

TEMPLATE

DEVIATION REQUEST FORM

PUBLICATION DATE **11.04.2021**

Version **5.0**

A. To be completed by Gold Standard

1 | Reconsideration Decision

1.1 | Date – 14/07/2025

1.2 | Reconsideration Decision

This reconsideration request is conditionally approved, taking into account the new information provided by the Project Developer, and the credible track record of issuances for this microscale project under GS4GG.

The PD shall demonstrate that the site was operational until stated closure date using the evidence as listed below:

- Date stamped photographs and/or videos of the site and site equipment for the time slice(s) covered by the Monitoring Period in question
- Earth Observation (such as Google Earth) images of the site location with coordinates that show the site was operational for the period covered in this monitoring period,
- Invoices showing transactions at the time the site was operational

- Calibration records on file for relevant equipment used in monitoring and data collection in the monitoring period

In addition, PD shall be required to present monitoring data as per the design certified monitoring plan.

VVB shall review all these evidence and apply their local and sectoral expertise to objectively assess data and information to provide an opinion on the same at the time of verification.

1.3 | Is this decision applicable to other project activities under similar circumstances?

No

1.4 | Additional Information

See Annex 1

2 | Original Decision

2.1 | Date – 12/04/2024

2.2 | Original Decision

The Deviation Request is Not Approved.

The composting site at Khokana village has been closed as per the decision taken by Lalitpur Metropolitan. Also, based on the explanation and the chronology of the closure of the site provided by Biocomp Nepal, no activities exist at the site.

PD's request to continue with the on site verification for the monitoring period 01/07/2021 to 10/05/2023 is not allowed as per below reasons.

1. After 30/11/2023, site visit by objective observer/ internal verification is not allowed (RULE UPDATE- REVISIONS TO MICROSCALE SCHEME REQUIREMENTS)
2. During verification, VVB has to confirm the status of the project operation (during the monitoring period), Assess the SDG contributions of the project, Assess if the mitigation plan is effectively implemented, and negative impacts and risks are being effectively mitigated and Check that other negative impacts have not occurred due to the implementation and operation of the project

3. In line with Gold Standard VVS, 9.1.1, the VVB shall determine the applicable regulatory documents for the project being verified, including if there have been any changes to them that apply to the project since the last assessment (validation or verification). However due to the local regulations Biocomp Nepal Pvt Ltd. was forced to close the plant site.
4. In line with Gold Standard VVS 9.3 and 9.3.2, "A review of the registered monitoring plan, the applied methodologies, the applied standardized baselines and the other applied methodological regulatory documents, paying particular attention to the frequency of measurements, the quality of metering equipment including calibration requirements, and the quality assurance and quality control procedures" and as per the current situation, VVB cannot check the above due to closure of the site and operations.

Note – The Project Developer shall note that the decision is based on the information provided in the deviation request form and only against the applicable standard requirement quoted in the form below by the developer. The project developer shall comply with all other applicable standard requirements until unless specifically mentioned in the deviation decision.

2.3 | Is this decision applicable to other project activities under similar circumstances?

No

B. To be completed by the Project Developer/Coordinating and Managing Entity and/or VVB requesting deviation (Submit deviation request form in Microsoft Word format)

3 | Background information

Deviation Reference Number	DEV_655	
Date of decision	12/04/2024	
Precedent (YES/NO)	NO	
Precedent details	NA	
Date of submission	14/03/2024	
Project/PoA/VPA	Project	ID – GS1229
	☐ PoA	ID – GSXXXX
	☐ VPA	ID – GSXXXX
Project/PoA/VPA title	Organic Waste Composting in Kathmandu Valley	
Date of listing	N.A.	
GS Standard version applicable	2.2	
Date of transition to GS4GG (if applicable)	30/10/2020	
Date of transition to Gold Standard from another standard (e.g. CDM) (if applicable)	N.A.	
Date of design certification/inclusion (if applicable)	17/12/2015	
Location of project/PoA/VPA	Indonesia	
Scale of the project/PoA/VPA	☒ Microscale ☐ Small scale ☐ Large scale	
Gold Standard Impact Registry link of the project/PoA/VPA	https://registry.goldstandard.org/projects/details/139	
Status of the project/PoA/VPA	☐ New ☐ Listed ☐ Certified design ☒ Certified project	
Title/subject of deviation	Closure of project site	
Specify applicable rule/requirements/methodology, with exact paragraph reference and version number	-Site visit requirement as per 112_V2.0_PAR_Site-Visit-and-Remote-Audit-Requirements para 3.1.2. -108_V1.2_PAR_Microscale-Project-Requirements para 11.1.7 During verification	
Specify the monitoring period for which the request is valid (if applicable)	Start date 01/07/2021 End date 10/05/2023	
Submitted by	Contact person name: Paul Leon	
	Email ID: paul.leon@myclimate.org	

