



**Gold Standard**  
for the Global Goals

**PILOT - CORE DOCUMENT - REQUIREMENTS**

# **POLICY REQUIREMENTS AND PROCEDURES**

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**RELATED DOCUMENTS – [Determining Additionality of a Policy](#)**

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## **SUMMARY**

Certification of policy outcomes requires identifying and quantifying mitigation action outcome which is associated with a specific policy. This document provides requirements and procedures for coordinating and managing entities (CMEs) as well as entities implementing policy-based activities (PBAs) for designing, implementing, monitoring, and seeking issuance of Gold Standard for the Global Goals (GS4GG) Certified Impact Statements. For instance, Verified Emissions Reductions (VERs) which could be applicable under Article 6.2 of the Paris Agreement if the necessary requirements are met.

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# 1 | SCOPE, APPLICABILITY AND ENTRY TO FORCE

## 1.1 | Scope

- 1.1.1 | This document outlines the minimum requirements and procedures for seeking certification and issuance of Gold Standard Certified Impact Statements and/or Products and may be used by:
- a. CMEs designing, implementing, and monitoring a policy-based mitigation and/or adaptation programme, referred to as a policy-based programme (PBP)
  - b. Entities implementing underlying individual mitigation and/or adaptation activities or interventions associated with the PBP, referred to as policy-based activities (PBAA)
  - c. Validation and verification bodies (VVBs) and other stakeholders

**Mitigation:** Reducing eligible greenhouse gas (GHG) emissions, such as CO<sub>2</sub>, CH<sub>4</sub>, and N<sub>2</sub>O, or increasing their removals.

**Adaptation:** Adjusting to current or future climate conditions to reduce vulnerability to the effects of climate change

**Examples of policy objectives<sup>1</sup>:**

- Energy access: Policies including rural electrification programmes, changes in electricity market regulations to reach those in need or expanding renewable energy generation in disadvantaged regions,
- Economic development: Policies aimed at growing the economy or specific industries while considering mitigation or adaptation aspects,
- Food security: Policies aimed at guaranteeing food security, ensuring access to sufficient, safe, and nutritious food for all people at all times; can be related to adaptation strategies in climate policy,
- Land use: Policies that affect land use and planning processes, with impacts on mitigation, adaptation, and biodiversity,
- Sustainable land management: Policies that maximise economic and social benefits while maintaining ecological support functions

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<sup>1</sup> Adapted from Climate Policy Database Codebook, 2023 <https://climatepolicydatabase.org/methodology>

1.1.2 | The policy must:

- a. be a national, subnational, or municipal policy with an explicit climate change mitigation and/or adaptation objective that involves actions with a direct effect on host country GHG emissions, GHG emissions intensity, or carbon stocks (refer to box above), and
- b. enable implementation of directly or affected specific activities or interventions; for example, adopting technologies or measures for renewable energy generation, improving energy efficiency, electrification, fuel-switching to zero carbon fuels, or initiatives in non-energy sectors such as agriculture and land use (see Annex 1 for an indicative list of eligible policy instruments within the current scope of this standard), and
- c. result in activities that involve physical action or implementation on the ground and are predefined eligible project types, per the [Principles & Requirements](#), unless otherwise stated in the standard documents.

1.1.3 | In the future, the application of this document may be extended to the following:

- a. Policies that have a broad impact on various activities and actors, without practical means of singling out such effects. Examples are fuel excise taxes, performance standards, and congestion charges. See Annex 1 for an indicative list of policy instruments that are not currently included in the standard.
- b. Activities that are not included in the [Principles & Requirements](#).

The certification of outcomes associated with the policy are intended to cover only the elements of the policy which are associated with GS4GG, not the entire impact of the policy. This should be taken into account, for example, when making claims related to the policy regarding impact on national inventories.

**1.2 | Applicability**

1.2.1 | Unless otherwise stated, the requirements in the following sections apply to all scale/activity types. Any deviations from the [Activity Requirements](#) or [Principles & Requirements](#), e.g., for agriculture and forestry, are clearly highlighted.

**1.3 | Entry to force**

1.3.1 | The date of entry into force of this document is 11.06.2024.

**2| TERMS AND DEFINITIONS**

2.1.1 | In addition to the definitions in the [GS4GG Glossary](#), the following terms apply in this document:

