Gold Standard for the Global Goals

METHODOLOGY STANDARD

REQUIREMENTS FOR METHODOLOGY DEVELOPMENT

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CONTACT DETAILS
The Gold Standard Foundation
International Environment House 2
Chemin de Balexert 7-9
1219 Châtelaine Geneva, Switzerland
Tel +41 22 788 70 80
Email help@goldstandard.org

SUMMARY

This Standard document provides a comprehensive set of requirements for the development and assessment of methodologies under Gold standard for Global Goals. This document ensures alignment of GS4GG Core Principles – 1 & 4 with Article 6 of Paris Agreement (Rule, Modalities and Procedures (RMPs) - Article 6.4 (A6.4) and Article 6.2 Guidance). Key aspects include:

- Alignment with Paris Agreement: Ensures compatibility with Article 6 of Paris Agreement (A6.4, RMPs and A6.2 guidance
- Broad Scope: Applies to all new and revised methodologies submitted for GS4GG approval
- Guiding Principles: Outlines 15 core principles following A.6 and Article 6.4 RMPs

The standard covers crucial areas for ensuring credible and robust approaches for carbon credit generation. It emphasizes encouraging increased ambition over time, ensuring environmental integrity, and promoting sustainable development. Additionally, the standard addresses key aspects such as uncertainty and data quality, incorporation of relevant policies and contexts, demonstration of additionality, and management of non-permanence and reversals. These comprehensive guidelines aim to establish a robust framework for developing and implementing GHGs methodologies that are both robust and credible.

It provides guidance on key methodological approaches, including baseline setting, additionality demonstration, and monitoring requirements. The standard also allows flexibility for adapting requirements to policy, jurisdictional, or sectoral program crediting approaches.

This document serves as an essential reference for stakeholders involved in methodology development and evaluation, including developers, the GS4GG Secretariat, Methodologies Working Groups, and the Technical Advisory Committee.

TABLE OF CONTENTS

1| INTRODUCTION

1.1 | Introduction to methodology requirements

1.1.1 | This document outlines requirements for methodology development and assessment under Gold Standard for the Global Goals (GS4GG).

1.1.2 | These requirements expand on the general requirements described in section 3.2 of the Procedure For Development, Revision, and Clarification of Methodologies and Methodological Tools, specifically paragraph 3.2.2, referring to Chapter V B - Methodologies, Paragraphs 33-39 of rules, modalities, and procedures (RMPs) for the Article 6.4 mechanism of the Paris Agreement.

1.1.3 | The requirements presented in this document ensure alignment with the RMPs of Article 6.4 mechanism and Article 6.2 guidance. The document is designed to be both comprehensive and accessible, allowing for future updates while maintaining consistency with Article 6 goals.

1.2 | Key Reference Documents

1.2.1 | This document builds upon the guidelines and recommendations agreed by the Gold Standard Expert Working Group for Article 6 implementation under GS4GG.

1.2.2 | This document also refers to and incorporates insights from standard documents approved by the Supervisory Body on methodologies under the Article 6.4 mechanism, including:

a. A6.4-STAN-METH-001: Application of the requirements of Chapter V.B (Methodologies) for the development and assessment of Article 6.4 mechanism methodologies (Ver 1.1)

b. A6.4-STAN-METH-002: Requirements for activities involving removals under the Article 6.4 mechanism (Ver1.0)

1.3 | Ongoing Development

1.3.1 | The requirements outlined in this document reference ongoing work and will be updated as the A6.4 Supervisory Body develops additional standards, tools, and guidelines for methodologies or by Gold Standard on periodic basis.

2| DEFINITIONS

2.1.1 | This document uses specific terms to indicate varying levels of requirements and possibilities:

a. "Shall" denotes mandatory provisions

b. "Should" indicates recommendations

c. "May" signifies options or permissions

d. "Can" represents multiple possible options

e. "Will" refers to items to be developed by the A6.4 Supervisory Body or Gold Standard for future inclusion

2.1.2 | These terms are used consistently throughout the document to clearly differentiate between requirements, recommendations, possibilities, and future developments. The document also includes explanatory information (such as summaries of the rationale behind requirements).

