

DEVIATION REQUEST FORM

PUBLICATION DATE 11.04.2021

A. To be completed by Gold Standard

1 Decision

Version 5.0

1.1 | Date - 06/10/2022

1.2 | Decision

The deviation request is **APPROVED**. However, PD must:

- 1. Ensure that the duration of the GS monitoring period is not more than three years from the date of remote/physical site visit by a VVB. For example, if the site visit is concluded on 31/01/2023, the MP cannot start before 31/01/2020 (inclusive).
- 2. Ensure that a continuity in the Project's monitoring activities is maintained and PD is able to justify that no monitoring gaps exist (especially for SDG parameters) within the Monitoring Period(s). However, if gap(s) exist, the project shall justify that conservative approach(es) have been applied in line with section 3 of the Deviation Approval Requirements and Procedures (version 1.2) and overarching GS principles (as applicable).
- 3. Document the deviation request, its implications, and GS' decision in the appropriate section of the GS Monitoring Report (for the relevant MP).

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4. The verifying VVB shall, confirm the date of site visit in the verification report and verify that the MP duration is not more than three years from this date and through appropriate means at its disposal, evaluate the Project's compliance with the above-mentioned conditions and provide its opinion in the Verification Report.

SustainCert shall review both the PD's response and the VVB's assessment/opinion of the same and take appropriate steps.

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

2| Background information

Deviation Reference Number	DEV_310	
Date of decision	06/10/2022	
Precedent (YES/NO)	No	
Precedent details	N/A	
Date of submission	01/09/2022	
Project/PoA/VPA	Project	ID - GS11557
	□ PoA	ID - GSXXXX
	□ VPA	ID - GSXXXX
Project/PoA/VPA title	RAS GHAREB WIND ENERGY PROJECT	
Date of listing	22/07/2022	
GS Standard version	GS4GG	
applicable		
Date of transition to GS4GG		
(if applicable)		
Date of transition to Gold	22/07/2022	
Standard from another		
standard (e.g. CDM) (if		
applicable) Date of design		
certification/inclusion (if		
applicable)		
Location of project/PoA/VPA	Egypt	
Scale of the project/PoA/VPA	☐ Microscale	
1 3 , ,	☐ Small scale	
	□ Large scale	
Gold Standard Impact		goldstandard.org/projects/details/3
Registry link of the	652	
project/PoA/VPA		
Status of the project/PoA/VPA	□ New	
	□ Cashifi and also also also also also also also also	
	☐ Certified desi	
Title (explain to C. b. et al.	☐ Certified proj	
Title/subject of deviation	Remote Site Vis	·
Specify applicable	Article 3.1 (Frequency of Physical site visits) of SITE VISIT AND REMOTE AUDIT REQUIREMENTS	
rule/requirements/methodolo gy, with exact paragraph	AND PROCEDURES, v1.0	
reference and version number	AND TROCEDOR	(LO), VI.O
reference and version number		

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Specify the monitoring period for which the request is valid (if applicable)	Start date End date
Submitted by	Contact person name: Pedro Carvalho Email ID: pedro.carvalho@ecosecurities.com
	Organisation: ecosecurities (carbon consultant to Ras Ghareb Wind Energy Project)
	Project participant: Yes \square No \boxtimes
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 ⊠

3| Deviation detail

3.1 | Description of the deviation:

3.1.1 | Deviation detail:

This Request for Deviation is submitted in connection to Article 3.1 of the SITE VISIT AND REMOTE AUDIT REQUIREMENTS AND PROCEDURES, v1.0 that regulates the minimum physical site visit requirements.

The objective of this Deviation Request is to obtain authorization to perform a physical site visit in up to three (3) years from project start date (as opposed to the 2 years deadline provided in Article 3.1) for the reasons explained below.

The process in question is a transition process from CDM to Gold Standard. The project was registered under CDM on 22 December 2020 and shortly after, due to the CDM Executive Board decision to halt its operations, the project was not able to rely on carbon revenues from CDM, which created the need for the project to transition from CDM to Gold Standard. Under the CDM registration process, physical site visits were performed between 07/05/2019 and 08/05/2019 (as per CDM Validation Report – link here).