<b>Policy-based activity (PBA)</b>	A policy-based activity implemented under a PBP and associated with the identified policy
<b>GS4GG requirements and procedures</b>	Include the applicable rules and modalities of the GS4GG, standards, activity and product requirements, eligible/approved methodologies, procedures, rule updates, and rule clarifications
<b>Nationally determined contribution (NDC)</b>	A nationally determined contribution under the United Nations Framework Convention on Climate Change (UNFCCC)
<b>Policy</b>	<p>A law, regulation, mechanism, or instrument that is issued:</p> <ul style="list-style-type: none"> <li>a. by an entity that is designated and/or allowed to do so by applicable local law</li> <li>b. in cases of mandates or corrective legislation, with enforceable consequences; for example, it is mandatory</li> <li>c. in cases of incentives with reliable positive effects on the implementation of associated activities</li> </ul> <p>Further defined in Section 4.1 below.</p>
<b>Policy Based Programme (PBP)</b>	A linked series of activities or interventions associated with a specific policy
<b>Coordinating and Managing Entity (CME)</b>	An entity that communicates with the Gold Standard on all matters related to a PBP and associated activities, as nominated in the cover letter to be submitted for each the activities; may consist of several cooperating entities whose division of responsibilities are clearly defined

### 3 | GENERAL REQUIREMENTS

#### 3.1 | Compliance with applicable requirements and procedures

3.1.1 | When implementing and monitoring PBP and underlying activities, CMEs shall adhere to the [Principles & Requirements](#), applicable [Activity Requirements](#), [methodology\(ies\)](#) and methodological tools, guidelines, and other regulatory documents developed and/or recognised under GS4GG in accordance with this document.

### 3.2 | Use of applicable document templates

3.2.1 | A CME seeking Design or Performance Certification of proposed PBP and PBAs shall prepare and submit to the Validation and Verification Body (VVB) using the latest version of the applicable template. They shall provide all necessary information and documentation to demonstrate compliance with all applicable rules and requirements in this document and other applicable standard documents.

### 3.3 | Use of Impact Registry

3.3.1 | The CME shall have an account in the Gold Standard [Impact Registry](#) to manage the PBP and their PBAs.

3.3.2 | The CME shall follow these steps:

- a. Open an account in the [Impact Registry](#).<sup>2</sup>
- b. Create a PBP account using a unique GS ID.
- c. Create a PBA account for each real case and regular PBA in the CME account.
  - i. Prefix each real case PBA title with the PBP GS ID that the PBA is linked to.
  - ii. Prefix each regular PBA title with the corresponding real case PBA GS ID followed by PBP GS ID that the PBA is linked to.

**Example:** A renewable energy generation PBP in Indonesia comprised of two real case PBAs, each with one regular PBA shall reflect in the [Impact Registry as follows](#):

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<sup>2</sup> For information about how to open an account, email [registry@goldstandard.org](mailto:registry@goldstandard.org).

**Table 1: PBP and PBA Title**

PB	GS ID	Real case/ regular PBA	PBP/PBA Title
PBP	GS0001	-	GS001 PBP Renewable energy generation subsidisation programme
PBA-1	GS0025	Real case	<u>GS0001</u> PBA-1 A Run-of-river power in Indonesia
PBA-2	GS0029	Real case	<u>GS0001</u> PBA-2 B Wind-battery power in Indonesia
PBA-3	GS0045	Regular	<u>GS001</u> <u>GS0025</u> RPBA-1 C Run-of-river power in Indonesia
PBA-4	GS0046	Regular	<u>GS001</u> <u>GS0029</u> RPBA-1 D Wind-battery power in Indonesia

### 3.4 | Erroneous Inclusion and Liability

3.4.1 | The provisions in the [Programme of Activity Requirements and Procedures](#) regarding erroneous inclusion and liability (Section 3.5) are applicable, with the CME assuming the responsibilities in these requirements.

## 4 | CATEGORISATION OF POLICY

### 4.1 | Policy definition

- 4.1.1 | A policy is defined as a law, regulation, mechanism, or instrument
- issued by an entity designated to do so by applicable local law,
  - in cases of mandates or corrective legislation, with enforceable consequences, and
  - in cases of incentives with reliable positive effects on the implementation of associated activities.
- 4.1.2 | A policy may refer to several associated laws, regulations, mechanisms, and/or instruments which have a common purpose, with these evaluated together as a single policy. In such case, the CME shall:
- demonstrate that implementation has not begun in the period between the earliest and latest laws, regulations, mechanisms, and/or instruments, and
  - explain why the implementation of the encompassed laws, regulations, mechanisms, and/or instruments took as long to be implemented and why no implementation action occurred in the said period.
- 4.1.3 | The policy may refer to a clearly defined part of a law, regulation, mechanism, and/or instrument.
- 4.1.4 | Whereas the PBP does aim at certification of outcomes related e.g. to mitigation and/or adaptation, this does not need to be the explicit goal of the policy itself.
- 4.1.5 | Designing policies is the prerogative of the entity that is designated to issue such policies. Therefore, the Gold Standard certification is not of the policy

itself but of its associated PBP, PBAs, and Gold Standard Certified Impact Statements or Products. Thus, the language of the policy does not need to directly refer to GS4GG, its methodologies, or its principles, as long as compliance with these can be demonstrated.