2.1.3 | In addition to the terms and definitions listed in GS4GG Glossary, this document uses the following terms consistently:

a. "Emission reductions or Increases in removals" refers collectively to reductions in greenhouse gas (GHG) emissions, increases in removals, and mitigation co-benefits of adaptation actions or economic diversification plans.

b. "Activity" or "activities" refers to projects, programmes of activities (PoAs), and VPAs.

c. "Methodology" refers to both methodologies and methodological tools.

d. "Technologies," "measures," and "practices" are used interchangeably to describe various approaches across all sectors.

e. "Removals" are the outcomes of processes to remove greenhouse gases from the atmosphere through anthropogenic activities and destroy[1] or durably store them.

f. "Avoidable reversals" are reversals caused by factors over which the activity developers have influence or control;

g. "Unavoidable reversals" are reversals caused by factors over which the activity developers have no influence or control.

2.1.4 | When methodologies rely on scientific information, IPCC publications should be considered as default source, if applicable and appropriate and unless more accurate scientific information is available.

3| SCOPE, APPLICABILITY AND ENTRY INTO FORCE

3.1 | Scope

3.1.1 | This standard outlines requirements for developing methodologies to be submitted for review and approval under GS4GG. It sets requirements and guidelines for:

a. Methodology developers, host Parties, and other stakeholders regarding methodology requirements;

[1] Does not refer to activities engaging in point-source capture and destruction of GHGs that are eligible for crediting for emissions reductions based on measured volumes (e.g. LFG capture and flaring)

b. The GS4GG Secretariat, Methodologies Working Groups, and Technical Advisory Committees (TAC) in evaluating methodologies for approval for GS4GG activities.

3.2 | Applicability

3.2.1 | This standard document applies to all methodologies submitted for GS4GG approval, including new methodologies and revisions to already approved methodologies. This document may undergo periodic updates to align with evolving requirements.

3.2.2 | When submitting draft methodologies for review and approval, methodology developers shall use the most recent version of this standard, following the procedure outlined in the Procedure for Development, Revision, and Clarification of Methodologies and Methodological Tools.

3.2.3 | These requirements apply to all methodologies, including those for activities, policies, jurisdictional, or sectoral programs aimed at enhancing ambition and achieving large-scale mitigation. Where necessary, methodology developers may adapt requirements for policy, jurisdictional, or sectoral program crediting approaches.

3.2.4 | For special requirements and exceptions relating to different activity types, methodologies may refer to the extant provisions of applicable activity requirements such as Blue Carbon and Freshwater Activity Requirements.

3.2.5 | The Gold Standard TAC and Secretariat reserve the right to exceed standard requirements outlined in this document and may require methodology developers to modify proposed methodologies to ensure alignment with Article 6 of the Paris Agreement.

3.3 | Entry into force

3.3.1 | This document comes into force on 01/07/2025.

4| NORMATIVE REFERENCES

4.1.1 | This document refers to the latest approved versions of the following documents:

a. Rules, Modalities and Procedures for Article 6.4 activities

b. Standard documents (A6.4)

i. A6.4-STAN-METH-001: Application of the requirements of Chapter V.B (Methodologies) for the development and assessment of Article 6.4 mechanism methodologies (Ver 1.1)

ii. A6.4-STAN-METH-002: Requirements for activities involving removals under the Article 6.4 mechanism (Ver1.0)

c. Standard documents (GS4GG)

i. Procedure for development, revision, and clarification of methodologies and methodological tools

5| GENERAL REQUIREMENTS

5.1 | General overview

5.1.1 | Methodologies shall adhere to the guiding principles and requirements outlined below and in the Procedure For Development, Revision, and Clarification of Methodologies and Methodological Tools, hereafter "Procedure for methodology development". In cases where principles and requirements overlap between this document and the Procedure for methodology, those listed here shall take precedence.

5.1.2 | The following sections present the principles as headings, referencing the corresponding paragraphs of A.6.4 RMPs of the Paris Agreement (PA). Each principle is accompanied by expanded underlying requirements.

