

TEMPLATE

DEVIATION REQUEST FORM

PUBLICATION DATE **11.04.2021**

Version **5.0**

A. To be completed by Gold Standard

1 | Decision

1.1 | Date – 22/03/2023

1.2 | Decision

The deviation has been APPROVED considering that continuous activities have been performed since the start of the project.

The PD shall note that this is not a permanent approval. The PD must make sure to submit the Annual Reports latest by end of the following year as stipulated in PRINCIPLES & REQUIREMENTS - Version 1.2 § 5.1.39 to 5.1.44. in future.

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_377	
Date of decision	22/03/2023	
Precedent (YES/NO)	NO	
Precedent details	N/A	
Date of submission	06/03/2023	
Project/PoA/VPA	Project	N/A
	<input checked="" type="checkbox"/> PoA	ID – GS1377
	<input checked="" type="checkbox"/> VPA	VPA2 (ID – GS2439) VPA3 (ID – GS2440) VPA4 (ID – GS2441)
Project/PoA/VPA title	UTSIL NAJ – CASA SALUDABLE PARA TODOS - VPA 2 UTSIL NAJ – CASA SALUDABLE PARA TODOS – VPA 3 UTSIL NAJ – CASA SALUDABLE PARA TODOS – VPA 4	
Date of listing	24/01/2013	
GS Standard version applicable	Gold Standard for the Global Goals	
Date of transition to GS4GG (if applicable)	29/06/2018	
Date of transition to Gold Standard from another standard (e.g. CDM) (if applicable)	N/A	
Date of design certification/inclusion (if applicable)	26/12/2013	
Location of project/PoA/VPA	Guatemala Honduras Mexico	
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	POA GS 1377: https://platform.sustain-cert.com/public-project/240 VPA 2 GS 2439: https://platform.sustain-cert.com/public-project/364 VPA 3 GS 2440: https://platform.sustain-cert.com/public-project/365 VPA 4 GS 2441: https://platform.sustain-cert.com/public-project/366	
Status of the project/PoA/VPA	<input type="checkbox"/> New <input type="checkbox"/> Listed <input type="checkbox"/> Certified design <input checked="" type="checkbox"/> Certified project	
Title/subject of deviation	Extension of the delivery date of annual reports for 2020 and 2021	

Specify applicable rule/requirements/methodology, with exact paragraph reference and version number	Principles & requirements v 1.2 5.1.40 Failure to provide Annual Reports as required shall result in the decertification of the Project.
Specify the monitoring period for which the request is valid (if applicable)	Start date 06/04/2020 End date 31/12/2022
Submitted by	Contact person name: Susan Bazalar
	Email ID: sbazalar@microsol-int.com
	Organisation: Microsol
	Project participant: Yes <input checked="" 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 checked="" 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):

Transition to GS4GG requirements came into effect in June 2018, since that, Microsol as the Managing Entity did not present the annual reports from 2020, and 2021. Even though LPP did implement and ensure the follow-up activities of the projects in the field (except for 2020). This delay is explained by the following reasons:

- After the first verification was completed (31/12/2014), the project revenues strongly diminished due to the fall of carbon prices and poor international carbon market conditions. As a consequence, it was increasingly difficult for the LPPs and Microsol to continue with the carbon certification process (monitoring and sustainability activities) and start the verification and renewal processes.
- In 2018 and 2019, the Managing Entity underwent various changes in terms of human resources; people in charge of the projects' follow-up had to leave the company unexpectedly, so it was not possible to deliver the corresponding annual reports.
- Nevertheless, in 2019, the improved international carbon market conditions allowed Microsol to sell part of the carbon credits of the project to finance the start of the field activities required for the verification and renewal processes for the 2nd crediting period (new agreements with LPPs, new baseline surveys/field tests and GS VVB activities, fees and so on).
- The remaining activities associated with the verification and renewal processes could not be finalized in 2019 as Microsol would have liked, due to lack of revenues. The plan was to finish the processes in 2020.
- However, in 2020, due to the COVID-19 pandemic that considerably affected Peru, Guatemala, Honduras, and Mexico by lockdowns, increase of infected cases and extreme risk areas (in which the projects are implemented). As a result, monitoring campaigns (baseline and project scenarios) could not start until 2021 and got finalized in 2022. The project is now ready to start the verification and renewal process.
- In 2021, Microsol reactivated all our LPP activities, including the update of the list of end users, monitoring campaigns, and usage rate surveys.

- In 2022, the main activities were the preparation of the "Design certification renewal", which included a site visit between 12 November 2022 and 17 November 2022 in the three active countries that make up this PoA, along with preparing for the third verification.

Due to the events that took place between 2021 and 2022, Microsol's technical team was unable to send annual reports in time because all efforts were devoted to the prompt renewal of the PoA Utsil Naj. Microsol have a partially approved Deviation Request that indicated CME should begin this activity as soon as possible (DEV_256), along with the restriction that VERs could only be claimed after the 06/04/2020 date.

Due to the above reasons, Microsol requests that it be allowed to submit annual reports for 2020 and 2021 without this resulting in its decertification.

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):

When seeking this deviation, Project developer ensures to adhere to the principles required in the document *Deviation Approval Requirements and Procedures*; furthermore, this deviation does not have an impact on certified project design, applicability of the methodology, compliance with registered monitoring plan, scale of the project, safeguarding assessment, stakeholder consultation, sustainable development impact and/or applicable legal requirements.

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):

Nowadays the Programme "Utsil Naj – Casa saludable para todos" (GS 1377) is in the process of the first verification of the second crediting period whose monitoring period is 06/04/2020 – 13/03/2023. Since CME are aware that failure to deliver the annual reports corresponds to the decertification of the project, this penalty would negatively impact the benefits of the Programme's goal: fund sustainability activities to ensure the long-term access and use of clean cooking technologies in vulnerable areas affected by poverty and climate change. More than 1,000 families would be affected by not

receiving maintenance, capacity building, and follow-up to ensure their improved stoves (repairs of chimneys, change of combustion chambers, platforms, etc.) are well functioning.

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

N/A

3.4 | Documents:

Attached you can find support documentation¹ and annual reports with the relevant evidence.

¹ It is requested not to make public the documents submitted in relation to this deviation request:

- Email Despedida Claire – Correo de Microsol Peru SAC
- New certification interlocutor at Microsol – Correo de Microsol Peru SAC

Version number	Release date	Description
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