## 4.2 | Policy jurisdiction

4.2.1 | The CME shall clearly define the jurisdiction to which the policy applies. This includes specifying the country and the geographical area covered, such as national, subnational, or municipal areas. If the policy jurisdiction is limited to a subnational or municipal area, the CME shall explicitly state the location where it applies.

## 4.3 | Policy type

4.3.1 | The CME shall categorise the type of the policy as follows:

- a. **Mandate:** A policy that mandates the deployment of low-carbon technologies/measures, a specific technology, or the exclusion of carbon-intensive technologies/measures; includes technology standards, performance standards, and quotas.
- b. **Incentive:** A policy that provides financial incentives to deploy low-carbon technologies/measures or financial disincentives to carbon-intensive technologies/measures; includes tradable permits, subsidies, and incentives.
- c. **Corrective legislation:** A policy that eliminates prohibitions or prohibitive barriers to mitigation activities aimed at correcting past governance shortcomings; includes legislation that allows the use of previously prohibited technologies that mitigate emissions of GHG, sequester GHG, or enable practices that support the transition to low-emission pathways. Examples are (1) enabling renewable electricity feed-in through regulations that force the incumbent electricity monopolist to open its grid for transmission and (2) changing building standards to allow the use of cement blended with slag or fly ash.
- d. **Other:** An information instrument, research and development, and any other instrument not covered by the previously identified types.

4.3.2 | The full extent of the policy and its associated type, as noted above, shall be identified using causal chain mapping as described in Section 5.12.1 | below.

4.3.3 | A policy may include elements of several types; these should be categorised as follows.

- a. A policy which includes elements of the "Other" type as well as a second type shall be considered a policy of the second type.
- b. A policy which only includes elements of "Mandate" and "Incentive" shall be considered an Incentive.
- c. All other policies combining several types shall be considered as a corrective legislation, implying the most stringent scrutiny, e.g., with respect to additionality demonstration.



**Examples:**

- A policy which subsidises safe drinking water appliances (incentive) and facilitates a public awareness campaign for safe water consumption and hygiene measures (other) shall be considered as an incentive.
- A policy which provides tax cuts for manufacturing and distributing efficient cooking appliances (incentive) while also mandating minimal efficiency of the relevant type of cooking appliances manufactured (mandate) shall be treated conservatively as an incentive.
- A policy which provides advantageous loans to installing photovoltaic electricity in off-grid, impoverished regions (incentive), while at the same time removing regulative structures which hindered such deployments in the past (corrective legislation), shall be treated conservatively as corrective legislation.

**4.4 | Policy instrument**

- 4.4.1 | The CME shall specify the category of the policy instrument, such as "Economic," "Regulatory," or "Other" instruments, in accordance with the guidelines in Annex 2.

**4.5 | Sectoral scope of the policy**

- 4.5.1 | The CME shall confirm the sectoral scope of the policy in accordance with the guidelines in Annex 2.

**4.6 | Policy status**

- 4.6.1 | The CME shall confirm the policy's status, the date it was or will be adopted and enforced, its implementation date, its end date (if available), and its update frequency (if available).

The policy status shall be defined by following these guidelines:

- **Planned:** The policy has been discussed and designed, and its implementation start date is set in the future. The policy can still be modified before final adoption.
- **Adopted:** The policy has been adopted, and its implementation will start in the future. No modifications or revisions are expected before the implementation starts.
- **In force:** The policy was enforced on a previous date. If the policy is updated or if changes are made, those changes may be included, but the status of the policy will still be "in force."
- **Under review:** The policy is currently active but requires modifications to remain in effect.

The implementation date is the date when a policy officially is put into practice. It is the date when the policy's measures, actions, mechanisms, instruments, or initiatives, as outlined in the policy document, are actively implemented and enforced.

#### 4.7 | **Equivalence to Programme of Activities**

- 4.7.1 | The requirements in Section 4 through Section 7 of the [Programme of Activity Requirements and Procedures](#) apply to PBPs and PBAs, unless stated otherwise in this document. For these sections, a PBP should be treated as equivalent to a Programme of Activity (PoA), while a PBA represents a voluntary project activity (VPA).

## 5 | **POLICY-BASED PROGRAMMES**

### 5.1 | **General Requirements**

- 5.1.1 | A policy may have only one PBP associated with it, and the PBP may include various activities and measures falling under the policy.
- 5.1.2 | The policy shall be unambiguously identified by the PBP. If there are multiple relevant policies that enable the design and implementation of the PBP and associated PBAs, all of them shall be listed. The PBP documentation shall include at least the following information framing the policy:
- a. All laws, regulations, mechanisms, and instruments included in the policy and their respective legal/regulatory source of power, and
  - b. The assigned CME, and
  - c. Activities which are the outcome of the policy and may or may not be intended to be PBAs and their impact, for example, on GHG mitigation, and
  - d. An explanation of how GS4GG certification is determinative in associated PBAs, and
  - e. Expected impact on local communities, including any benefit-sharing.
- 5.1.3 | Unless otherwise regulated, for example, by host country regulations or legal or contractual provisions, the CME holds ownership of the Gold Standard Certified Impact Statements and/or Products associated with the policy implementation.
- 5.1.4 | The CME shall be nominated by the entity issuing the policy by signed cover letter and shall serve as the focal point for matters related to GS4GG certification associated with the PBP and PBAs.

