

TEMPLATE

DEVIATION REQUEST FORM

PUBLICATION DATE 11.04.2021

Version 5.0

- A. To be completed by Gold Standard
- 1 Decision
- 1.1 | Date 04/07/2022

1.2 | Decision

The request is not approved as no provisions under the GS4GG allow the projects to claim residual credits of one VPA into another.

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

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Deviation Defended Number	DEV 276	
Deviation Reference Number	DEV_276	
Date of decision	04/07/2022	
Precedent (YES/NO)	No	
Precedent details	N/A	
Date of submission	17/06/2022	
Project/PoA/VPA	Project	ID – GSXXXX
	⊠ PoA	ID - GS1988
	⊠ VPA	ID - GS2758
Project/PoA/VPA title	PoA GS1988: Proyecto Mirador Enhanced Distribution of Improved Cookstoves in Latin America VPA GS2758: Proyecto Mirador Enhanced Distribution of Improved Cookstoves in Latin America - First VPA for Distribution of Dos por Tres Cookstoves in Honduras	
Date of listing	29 June 2010 (Registration date of stand-alone project activity with Project ID GS690) 3 June 2014 (Registration date for PoA GS 1988) Note: At the time of PoA registration, the stand-alone project activity (GS690) became GS2758, the First VPA under PoA GS1988.	
GS Standard version applicable	PoA GS1988: v2.2, transition to GS4GG completed on 30/01/2019 VPA GS2758: Gold Standard for the Global Goals	
Date of transition to GS4GG (if applicable)	PoA GS1988 and VPA GS2758: 30/01/2019	
Date of transition to Gold Standard from another standard (e.g. CDM) (if applicable)	N/A	
Date of design certification/inclusion (if applicable)	29/06/2010	
Location of project/PoA/VPA	Honduras	
Scale of the project/PoA/VPA	☐ Microscale☐ Small scale☒ Large scale	
Gold Standard Impact Registry link of the project/PoA/VPA	VPA GS2758: https://registry.gol	dstandard.org/projects/details/1691 dstandard.org/projects/details/1575
Status of the project/PoA/VPA	□ New□ Listed□ Certified design⊠ Certified project	

Title/subject of deviation	VPA GS2758 residual credits to be collected in new VPA	
Specify applicable rule/requirements/methodology, with exact paragraph reference	Programme of Activity Requirements and Procedures, version 2.0 Paragraph 8.9.3 and 8.9.4 a	
and version number	Please note there is no specific rule/requirement that clearly addresses the subject of this deviation request, as it is not seeking to extend the crediting period but to organize in a simplified way in which VPA the reductions are going to be claimed.	
Specify the monitoring period	PoA GS1988:	
for which the request is valid (if	3 rd CP Start date 01/05/2023 End date 30/04/2028	
applicable)	4 th CP Start date 01/05/2028 End date 30/04/2033	
	5 th CP Start date 01/05/2033 End date 30/04/2037	
	VPA GS2758:	
	Start date 01/05/2023 End date 30/04/2030	
Submitted by	Contact person name:	
	Esther Adams, Program Manager	
	Email ID: eadams@proyectomirador.org	
	Organisation: Proyecto Mirador, LLC	
	Project participant: Yes ⊠ No □	
Validation and Verification body	Yes □ No ⊠	
(VVB opinion shall be included,		
where required by the	If yes;	
applicable rules/requirements or	VVB name:	
request is submitted by the		
VVB).	VVB Staff name(s):	
Any previous deviations	Yes □ No ⊠	
approved for the same project activity/PoA/VPA(s)?		

3| Deviation detail

3.1 | 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 <u>Deviation Approval Procedure/Design Change Requirements.</u>

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

Summary

This Request for Deviation proposes that Proyecto Mirador continue collecting residual credits for cookstoves installed during the active dates of *VPA GS2758* under a hypothetical "*VPA 4 to be submitted*" once it comes into force in 2030, obviating the need to run two VPAs in parallel for a single, contiguous project activity over a period of 6 years. In this scenario, Proyecto Mirador would continue installing cookstoves under *VPA GS2758* until its expiration on 30 April 2030. Subsequently, *VPA 4* would come into force 1 May 2030, and all residual credits for cookstoves previously installed under *VPA GS2758* would continue to be generated seamlessly under *VPA 4*.

Detail

Proyecto Mirador is preparing for the 3^{rd} Crediting Period (CP) renewal for PoA GS1988, and concurrently for the 2^{nd} renewal and final CP renewal for its First VPA GS2758. Both the PoA GS1988 (2^{nd} CP) and VPA GS2758 (3^{rd} and final CP) will terminate on 30 April 2023.

According to the Programme of Activity Requirements and Procedures v2.0 publication date 05.05.2022 paragraph $8.9.3^2$ and $8.9.4 \mid a^3$, the following is applicable for the upcoming CP renewal:

- *PoA GS1988*: the upcoming (3rd) and following (4th) Crediting Periods will each be valid for 5 years. The 5th CP will last 4 years since the maximum duration of the PoA is 28 years.
- *VPA GS2758*: the upcoming final CP will be valid for 7 years, beginning 1 May 2023, expiring 1 May 2030.

Gold Standard

 $^{^{}m 1}$ VPA4 is not yet submitted but hypothetically mentioned to explain in which VPA the reductions would be claimed.

