

TEMPLATE

DEVIATION REQUEST FORM

PUBLICATION DATE **14.1.2021**

Version **4.0**

A. To be completed by Gold Standard Decision

Date – 28/06/2022

Decision

The applied deviation request is approved.

The project is granted deviation from para 4.1.49.(b) of the [Principles and Requirements](#) considering the COVID situations. The project may proceed for listing and design certification provided that project is in compliance with other applicable requirements.

Additionally, the PD shall successfully demonstrate, along with relevant evidence, to demonstrate prior consideration of carbon revenues.

The validating VVB shall, through appropriate means at its disposal, evaluate the Project's compliance with the above-mentioned conditions and provides its opinion in the Validation Report. Certification body shall review both the PD's submission and the VVB's opinion of the same and take appropriate steps.

**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)

Background information

Deviation Reference Number	DEV_253	
Date of decision	28/06/2022	
Precedent (YES/NO)	No	
Precedent details	N/A	
Date of submission	09/05/2022	
Project/PoA/VPA	Project	ID – GS11466
	<input type="checkbox"/> PoA	ID – GSXXXX
	<input type="checkbox"/> VPA	ID – GSXXXX
Project/PoA/VPA title	Anakot Thmei Safe Water Project	
Location of project/PoA/VPA	Cambodia	
Scale of the project/PoA/VPA	<input type="checkbox"/> Microscale <input checked="" type="checkbox"/> Small scale <input type="checkbox"/> Large scale	
Gold Standard Impact Registry link of the project/PoA/VPA	https://registry.goldstandard.org/projects/details/3510	
Status of the project/PoA/VPA	<input type="checkbox"/> New <input checked="" type="checkbox"/> Listed <input type="checkbox"/> Certified design <input type="checkbox"/> Certified project	
Title/subject of deviation	Project eligibility under GS4GG with reference to the project start date	
Specify applicable rule/requirements/methodology and version number	<ul style="list-style-type: none"> Section 4.1.49.(b) of the GOLD STANDARD FOR THE GLOBAL GOALS PRINCIPLES & REQUIREMENTS, Version 1.2, October 2019 FAR #4 raised by the SustainCert during Preliminary Review of the project 	
Specify the monitoring period for which the request is valid (if applicable)	Start date	End date
Submitted by	Contact person name: Roman De Rafael, Head Project Development	
	Email ID: roman.deraphael@atos.net	
	Organisation: EcoAct SAS	
	Project participant: Yes <input checked="" type="checkbox"/> NO <input type="checkbox"/>	
Validation and Verification body (, opinion shall be included, where required by	Yes <input type="checkbox"/> NO <input checked="" type="checkbox"/>	

the applicable rules/requirements or request is submitted by the VVB).	If yes; VVB name: Auditor name:
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Deviation detail

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](#).*

Deviation detail (to be completed by Project developer):

Brief Project Description:

Anakot Thmei Safe Water Project has the objective to provide access to safe and affordable water to rural and peri-urban communities across Cambodia.

Inadequate access to safe drinking water is a continuously health threatening issue to 2.2 billion people¹, primarily in developing countries. In Cambodia, one on three inhabitants lack access to safe drinking water² due to water infrastructures being not available or not reliable enough for local households. Considering more than 60% of Cambodians live in rural areas, decentralized solutions appear as a relevant solution to provide communities with such basic needs.

In this context, the “Anakot Thmei” project consists in establishing community-based water kiosks, which are small-scale water purification and distribution units. The project is thus primarily designed for the long-term improvement of the living conditions of the local people of Cambodia. Teuk Saat 1001 community-based water kiosks are a long-term, sustainable solution that will give vulnerable populations the possibility to fulfill

¹ <https://www.who.int/news-room/fact-sheets/detail/drinking-water>

² <https://www.unicef.org/cambodia/water-sanitation-and-hygiene>

their most essential need: access to safe water. Indeed, many households do not have access to safe water and must boil water to purify it before drinking it. In some cases, inhabitants even drink unsafe water because of lack of knowledge on water quality, lack of financial support either to buy clean water or fuel to boil it or lack of time to do so. Thus, the implementation of the project will provide a safe, efficient, and cost-effective solution to the communities and overcome the challenges they currently face.