### 5.2 | **Start date and duration**

- 5.2.1 | The PBP crediting cycle start date is the crediting period start date of the first PBA, as determined in Section 6.3 | below.
- 5.2.2 | The duration of the PBP is a maximum of up to 20 years for non-forestry or agriculture activities and 50 years for forestry activities, unless limited by the host country.

### 5.3 | **Purpose and general description of the policy-based activity**

- 5.3.1 | To comply with GS4GG requirements, a PBP may introduce requirements and information beyond those that are strictly detailed in the

mitigation/sequestration aspects of the policy but may not alter or expand the policy's means and goals.

- 5.3.2 | The path which leads from the policy-making to the implementation of associated action/components shall be laid out and shall include the involved regulatory entities and independent parties as well as financial streams associated with the policy.

#### **5.4 | Policy-based programme Boundary**

- 5.4.1 | The physical/geographical boundary of a PBP is limited to the geographical boundary of the policy and may not include several countries.
- 5.4.2 | The boundary of the PBP may be delineated to specific geographic regions, in which case the ways in which such delineation is aligned with the policy goals must be explained and justified.

#### **5.5 | Demonstration of additionality**

- 5.5.1 | Additionality shall be demonstrated in accordance with the [Tool to demonstrate additionality of a policy](#).

#### **5.6 | Safeguarding assessment**

- 5.6.1 | Demonstration of fulfilment of the safeguarding principles shall encompass the whole policy and include all relevant components of the policy (including any activities not be certified by GS4GG). This shall be demonstrated in the context of PBP. Furthermore, safeguarding assessment of PBAs shall be either demonstrated for potential PBAs at the PBP level, in which case PBAs shall confirm compliance with conclusions drawn at the PBP level during their inclusion, or conducted for individual PBA level during their inclusion.
- 5.6.2 | For policies regarding forestry and land use in which the rights for sequestered CO<sub>2</sub> is reassigned from landowners to the entity issuing the policy, compensation of the landowners for this reassignment is required. Furthermore, their prior, free, informed consent is required.
- 5.6.3 | In line with the concept of avoidance of emissions lock-in, policies which lead to a lengthening of the operation of technologies using fossil fuels and generating related emissions are not suitable for crediting.
- 5.6.4 | Policies which include financial incentives shall demonstrate that financial beneficiaries (e.g., in microfinancing schemes) are subject to equitable finance practices.<sup>3</sup>

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<sup>3</sup> An example is the European Code of Good Conduct for Microcredit Provision: <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8312>

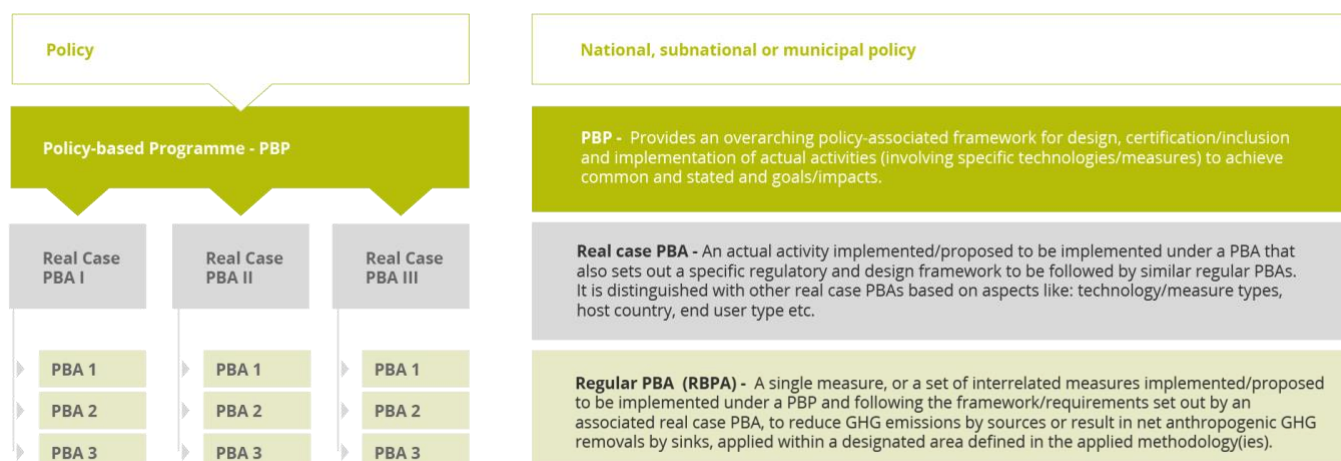
## 5.7 | Contribution to sustainable development goals

- 5.7.1 | Demonstration of contribution to Sustainable Development Goals (SDGs) shall be demonstrated in the PBP document, with any associated action and monitoring reflected at the PBA level.
- 5.7.2 | In accordance with the [Principles & Requirements](#), The policy shall demonstrate its proposed contribution to the SDGs, meaning at least an impact on SDG 13 plus two other SDGs.