5.2 | Encouraging Ambition Over Time

Reference: Para 33, A6.4 RMPs

5.2.1 | Methodologies shall include provisions that:

a. Ensure application of increasingly ambitious baselines to encourage activities to enhance their ambition over time and facilitate the deployment of low-carbon solutions and technologies, while considering host Party circumstances.
b. Facilitate the deployment of technologies or measures in areas where they are not yet common, thereby:
    i. Facilitating knowledge transfer
    ii. Promoting low-carbon alternatives (technologies and measures) that lower decarbonization costs
    iii. Attracting investment in low-carbon alternatives
c. Encourage the adoption of progressively more efficient and less GHG-intensive technologies by:
    i. Supporting replicable and scalable mitigation activities
    ii. Expanding the user base
    iii. Widening geographic coverage
    iv. Enhancing the penetration of low-carbon solutions beyond their initial implementation

5.3 | Ensuring Robust Additionality Demonstration

Reference: Para 38 & 39, A6.4 RMPs

5.3.1 | Each methodology shall specify a robust approach to demonstrate the additionality of activities. The methodologies shall contain provisions to demonstrate additionality through; prior consideration of the benefits of the carbon revenue, regulatory analysis, the avoidance of lock-in as well as through financial additionality complemented with a common practice analysis. Performance-based approaches may be used as an alternative.

5.3.2 | Demonstration of the consideration of the benefits from the proposed activity as necessary in the decision to implement the activity shall be performed in accordance with the GS4GG Principles and Requirements.

5.3.3 | A regulatory surplus analysis to ensure the proposed mitigation activity exceeds mitigation required by law or regulation. This analysis shall assess whether applicable laws or regulations mandate or trigger the activity, considering any technological, performance, or management actions required.

5.3.4 | Avoidance of lock-in shall require demonstration that the proposed activity avoids locking in levels of emissions, technologies or carbon-intensive practices incompatible with paragraph 33 of the RMP, including through an assessment of the scale, lifetime, and emissions intensity of the activity.

5.3.5 | The methodologies shall require the demonstration of financial additionality through the following elements:

a. An investment analysis (default approach) demonstrating that the proposed activity would not have occurred without the incentives generated from carbon revenue;
b. An assessment of implementation barriers, such as financial, technological, or institutional obstacles. This assessment should consider relevant national policies, legislation, and current practices within the activity sector and geographic area of the host Party. It may complement the investment analysis. When using barriers to demonstrate additionality, activity developers shall:
    i. Describe the barriers and explain why an investment analysis is unsuitable;
    ii. Provide evidence of the barriers and how the mechanism will help overcome them;
c. A common practice analysis to complement the investment and barrier analysis by demonstrating that the measure or technology is not already widespread through an analysis of the extent to which the proposed project type (e.g. technology or practice) has already diffused in the relevant sector and region.

5.3.6 | A conservative approach that avoids locking in emission levels, technologies, or carbon-intensive practices incompatible with paragraph 33 of the RMP. This includes assessing the activity's scale, lifetime, and emissions intensity.

5.3.7 | Performance-based approaches may be used as an alternative to the approaches stipulated in paragraphs 5.3.5 a, b & c of this document, subject to applicability conditions as per GS4GG Methodology Standard: Requirements for additionality demonstration. The use of such approaches by an activity shall require demonstration of the following inter alia:

a. the use of baseline approach(es) in paragraph 36 (i) or (ii) of the RMPs;
b. that the technologies or practices applied in the activity outperform an ambitious threshold for emissions or emissions reductions, market penetration, or other unique characteristics, set at least at the level referred to in paragraph 36 (ii) of the RMPs.

5.3.8 | When formulating an additionality approach, methodologies should consider relevant national, regional, or local circumstances—including social, economic, environmental, and technological factors. This includes Party-led identification of potentially transformative activities.

5.3.9 | The methodology developer shall refer to the following documents for further details:

a. Methodology Standard: Requirements for additionality demonstration;
b. Simplified additionality approaches for least developed countries or small island developing States as developed by A.6.4 supervisory body or Gold Standard.

