

## **TEMPLATE**

# **DEVIATION REQUEST FORM**

PUBLICATION DATE 14.1.2021

Version 4.0

- A. To be completed by Gold Standard
- 1 Decision
- **1.1** | **Date** 06/10/2021
- 1.2 | Decision

The applied deviation is **not approved**. The project developer has not demonstrated real need of carbon finance for sustaining operation.

1.3 | 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)

## 2| Background information

Deviation Reference Number	DEV_190	
Date of decision	06/10/2021	
Precedent (YES/NO)	No	
Precedent details	N/A	
Date of submission	06/09/2021	
Project/PoA/VPA	Project	ID - GS2476
	PoA	ID - GSXXXX
	☐ VPA	ID - GSXXXX
Project/PoA/VPA title	KANIJE Wind Farm Project	
Location of project/PoA/VPA	Turkey	
Scale of the project/PoA/VPA	Microscale	
	Small scale	
Gold Standard Impact	https://registry.goldstandard.org/projects/details/3	
Registry link of the	73	
project/PoA/VPA		
Status of the project/PoA/VPA	<ul><li>☐ Listed</li><li>☐ Certified design</li></ul>	
	Certified pro	
Title/subject of deviation	To continue with registration	
Specify applicable	ACM0002 version 17.0.0	
rule/requirements/methodolo		
gy and version number		
Specify the monitoring period	Start date	End date
for which the request is valid		
(if applicable)		
Submitted by	Contact person name:SILA DURAN  Email ID:sila@sekansdanismanlik.com  Organisation:Sekans Danışmanlık  Project participant: Yes \( \subseteq NO \( \subseteq \)	
Validation and Verification	Yes NOX	ant. res 🔝 NO🖂
body (VVB opinion shall be	TES   NO	
included, where required by	T6	
the applicable	If yes;	
rules/requirements or request	VVB name:	
is submitted by the VVB).		
is subillitted by the VVD).		

Auditor name:

#### 3| Deviation detail

#### 3.1 | Description of the deviation:

Kanije WEPP received the GS2476\_Registration Review\_Round IV to continue its registration process. The Review required the PO to apply for a deviation request to continue the registration.

The Project's validation and registration processes have been delayed due to inconvenience between the PO and the PO's previous carbon consultant. Since the PO did not have know-how on the carbon development, they had challenges to understand the process and ended their cooperation with the previous consultant. The PO had been suffered for a long time.

The PO signed the agreement for Kanije WPP to be developed as a carbon reduction project with its previous carbon consultant (Borga Carbon) on 29/07/2013. The PO had difficulties to execute its all carbon projects with the same consultant as they could not reach or contact them to proceed and finalize the certifications.

Finally, they made an agreement with a new consultant, Sekans, to complete the certification processes of their carbon projects and to benefit from carbon finance as it's very crucial for the feasibility of the project. Since the PO could not to benefit from carbon revenue as expected, company's balance of payments has been effected negatively.

According to the IV. Round of 6-week Registration Review Period under GS Version GS VER:

"The project is not eligible to continue with the registration review process because as per GS4GG Principles & Requirements paragraph 5.1.1 (b) 'Projects may then seek Gold Standard Certified Design status by successfully completing Validation (within two years of the date of Listing) and a subsequent Design Review.' The project was listed In 2013/14 but completed validation only in 2018 when the request for registration was submitted to Gold Standard.

In light of the above assessment, PD is requested to submit a deviation request to Gold Standard to continue with registration and not complying with the above requirements."

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However, the reasons we've stated caused the delays for the registration process of the project activity.

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

Please see the timeline of the GS Registration Process as below:

Submission History	
Date of submission:	12/02/2018
Date of GS feedback - I round:	26/03/2018 (GS Registration Date)
Date of PP's response - I round:	22/04/2019
Date of GS feedback - II round:	15/05/2019
Date of GS feedback - III round:	09/03/2020

The PO decided that they would not be able to finalize the process with the previous consultant even it was challenging to reach them to discuss the cancellation of the agreement. Also, COVID 19 had affected negatively to set up a communication.

In parallel, regarding the situation of the project, communication with Gold Standard has started in October 2020. Finally, the PO made an agreement with a new consultant, Sekans, to complete the certification processes of their carbon projects and to benefit from carbon finance as it's very crucial for the feasibility of the project.

On 29<sup>th</sup> June 2021, the review responses were shared with the VVB and on 12<sup>th</sup> July 2021, the review including VVB's comments and the revised reports were uploaded to Sustaincert.

The project has been developed as a VER project, accounting for GS financing and revenue from carbon credits is essential for loan repayments as this may be seen on the **second page of the loan agreement** that the carbon revenue is within the transferee receivables to the bank (related part has been remarked by the rectangle). Carbon revenue has been a very important parameter for the bank to provide loan to the PO. Additionally, the PO has VER commitments to its buyers.

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Additionally, COVID 19 has also had a retardant impact for the PO to make an agreement with the new consultant to finalize the process since the restrictions caused limited working conditions. After the conditions got better, the PO could contract a consultant.

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

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#### 3.2 | 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.

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

The PO has continued its actions to secure carbon revenue to carry on with the additional registration and validation expenses, even hiring a new consultant.

Since the project's main revenue comes from electricity sales, it could be operational during this period. However, both for the viability of the project as well as meeting the VER commitments and supporting the sustainable development parameters, the registration of the project and thus carbon revenue is very crucial.

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

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#### 3.3 | 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.

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

The project would be able to support the sustainable development parameters.

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

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#### 3.4 | Documents:

- Related pages of the loan agreement
- Interurban travel ban was brought in 28 March 2020. Please find the public links below:
   https://www.trthaber.com/haber/koronavirus/seyahat-yasagi-getirildi-mi-seyahat-izin-belgesi-seyahat-yasagina-iliskin-detaylar-470857.html

https://www.trthaber.com/haber/koronavirus/seyahat-yasagi-getirildi-mi-seyahat-izin-belgesi-seyahat-yasagina-iliskin-detaylar-470857.html

• HR E-mails:

"Covid Önlemlerinin Tekrar Hatırlatılması hk." stating that, full-time work will be started, on April 1, 2021.

"Güriş Coronavirüs Covid-19 Uygulamaları ve Faaliyete Geçme Süreç Raporu Hk." that is stating Guris Coronavirus Covid-19 Applications and Operational Process Report.