



DEVIATION REQUEST FORM

PUBLICATION DATE **11.04.2021**

Version **5.0**

A. To be completed by Gold Standard

1 | Decision

1.1 | Date – dd/mm/yyyy

16/02/2024

1.2 | Decision

The applied deviation request is approved. The PD may claim the crediting period of the project starting from 01/08/2023 considering that all the requirements of the Principles and Requirements are complied with. The decision is subject to fulfilment of the following condition:

- i. The PD shall 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).
- ii. The PD shall document the deviation request, its implications, and GS' decision in the appropriate section of the GS PDD.

The validating VVB shall, through appropriate means at its disposal, evaluate the Project's compliance with the above-mentioned condition and provides its opinion in the Validation 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 (Submit deviation request form in Microsoft Word format)

Background information

Deviation Reference Number	DEV_596	
Date of decision	16/02/2024	
Precedent (YES/NO)	No	
Precedent details	NA	
Date of submission	22/December/2023	
Project/PoA/VPA	Project	ID - GS12164
	<input type="checkbox"/> PoA	
	<input type="checkbox"/> VPA	
Project/PoA/VPA title	Mpanga 18 MW Run of River Hydro project	
Date of listing	-	
GS Standard version applicable	GS4GG Principles & Requirements (Ver-1.2) (section 5.1.46)	
Date of transition to GS4GG (if applicable)	N/A	
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	Uganda	
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	https://registry.goldstandard.org/projects/details/4168	
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	

<p>Title/subject of deviation</p>	<p>Deviation from GS4GG Principles and Requirements, Section 5.1.46 regarding delay in Design Certification Renewal so as to obtain full credits from the period starting From 1st August 2023-31st July 2028 under Crediting Period-2</p>
<p>Specify applicable rule/requirements/methodology, with exact paragraph reference and version number</p>	<p>Principles and requirement, version 1.2, published in October 2019, para:</p> <p>5.1.45 To maintain Gold Standard Certified Project status beyond five years, a Project must undergo Design Certification Renewal. This 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. Note that review of the Design Certification Renewal may complete after the last date of current crediting period. In this case, the renewal date shall be the first day after the end date of the current certification cycle.</p> <p>5.1.46 indicates "Delay in the completion of revalidation beyond the last date of current certification cycle shall result in a reduction of any issuance of Certified Products and/or Impact Statements available during following certification cycle (for example, a delay of 1 year beyond the first cycle shall mean that no Certified Impact Statements shall be issued for the period of delay)."</p>
<p>Specify the monitoring period for which the request is valid (if applicable)</p>	<p>N/A</p>
<p>Submitted by</p>	<p>Contact person name: Chetan Aggarwal Email ID : c.aggarwal@southpole.com/ standards@southpole.com</p> <p>Organisation: Swiss Carbon Value Ltd</p> <p>Project participant: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>
<p>Validation and Verification body (VVB opinion shall be included, where required by the applicable rules/requirements or request is submitted by the VVB).</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If yes; VVB name: VVB Staff name(s):</p>
<p>Any previous deviations approved for the same</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p>

project activity/PoA/VPA(s)?	
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2 | Deviation detail

2.1 | Description of the deviation:

Deviation detail (to be completed by Project developer):

The project was registered under the Clean Development Mechanism under 7-year crediting period for the duration of 1st August 2016 to 31st July 2023. Under the notion that the Mpanga Hydro project is eligible for transition from CDM to Gold Standard under the Transition Requirements, Swiss Carbon Value shared the filled-out Transition Request Form for the remaining crediting period of 1st January 2021 to 31st July 2023 under CP-1. This document was submitted on 6th April 2023 to Gold Standard and an email confirmation for the same was received dated 20th June confirming that there is a transition requirement for the Mpanga Hydro project (Screenshot attached as Annexure-1).

There has been an exchange of continuous email communications between Swiss Carbon Value team and GS team for the approval process of this transition request. This also includes multiple rounds of discussions that took place between the two teams. The Swiss Carbon Value team further received a confirmation email dated 13th October 2023, which stated that there was no requirement of Transition for this project. This communication is attached as Annexure-2.

This entire exercise has resulted in the delay in the submission process of Renewal of Crediting Period request for the Mpanga Hydro CP-2, because of the lack of clarity on the transition process for the period 1st January 2021- 31st July 2023 under CP-1.

Furthermore, the remaining eligible credits from the first CP are also at risk of lapsing as even the transition request was made before 6th April 2023 as per the required guideline, a delay in the completion process has happened due to lesser clarity on the appropriate processes.

