

TEMPLATE

DEVIATION REQUEST FORM

PUBLICATION DATE **11.04.2021**

Version **5.0**

A. To be completed by Gold Standard

1 | Decision

1.1 | Date – 03/01/2023

1.2 | Decision

The deviation request is APPROVED as the PD conducted 2 physical meetings the same month to inform the relevant stakeholders and 2 feedback rounds to offer enough time for stakeholders' inputs.

The validating VVB shall however confirm that the PD made sufficient efforts to reach out to all the relevant stakeholders to inform them about the stakeholder meeting and collect their feedback. The VVB shall include their assessment and opinion on the same in the GS validation report.

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_372	
Date of decision	03/01/2023	
Precedent (YES/NO)	NO	
Precedent details	N/A	
Date of submission	30/01/2023	
Project/PoA/VPA	Project	ID – GS11899
	<input type="checkbox"/> PoA	ID – GSXXXX
	<input type="checkbox"/> VPA	ID – GSXXXX
Project/PoA/VPA title	Panama Reforestation Services Teak ARR	
Date of listing		
GS Standard version applicable	GS4GG	
Date of transition to GS4GG (if applicable)		
Date of transition to Gold Standard from another standard (e.g. CDM) (if applicable)		
Date of design certification/inclusion (if applicable)		
Location of project/PoA/VPA	Panama	
Scale of the project/PoA/VPA	<input type="checkbox"/> Microscale <input type="checkbox"/> Small scale <input checked="" type="checkbox"/> Large scale	
Gold Standard Impact Registry link of the project/PoA/VPA		
Status of the project/PoA/VPA	<input checked="" type="checkbox"/> New <input type="checkbox"/> Listed <input type="checkbox"/> Certified design <input type="checkbox"/> Certified project	
Title/subject of deviation	Deviation request on Means of Inviting Stakeholders	
Specify applicable rule/requirements/methodology, with exact paragraph reference and version number	STAKEHOLDER CONSULTATION AND ENGAGEMENT REQUIREMENTS: Section 3 – Requirements, 3.4 Means of inviting stakeholders, Rule 3.4.2	
Specify the monitoring period for which the request is valid (if applicable)	Start date	End date
Submitted by	Contact person name: Pablo Vallarino	
	Email ID: pablo@panamareforestationsservices.com	
	Organisation: Panama Reforestation Services PRS	

	Project participant: Yes <input type="checkbox"/> No <input 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 checked="" type="checkbox"/> A deviation request on retroactive issuance extension was submitted, but Gold Standard has not replied yet.

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 [Deviation Approval Procedure/Design Change Requirements](#).*

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

In the first Preliminary Review Report, Sustain Cert advised contacting the Gold Standard Secretariat to identify a mitigation measure for non-compliance with Rule 3.4.2 of the Stakeholder Consultation and Engagement Requirements. Following the Sustain Cert Help Center's advice, this form is submitted to request a deviation from rule 3.4.2, which states that "project developers shall invite the stakeholders at least 30 days before the physical meeting". The objective of this deviation is to close a Corrective Action Request (CAR) and be able to continue with the certification process of the project.

This section consists of five parts. The first section presents the context of the project. The second present the project's critical issues. The third explains the rationale behind Stakeholder Consultation Meeting related decisions. The fourth recaps dates and details on invitations, meetings, and feedback rounds; and the fifth presents a conclusion on the deviation request.

Panama Reforestation Services Teak ARR (PRS) is an A/R project implemented in Panama in the provinces of Darien and Panama West since 24/06/2019 - project start date. The project developer, Panama Reforestation Services, and the project participants Quetzal Blue, Ecoforest, Panama Teak, and Carbon Forestry have considered GSVERs as crucial revenues for implementing the project activity and make it economically attractive as stated in the document presented to demonstrate prior consideration.

Since early 2021 PRS has worked to achieve the Gold Standard Certification; the initial idea was to validate planting areas established in 2018. Nevertheless, external economic issues affected the GS certification process, causing delays that prevented the project from retroactively issuing planting areas established in 2018. The main delay was the late implementation of the Stakeholder Consultation Meeting since financial resources were not available at the required moment to comply with the planned project timeline. Consequently, when financial resources were available, the Stakeholder Consultation Meeting was scheduled, informed, and conducted as soon as possible, considering an invitation period of 10 days instead of the 30 days as per the requirements. As a mitigation measure, two meetings and two feedback rounds were conducted.

