

GOLD STANDARD REQUIREMENTS V2.2 FREQUENTLY ASKED QUESTIONS

Additionality

Does Gold Standard check the additionality of CDM registered projects?

No, Gold Standard does not check the additionality of CDM registered projects.

Is the deemed additionality rule applicable on all projects?

Yes, projects meeting the deemed additionality criteria can make use of the deemed additionality rules. As per a new rule update, even retroactive projects (which meet the criteria) can apply the deemed additionality rules.

Can small-scale VER projects make use of Attachment A to Appendix B to demonstrate additionality?

Yes.

Consultation Process: Local Stakeholder Consultation (LSC)

Do I need to invite all the GS NGO Supporters to the Local Stakeholders Consultation (LSC)?

No, for the LSC only the International GS NGO Supporters (WWF, REEEP, SouthSouthNorth, Mercy corps, Helio International, Greenpeace, Care International) and those GS NGO Supporters located in the same host country as the project activity need to be invited. However, for the Stakeholders Feedback Round (SFR) all the GS NGO Supporters need to be invited to or informed of this event.

Can the LSC meeting be conducted after the project activity has started?

All projects undertaking a regular certification cycle shall conduct the LSC meeting before the start date of the project. The LSC report should be submitted within a month of the consultation. Projects that do not conduct the LSC meeting prior to the start date shall be considered as retroactive projects and will undergo a prefeasibility assessment.

Consultation Process: Stakeholder Feedback Round (SFR)

How is the Stakeholder Feedback Round under Gold Standard different from global stakeholder consultations under CDM?

The DOE makes the draft PDD public on the UNFCCC website during the start of validation for Global Stakeholder Consultation. During SFR the PDD, GS passport and LSC report are made publicly available for public comments for at least 60 days.

How should a retroactive project conduct a Stakeholder Feedback Round?

Retroactive projects are recommended to conduct a face-to-face meeting as a part of the Stakeholder Feedback Round. Also, they should use the outcomes of the PFA to plan the SFR accordingly. For more information please see section 2.10 in Version 2.2 of the Toolkit.

Crediting Period Renewal

When should a project apply for the renewal of the crediting period?

The project should submit a request for renewal prior to the end of the first crediting period. If the renewal request is submitted after the first crediting period has finished, there will be a 4-week crediting period renewal review. The second crediting period can start once this review has finished.

Is a DOE site visit mandatory for submitting a request for renewing the crediting period?

Yes, a site visit is mandatory.

Are the crediting period renewal guidelines (Annex Z) applicable to all projects under each version of the standard?

Yes

Can the same DOE validate the crediting period renewal and carry out the verification?

For large-scale projects, the DOE that carries out the validation for renewing the crediting period cannot carry out the verification of the renewed crediting period.

Definition of Start Date

How is the start date of a project activity defined?

'Start date of the project' means the earliest date at which either the implementation or construction or real action of a project begins (further, the guidance provided in paragraph 67 of CDM EB 41st meeting report is applicable)

Design Change

Are design change rules also applicable for PoAs/micro-PoAs?

Yes. If any new country, technology or methodology is added to a registered PoA/micro-PoA, the CME shall follow Annex AA for submitting a request for design change approval.

Are the design change rules and procedures applicable to projects under each version of the standard?

Yes

Fees

Which projects are required to pay registration fees?

All projects except GS v2.1 SoP projects are required to pay registration fees before the 6-week registration review period can be initiated. Registration fees are also applicable for initiating the 2-week inclusion review period for PoAs/micro-PoAs activities.

Does GS take fees in cash/draft/cheque?

The fee is transferred via bank transfers only.

What happens if the PFA fee is underestimated? E.g. the PFA fee is more expensive than first anticipated

If the actual PFA fee is over 20% higher than the amount in the validated PDD, then the difference will be charged before the Registration Review commences.

How is the registration fee of a project calculated?

The registration fee is based on the expected volume of emission reductions for the first 12 months of the crediting period according to the validated PDD. The registration review period commences only upon confirmed payment of registration fees. The registration fee is 0.30 USD/credit for VER projects and 0.10 USD/credit for CER projects.

What is the difference in the registration fee for a cash-per-credit project versus a SoP project?

For an SoP structure, registration fees will be charged based on the expected volume of emission reductions for the first 12 months of the crediting period according to the validated PDD. Therefore the credits will not be

deducted from the first twelve months of issuance. However, for subsequent periods, a SoP deduction of 1.5% (CER) and 2% (VER) will be applied at issuance. For the cash-per-credit option, registration fees are based on the expected volume of emission reductions for the first 12 months of the crediting period according to the validated PDD.

When calculating registration fees - what happens if the issuance volume is greater than the volume expected at the time of registration?

If the issuance volume for the first 12 months of the crediting period is greater than the volume used for calculating the fees, then the PP must pay the balance upon issuance.

Micro-PoAs

Is an Objective Observer (OO) visit mandatory for micro-PoA validation?

Yes, in the case of micro-PoAs, OO visits are mandatory at the time of internal validation.

How is an OO identified?