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

N/A

2.2 | Assessment of the deviation:

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

- 1) Swiss Carbon Value had initiated the process for transition of Mpanga Hydro from 6th April 2023, onwards for the credits under CP1(1st January 2021-31st July 2023).
- 2) This approach was within the timeline of submitting the transition request as per the guideline. An email confirmation for the same was received dated 20th June 2023 confirming that there is a transition requirement for this project.
- 3) An invoice was received from Sustain Cert for Preliminary Review dated 6th April 2023 (attached as Annexure-3) and the same got paid by the Swiss Carbon Value team also.
- 4) During this period, multiple documents got uploaded which led to further delay in the completion process under exact scope of work for Mpanga hydro.
- 5) Swiss Carbon Value team was in continuous interaction with GS/SC team to get appropriate guidance on the exact scope of work for this project.
- 6) As substantial time had elapsed, a resubmission of TRF documents along with a Deviation request was further recommended by Sustain Cert team during a meeting dated 21st September 2023. The email highlighting the minutes of the meeting has been attached as Annexure 4.
- 7) Post this, a final confirmation was received from Sustain CERT dated 13th October 2023 that there is no requirement for transition review for this project's CP-1 credits.

In line with the above, where the transition requirement of the project was not cleared, the delay in the request process of renewal of crediting period (RCP) took place. It is therefore requested to allow the PP to continue the Crediting Period-2 from 1st August 2023 without any loss due to the delay in GS RCP request submission.

Additionally, it is requested to allow the credits (Under the purview of CP-1) as eligible and valid by giving an extension to complete the required process for the same.

Swiss Carbon Value had already initiated the process of empaneling a VVB Auditor to conduct the design certification of the project in line with GS requirements in accordance with the GS Principles and Activities for Design Certification.

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

N/A

2.3 | Impact of the deviation:

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

The request of deviation for this project lies very close to the crediting period renewal due date for CP-2 (within the same year), which will not affect the project design, emission reductions, monitoring frequency, data quality and potential risk or any other relevant aspect of the project during the delay period (few months only).

The project has continued to monitor all parameters on a continuous basis. The above deviation will not cause any impact on the data quality or attract any potential risk on GS related to any issuance or any other material impact affecting the quality of the project and thus no potential risk is attributed to GS Project activity.

The deviation requested adheres to the Principles and Requirements set forth by GS4GG and complies with:

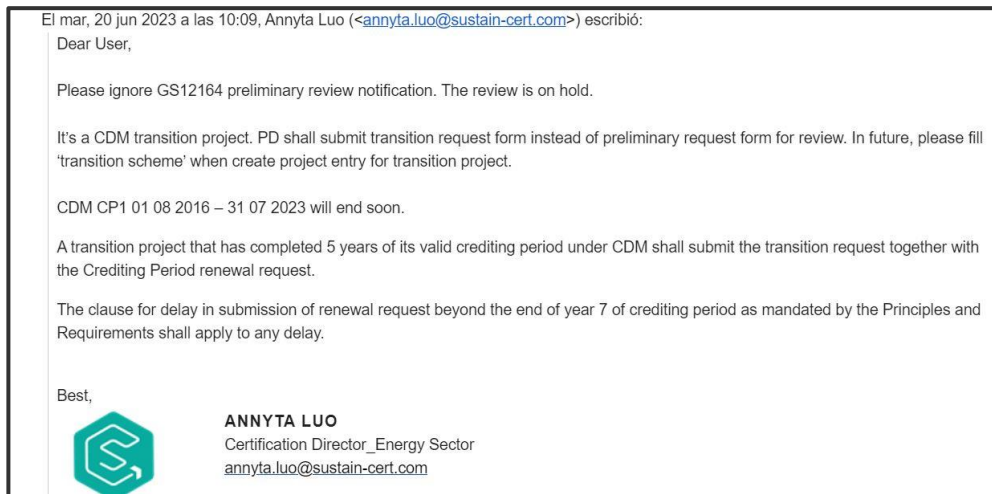
- Emissions reductions: The requested deviation will have no impact on these.
- SDG impacts: The requested deviation is related to the renewal of crediting period. As such, it will have no impact on the project SDGs.
- Potential risk: No risk is perceived in this request.
- Environmental Integrity: The VERs generated from the project activity are not overestimated as conservativeness is ensured.

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

N/A

2.4 | Documents:


Annexure-1 Email received GS/SC dated 20th June 2023



Annexure 1: Email received 20th June 2023, indicating Transition Request from GS/SC team.

Annexure- 2 Email received GS/SC dated 13th October 2023

04/12/2023, 20:37 South Pole Carbon Asset Management AG Mail - Mpanga Hydro Minutes of Meet


Raghuvir Das <r.das@southpole.com>

Mpanga Hydro Minutes of Meet

Annyta Luo <annyta.luo@sustain-cert.com>

Fri, Oct 13, 2023 at 4:16 PM

To: Raghuvir Das <r.das@southpole.com>, Sakshi Nehra <sakshi.nehra@sustain-cert.com>, help <help@sustain-cert.com>

Cc: Marcelino Pellitero <m.pellitero@southpole.com>, Yashaswini Shivalingaiah <y.shivalingaiah@southpole.com>, Mallika Bose <m.bose@southpole.com>, Project Development Coordination <projdevcoord@southpole.com>

Dear Raghuvir,

GS12164 is listed under GS. PD can move ahead the validation and then request design review under GS4GG.