	Organisation: Foundation myclimate – The Climate Protection Partnership Project participant: Yes ☒ No ☐
Validation and Verification body (VVB opinion shall be included, where required by the applicable rules/requirements or request is submitted by the VVB).	Yes ☐ No ☒ If yes; VVB name: VVB Staff name(s):
Any previous deviations approved for the same project activity/PoA/VPA(s)?	Yes ☐ No ☐

4 | Deviation detail

4.1 | Description of the deviation:

**Guidance* Use the space below to describe the deviation and substantiate the reason for requesting deviation from applicable rules/requirements. Please include all relevant information in support of the request. You are requested to follow the principles for requesting deviations, given in the [Deviation Approval Procedure/Design Change Requirements](#).*

4.1.1 | Deviation detail (to be completed by Project developer):

The microscale project registered GS1229 Organic waste composting in Kathmandu Valley at 15/12/2015 has issued credits since 01/07/2014 until 30/06/2021, we are about to start the last internal verification process for monitoring report 01/07/2021 until 10/05/2023 (the reason why this will be the last report is explained below). The objective of the GS1229 project is to produce good quality compost from organic waste near Kathmandu. The plant is situated outside the metropolitan area, in Sainbu, 10 km from the city, and collects the organic waste from vegetable markets, hotels, industries and gated communities to produce compost through an aerobic degradation that will last 4 months.

The place of the composting plant for GS1229 is shut down now. Due to the local regulations Biocomp Nepal Pvt Ltd. is forced to close the plant site. The main reason for this was the rapid expansion of residential areas in the Kathmandu Valley. The main municipalities in the Valley, Kathmandu, Lalitpur and Bhaktapur became one urban agglomeration and especially towards the south, where Biocomp had its site, the residential areas came up because the rest of the valley was already occupied. As a consequence land prices go up, land plotters become active, and landowners start selling their land.

For Biocomp the complaints from the communities about its activities started when the land plotters came to the Biocomp area. Biocomp's neighbours, often themselves working in agriculture, never had a problem with our activities and if any smell would come then we would instantly solve the issue. For the land plotters Biocomp's activities reduce the land prices and a group of people is organised to complain, protest, and support the land plotters in their efforts to close Businesses down. In the area Biocomp was operating they closed all the businesses which could potentially cause any nuisance to the new residents that buy the plots or houses from the developers.

As mentioned in clarification request CL_168 approved our intention is to develop a new composting project in a new site, the location of the new site is less than 5 km apart from the old site (composting plant to be shut down), we have received the confirmation by 25 May 2023 that project developer can move ahead with the design and submission of the new composting plant located at new site as a new project.

Based on SustainCERT's feedback:

(Site visit requirement as per 112_V2.0_PAR_Site-Visit-and-Remote-Audit-Requirements para 3.1.2), once within every three years after the first physical site visit date. From the documents that are available in GS registry, there is no available report that can give us information when the last site visit was executed and that from previous MP verification report FAR has been raised for site visit to take place in this MP. As the project site has been closed we request a deviation for the rule as the Objective Observers would not be able to visit the project site ("the plant"), but will be able to talk with the employees and other stakeholders (108_V1.2_PAR_Microscale-Project-Requirements para 11.1.7 During verification) and able to (a) Confirm the status of the project operation (during the monitoring period) (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 and (d) Check that other negative impacts have not occurred due to the implementation and operation of the project

To move forward, SustainCERT ask to submit deviation request to Gold Standard explaining the condition of the project at present for approval in relation to the site visit execution.

Potential location new

site: <https://www.google.com/maps/place/27%C2%B037'26.4%22N+85%C2%B018'46.0%22E/@27.6244746,85.3124309,17.4z/data=!4m4!3m3!8m2!3d27.62399!4d85.31279>

Location old

site: <https://www.google.com/maps/place/Bio+Comp+Nepal/@27.6514902,85.2893476,17z/data=!3m1!4b1!4m6!3m5!1s0x39eb19cb560bac85:0xcc0722cb5f486325!8m2!3d27.6514855!4d85.2915363!16s%2Fg%2F11bbrjgcyv>

Financially, the micro scale project needs the carbon revenues from this last monitoring report, despite these revenues are not enough but will alleviate the needs of funding to make the new plant feasible (see more details about the financial needs in Clarification request CL_168). Finding additional funding is possible if our partner can add carbon credits to the financial forecast, without the credits finding new investment will be difficult.

4.1.2 | VVB opinion (to be completed by VVB, if applicable):

**Guidance* If required by SustainCERT or Gold Standard for this particular deviation, please add here the VVB's opinion.*

N/A.