Currently the project is implementing a complementary validation and verification audit to fulfil Gold Standard specific requirements. Under this process the VVB shall perform site visits as per Gold Standard rules.

Although the procedure for new site visit should be implemented without issues, due to specific circumstances at the project area, the access to the site is rendered impossible by any person not authorized by Governmental Security Forces, which undermines the possibility of the VVB to be physically on site for the site visit.

This is because under the Power Purchase Agreement executed between the project developer and the Government of Egypt there is specific requirements and processes to be observed by all foreign visitors to the project area, in particular, the access to the project area needs to be approved by Egyptian Security forces as per clause 9.3 of the Power Purchase Agreement:

9.3. Coordination with EGPC & Army: Army access permit shall be requested for all foreign visitors prior to arrival at the site. 10 working days in advance of the visit, copy of the passport of the visitor, and the original work permit shall be sent to the windfarm security manager if the visitor is coming in working visit. If the visitor does not have an original work permit, he/she won't be able to perform any work activity, he/she will have a permit of only 10 days according to the Egyptian Intelligence regulation. In that case, the visitor can apply only 3 times each time if for 10 days, then he/she won't able to enter the windfarm without the original work permit.

The request as per the clause above was submitted to the authorities that verbally informed to the Ras Ghareb Wind Energy Security Manager that no new permits and authorizations are being issued for the foreseeable future due to recommendations by the Egyptian Intelligence regulator. This position was provided for by the New and Renewable Energy Authority (NREA) that is the project's focal point with the Egyptian Government.

After rounds of clarification with the NREA it was not possible to obtain estimated time for resolution of this situation and it is not expected the Egyptian authorities to restart the issuance of such authorizations before the end of 2022.

Due to the lack of such authorization to access the project area, the VVB will not be able to perform a physical site visit, which has the potential to further delay the Project's ability to mobilize climate finance in support of its activities.

Taking note that revenues from carbon are much expected by the Project to ensure its economic feasibility, it is clear and evident the damage that prolonged times for validating and verifying the project can imply on the project.

Therefore, this deviation form is submitted to request that the physical site visit can be performed in up to three (3) years after the project start date (22 December 2020) as a consequence of the impossibility at the moment to obtain authorization to access the project area as per the reasons above. The request for a 3 years period aims to allow time for the restart of the authorisations to access the site.

It is further noticed that the project already had a physical site visit under the CDM validation audit, which signals that (i) the current situation is temporary and that it is expected that the Egyptian Government will restart the issuance of authorizations at some point; and (ii) there was the physical visit of an accredited VVB on-site to perform its regular activities. The situation is even more heightened if considered that the physical site visit would happen under a complementary validation audit with the scope and objective to confirm minor adjustments made on the PDD in order to comply with Gold Standard rules.

The acceptance of this deviation request will enable to project to complete its transition from CDM to Gold Standard and, with that, ensure revenues from its carbon project after over 2 years of delay as a consequence of CDM decision to halt its operation.

3.1.2 | VVB opinion

Not required/ 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:

The deviation request does not undermine the accuracy, completeness and conservativeness of the Project. The request is purely operational due to impossibility to access the project area/site.

The request for delayed period of time for physical site visit will not undermine in any perspective the project's assumptions and stringency as the current remote site visit rules already ensure stringent process to ensure highest levels of compliance with Gold Standard rules.

What is more, the Project already had physical site visits in the past that led to positive validation reports (under CDM process), signaling the project's consistency and alignment with best market practices.

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

Not required/ applicable.

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3.3 | Impact of the deviation:

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

There are no material adverse impact on the project design, safeguarding principles, SDG assessment, emissions reductions, monitoring frequency, data quality, potential risk or other relevant aspect for the project.

The purpose for the request is solely to address temporary local context and decision by Egyptian authorities to not issue authorizations for foreign personnel to access site.

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

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3.4 | Documents:

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