5.4 | Ensuring Real, Transparent, Conservative, and Credible Emission Reductions

Reference: Para 33, A6.4 RMP

5.4.1 | The methodology shall present credible methods for estimating emission reductions or removals and underlying requirements that:

a. Ensure its application leads to emission reductions or removals that are real, measurable, and conservative.
b. Apply up-to-date scientific information and reliable data.
c. Provide clear and transparent documentation of data sources, assumptions, references, and step-by-step procedures, including all necessary equations, for estimating emission reductions and removals
d. Ensure conservative estimation of emission reductions or removals resulting from applied measures, chosen options, or assumptions made.
e. Require activities to implement a robust monitoring, data capture, and reporting system, including provisions for justifying the use of appropriate and conservative secondary data sources where applied.
f. Require activities to ensure that emission reductions or removals are real, transparent, conservative, and credible by:
    i. Implementing robust, transparent, and user-friendly measurement, reporting, and independent third-party verification systems;
    ii. Employing data-driven technical performance standards;
    iii. Demonstrating changes in GHG emissions with transparent calculations and results, ensuring that the calculated emission reductions or removals are uniquely achieved by and attributable to the activity;
    iv. Adopting life cycle approaches and considering embodied emissions of materials and products, where relevant and practicable;
    v. Ensuring that information, data sources, and calculations are transparent, accessible, and verifiable, aligning with the principles of conservativeness and credibility;

vi. Selecting a conservative emissions baseline when multiple data sources and parameters are available to set the baseline;
vii. Incorporating, where feasible and appropriate, remote sensing and digital technologies to enhance the accuracy, transparency, and reliability of emission reduction and removal calculations and estimations.

5.5 | Ensuring Below Business-as-Usual Baseline Selection

Reference: Para 33 & 36, A6.4 RMP

5.5.1 | The methodology shall require activities to:

a. Demonstrate the baseline for emission reduction activities as being **below "business-as-usual" (BAU)** levels. BAU emissions are plausible reference benchmarks or scenarios for GHG emissions prior to or in the absence of the implementation of the activity. To achieve this, methodologies shall require activities to:
   i. Identify the BAU scenario or reference benchmark emissions, and
   ii. Provide a clear approach for estimating these emissions
b. Calculate the difference between the estimated baseline emissions and estimated BAU emissions as an annual and total amount for the crediting period. This calculation shall be demonstrated in the project design document and at each crediting period renewal.

5.6 | Establishing Robust and Justified Baseline Setting

Reference: Para 27, 33, 35, 36, A6.4 RMPs

5.6.1 | The methodology shall require the application of an appropriate baseline-setting approach from the options listed below, with justification for the chosen approach(es).

5.6.2 | A performance-based approach, considering:

a. Best available technologies that are economically feasible and environmentally sound, where appropriate;
b. An ambitious benchmark approach setting the baseline at least at the average emission level of the best-performing comparable activities within a defined scope and similar circumstances;
c. An approach based on existing actual or historical emissions, adjusted downwards to align with paragraph 33 of the A6.4 RMPs.

5.6.3 | When establishing the baseline for emission reduction activities, the methodology shall consider:

a. The similarity of emission sources in terms of technologies, measures applied, or sectors covered, which may enable the use of an ambitious benchmark; and
b. The availability of data necessary for a conservative and reliable baseline estimation.

5.6.4 | The methodology shall

a. Consider more ambitious baseline requirements that host Party may determine at its discretion, if available;
b. Consider baseline setting tools to be developed by the A6.4 Supervisory body as endorsed by Gold Standard, or propose an alternative option in consultation with Gold Standard.

5.7 | Ensuring Downward Adjustment of Baselines

Reference: Para 33, & 36, A6.4 RMPs

5.7.1 | A methodology intending to quantify emission reductions from a mitigation activity shall require activities to demonstrate consistency with the requirements stated in Section 5.7 through the appropriate application of:
a. Downward adjustment to baselines for emission reduction activities as specified in paragraph 36 (iii) of the A6.4 RMP; and/or
b. Downward adjustment to baselines resulting from or applied to the approaches in paragraph 36 (i) and (ii) of the RMP, unless otherwise decided by TAC.

