

TEMPLATE

# DEVIATION REQUEST FORM

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PUBLICATION DATE **11.04.2021**

Version **5.0**

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## A. To be completed by Gold Standard

### 1 | Decision

**1.1 | Date – 09/11/2022**

**1.2 | Decision**

**Deviation request 1:**

The applied deviation request is approved. The Project Developer may continue with the design review of the project.

**Deviation request 2:**

The applied deviation request is partially approved. The project can undergo design certification renewal, with the crediting period starting immediately after the end date of the previous CP. However, no credit (and SDG Impacts) can be claimed for the period of delay.

**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)

Please see Section 2 below.

## 2 | Background information

Deviation Reference Number	DEV_326	
Date of decision	09/11/2022	
Precedent (YES/NO)	No	
Precedent details	N/A	
Date of submission	17/10/2022	
Project/PoA/VPA	Project	ID – GS1168
	<input type="checkbox"/> PoA	ID – GSXXXX
	<input type="checkbox"/> VPA	ID – GSXXXX
Project/PoA/VPA title	Afyon Biogas Power Plant	
Date of listing	2015	
GS Standard version applicable	GS v2.2	
Date of transition to GS4GG (if applicable)		
Date of transition to Gold Standard from another standard (e.g. CDM) (if applicable)	N/A	
Date of design certification/inclusion (if applicable)	29/01/2015 (Project Validation Date by DOE and project listing date)	
Location of project/PoA/VPA	Turkey	
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	<a href="https://registry.goldstandard.org/projects/details/106">https://registry.goldstandard.org/projects/details/106</a>	
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	Deviation Request for 1. Project Registration and seeking labelling under GS4GG, successive verification of the 1st CP in line with GS Clarification, which stipulates "Projects that were under the listing or validation process at time of launch of GS4GG (01/07/2017) can request	

	for registration/design review with applied version of the standard before 23/11/2021" 2. Revalidation for the start of the 2nd CP
Specify applicable rule/requirements/methodology, with exact paragraph reference and version number	ACM0010 GHG Emission Reductions From Manure Management Systems
Specify the monitoring period for which the request is valid (if applicable)	Start date                      End date
Submitted by	Contact person name: Gediz KAYA
	Email ID: gkaya@gaiacclimate.com
	Organisation: GAIA Climate
	Project participant: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Validation and Verification body (VVB opinion shall be included, where required by the applicable rules/requirements or request is submitted by the VVB).	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>  If yes; VVB name:  VVB Staff name(s):
Any previous deviations approved for the same project activity/PoA/VPA(s)?	Yes <input type="checkbox"/> No <input type="checkbox"/>

### 3| Deviation detail

#### 3.1 | Description of the deviation:

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

The purpose of the proposed Afyon Biogas Power Plant is electrical energy generation from biogas and organic fertilizer production. Afyon Biogas Power Plant project is developed by Afyon Enerji ve Gübre Üretim Ticaret ve Sanayi A.Ş. The project will be implemented in Afyonkarahisar province, Central district, Çavdarlı village, Harmanlı area.

The installed capacity of the project was 4.2 MW. The Project commenced operation in October 18, 2014. The PP would like to express that it has always considered carbon financing a major factor in the success or failure of the projects. This is borne out by

the fact that the PP contracted a VVB and appointed a new consultant for the project. Furthermore, the PP has held local stakeholder consultation meetings in line with the Gold Standard requirements in order to facilitate successful qualification for Gold Standard carbon credits.

The project was validated by TUV SUD South Asia Pvt. Ltd. on 29/01/2015 and was immediately after submitted for the design certification. They have received the first round of the review comments from the GS, however project developer went into deep financial trouble and could not proceed with GS registration. After finding the financial normalcy due to unexpected and abrupt lockdowns and other forms of disruption caused by the impact of Covid-19 in Turkey, offices had been intermittently closed, and travel to and from the office and the field had been halted and therefore the registration had to be postponed.

In the meanwhile, the Project's GS account which was managed by the independent consultant, Borga Carbon have gone incognito. It has been known that Borga Carbon left many projects in the Turkey. To reactive the GS registration procedure the Project Owner have appointed a new consultant, GAIA Climate on 03/09/2021.