Objective Observer' means an independent expert (e.g. academics from local universities, staff from local NGOs or local consultancies, representatives of development organizations, etc) that is contracted to appraise the project with respect to sustainable development aspects. For appointing an OO, CVs of 3 potential candidates should be submitted by the CME. The GS will assess the CVs and sign an agreement with the selected candidate. In case none of the CVs are relevant, GS may ask for submission of more CVs.

Is GS responsible for the payment and training of OO?

Yes, GS trains the selected OO and is responsible for paying the expenses incurred by the field visit.

For the GS micro-PoA inclusion review - how many VPAs can be submitted at one time?

4 VPAs can be submitted at a time for a GS inclusion review, which commences only after the payment of Inclusion Review Fees (USD 2500/VPA).

PoAs

In the case of PoAs - when is an activity required to undergo a full PFA and a full validation?

Case 1 – All retroactive VPA(s) with a start date before the time of first submission of the PoA to Gold Standard must undergo a full pre-feasibility assessment, a full validation and a registration review by The Gold Standard in order to be included in the PoA. All regular cycle VPAs that have a start date before the time of first submission must undergo a full validation and a registration review by The Gold Standard in order to be included in the PoA. Case 2 – The first retroactive VPA of a specific technology / methodology combination with a start date after the time of first submission of the PoA to The Gold Standard can only be included in the PoA subject to a full pre-feasibility assessment. Subsequent retroactive VPAs of that same combination can be fast-tracked.

Can a LSC be conducted for a group of activities?

Yes, however, there needs to be prior approval at the time of 'Listing' the activity.

Is it mandatory to submit a real case activity for each country/technology/methodology combination at the time of GS registration review?

Yes, however, case-by-case deviation may be granted after TAC approval. Please refer to the guidelines. (<http://www.goldstandard.org/wp-content/uploads/2011/09/Rule-Update-Procedure-for-multi-country-PoAs.pdf>)

How is the date of PoA submission defined?

Date of PoA submission is the date on which the PoA Design Consultation Report is submitted to GS for review.

How is a PoA Design Consultation different from the stakeholder consultation conducted at the PoA/activity level?

The PoA Design Consultation is a mandatory step of stakeholder consultation that must take place in all PoAs. This consultation needs to be carried out in addition to a PoA/activity level consultation. The objective of this consultation is to collect feedback from relevant stakeholders on the overall design and expected impacts of the programme, in order to ensure it is in line with the national or regional sustainable development goals and priorities. This consultation can be conducted electronically.

Stakeholder consultation at a PoA/activity level involves a physical meeting with stakeholders including local people, communities impacted, local NGOs, government officials etc. This meeting should be complemented with other feedback gained via bilateral discussions, call for inputs via emails, letters of support, etc. The aim of this consultation process is to inform stakeholders in detail about the activities to be implemented within the programme and give them the opportunity to discuss the impact of the activities on them and on the environment. (Refer Annex F and Annex V).

Who is the target audience for PoA Design Consultation? E.g. who should be invited for this consultation?

- 1) Host country DNA(s)
- 2) GS Secretariat
- 3) GS International and GS local NGO Supporters
- 4) Local NGOs
- 5) Research organizations Institutes
- 6) Agency(ies) which have the mandate to set the quality criteria for that technology in the host country
- 7) Implementing agencies/CME(s) of the earlier PoAs in the region/country
- 8) Technology suppliers
- 9) Renewable energy development agencies, etc.

Is the PoA Design Consultation also mandatory for GS CDM PoAs?

Yes, the PoA Design Consultation is mandatory for all PoAs submitted for GS certification, including CDM PoAs and micro-PoAs.

In a PoA Design Consultation, what are the various issues that a CME needs to seek feedback on?

- 1) Overall sustainable development aspects of a PoA
- 2) Geographical spread or location of a PoA
- 3) Technology employed under the PoA
- 4) Other organizations/agencies who can provide feedback on the design of the PoA
- 5) Implementation plan of the programme, i.e. commercial terms and conditions should be transparently shared by the CMEs on the basis of which interested activities will be allowed to join a PoA, etc.

Pre-Feasibility Assessment (PFA)

What documents are required to be submitted for a retroactive project Pre-Feasibility Assessment (PFA)?

The documents required for a PFA are Project Design Document (PDD), GS Passport, Emission Reduction Calculations (in excel format), CDM Validation Report (if applicable), and other supporting documents like an EIA, baseline surveys (if available), etc.

What is the difference between a full PFA and fast track PFA? When can a fast track PFA be applied rather than a full PFA? And what is the fee?

In a full PFA, GS carries out a thorough assessment of the documents stated above and provides feedback in the form of a formal PFA report. The PFA report is shared on the registry and the DOE is required to address the comments raised in the PFA report in the GS Validation Report. In the case of a fast track PFA, GS does not

provide a formal PFA report but provides feedback in the form of a 2-hour consultation with the PP and DOE. The presence of a DOE in the 2-hour consultation is not mandatory but strongly recommended by GS. There is no fee involved in fast tracking the PFA, but all projects undergoing full PFA are required to pay PFA fees. (Please refer Annex L for further details).