5.7.2 | If the calculated difference between the estimated baseline emissions and estimated BAU emissions shows:
a. A downward adjustment greater than that calculated as per paragraphs below, no further adjustment is needed.
b. A difference less than the adjustment calculated as per paragraph 5.5.1 above, further adjustment is required to align with those results, ensuring consistency with paragraph 33 of the RMP.

5.7.3 | Factors or quantitative methods for downward adjustment shall:
a. Be included in the activity design document and updated at each crediting period renewal; or
b. Be in line with host country’s approach where host country decides to apply more stringent factors or quantitative methods for downward adjustment, according to their circumstances, while ensuring that methodologies are aligned with the long-term temperature goal of the Paris Agreement.

5.7.4 | The downward adjustment shall consider the economic viability of critical mitigation activities, large-scale transformation and decarbonization technologies, and negative emission approaches. It shall be informed by the need for activities to contribute to achieving the Paris Agreement's long-term temperature goal. These conditions shall be defined and assessed in methodologies on a case-by-case basis.

5.7.5 | The methods for downward adjustment to the baseline can be informed by:
a. Factors or quantitative methods for activities included in methodologies approved by the A6.4 Supervisory Body and/or Gold Standard TAC. Activity developers, stakeholders, or host Parties may propose these factors or methods for Gold Standard's consideration or following any available guidelines from the A6.4 Supervisory Body.

b. Factors or quantitative methods developed by the A6.4 Supervisory Body and the host Party.
c. Factors or quantitative methods developed by the host Party and specified to the A6.4 Supervisory Body for approval.
d. Standards, tools, and guidance developed by the A6.4 Supervisory Body and endorsed by Gold Standard for implementation of the requirements in this section.
e. Guidance for the development of factors or quantitative methods developed or published by Gold Standard.

5.8 | Ensuring Data Quality, Uncertainty Management, and Robust Monitoring

Reference: para, 34, A6.4 RMPs

5.8.1 | The methodology shall describe approaches, where applicable and require activities to:

a. Identify and use appropriate data sources;
b. Account for uncertainty associated with emission factors, activity data, and other estimation parameters used in calculating emission reductions or removals;
c. Establish comprehensive monitoring requirements to ensure accurate and reliable data collection;
d. List data parameters that need monitoring throughout the crediting period, including:
    i. Directly measured data (on a sample basis where necessary);
    ii. Data from other sources such as official statistics, expert judgment, IPCC guidelines, and scientific literature.

5.8.2 | The methodology shall include provisions to ensure that all data collection approaches, including measurements, sampling, third-party data, published literature, satellite data, default values, and modelled data, are robust, statistically representative, and conservative. These provisions shall also adequately address uncertainty in all data sources and methods employed.

5.8.3 | The methodology shall include provisions for calculating mitigation outcomes and their associated uncertainties, consistent with the data quality and uncertainty management principles outlined above. Specifically:

a. Specify uncertainty limits for mitigation outcome calculations and require activity developers to demonstrate compliance with these limits;
b. Provide methods for conservative adjustment of calculated values when uncertainty exceeds specified limits due to factors beyond the activity developers' control;
c. Allow the use of conservative default values to address uncertainty and provide monitoring flexibility;

d. Allow the use of higher-tier methods, such as measured values, when it can be demonstrated that default values underestimate an activity's net mitigation outcomes.

5.8.4 | A proposed methodology shall use a 95% confidence interval for quantifying uncertainty due to random errors, following the statistical approaches provided. The methodology developer shall refer to applicable Gold Standard standards, tools, and activity requirements for additional guidance on uncertainty accounting and management, if available.

5.8.5 | The methodology shall include provisions for activities to design and implement monitoring plans that:

a. Cover the collection and storage of all relevant data needed to estimate baseline, project, and leakage emissions;
b. Consider all significant emissions with application of a context-specific significance threshold (such as 5% of estimated annual emission reductions over the crediting period).
c. Address quality assurance and quality control measures such as cross-checking the monitoring results with other sources of data and published literature, or calibration of measuring equipment at regular intervals.