## 5.8 | Stakeholder Consultation

- 5.8.1 | Stakeholder consultation shall be conducted at both the PBP and PBA levels.
- 5.8.2 | Consultation conducted during the policy design phase, as part of the policy-making process and not necessarily as part of the GS4GG process, may be considered in lieu of consultation at the PBP level, for compliance with the GS4GG [Stakeholder Consultation and Engagement Requirements](#), if the following requirements are met:
  - a. The participation and inputs from marginalised groups, including but not limited to women and indigenous groups, was sought in compliance with Chapter 3.3 of the Stakeholder Consultation and Engagement Guidelines, and
  - b. Stakeholders were provided with sufficient information to understand the policy and its impacts and sufficient time to provide feedback in compliance with Chapter 3.5 of the stakeholder consultation and engagement guidelines, and
  - c. The stakeholder consultation process was documented in compliance with Chapter 3.9 of the stakeholder consultation and engagement guidelines.
- 5.8.3 | If the following listed actions were not conducted during the policy design phase, these shall subsequently be done through complementary actions of the CME:
  - a. Establish an anonymous means to provide stakeholder feedback, to be treated as additional to any previously provided stakeholder feedback, and
  - b. Establish a grievances mechanism in compliance with Chapter 3.8 of the stakeholder consultation and engagement guidelines, and
  - c. Ensure ongoing reporting in compliance with Chapter 3.9 of the stakeholder consultation and engagement guidelines.
- 5.8.4 | Stakeholder consultation at the PBA level shall be conducted in compliance with Chapter 4.3 of the stakeholder consultation and engagement guidelines.

## 5.9 | Policy-based programme hierarchy



## 5.10 | Baseline and Monitoring Methodology

### 5.10.1 | General requirements

- Methodologies applied in PBP and PBA must adhere to the procedures, modalities, and requirements of the Paris Agreement's Articles 6.4 and 6.2.
- PBP and PBA may apply to either an existing approved GS4GG methodology or to a policy-specific methodology. Such policy-specific methodology can be proposed as a new methodology, tailored to align the PBP and PBAs with any policy-specific structures (e.g., means of monitoring and quantifying impacts). Such proposed methodology must comply with GS4GG requirements and must be approved as a normal methodology.
- The baseline can be set at either the PBP level for the entire policy or delineated geographical subsections thereof, or for an individual real-case PBP level when those are included. The baseline set at the PBP level may be context- and area-specific, to recognise different financial and technological scenarios.

For example, a rural electrification project might differentiate baselines based on geographic situation and regional infrastructure.

- Methodologies used for policy-based certification shall encourage ambition over time, align with the NDC, the long-term low GHG emission development strategy (LT-LEDS) of the host country, and the long-term temperature goal of the Paris Agreement.

### 5.10.2 | Nationally determined contribution alignment

- Obligations made in the relevant NDC are considered a viable baseline scenario. Therefore, as part of the baseline-setting process, it shall be determined whether the NDC and/or its associated documents contain provisions allowing determination of an associated baseline scenario. Contributions that are considered obligatory in the NDC shall be translated

to units and context to make them consistent with baselines used in GS4GG and thus comparable to the methodology baseline. If such translation is not possible, for instance, if the NDC is vague or its goals cannot be readily translated to quantified GHG impact, the comparison as described here is not required.

- b. The baseline scenario set by the NDC, if any, shall be compared to the baseline scenario set by the applied methodology, and the more conservative of the two shall be applied.

### 5.10.3 | Baseline scenario

For a policy which facilitates the implementation of and/or builds on an existing endeavour – an existing policy, an ongoing project/PoA, etc. – the current status of implementation shall be considered when determining the baseline.

## 5.11 | Avoidance of leakage

- 5.11.1 | The CME shall determine whether the measures implemented may lead to leakage through sourcing the product/service provided from outside the project boundary, e.g., internationally, or to activities outside the scope/boundary of the policy. For instance, this could be demonstrated through associated legislation preventing such shift of products/services internationally or tracking provision of the products/services nationally. Where such leakage does occur, is expected to occur, or cannot be reasonably ruled out, the CME shall propose and implement a means of monitoring and accounting for said leakage.