The rationale for such a decision was that PRS is an organization well-known among communities, local and regional environmental authorities, and organizations. For that reason, stakeholders were aware of the company's activities due to PRS recognition and work identification in the project area. Firstly, PRS representatives attend local community meetings each semester and support local development through social, environmental and health programs. Secondly, it is part of the Roads committee, formed by PRS and other companies in the region, which regularly meets to discuss how the maintenance of tertiary roads around the project area is to be conducted. Lastly, local and regional authorities are also aware of PRS activities since the Forest Management Plans were revised, approved, and are monitored annually by the Darien Regional Directorate of the Ministry of Environment. Annual monitoring verifies Forest Management Plans' compliance in terms of activities proposed and labor obligations, such as the proper compliance of employees' rights, safety, and health conditions at work, among other aspects.

PRS's experience in calling for stakeholders' meetings has been very receptive to stakeholders due to its constant communication with key stakeholders and proper compliance with the Forest Management Plans. Further, based on its previous experience and regular meetings exchanges, PRS followed the same procedure for other meetings for scheduling and informing stakeholders, which has proven very successful in the last years.

Invitations were mainly sent on October 7th and a few others in the next five days. The first meeting took place on 16 October 2021. To ensure a broader stakeholder attendance, a second meeting was conducted on 29 October 2021. Invitations were submitted again on 27 October 2021 to those stakeholders who did not attend the first meeting to provide additional spaces for exchange on the project certification. Later, the first draft of the Stakeholder Consultation Meetings was submitted for stakeholders' review as part of the Stakeholder Feedback Round. As occurred with the physical meeting, the feedback round was conducted twice. The first round lasted 60 days (from 15/07/2022 to 25/09/2022), as stated in the Stakeholder Consultation Requirements. No comments were received. Thus, to provide a second chance, a second 30-day ongoing feedback round was conducted (from 25/12/2022 to 25/01/2023) for which answers to stakeholders' comments and mitigation measures were double-checked and improved considering the first round of the Gold Standard Preliminary Review Findings. No comments were received either.

PRS implemented measures to mitigate non-compliance with rule 3.4.2. by conducting two physical meetings and providing space and time for inputs during the two feedback rounds. Since 2021 it has worked to achieve the Gold Standard Certification, which is why it has worked and invested in the project certification process for almost two years. PRS requests Sustain Cert to authorize a deviation from rule 3.4.2, which states that project developers shall invite stakeholders at least 30 days before the physical meeting due to the exposed above. As a mitigation action, PRS held a second meeting reaching out to the stakeholder that did not attend the first meeting to provide opportunities for exchange. Further, PRS is in constant communication with several stakeholders, informing about the project and being an active actor in the region. Carbon revenues are crucial for the financial sustainability of this project. Without them, scarce financial resources jeopardize the project's climate change mitigation impacts and environmental and social sustainability.

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.*

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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):

This request seeks a deviation from the Stakeholder Consultation and Engagement Requirements rule 3.4.2. Aside from it, PRS submitted another request to deviate from Rule 3.1.17 of the Land Use & Forest Activity Requirement. The two deviation requests were not submitted simultaneously because the Sustain Cert Help Center recommendation to submit a deviation from rule 3.4.2 was received days after the first deviation request was handed in.

Note that this deviation has not had an impact on the feedback provided by stakeholders towards the project as PRS conducted 2 physical meetings the same month to inform the relevant stakeholders and 2 feedback rounds to offer enough time for stakeholders' inputs.

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.*

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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):

This deviation request does not cause an impact on the opportunity of the stakeholders to provide feedback to PRS on the project certification, as PRS conducted 2 physical meetings and 2 feedback rounds. Further, PRS is in constant communication with the stakeholder, as it is a recognized organization in the project area and participates actively in several social development spaces.

PRS is requesting this deviation to be eligible for certification and deliver the project's positive impacts on climate change mitigation and environmental, and social sustainability. Information on PRS social active activities in the project area as documentation support is available to Sustain Cert if required.

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.*

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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.)*

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