As a matter of fact, on 22/11/2021, Afyon Enerji ve Gübre Üretim Ticaret ve Sanayi A.Ş. had requested an exemption for not meeting the project transition deadline of November 23rd, 2021; since then no response as to GS decision has been received.

Pursuant to GS Clarification published on 05/05/2022, projects that had "Listed" status under a previous version of the Standard may submit the Project for design review no later than 23/11/2022, provided that required conditions are met.

In addition and according to the GS v2.2 requirement, Revalidation process shall begin (defined by the submission of a Renewal opinion by a VVB for Design Review to Gold Standard) no later than the last date of current certification cycle. The 1st CP is October 18, 2014- October 17, 2021.

The design certification renewal could not be performed by October 2021 because of the "disappearance" of the previous carbon consultant. Hence, there is a delay period of a year to start revalidation.

Therefore, we kindly request a deviation for (1) Project registration having labeled under GS4GG followed by verification of the 1st CP and (2) revalidation to start 2nd CP.

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

N/A

### 3.2 | Assessment of the deviation:

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

In the Validation Report, it has been validated that 177,597 tCO<sub>2</sub>e of emission reduction has been estimated to be achieved throughout the first crediting period. The project is still additional in Turkey where the project owner try to maintain financial feasibility in a "high interest rate and daily currency crash" investment environment. Also, the project contributes significantly to the region's sustainable development in the following ways:

- Reduction of the greenhouse gas emissions in Turkey by replacing electricity otherwise generated by the Turkish grid, which has a large share of fossil fuel power generation.
- Creation of local employment both during the construction and operational phase. At the moment the unemployment level in Turkey is 11.4%<sup>1</sup>. The Project will mainly have a positive impact on the local area.
- Creation of new job opportunities for the local community and support to the regional economy through the employment of different kind of service and material supply (civil and electrical works, operation and maintenance activities, security).
- Technology and know-how transfer as the employees are trained on maintenance, safety, and operational issues.
- Contribution to the reduction of pollutants such as sulfur dioxide, nitrogen oxides and particles resulting from the electricity generation using fossil fuels in Turkey.

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<sup>1</sup> <https://data.tuik.gov.tr/Bulten/Index?p=Isgucu-Istatistikleri-Ocak-2022-45644>

- Reduction of Turkish dependency on electricity imports.
- Diversifying the energy generation mix which is currently dependent on natural gas.

It has been justified that the project activity is contributing to sustainable development and result in real, measurable benefits.

Last of all, it is strongly believed that this Project deserves to benefit from VER issuances. We strongly believe that the Project could not been registered because of multiple reasons that were not caused by the Project Owner such as the “disappearance” of the Carbon Consultant, COVID restrictions and financial troubles the Project owner had to confront; therefore, the Project should be allowed to be placed back to GS Project cycle, which is very well-deserved. Please note that this project is among the first three biogas projects that applied for Gold Standard listing from Turkey that displays their awareness in supporting the project’s financial feasibility through carbon finance.

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

N/A

### **3.3 | Impact of the deviation:**

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

In addition to the must to keep the on-going maintenance of the power plant, the recent economic and financial stress in Turkey and the global crisis because of the Ukrainian War, make it even harder for the investors to access finance for further improvements. Sale of carbon credits would therefore be a great contribution to the Project revenue. In the current situation of restriction across the world, PP feels that providing exemption from the deadline will be a better option. This will not have any impact on the quality of credits it will generate. Also, it will give an opportunity to the PP, to fulfill their commitment towards registration of the project with GS.

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

N/A

### 3.4 | Documents:

Version number	Release date	Description
5	11.04.2022	<p>Additional information added:</p> <ul style="list-style-type: none"> <li>- date of listing, design certification, transition</li> <li>- standard version</li> <li>- specific reference to a requirement deviated from</li> <li>- any previous deviations/design changes approved</li> </ul> <p>Guidance on VVB opinion</p>
4	14.01.2021	
3	16.07.2020	
2	03.05.2018	
1	01.07.2017	Initial adoption