 $^{^2}$ 8.9.3 | A PoA must undergo Design Certification Renewal every 5 years. The PoAs that were registered under earlier versions of Gold Standard shall be renewed after the first 7 years and thereafter follow the GS4GG certification cycle* (i.e., 5 year renewals). * The maximum total duration of the Transitioning PoA shall be 28 years as envisaged at time of registration under an earlier version of Gold Standard.

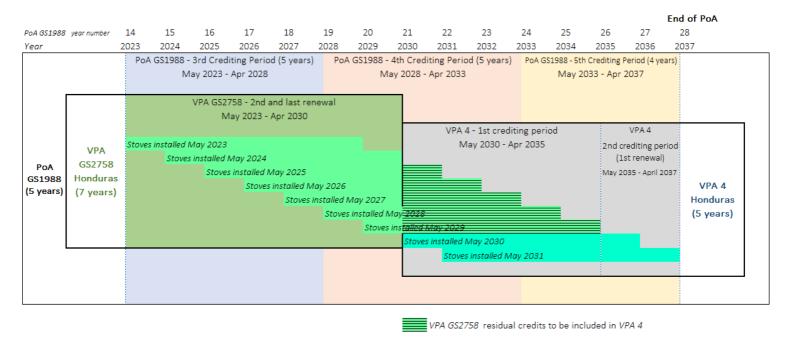
 $^{^3}$ 8.9.4 | All VPAs shall also be renewed following 5 year certification cycle. The VPAs that were included in the PoA - registered under earlier versions of Gold Standard; a. VPAs included within the first crediting cycle of PoA (i.e., 7 years) shall follow the same 7 year, twice renewal model.

And the following conditions apply:

- VPA GS2758 will cease to generate VERs at the time its final CP expires (30 April 2030).
- Any stoves built after 1 May 2030 will fall under a new VPA (referred to in this
 deviation request as VPA 4).
- Proyecto Mirador is not permitted to collect residual credits under VPA 4 for stoves that were built during VPA GS2758.

Proyecto Mirador is proud to say Dos por Tres cookstoves generally last more than 6 years if proper cared for. Under *VPA GS2758*, each stove continues to generate VERs for 6 years of the stove's life, adjusted for abandonment and other discounts.

The following chart shows how only stoves installed between 01 May 2023 and 30 April 2024 will be able to claim the full 6 years of emission reductions under *VPA GS2758*, whereas stoves built after 1 May 2024 will progressively generate less than 6 years of credits under *VPA GS2758*.



Implications

If *VPA GS2758* ceases to generate VERs as of 30 April 2030, and *VPA 4* cannot generate residual VERs for cookstoves installed under *VPA GS2758*, then the implications to Proyecto Mirador would include the following:

- All cookstoves built after 1 May 2024 must be accounted for under VPA 4 in order to ensure those cookstoves continue to generate residual credits through their 6th year.
- We must add VPA 4 with a start date of 1 May 2024 and continue running VPA
 GS2758 concurrently with VPA 4 for 6 years going forward.
- From 1 May 2024 forward, VPA GS2758 would be limited to include only residual VERs generated from cookstoves built before 1 May 2024, despite the fact VPA GS2758 does not expire until 2030.
- Proyecto Mirador would need to shield the entire burden of validation for VPA 4, fully 6 years before VPA GS2758 expires.
- The next 6 annual verifications must include two separate VPAs and two separate verification reports for a single project, despite the fact Proyecto Mirador operates a single, contiguous project.
- The cost of VVB Verification will increase substantially for 6 years.
- The cost of each SustainCERT review will double for 6 years.
- Proyecto Mirador will need to run two separate carbon accounting systems in parallel, introducing many operational inefficiencies and an increased potential for error.
- The cost of outsourced compliance documentation and management will increase substantially for 6 years.

Deviation Request

Proyecto Mirador requests the following deviation:

- VPA GS2758 shall continue collecting credits for new and residual stoves installed through 30 April 2030; and
- VPA 4 shall come into force 1 May 2030 and continue to collect credits
 on newly built stoves, as well as residual credits for cookstoves that
 were installed prior to 1 May 2030 under VPA GS2758.

The proposed approach bears no risk for detriment to the Gold Standard and has no bearing whatsoever on the total ERs claimed.

3.1.2 | 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.

Not applicable

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):

Proyecto Mirador has been successfully Gold Standard certified since 2009. VPA GS2758 and VPA 4 project activities, both part of PoA GS1988, represent a single, contiguous and consistent project for Honduras that will persist in continuity following Gold Standard requirements. Therefore, there is no real need to run two concurrent VPAs to account for residual credits. Eliminating this complexity from the accounting would not affect risk detriment to the Gold Standard, nor would it affect the number of issued ERs in any way, but it would streamline operational and administrative efficiency for both Proyecto Mirador and the Gold Standard.

3.2.2 | 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.

Not applicable

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 impact of the Deviation will be to lower Proyecto Mirador's administrative cost. This frees up resources to build more cookstoves, creating a demonstrably positive impact to the rural poor of Honduras.

The Deviation will have no negative impact on project design, safeguarding principles assessment, SDG assessment, emissions reductions per stove, monitoring frequency, data quality, potential risk, or any other relevant aspect of the project.

3.3.2 | 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.

Not applicable

3.4 | 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.)

No additional documents to be submitted

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	

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		- 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