4.2 | Assessment of the deviation:

**Guidance* Use the space below to describe how the deviation complies with the requirements, and, where applicable, the accuracy, completeness and conservativeness is ensured. Please include all relevant information in support of the request.*

4.2.1 | Deviation assessment (to be completed by Project developer):

The project has fulfilled the GS requirements during the monitoring period 01/07/2021 until 10/05/2023 as submitted in the last Monitoring Report with all the evidence required as set in PDD and previous monitoring reports. As explained above due to the local regulations Biocomp Nepal Pvt Ltd. was forced to close the plant site and no further issuances will be required for GS1229 project.

The requirement which is mentioned by SustainCERT is that the physical site visit will be performed but with a plant site already closed, however since our view the revision and checking of all documentation and interviews with employees can be done as usual, even the meetings with stakeholders can also be done and fulfil the site visit requirement as per 112_V2.0_PAR_Site-Visit-and-Remote-Audit-Requirements para 3.1.2.

Besides there is an official document from local authorities 'Translation of Wards Minutes of 270622' and also sales invoices and contracts with the markets, photos,

and local partner clear communications about when the project had to be closed confirms the operation of the plant until the end date of monitoring period requested.

Based on the explanation in the first paragraphs the accuracy, completeness and conservativeness is ensured as all the documentation are based on official project information until the last day the plant was open.

4.2.2 | VVB opinion (to be completed by VVB, if applicable):

**Guidance* If required by SustainCERT or Gold Standard for this particular deviation, please add here the VVB's opinion.*

N/A.

4.3 | Impact of the deviation:

**Guidance* Use the space below to describe the impact of the deviation on project design, safeguarding principles assessment, SDG assessment, emissions reductions, monitoring frequency, data quality, potential risk or any other relevant aspect of the project. Please substantiate the impact assessment with relevant and verifiable data/information.*

4.3.1 | Impact assessment (to be completed by Project developer):

The deviation has not impacted on project design, safeguarding principles assessment, SDG assessment, emissions reductions, monitoring frequency, data quality, potential risk or any other relevant aspect of the project as the same has been maintained until the end of crediting period. Below some additional information about specific aspects:

(a) Status of the project operation -> Biocomp Nepal have sales invoices and contracts with the markets, photos, and clear communications with local authorities about when the project had to be closed.

(b) Assess the SDG contributions of the project -> OO can talk with the people in the project, although many people have left the company because we relocated but there will be enough people left to provide this information. They can also see on the new site that we are still active, which is a strong case that we have been active on the old

site until we moved to the new site. OO should just realize that the process is different on the new site because of the lack of infrastructure.

(c) Assess if the mitigation plan is effectively implemented, and negative impacts and risks are being effectively mitigated -> In terms of the environmental impact at the old site this cannot be monitored anymore. The site has been completely broken down. They had many years to assess this and nothing has changed in recent years in previous issuance processes, the last internal verification was conducted with an online virtual audit that checked this aspect.

(d) Check that other negative impacts have not occurred due to the implementation and operation of the project -> With information from the Monitoring Report section G.1 that grievances have been received from surrounding community about the smell and frequent movement of the trucks. From previous verification report, it is sighted that similar issues have been raised and resolved. OO can talk with people, but again we left there now nine month ago so I am not sure how much information they will get from the neighbors.

An additional document prepared by our partner Biocomp Nepal is the 'Clarification for Closing of Composting Site Biocomp Nepal 2023'.

4.3.2 | VVB opinion (to be completed by VVB, if applicable):

**Guidance* If required by SustainCERT or Gold Standard for this particular deviation, please add here the VVB's opinion.*

N/A.

4.4 | Documents:

**Guidance* List of documents provided (note that once a decision has been made by Gold Standard, this deviation form along with supporting documents will be made public on the Gold Standard website. If any of the supporting documents are confidential, please indicate here to ensure they are omitted.)*

- Clarification for Closing of Composting Site Biocomp Nepal 2023
- Minutes of ward 20790313 (original document)
- Translation of Wards Minutes of 270622.
- Clarification request CL_168

5 | Annex 1: Reconsideration Request

Project Developer, Myclimate Foundation, has requested reconsideration of a deviation request DEV_655 that was rejected by the secretariat in April 2024 on the grounds of insufficient information. The Project is an organic waste composting microscale project activity in Kathmandu Valley (Nepal). This project was registered on 15/12/2015 and has been issuing credits from 01/07/2014 until 30/06/2021. Presently, the project is about to begin the last verification process for monitoring period 01/07/2021-10/05/2023. However, the composting site was shut down in April 2023 due to rapid expansion of residential areas in Kathmandu Valley. This was 1 month shy of the close of this monitoring period. PD has now submitted additional information for reconsideration of the deviation. PD has provided additional information in supporting documents that have been reviewed.

Version number	Release date	Description
5	11.04.2022	Additional information added: - date of listing, design certification, transition - standard version - specific reference to a requirement deviated from - any previous deviations/design changes approved Guidance on VVB opinion
4	14.01.2021	

3	16.07.2020	
2	03.05.2018	
1	01.07.2017	Initial adoption