Kindly notice transition review (GS CDM to GS VER) is not applicable for this case, which is for already design certified GS CDM transition to GS VER for post 2020 credits issuance. New CDM transition shall go through the entire certification cycle:

1. Preliminary review(done)
2. Validation
3. Design certification
4. Verification
5. Performance review


Therefore, preliminary review invoice was correctly generated and paid.

CDM CP1 has ended on 31 July 2023. The design certification renewal request shall be submitted within 6 months from the date of transition review completion or before the end date of year 7 under CDM crediting cycle, whichever is earlier.

The clause for delay in submission of renewal request beyond the end of year 7 of crediting period as mandated by the Principles and Requirements shall apply to any delay.

There PD shall submit validated documents for design review and CP renewal review a.s.a.p.

Best,



ANNYTA LUO

Certification Director_Energy Sector


annyta.luo@sustain-cert.com

sustain-cert.com

https://mail.google.com/mail/u/0/?ik=768feb2380&view=pt&search=all&permmsgid=msg-f:1779636891903561944&simpl=msg-f:1779636891903... 1/2

Annexure 2 Confirmation received from Sustain Cert team for no requirement of transition review.

Annexure-3: Invoice for preliminary review

	<p>SustainCERT SA 1, rue de Turi L-3378 Livange Luxembourg</p> <p>E-mail: finance@sustain-cert.com Website: www.sustain-cert.com Bank: ABN AMRO Account name: SustainCERT SA Account no.: 114402930 BIC: ABNANL2A IBAN: NL33 ABNA 0114 4029 30 Bank address: Gustav Mahlerlaan 10, Amsterdam, NL VAT number: LU31097408</p>
<p>Swiss Carbon Value Ltd. administration Technoparkstrasse 1 Zurich, Switzerland</p>	<p>INVOICE 23800579</p> <p>Invoice date: 6-4-2023 Due date: 20-4-2023</p> <p>Reference</p>

#	Description	Price	VAT %	Price ex. VAT	VAT	Price incl. VAT
1	Preliminary Review - Other	\$ 900,00	0 %	\$ 900,00	\$ 0,00	\$ 900,00
	Preliminary Review GSID: GS12164 Mpanga 18 MW Run-of-River Hydropower Project Review Type: Preliminary Review Review Number: 1					

Annexure 3 Invoiced received dated 6th April 2023

Annexure-4: Email highlighting the minutes of the meeting with SustainCERT team.

Raghuvir Das <r.das@southpole.com> Fri, Sep 22, 2023 at 4:49 PM
To: sakshi.nehra@sustain-cert.com
Cc: Marcelino Pellitero <m.pellitero@southpole.com>, Yashaswini Shivalingaiah <y.shivalingaiah@southpole.com>, Mallika Bose <m.bose@southpole.com>, Vikash Yadav <v.yadav@southpole.com>, Rohit Garg <r.garg@southpole.com>, Project Development Coordination <projdevcoord@southpole.com>

Dear Sakshi,

Thank you for your time to discuss the Mpanga Hydro project (GS ID 12164). As discussed, I am sharing the following MoM for your reference. We would appreciate your further support to resolve the matter at the earliest.

Minutes Of Meeting (21/September/2023)

Participants:

SustainCert: Sakshi Nehra

South Pole: Vikash, Mallika and Raghav

1. Mpanga Hydro (GS ID 12164) is seeking a transition from CDM to GS for the remaining 2.5 years of Crediting Period 1.
2. A Transition Request Form (TRF) was submitted to GS on 6th April 2023.
3. Due to technical error, multiple documents got uploaded which led to confusion on the exact scope of work required for Mpanga hydro.
4. As substantial time has elapsed, a resubmission of TRF documents along with a Deviation request was recommended by Sustain Cert team.
5. As Deviation will likely take time, the South Pole team requested SustainCert team to let the team proceed with the Transition Review submission considering the timeline of this project which may impact the client.
6. In line with the above, the South Pole team will submit the original TRF document (earlier submitted on 6th April 2023) again as a fresh submission, considering that the date of submission will be considered as 6th April 2023 but not September 2023, as this might violate the guideline of submitting a TRF request before the end of the remaining crediting period, which is 31st July 2023 for this project.
7. Lastly, due to the confusion in the scope of work, the invoice which was raised on Preliminary Review, the same got paid by the South Pole team. Hence, our request here is to please adjust the same amount against the invoice that will be raised by SustainCert now for this fresh submission of Transition Request form.

In case I have missed anything, please feel free to add the same.

Yours Sincerely,

Raghav

Annexure 4 Minutes of Meet highlighting discussion points for Mpanga Hydro next steps

Version number	Release date	Description
5	11.04.2022	Additional information added: <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 Guidance on VVB opinion
4	14.01.2021	
3	16.07.2020	
2	03.05.2018	
1	01.07.2017	Initial adoption