5.8.6 | The methodology shall require activity developers to submit a monitoring plan upon activity registration. This plan shall be reviewed and updated:

a. At the start of each crediting period;
b. When verification indicates a need for revision;
c. Following a significant reversal event that reveals previously unidentified or underestimated risks;
d. As required by applicable national or regional regulations specified by the host Party.

5.9 | Avoiding Leakage

Reference: Para 33, A6.4 RMPs

5.9.1 | Leakage refers to anthropogenic GHG emissions occurring outside the activity boundary that are attributable to the activity. Methodologies shall include provisions to:

a. Identify potential leakage sources, including those mentioned in subsequent paragraphs;
b. Require activities to avoid or minimize leakage by applying appropriate approaches, including addressing any remaining leakage by discounting credited volumes when necessary;
c. Require activity developers to list and address all potential leakage sources, justifying any exclusions;

5.9.2 | Include provisions for robust monitoring, reporting, and independent third-party verification systems for identified leakage sources;

a. Incorporate life cycle analysis of products or materials in relation to the source when relevant;
b. Require activity developers to consider relevant leakage information from the host Party's DNA, where available and in accordance with applicable tools.

5.9.3 | Leakage may occur due to:

a. Transfer and continued use of baseline equipment outside the activity boundary;
b. Utilization of resources with competing uses from activities outside the boundary, resulting in net emission changes;
c. Shifts in pre-project activities causing net emission changes outside the boundary;
d. Diversion of existing production processes or services accounted for in the baseline, including through relocation and continuation of baseline activities outside the boundary;
e. Changes in upstream and downstream processes related to materials and services used by the activity, or products and services it provides, compared to the baseline, unless accounted for as activity emissions.

5.9.4 | Methodologies shall include provisions for avoiding, minimizing, or addressing leakage by, inter alia:

a. Discounting credited volumes: Deducting emission reductions from credited volumes, considering equipment lifetime where applicable;
b. Scrapping of baseline equipment: Requiring and evidencing the destruction, decommissioning, or disposal of baseline equipment;
c. Applying higher-level elements: Utilizing a regularly updated standardized baseline at a higher aggregation level, along with associated monitoring information and systems;
d. Nesting: Aligning activity design and implementation with existing higher-level crediting programmes;
e. Upscaling implementation: implementing activities at higher levels (e.g., sectoral, subnational, or national).

5.9.5 | The methodology requirement to identify and address leakage can be informed by

a. the methodological tool to implement the leakage avoidance and minimization approaches outlined above, developed by the A6.4 Supervisory Body or Gold Standard
b. approach followed by the methodology developer considering the requirements outlined in above section

5.9.6 | For certain activity types, monitoring at a jurisdictional level and using a standardised baseline (or equivalent) is crucial to accurately quantify and account for leakage. A further assessment will be conducted on the implications of activities implemented outside national borders and transboundary activities to address potential leakage issues.

5.10 |Addressing Non-Permanence and Reversals

Reference: Para 34, A6.4 RMP

5.10.1 |The methodology shall include provisions for addressing reversals where applicable, ensuring the long-term integrity of mitigation outcomes by accounting for potential reversals of removals and emission reductions. These provisions shall align with the Activity requirements for removal projects, and methodologies shall reference standard procedures or tools for specific activity types when available.

5.10.2 |Reversal risks may include risks related to, but are not limited to:

a. Financial and management, asset ownership, increasing opportunity costs;
b. Regulatory uncertainty and social instability, and country-specific political and legal factors, acts of terrorism, crime, and war;
c. Natural disturbances and extreme events such as fires, pests, and droughts, hurricanes, floods, and landslides, earthquakes, volcanic eruptions, geological faults, and fractures;
d. Climate change impacts exacerbating any of the above risks.