Moreover, the project has a social goal as it aims at providing safe water at an affordable price for local communities. Price has been chosen to be around 3% of monthly household income which is sufficient to cover water production expenses, general maintenance, and salaries. The price is not too high so that potential beneficiaries chose this solution rather than drinking unsafe water or using more expensive/time-consuming boiling solution.

The detail of the technology used is presented in section A.3 of the submitted PDD. It consists of filtering and purifying water from a local source before conditioning safe water in water bottles. In terms of environmental benefits, the use of a local and decentralized system to purify water reduces demand of non-renewable biomass that would have been used otherwise to boil the water as a mean of purification in the absence of the water kiosks and other water purification technologies.

Anakot Thmei aims at covering all regions across the country through the progressive construction of up to 300 water kiosks, focusing on rural and peri-urban communes where access to safe water is very difficult for local inhabitants, because either no installation of piped water systems and sanitation facilities are planned nor current piped water systems matching water quality as per WHO standards.

Requirement to be follow as per GS4GG Principles and Requirements:

The project is supposably deviating from para 4.1.49.(b) of GOLD STANDARD FOR THE GLOBAL GOALS Principles and Requirements Version 1.2, October 2019. Indeed, according to the GS4GG Principles and Requirements ver 1.2 document para 4.1.49.(b):

“Retroactive projects shall submit the required documents for preliminary review (time of first submission) within one year of the project start date.

1. Discussion of Project Certification & Carbon Finance in 2019:

The certification of the kiosks that will be deployed from 2020 onwards has been discussed in the Board Committee Meeting held on 12/11/2019. The extract of the minutes of meeting is as follows:

-We now plan to start a new certification process shortly to cover the kiosks that will be deployed from 2020 onwards. This could possibly be with a different partner.

It is reminded that the issuance of carbon credits is necessary to ensure the long-term sustainability of the Cambodian program. The revenues generated additionally to our other revenue streams will allow the network of kiosks to reach financial break-even in 2019, for the first time.

Without the additionality from carbon finance, the viability of the network is jeopardized as this would incur having less cashflow available to reinvest, do enough maintenance, etc.

Therefore, the management team wishes to pursue its efforts and find a way to have a carbon credit certificate for the kiosks that will be deployed in 2020. This has been discussed with the management team and the board members of Teuk Saat 1001, who share the same vision. Teuk Saat 1001 has asked 1001fontaines to continue to lead this effort.

The board members acknowledge and understand the financial additionality coming from carbon credits, and its need to ensure the sustainability of the network of kiosks. The board members approve the launch of a new certification process for the Cambodian program.

2. Project Start in 2020:

1001fontaines (PP) has been providing safe drinking water to households since March 2020 (first kiosks installed on 09/03/2020) thanks to the construction of water kiosks in several regions of Cambodia.

The Safe Water Kiosk O2 (Water Kiosk Code) has started distributing water from 09/03/2020. The water sale report of O2 Kiosk from commcare software (in pdf format)

and extract in excel format has already been submitted to SustainCert during the Preliminary Review of the project and also submitted along with this deviation Request.

3. Document Submission to SC for Preliminary Review in 2021:

Regarding the Carbon Certification of the project, the documents have been submitted to SustainCert on 21/12/2021 for Preliminary Review.

However, and for several reasons, project developer (EcoAct SAS) is requesting Gold Standard to have the project start date as 09/03/2020. This is the exact date of first sales of water happened. In order to be fully compliant with the GS4GG requirements, submission of the required documents for preliminary review should have been before 08/03/2021. While the documents effectively submitted on 21/12/2021. The different reasons for the delay in submission are detailed below.

3.1. Covid Situation in 2020 & 2021: First, project developer (EcoAct SAS) would like to underline the covid situation in Cambodia (project host country) and in France (the country of both 1001fontaines and EcoAct headquarters located, and project team situated) have been facing in 2020 and 2021.

The carbon certification of the kiosks that will be deployed from 2020 onwards have been discussed in the 1001fontaines Board Meeting held on 12th Nov 2019.

Then the design and implementation of "Anakot Thmei Safe Water Project" have been started in early 2020, but the covid situation in Europe hit badly as well as more importantly, in Cambodia, across the country where the project located. The covid 19 situation across these two countries affected the project development work and preparation of all the documentation required for preliminary review under Gold Standard (Carbon Certification).

