



DEVIATION REQUEST FORM

PUBLICATION DATE **11.04.2021**

Version **5.0**

A. To be completed by Gold Standard

1 | Decision

1.1 | Date – 22/02/2024

1.2 | Decision

Please note that these approvals are specific to project circumstances and cannot be generalized for any other projects. Response 1 is the amended decision to the previous request DEV_477 and response 2 is the decision based on additional information.

Response 1: (Revised Decision to DEV_477 Dated 27/07/2023)

The existing stakeholder consultation meetings are deemed sufficient; however, a virtual Stakeholder feedback round (SFR) round of 30 days shall be required where GS requirements on the invitation to the minimum group of stakeholders to be consulted shall be met in accordance with the [Para 3.6 Stakeholder consultation requirements](#).

Response 2:

The request is approved pertaining to the unique nature of the project.

The Virtual Stakeholder Consultation round conducted for project GS12197 aligns with the objectives of Stakeholder consultation and requirements and seems satisfactory considering continuous actions demonstrated by the project developer of engaging, identifying and consulting the required stakeholders in a meaningful manner to propagate key project information and outcomes. The project developer may proceed with the design certification process.

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_624	
Date of decision	22/02/2024	
Precedent (YES/NO)	No	
Precedent details	NA	
Date of submission	16/02/2024	
Project/PoA/VPA	Project	ID – GS12197
	<input type="checkbox"/> PoA	ID – GSXXXX
	<input type="checkbox"/> VPA	ID – GSXXXX
Project/PoA/VPA title	d’Amico Società di Navigazione SpA Shipping Retrofit Project 1	
Date of listing	28/06/2023	
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)	28/02/2024	
Location of project/PoA/VPA	Host country(ies) There is no host country. Project involves ships mostly travelling in international waters. Shipping emissions and emissions reduction are not included in GHG inventory of any country.	
Scale of the project/PoA/VPA	<input checked="" type="checkbox"/> Microscale <input type="checkbox"/> Small scale <input type="checkbox"/> Large scale	
Gold Standard Impact Registry link of the project/PoA/VPA	https://registry.goldstandard.org/projects/details/4166	
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	Stakeholder Consultation process, international shipping projects	
Specify applicable rule/requirements/methodology, with exact paragraph reference and version number	GS STAKEHOLDER CONSULTATION AND ENGAGEMENT REQUIREMENTS Version 2.1 Sections 3.1.3 and 3.6.5	

Specify the monitoring period for which the request is valid (if applicable)	Start date	End date
Submitted by	Contact person name: Alison Morris	
	Email ID: amorris@fremco.com	
	Organisation: The FReMCo Corporation Inc.	
Validation and Verification body (VVB opinion shall be included, where required by the applicable rules/requirements or request is submitted by the VVB).	Project participant: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	Project has completed internal SustainCERT validation.	
Any previous deviations approved for the same project activity/PoA/VPA(s)?	If yes;	
	VVB name: SustainCERT	
	VVB Staff name(s): Nayan Jyoti deka and Muskan Chawla	
Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		

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):

Gold Standard Stakeholder Consultation Engagement rules require an in-person, physical meeting. However, it is felt that for projects of this nature (involving international shipping with no host country and no project site) the alternative of holding a virtual (on-line) Stakeholder Consultation session meets all of the goals of this process.

As per the Gold Standard Stakeholder Consultation and Engagement Requirements: *"The aim of the stakeholder consultation is to meaningfully engage stakeholders and*

discuss potential environmental, social and economic impacts (both positive contributions and potential risks) that projects may have during the design, planning, implementation and operational stages of the project and to establish an ongoing mechanism for feedback in consultation with stakeholders.” Specifically, section 3.1.1 of the Stakeholder Requirements outlines the objectives as:

a. to identify, engage and consult stakeholders in a meaningful manner to improve project design and its outcomes, and

b. to inform stakeholders about the projects and discuss their likely impacts (both positive and negative) during the design, planning and implementation stage and relevance to stakeholders, and

c. to establish an ongoing engagement process for stakeholders to provide input, feedback and to raise concerns throughout the project life.

Section 3.6.2 goes on to say the following: *“The objective of the physical meeting is to inform the relevant stakeholders of the project details and ensure that stakeholders are provided with an opportunity to influence project design, implementation and operation by interacting with the project developer (and also amongst each other) and exchanging views and concern(s) in a free and transparent manner.”*

Gold Standard reviewed and approved a Deviation Request related to this matter, namely DEV_477 approved July 27, 2023, however the approval had some conditions attached. This request is being submitted to respectfully request that the matter be reconsidered based on the information provided below, as well as the supporting documents provided separately with this submission.