## 5.12 | Cross-effects with other policies

- 5.12.1 | The CME shall demonstrate whether there are cross-effects with other policies using a causal chain analysis,<sup>4</sup> as follows:
  - a. The direct and indirect outcomes of the policy shall be identified.
  - b. The identified outcomes shall be evaluated for all laws, regulations, mechanisms, and instruments which positively and negatively affect them.
- 5.12.2 | The policy will be considered to have cross-effects with any law, regulation, mechanism, or instrument thus identified and not included in the policy.
- 5.12.3 | Only the certified aspects of a policy shall be considered for cross-effects. Uncertified aspects, such as SDG benefits, shall not be considered.
- 5.12.4 | Identified cross-effects shall be considered when determining the baseline and outcomes of the PBP, and the procedure to do so shall be defined in the PBP. The procedure shall identify what part of the outcomes are associated with

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<sup>4</sup> For more information about establishing causal chain, see Chapter 6 of the document at this link: <https://ghgprotocol.org/policy-and-action-standard>

the policy, and only this part may be certified. A procedure to identify the part of the outcome associated with the policy shall be clearly defined and reflected in the monitoring plan of the associated PBA.

- 5.12.5 | The CME may argue that cross-effects are not substantial by demonstrating that at least 95% of the quantifiable outcomes are due to the policy, in which case a procedure to demonstrate this shall be introduced. In such case, the complete outcome may be certified.

Cross-effects can occur when several policies affect, fully or partially, the same space. Thus, more than one policy may contribute to implemented measures. For example, a new renewable energy installation can both benefit from tax abatement policy and be promoted through restrictions on fossil fuel use. In such case, a cross-effect can be expected. If the renewable energy installation explicitly relents its tax abatement option, such cross-effect can be avoided. A cross-effect may also be avoided by including in the policy a secondary law, regulation, mechanism, or instrument which is identified to result in cross-effect with the policy, either at the PBP design certification phase or as a revision of an already certified PBP.

### 5.13 | Avoidance of Lock-In

- 5.13.1 | The PBP shall define a procedure and criteria to avoid lock-in of emissions-intensive technologies and practices, addressing both avoiding new implementation of such technologies and avoiding extending the operation of such technologies.

### 5.14 | Transformative

- 5.14.1 | The PBP shall demonstrate how the policy aims at being transformative, i.e., ensuring that, with time, the associated activities will rely less on financial or other support associated with the certification and become self-reliant, continuing after the crediting period of the policy.

## 6 | CERTIFIED POLICY-BASED ACTIVITY

### 6.1 | General guidance

- 6.1.1 | PBAs can be included in the PBP in a similar manner and framework as real-case VPAs, and regular VPAs can be included in a PoA. For guidance, see the [Programme of Activity Requirements and Procedures](#).

### 6.2 | Demonstration of Additionality

- 6.2.1 | Additionality shall be demonstrated in accordance with the [Tool to demonstrate additionality of a policy](#).

### **6.3 | Start date and duration of policy-based activity**

- 6.3.1 | The duration of the crediting period of a PBA shall be determined similarly to the length of VPAs in the [Programme of Activity Requirements and Procedures](#).
- 6.3.2 | The start date of a PBA may not predate the start date of the PBP or the date the policy was adopted.
- 6.3.3 | The PBA crediting period start date is determined as follows:
- a. If a policy is already adopted at the time of the first submission, the PBA crediting period shall start on the later of the PBA start date and two years prior to the design certification date of the PBP.
  - b. If a policy is not yet adopted, the PBA crediting period shall start on or after the policy adoption date.
- 6.3.4 | In this context:
- a. The first submission date is the date when a PBP is submitted to Gold Standard for listing.
  - b. The PBA start date refers to the definition of the project start date as outlined in the [Principles & Requirements](#).

### **6.4 | Identification and inclusion of program-based activities**

- 6.4.1 | In addition to the applicability and inclusion criteria identified according to the relevant provisions in the PoA requirements, the CME shall set applicability and inclusion criteria to demonstrate that the PBA is a direct outcome of the policy, applying a causal chain analysis building on the analysis done per Paragraph 5.12.1 | above.
- 6.4.2 | PBAs may not be included in periods in which the policy is not in force, e.g., after the conclusion/withdrawal of the policy.

### **6.5 | Stakeholder Consultation**

- 6.5.1 | Stakeholder consultation of several PBAs may be conducted together, similarly to grouping such consultations of VPAs in accordance with the [Programme of Activity Requirements and Procedures](#).
- 6.5.2 | To ensure that stakeholders can provide input without fear of retribution or disadvantage to themselves, the stakeholder consultation shall be managed by an entity/person that is not in a position of hierarchical advantage, e.g., policy-makers or representatives of the national/regional governance. An independent third party shall manage the consultations, and a means for providing anonymous stakeholder feedback shall be made available.
- 6.5.3 | The established grievances mechanism shall be designed to allow impartial, transparent feedback and to allow for anonymous feedback.

### **6.6 | Continuous Reporting**

- 6.6.1 | The PBA monitoring reports and annual reports shall do the following:
- a. Review and report any changes to the policy and demonstrate that the policy is still in force.