5.10.3 |The methodology shall require a comprehensive risk assessment at the activity level, which includes but is not limited to:

a. Identifying, evaluating, quantifying, and scoring reversal risks, and
b. Assessing factors such as the nature, scale, likelihood, and duration of potential reversals, and
c. Generating a percentage-based reversal risk rating, or where available, methodologies shall refer to standard approaches, such as those outlined in Afforestation/Reforestation (A/R) activity requirements.
d. Providing guidance on remediation measures for activity developers

5.10.4 |The methodology shall require activity developers to:

a. Develop and describe plans to mitigate and monitor identified risks, including steps taken. Any risks that cannot be eliminated shall be addressed as specified in subsequent sections of this document.
b. Submit the initial monitoring report within 3 years from the start date of the first crediting period.
c. Submit subsequent monitoring reports at least every two years for high-risk activities or every three years for low-risk activities, in terms of reversal potential.
d. Review and revise the risk assessment following any significant reversal event that reveals previously unidentified or underestimated risks.

5.10.5 |The methodology shall require provisions to address reversals through the cancellation of an equivalent amount of eligible units. These provisions shall include appropriate measures that can be applied individually or in combination.

5.10.6 |The selection of remediation measure(s) for an activity shall be based on:

a. The activity's reversal risk rating, as indicated in the reversal risk assessment submitted in the project design document;
b. The nature of the reversal event (avoidable or unavoidable), if a reversal occurs.

5.10.7 | Where available, methodologies shall reference standard approaches, such as those outlined in Forestry activity requirements, to ensure consistency and best practices in addressing reversals.

5.10.8 | Methodologies may include specific exceptions and considerations related to long gestation activities such as Land Use and Forests and Blue Carbon activities, in line with relevant activity requirements.

5.11 | Recognizing Suppressed Demand

Reference: Para 33, A6.4 RMP

5.11.1 | Suppressed demand refers to a situation where a population's basic needs, such as minimal electricity for lighting, heating, or cooling, are not adequately met due to barriers like low income or lack of infrastructure. When assessing baseline scenarios for mitigation activities, the potential increase in emissions from fulfilling these needs requires special consideration. Applicability of suppressed demand conditions will be assessed in methodologies on a case-by-case basis.

5.11.2 | The methodology shall include provisions to recognise and account for suppressed demand situations when determining the baseline scenario, where applicable. Suppressed demand may occur when the business-as-usual (BAU) scenario cannot realistically provide the level of service required by the activity. In such cases, the baseline scenario shall not be based on historical conditions or a continuation of the BAU. Instead, it shall be based on an alternative that provides a level of service comparable to that offered by the activity.

5.11.3 | The methodology shall incorporate methods, including benchmarks and default factors, to account for suppressed demand that may exceed BAU levels. Additionally, it shall evaluate, on an activity-specific basis, whether suppressed demand is a plausible scenario in a given context.

5.11.4 | For the development of benchmarks and default factors to account for suppressed demand, the methodology may be informed by:

a. Guidance or requirements provided by Gold Standard;
b. The Guidelines or tool developed by the A6.4 Supervisory Body to provide guidance on determining suppressed demand and the minimum level of service that may be considered as a reference level for baseline determination;

5.11.5 | Industry best practices and benchmarks from a credible publication .

5.12 | Ensuring Equitable Sharing of Mitigation Benefits

Reference: para 33 A6.4 RMP

5.12.1 |The methodology shall include provisions to ensure equitable sharing of mitigation benefits among participating parties, as outlined in Article 6.4 of the Paris Agreement (PA. para 33). This may be achieved through one or more of the following:

a. Setting crediting periods shorter than the lifetime of the technology implemented including any replacements undertaken during the crediting period, particularly when emission reductions from the technology are expected to continue beyond the crediting period;
b. Other approaches to fulfil the demonstration of equitable sharing of mitigation benefits;

5.12.2 |Methodologies shall include mandatory provisions that ensure:

a. sharing of mitigation benefits between participating Parties tangibly supports the sustainable development objectives of host Parties, such as through the use of the GS4GG SDG Tool in the activity design and implementation
b. estimation of mitigation benefits for the host party.