The approval has the following conditions: “The deviation request is **Approved**. However, project developer shall make note of the following requirements/recommendations –

1. The existing stakeholder consultation meetings are deemed sufficient; however, a virtual SFR round of 60 days shall be required where GS requirements on the grievance mechanism and invitation to the minimum group of stakeholders to be consulted shall be met in accordance with the Stakeholder Consultation and Engagement Requirements.
2. Please note that if during certification process any major gaps from the stakeholder consultation process are identified, GS retains the right to require the projects to do a physical stakeholder consultation.

Response and Request from Project Developer, The FReMCo Corporation Inc., with respect to the two recommendations noted above:

1. A virtual stakeholder round was already conducted following the extensive stakeholder consultation, where 47 persons were invited with details of the project sent to them ahead of time and 25 persons attended the virtual meeting, where further details were presented and feedback responses received and addressed during the meeting.
2. The Stakeholder Feedback Round (SFR) has also been carried out and completed. During this required step, a draft PDD and Stakeholder Consultation Report, together with a questionnaire, were sent to all stakeholders who were invited to and participated in the stakeholder consultation. Of the almost 50 stakeholders invited to participate in the SFR round, only 2 responded, which we assume to mean that the stakeholders did not have strong views on the project nor additional questions, feedback or suggestions. Thus, we see no real benefit from conducting another SFR.
3. We do not believe that a physical stakeholder consultation improves the process in any way for projects such as this one in the shipping sector, and would impede participation and lead to considerable GHG emissions for participants to travel to, say, Genève (GS HQ) or the Marshall Islands (where many ships are registered). Marshall Islands is a low-lying island country that with other such nations are at risk of disappearing from rising sea level caused by global warming. At COP26 in Glasgow and elsewhere, Marshall Islands has asked for strong actions to reduce GHG emissions and mitigate climate change. It would be especially contradictory for Gold Standard to be promoting such unnecessary GHG emissions.

Further details to support the original deviation request and to respond to DEV_477:

- We do realize that the current Gold Standard Stakeholder Consultation Engagement rules require an in-person, physical meeting. However, it is felt that for projects of this nature (involving international shipping with no host country and no project site) the alternative of holding a virtual (online) Stakeholder Consultation session meets all of the stated goals of this process.
- There are numerous precedent examples from past Gold Standard shipping projects including International Paint (GS 2767, GS 5406, GS 5836), Golden Union Shipping (GS 11208) and TMS Tankers Ltd. (GS 11933) where this same

process was carried out and accepted by Gold Standard and SustainCERT due to the unique nature of these projects. The main difference here is that there are no “local” stakeholders so to speak, therefore we ensure to invite those people and groups that are interested in the global marine environment and climate change mitigation opportunities in shipping such as: technology providers, ship chartering companies, shipping technology providers, shipyard representatives, classification societies, shipbrokers and others.

- The project refers to energy efficiency measures applied to ships that are at sea, mostly in international waters. As such, categories A through E and G listed in the GS rules are not directly applicable to this project. Moreover, concepts such as “Local people”, “Land tenure rights”, “Local policy makers”, “National government”, “Local NGOs”, and “Relevant NGO supporters located in the host country” are not applicable.
- The initial Stakeholder Consultation meeting was held on March 28, 2023, with 47 people having been directly invited, with invitations sent out at least 30 days ahead of the meeting. Preliminary project information was provided together with the invitation email, as well as two direct contact emails for any feedback or questions. 25 people attended the session on March 28, 2023.
- The project was submitted for Preliminary Review in May 2023 and this was approved June 29. The Stakeholder Feedback Round (SFR) has now actually been completed already, as this was ongoing and completed while the Preliminary Review was being undertaken. All invitees and attendees were invited to participate in the SFR, which remained open for 30 days as per GS rules (invitations were sent out on May 31, 2023.) Project documents (draft PDD and Stakeholder Consultation Report) were both made available via a Google Drive folder and link. A feedback form asked specific questions about the project, but also offered the opportunity for stakeholders to pose any additional questions or make comments. Please see “dAmico Stakeholder Feedback Round information 31may23.pdf”, uploaded to the SustainCERT platform, for further details. This SFR closed on June 30, 2023 and the Stakeholder Consultation Report was updated accordingly (see file uploaded to the SustainCERT platform entitled “dAmico GS 12197 Stakeholder Consultation Report v2 post SFR 04jul23 clean.docx”).
- Specifically with regard to the Continuous Input and Grievance mechanism, this item was specifically explained and discussed during the initial live, virtual meeting and input/feedback sought from participants. The proposed method

includes direct email addresses and phone numbers for inputs to be provided. Please note that no comments or alternative methods were proposed, and all participants felt that the method offered was fair, equitable and acceptable in this case. This item was also included again in the SFR in the feedback form provided to all invited, however no comments or suggestions were received other than to indicate that these methods were clear and acceptable.