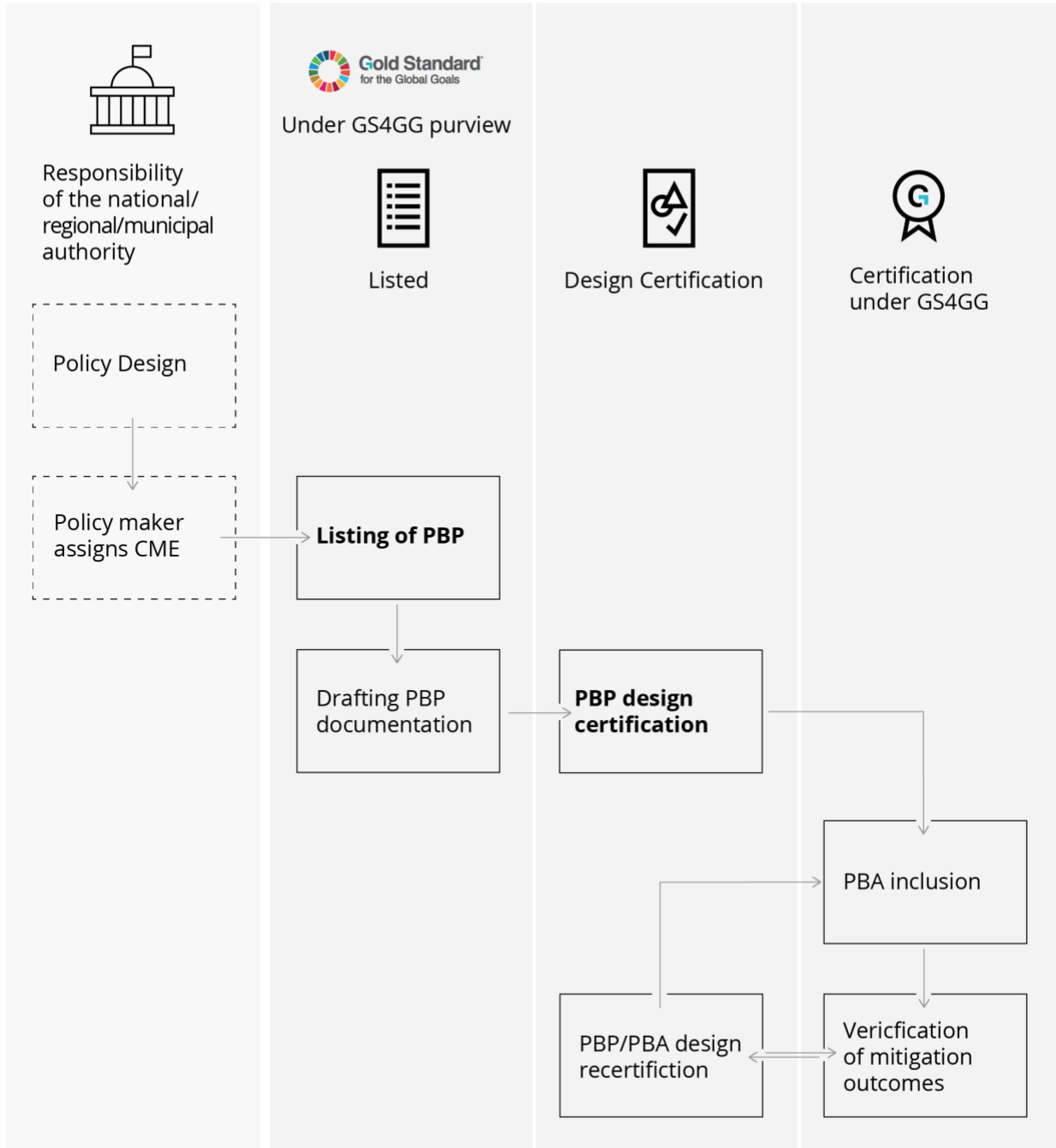


- b. Reflect any changes which affect the baseline as determined or the certified policy outcomes in the renewal of the PBA crediting period.
- c. Assess whether the policy enactment is achieving the goals set out in the PBP and PBA; if the policy does not perform as intended, take corrective action as detailed below.
- d. Assess whether there are unintended consequences with negative impacts; if any are identified, take corrective action as detailed below.
- e. Assess whether there are any new cross-effects with other policies due to changes in the policy, new policies, or changes to other policies; if any are identified, take corrective action as detailed below.

6.6.2 | When identifying mitigation, the CME shall identify the actions which are needed to mitigate the instances detailed in Section 6.6.1. This shall be treated as a design change of the policy; thus, the monitoring plan would need to be amended by following the regular procedures for such amendment to implement the identified mitigation actions while arguing for the appropriateness and adequacy of the proposed corrective actions.