5.13 | Aligning with Host Party Policies and Paris Agreement Goals

Reference: para 33, A6.4 RMPs

5.13.1 |The methodology shall require activities to demonstrate alignment with and support for the host Party's:

a. Latest nationally determined contribution (NDC), if applicable;
b. Long-term low greenhouse gas emission development strategies (LT-LEDS), if submitted; and
c. Efforts towards achieving the long-term temperature goals of the Paris Agreement.

5.14 | Encouraging Broad and Inclusive Participation

Reference: para 33, A6.4 RMPs

5.14.1 |The methodology shall aim to encourage broad participation by including provisions that:

a. Balance stringency and accessibility, ensuring requirements are accurate, clear, and applicable to a wide range of activity developers and host Parties, regardless of their scientific infrastructure, financial resources, or national circumstances;
b. Consider local contexts, especially in least developed countries and small island developing States;
c. Provide flexible options such as allowing multiple data sources to address gaps and using conservative default values or benchmarked data from comparable regions to the extent they can be applicable;
d. Contain provisions that take into account the knowledge and practices of local communities and Indigenous Peoples;

e. Use language that is easy to understand, inclusive, gender-sensitive, and accessible to a wide range of stakeholders, including local communities and Indigenous Peoples.

5.14.2 | The Gold Standard, through its support infrastructure should:

a. Encourage the development of methodologies covering a wide range of emission reduction and removal activities with broad sectoral and geographic coverage.

b. Promote diverse stakeholder participation during the methodology development process by facilitating informed consultation as outlined in the "Procedure For Development, Revision, and Clarification of Methodologies and Methodological Tools".

c. Ensure that when a requirement from one methodology needs to be invoked in another, it is done by reference rather than repetition. For methods or procedures likely to be applicable across multiple methodologies, develop a separate tool and have each methodology refer to it to prevent potential deviations.

5.15 | Incorporating Policies, Measures, and Relevant Context

Reference: para 34, A6.4 RMPs

5.15.1 | Methodologies shall include provisions to consider relevant circumstances, including national, regional, and local factors, as well as social, economic, environmental, and technological aspects.

5.15.2 | These considerations shall be based on reliable data. Methodologies shall specify the information required for eligibility conditions, baseline setting, and additionality demonstration.

5.15.3 | Methodologies may be informed by additional guidance developed by the A6.4 Supervisory Body on how to account for policies, measures, and relevant circumstances.

5.16 | Applying Standardized Baselines for Enhanced Efficiency and Consistency

Reference: para 37, A6.4 RMPs

5.16.1 | Standardised baselines can be developed by host Parties or groups of host Parties at subnational, national, or multi-Party levels and approved by A6.4 Supervisory Body. These baselines streamline the process of determining baseline scenarios, calculating GHG emission reductions or removals, and assessing additionality for Article 6.4 activities, while maintaining environmental integrity within their scope. Gold Standard will consider these Standardised baselines for eligibility and approval for use under GS4GG on case by case basis.

5.16.2 | The use of standardized baselines is generally optional. Activity developers may choose alternative approved methods for establishing additionality or determining baseline emissions, unless a standardized baseline is mandated by an approved standard or the Gold Standard. Host Parties may require the

use of standardized baselines within their jurisdiction, and the Gold Standard may require their application in specific cases, such as addressing leakage emissions.

5.16.3 |The approaches for setting baselines described earlier shall also apply to the development of standardized baselines. Standardised baseline should determine the level of aggregation by considering:

a. A default level comprising facilities or equipment with similar output within a Party's geographical boundaries or a specific subregion, potentially extending to a group of Parties with similar circumstances.
b. Disaggregation when significant performance differences exist among facilities or groups, based on criteria such as production scale, installed capacity, or facility age.
c. Avoidance of overlapping applicability in standardized baselines resulting from disaggregation.

5.16.4 |Standardized baselines have a default validity period of three years from the date of A6.4 Supervisory Body or Gold Standard approval, whichever occurs first. Host Parties may propose alternative durations with justification.

5.16.5 |Upon expiration, host Parties may submit updated versions for approval, which will not affect registered activities using the previous version until the end of their current crediting period.

5.16.6 |The development of standardized baselines can be informed by guidance from the A6.4 Supervisory Body, including guidance for groups of Parties.

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