EcoAct and 1001fontaines main offices are in Paris, France and experts dedicated to Anakot Thmei project as well located there. Starting from March 2020 in France, lockdown was decided for several months. During the two years, more than 4 months, activity was considerably reduced for project team and partly explain the delay in preparing the draft project design document as well as other required documents mandatory for the preliminary review. Work from Home was not very familiar in the company before Covid 19 and the new working situation slowed down the new project development activities somehow. Also, project team was not able to travel from France

to Cambodia to work closer with the field staff. Health consequences (being Covid positives) faced by some of the EcoAct & 1001fontaines team members and experts also delayed the document preparation.

The host country of the project, Cambodia, has also faced difficult sanitary conditions. As described in the PDD, Anakot Thmei covers the entire country with kiosks to be implemented in different regions across the country. To prepare the project implementation and implement its activities on the ground requires a great mobility for local field workers to move between the different locations and the local main office in Phnom Penh. For several months between 2020 and 2021, field teams were not allowed to move from one region to another for the carbon certification purpose (LSC, baseline survey etc.) and keep the project moving forward, collect data, information and ensure all requirements could be fulfilled at every location. Some quarantine periods were even decided at the highest level in the Kingdom of Cambodia in 2021.

As an example, it has been impossible to conduct a baseline survey for months due to local restrictions. This essential work in designing the project requires field teams to travel from the main office to the different locations where kiosks are already implemented as well as in potential new areas where kiosks are expected to be implemented. Globally, project developer aims at focusing on rural and peri-urban areas. This means workers on the field were expected to move from the capital city Phnom Penh where the main office is, to several remote areas. This is exactly what authorities wanted to avoid during the covid period to stop spread of covid 19. Cambodia being less advanced country, hospital and health capacity of the country are limited and vast expansion of the virus was to be avoided.

Also, the covid situation came along with great uncertainty in planning. Indeed, project developer intended to complete preliminary review preparation in time, then only a few weeks late, then months, and it came to around one year. Delays were observed all along the year and could not be planned from day one. At first, project developer also expected to conduct the local stakeholder consultation before Preliminary review to submit the report along with other required documents. It was postponed several times until decision was made to submit the draft stakeholder consultation report with self-assessment of Sustainable Development Goals (SDGs) and safeguards assessment to Gold Standard for preliminary review in line with para 2.3.2 of GS4GG COVID 19: Interim Measures v4-17.05.2021.

3.2. Launch of GS New Safe Drinking Water Supply Methodology in 2021: In addition to the worldwide covid situation that affected project and project team members, project developer also believes that some additional delay in project documentation preparation is due to the change/revision of GS water methodology, although the new water methodology published on 03/05/2021 and came into force from 02/08/2021. At first, the project was expected to be develop and registered using the Annex 3 of TPDDTEC ver 3.1. The Annex 3 included most of the water projects developed/manage by EcoAct and it made sense for EcoAct to follow a methodology it has already worked with. Annex 3 of the TPDDTEC ver 3.1 was indeed expected to be the chosen Impact Quantification methodology for aforesaid project. However, project team learnt about the updates of annex 3 in Q2- Q3 of 2021. We were thus expecting changes and new requirements to be mandatory for the months/years coming. Then it's been brought up to our attention that the outcome could be a dedicated "standalone" methodology. So, it had been decided to include the changes/new requirements at the earliest stage of project design.

This was to avoid main changes in project activities to align with the new methodology. Several changes were very important compared to the first estimations project team made, changing noticeably the project design. Two main areas of change: the Emission Reduction calculations have changed between Annex 3 of TPDDTEC ver 3.1 and the new Safe Drinking Water Supply methodology ver 1.0, default values (for example, caps on claimable water volumes). This lowered the outcome: the quantity of carbon credits that could be expected from the project in the 5 years of crediting period.