## 7 | POLICY CERTIFICATION PROCEDURE

### 7.1 | Certification process overview



### 7.2 | Renewal of Design Certification

7.2.1 | Evaluation of NDC impact on a baseline set at the PBP level shall be conducted upon design certification renewal. Evaluation of NDC impact on a baseline set at the PBA level shall be conducted upon renewal of the crediting period. The latest NDC that is available when the renewal process begins and

at most six months before the last day of the current crediting period shall be used. This evaluation shall include all documents associated with and referred to in the NDC (e.g., implementation plan) which lay out the contribution details.

- 7.2.2 | Upon renewal of the crediting period, an evaluation shall determine whether the policy has been updated and whether other policies have been enacted/changed whose impacts would have cross-effects with the policy. The baseline shall be adjusted accordingly.
- 7.2.3 | Any changes or amendments to the policy shall be presented, taking these into account when determining the baseline, parameters, compliance with safeguarding principles, SDG impacts, etc.
- 7.2.4 | The baseline determined at the renewal of the crediting period and the value of any emission factor used may not be less conservative than the baseline prior to renewal. If this is determined to be the case, the baseline prior to renewal shall be used.
- 7.2.5 | For policies regarding carbon sequestration in the forestry, agriculture, and blue carbon sectors, no reassessment of additionality or baseline is needed at design certification renewal.
- 7.2.6 | Corrective legislation policies must demonstrate that the barrier to implementation which was removed due to the policy is still relevant; otherwise, they may not be renewed.

## ANNEX 1: INDICATIVE LIST OF POLICES

**Table 2: Indicative List of Policies and Their Applicability**

Policy	Expected eligibility
Emission trading scheme/carbon tax/fossil fuel tax	No
Fuel blending mandate/vehicle emissions standard	No
Risk-sharing instrument	Yes
Removal of a policy posing a technological restriction	Yes
Removal of planned financial subsidies	Yes
Research and development funding	No
Public awareness campaign	No
Subsidy/incentive (incl. taxation-related)/loan guarantee	Yes
Technology standard/performance standard/energy efficiency standard/construction code	No

## ANNEX 2: CATEGORISATION OF POLICY

### Policy instruments

A policy may include various measures or instruments which create enabling conditions<sup>5</sup> for the implementation of mitigation and/or adaptation actions. These measures include regulations and standards, taxes and charges, tradable permits, voluntary agreements, informational instruments, subsidies and incentives, research and development, and trade and development assistance. The table below provides a broad categorisation of policy instruments which should be used to classify the policy.

**Table 3: Categorisation of Policy Instruments**

Category	Examples of Common Types of Mitigation Policy Instruments
Economic instruments	<p>Direct investment: Funds to subnational governments, infrastructure investments, procurement rules, research and development funding</p> <p>Fiscal or financial incentives: Carbon taxes, fossil fuel taxes, tax credits, grants, renewable energy subsidies, fossil fuel subsidy reductions, research and development subsidies, loan guarantees, net metering</p>

<sup>5</sup> Enabling conditions refer to the conditions which enhance the potential for the implementation of a mitigation or adaptation option. These conditions include finance, technological innovation, strengthening policy instruments, institutional capacity, multilevel governance, and changes in human behaviour and lifestyles. [IPCC, 2022](#)

	Market-based instruments: GHG emissions allowances, GHG emission reduction crediting and offsetting mechanism, Green or White certificates
Regulatory instruments	Energy efficiency standards, product standards, sectoral standards, renewable portfolio standards, vehicle emission standards, bans on SF uses, biofuel content mandates, emission performance standards, methane regulations, land use controls
Other instruments	Information programs, voluntary agreements, infrastructure, government technology procurement policies, corporate carbon reporting, energy efficiency targets, renewable energy targets

The policy instruments are categorised and defined in a manner which allows for organising the policies consistently with the organisation of information on policies and measures under the [UNFCCC](#), Intergovernmental Panel on Climate Change ([IPCC](#)) policy framework, and policy databases such as the [International Energy Agency\(IEA\)](#), the [Organisation for Economic Co-operation and Development\(OECD\)](#), and the [Climate policy database](#).

### **Sectoral scope of policy**

The policies are generally organised based on climate actions and measures that target specific sectors or cross-sectoral areas:

- a. Sectoral policies are designed to apply to a particular source or economic sector. To ensure consistency with the common reporting frameworks, the IPCC source sectors (i.e., Electricity, Industry, Transport, Building, Agriculture, Land use, Land Use Change and Forestry, and Waste) shall be used to define the sectoral scope of the policy.
- b. Cross-sectoral policies apply to multiple sources of emissions or sectors. They address broader areas to reduce or remove GHG emissions within a country and cannot be directly linked to specific sectors. Such policies should be classified as “General.”

## REVISION HISTORY

<b>Version</b>	<b>Date</b>	<b>Remarks</b>
1.0	11.06.2024	Initial adoption - pilot