We would like to respectfully request that the Stakeholder Consultation process carried out for GS12197 is accepted as-is, since we followed the same steps as in many previous, similar projects and this was approved in each instance. We struggle to see the value in having another round of virtual SFR and honestly would anticipate few, if any, invitees would actively participate. The specific matter of the Continuous Input and Grievance mechanism has been addressed several times with the stakeholders already, and the response received was that the proposed method meets the needs of stakeholders in this case and offers everyone a fair and equitable opportunity to provide feedback.

The virtual Stakeholder session held for this specific d'Amico project, and for previous projects relying on the "Retrofit Energy Efficiency Measures in Shipping" methodology as well as the previous Advanced Hull Coatings methodology, met all of these objectives.

A physical meeting may be relevant for local stakeholders' participation. However, the project involves ships that are mostly at sea. Hence there are no local stakeholders. Stakeholders for this project are those that are interested in the global marine environment, climate change mitigation opportunities in shipping, technology providers, etc.

Since for this project (comprising energy efficiency in international shipping) the stakeholders are dispersed in multiple global locations, and in keeping with stakeholder consultations conducted in previous Gold Standard shipping projects, a physical meeting was neither necessary nor feasible. Since there is no host country for this project, and no local area *per se*, holding a physical stakeholder meeting would have required most attendees to travel in order to participate, likely by air or train, which would have been prohibitive for many, as well as being contrary to the climate mitigation and emission reduction goals of both the project and the Gold

Standard. A physical meeting would have greatly reduced the possibility for genuine stakeholders to participate. Therefore, a virtual/online meeting was considered most appropriate, permitting the maximum level of participation and the most fair, equitable and transparent manner of engaging stakeholders in this situation. Invitees who could not participate in the live video conference meeting could send in written comments by email.

There are numerous precedent examples from past Gold Standard projects including International Paint (GS 2767, GS 5406, GS 5836), Golden Union Shipping (GS 11208) and TMS Tankers Ltd. (GS 11933) where this same process was carried out and accepted by Gold Standard and SustainCERT due to the unique nature of these projects. There is no single location for an in-person event in this case, nor multiple locations that are realistic or make sense. The ships are traveling in international waters and there is no host country for any of the projects. In addition, the relevant stakeholders are scattered globally. Again, an in-person event (and particularly several in-person events) would be cost-prohibitive and would be encouraging stakeholders from many different countries to travel (mostly by air), which would in fact indirectly increase emissions associated with this project. Many companies have gone as far as restricting employee travel to reduce expenditures and emissions from employee travel, and it is our strong belief that attendance during such a remote session as was held in this case was actually much higher than it would have been if the meeting was held in-person.

It is requested that for some specific projects such as this one (GS 12197), the in-person Stakeholder meeting requirement be not required as long as the session held virtually meets the stated aims of engaging stakeholders and allowing for free, interactive and transparent discussion amongst the participants and the project developer/owner.

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.*

N/A

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):

It is felt that the Stakeholder Consultation process carried out in this and other similar projects complies with, and meets the stated aims of, the Gold Standard Stakeholder engagement and consultation requirements in every way, other than the fact that the meetings were not able to be realistically held in-person.

There are no impacts whatsoever on the overall project and the accuracy, completeness and conservativeness of the project is ensured and unchanged by this deviation.

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.*

N/A

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):

There is no impact on project design, safeguarding principles assessment, SDG assessment, emissions reductions, monitoring frequency, data quality, potential risk or any other relevant aspect of the project.

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.*

N/A

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.)*

There are no other documents provided with this Deviation Request. The Stakeholder Consultation Report for this project, which has been updated to reflect the Stakeholder Feedback Round process and outcome, has already been uploaded to the project account on the SustainCERT app. There are also several project documents available on the SustainCERT app related to the other similar projects referenced above, where remote stakeholder consultation sessions were also carried out, namely International Paint (GS 2767, GS 5406, GS 5836), Golden Union Shipping (GS 11208) and TMS Tankers Ltd. (GS 11933).

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
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