disqualified and this is publicly announced (see Gold Standard Terms & Conditions for more details).

11. 10.0 SUSTAINABLE DEVELOPMENT ASSESSMENT PROCESS

11.1.7 10.1 Under the microscale scheme a target-random approach is applied to the project appraisal, making use of an Objective Observer at the Validation and/or Verification stage.
1.1.9  A microscale project must be subjected to an Objective Observer appraisal and site visit at least once within two years of date of Design certification or the start of certification/crediting period, whichever is later.

1.1.10 Upon request from Gold Standard and in time for validation or verification, Project Developers shall identify and provide the names and contact details of at least three independent experts (e.g. academics from local universities, staff from local NGOs or local consultancies, etc.) who can appraise the project with respect to sustainable development aspects. The Gold Standard appoints one, or more, Objective Observer(s) among the people suggested and/or other experts chosen from the Gold Standard NGO Supporters, the Gold Standard Roster of Experts, or representatives of development organisations with host country experience, such that environmental and socio-economic impacts can be credibly assessed. Experts are selected based on an assessment of the relevance of their expertise and knowledge of the local conditions.

10.2

10.3  The Objective Observers shall visit the site at validation or verification stage to provide an independent assessment of the following:

(a) **VALIDATION** Stage

**VALIDATION STAGE**

11.1.4  At the validation stage, the Objective Observers visits the site at validation or verification stage and use the **Validation Appraisal Report** to provide an independent assessment of the following:

(a) risks associated with the project with respect to The Gold Standard (human rights abuse, environmental degradation, non-adherence to labour laws, corruption, etc.).

(b) contributions to three SDGs with a mandatory contribution to SDG 13

(c) completeness of stakeholder consultations

During validation, 10.4  Project Developers shall carry out a self-assessment of the risks associated with the project with respect to The Gold Standard Safeguarding Principles & Requirements (human rights abuse, environmental degradation, non-adherence to labour laws, corruption, etc.) and shall identify positive contribution to at least three SDGs, with mandatory contribution to SDG 13. In case of project appraisal by an Objective Observer, the self-assessment shall be submitted for review by the Observer. The Objective Observer shall carry out a site visit as part of the appraisal process.
11.1.5 If risks with regards to the above points—the Safeguarding Principles—are identified as per the Objective Observer’s appraisal, the Project Developer shall prepare and submit an appropriate mitigation plan to Gold Standard as part of the design certification process. When the Objective Observer is selected, the mitigation plan shall be provided to the Objective Observer, who will evaluate the appropriateness of the mitigation measures and report these in the Validation Appraisal Report. Inputs received from stakeholders during the Stakeholder Consultation (1st round) and Stakeholder Feedback Round (SFR), shall be taken into account for this assessment, including the feedback on SDG Impact indicators, shall also be included in the monitoring plan and discussed with Stakeholders.

11.1.6 The Validation Appraisal Report completed by the Objective Observer will be made available to Gold Standard Technical Advisory Committee (TAC) and NGO Supporters at the time of review and will form part of the project design certification process. The Appraisal Report will be made publicly available following project Design Certification.

(b) Verification Stage

11.1.7 During verification, if the Objective Observer is selected for appraisal then he/she shall visit the site and use the Verification Appraisal Report to:

(a) Confirm the status of the project operation
(b) Assess the SDG contributions of the project
(c) Assess if the mitigation plan is effectively implemented, and negative impacts and risks are being effectively mitigated
(d) Check that other negative impacts have not occurred due to the implementation and operation of the project.

11.1.8 The Objective Observer may also report any new issue observed during the verification.

11.1.9 The Verification Appraisal Report will be made available to the Gold Standard Technical Advisory Committee (TAC) and NGO Supporters at the time of review and will form part of the issuance review. The Appraisal Report shall be made publicly available after the performance issuance review.

11.1.10 For projects not selected for an appraisal by an Objective Observer at verification stage and in view of any request for issuance, Project Developers shall confirm and provide relevant information.
in the monitoring report including, the status of the project operation, assess if the mitigation plan is effectively addressed negative impacts and the identification of any risks, and an assessment of any new check that other negative impacts that have not have occurred due to the implementation and operation of the project.

12. **12.0 DESIGN CHANGE RULES**

12.1.1 The project developer shall refer to Principles & Requirements for rules and requirements for rules concerning applicable to project design changes and how design change approval shall be requested. and how to request them. The project developer shall refer to the most recent version of The Gold Standard rules for design chan...