The other main area of change was monitoring requirements. The number of households to be included in the project, changed to only include ones within a 1km/30min radius around project water source. In the specific case of Anakot Thmei Project, this changed the heart of the project. Indeed, water is produced at the kiosk installation location and then transported via trucks or motorbikes and sold to beneficiaries a few km around the kiosks. Strictly, this meant only dozens of households could be included in the project only. Hence, it has impact on the GS VERs estimated to be generate from the project earlier and with this change, the financial additionality (whole project financing planning) of the project has also been impacted negatively. At some point of time PP were not sure that they will able to recover the kiosk fixed and variable costs.

It took quite some time to find an acceptable solution after having few email exchanges and calls with the Gold Standards, explaining the delay as well in document submission

for preliminary review. New Ex-ante estimations had to be found, ex-ante calculations updated, ex-post monitoring process had to be updated. This took further time to the project team to finalize the documents and submit for review.

While the project has missed the one-year deadline to be submit to Gold Standard for the Preliminary Review from the Project Start Date, there are no impact on the quality of the water supplied by the kiosks, kiosks life etc. Further the Project Developer is now speeding up Third-Party Validation with VVB and then submit the project for Design Review to GS in this year only.

1. **System Maintenance & Life:** Also, the fact that the PP has submitted documents for preliminary review after one year from the project starts date, does not impact the quality of the water produced and supplied by the kiosks and kiosks life span too. The water kiosks installed in 2020 are well maintained in a proactive way (refer section B.6.2 of the submitted PDD for more details) so that the water filtration process keeps running correctly. Even though the technology was installed in early 2020, the maintenance management runs since this start date of project to keep the equipment (water kiosks) up to date, working and efficient and to provide safe drinking water to households in Cambodia who do not have access to safe drinking water and need to boil water to make it safe for drinking.

For example, the UV lamps use in water kiosks have an 8,000 hour of usage life expectancy and which can be replaced after the 8,000 hours of operation and the covid delay does not affect the maintenance planning. Further the kiosks use sand filters and other kind of filters of water filtration that can be easily replaced and with replacement provide safe water quality and new life to the system. Finally, only 29 kiosks were installed in 2020, out of 300 kiosks PP is planning to install under the project.

2. **Validation of Project with VVB:** Further, EcoAct along with the 1001fontaines has selected the Validation and Verification Body (VVB) for project validation and now in process of signing the validation contract with VVB once the deviation request has been approved.

To conclude, the project developer hopes the above seems acceptable to explain the delay in submitting the documents for preliminary review and that the 09/03/2020 project start date and crediting period start date is acceptable in this regard as safe drinking water was provided since 09/03/2020. Thus, and, the project development

team wishes to consider 09/03/2020 as project start date and consider the system installed from 09/03/2020 to 31/12/2020 in generating GS VERs. Project developer believes it has no impact on project integrity and that no other change is required in project design.

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

Not Applicable

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.*

Deviation assessment (to be completed by Project developer):

The project is deviating from clause 4.1.49.(b) of GOLD STANDARD FOR THE GLOBAL GOALS Principles and Requirements Version 1.2, October 2019. The project is a Retroactive Project, but the documents could not be submitted for preliminary Review (time of first submission) within one year of the project start date due to the various reasons stated above. Hence, this deviation is being submitted in line with the FAR#4 raised by SustainCert during the Preliminary Review.

The project developer confirmed that the deviation is well complying with all the other GS4GG requirements and ensured the accuracy, completeness, and conservativeness as laid down by the GS4GG. The project developer is only requesting to consider the project start date as 09/03/2020 and consider the system installed from 09/03/2020 to 31/12/2020 so they can generate GS VERs and sustain its continuous operations.

Please note that the issuance of carbon credits from the systems installed in 2020 is necessary to ensure the long-term sustainability of the "Anakot Thmei Safe Water Project" (GS 11466). Without the additionality from carbon finance, the viability of the network is jeopardized as this would incur having less cashflow available to reinvest, do enough maintenance, etc.

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

Not Applicable

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.*

Impact assessment (to be completed by Project developer):

There is no impact on the project design, safeguarding principles, SDG assessment, Emission reductions, monitoring frequency, data quality, potential risk or any other aspects of the project due to this deviation. The project will still abide by all Gold Standard applicable requirements.

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

Not Applicable

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.)*

Documents Submitted:

- **Site Opening Report (Project start date evidence) in pdf and excel format**
- **1001fontaines – Board committee Extracts of MoM November 12th, 2019**