What types of projects are required to undergo a full PFA?

- 1) Large hydro-power projects (more than 20 MWe capacity)
 - 2) Retroactive hydro projects (both small and large-scale)
 - 3) Palm oil mill related projects
 - 4) Rejected CDM projects (for reasons related to the methodology)
 - 5) First retroactive activity of a technology/methodology combination within a PoA (including micro-scale PoAs).
- All other projects can apply for a fast track PFA.

Specific Eligibility Criteria – Annex C

What are the six main critical issues hydro-projects need to discuss?

- 1) Competing use of water resources
- 2) Minimum ecological flow
- 3) Impact on groundwater level
- 4) Design and effectiveness of fish passage(s)
- 5) Sediment management plan
- 6) Mitigation measures for reducing soil erosion.

For more details, please refer to Annex C (http://www.goldstandard.org/wp-content/uploads/2012/05/v2.2_ANNEX-C.pdf)

Are all hydro projects required to discuss the six critical issues listed above?

Yes, all hydro projects (including micro-scale hydro projects) are required to discuss the six critical issues in the project documentation.

Under which scenario is an external expert report required for hydro projects?

Unless already addressed satisfactorily as a part of the existing ESIA report, the opinion of an independent external expert(s) should be provided. Based on relevant CVs submitted by the PP, GS will select an external expert. It is the PPs responsibility to pay for this expert. Before any work can start on the study a MoU needs to be signed by all parties (e.g. GS, PP and the expert(s)). The MoU will outline the scope of the work and what needs to be assessed by the expert(s).

What is biomass availability rule for small-scale and large-scale projects?

Project Participants must demonstrate that their project makes use of surplus biomass for each type of biomass resources used. For small-scale activities, they can do this once, ex-ante on time for validation. For large-scale activities, they must do this once in time for validation and then every time they conduct verifications (e.g. as part of the Sustainability Monitoring Plan). For more information please see Annex C.

Which projects are required to demonstrate a clear transfer of carbon credit rights?

Activities involving the distribution of large amounts of small domestic interventions, such as heating, cooking, water filters, efficient lighting (CFL, LED, etc.) or electricity generation devices using renewable energy sources, are required to demonstrate a clear transfer of carbon credit rights. The project needs to provide The Gold Standard Foundation with a clear description of the transfer of credit ownership throughout the entire investment chain and proof that end-users are aware of and willing to give up their rights on emission reductions.

Other Questions

Is the Grievance Mechanism applicable to all retroactive projects?

All projects submitted to GS after 31 December 2011, are required to apply the Grievance Mechanism. However, projects applying for renewal of crediting period can choose to opt for the Grievance Mechanism.

What is ODA declaration?

All project owners need to declare that the project has not directly or indirectly received or benefitted from official development assistance. (Refer T.1.2.e of requirements)

Are all projects required to submit environment and social assessment reports?

All projects must fulfill host country requirements on environmental and social impact assessments at local, regional and national levels. A declaration must be submitted, as part of the Cover Letter, warranting that the project complies with local environmental and social regulations. (See T.2.4.4. of requirements)

For how many years can a project claim pre-CDM VERs?

The PP can claim Gold Standard pre-CDM VERs for a maximum of two years prior to the start of the CDM or JI crediting period (date of registration/determination under UNFCCC) provided they enter into an agreement with The Gold Standard Foundation. This agreement states that the PP will commit to surrender to The Gold Standard Foundation, for immediate retirement, CERs or ERUs that will be issued in respect of GHG Reductions generated by the Project during the CDM or JI crediting period in an amount equal to the Pre-CDM VERs or Pre-JI VERs. In all cases, credits cannot be claimed for more than a period of 2 years prior to the GS registration date.

What is the de-bundling requirement under GS?

Contrary to the de-bundling provisions in the CDM EB 54 Report Annex 13, The Gold Standard does not require a 1 km buffer between VPAs applying a small-scale methodology under the same PoA, even if these are implemented by the same entity.

How and where do I submit a new methodology? What is the procedure and cost involved?

A methodology concept note needs to be submitted to GS for initial feedback. Upon positive feedback the PP should use the UNFCCC template to write-up the full version of the methodology. Once complete the PP needs to re-submit to Gold Standard for review and pay the applicable fees as per Annex L. The Gold Standard will identify two independent external experts to review the proposed methodology. The cost of this review will be paid for by the PP. The Gold Standard will review the methodology taking into consideration the outcomes of the external review. GS may either approve the methodology or ask for clarifications and request changes.

How can GS CDM projects be converted into GS VER projects?

As of now it is only possible to convert issued GS CERs into GS VERs. Please refer to the guidelines (http://www.goldstandard.org/wp-content/uploads/2014/07/Guidance-Doc_GS-CERs-to-GS-VERs.pdf)

Is a site-visit by the DOE required for all verifications?

Yes, DOE site visits are mandatory for all verifications. For more details, please refer to our recent rule clarification (<http://www.goldstandard.org/energy/rules-requirements>)

Can a GS project be located in an Annex I country?

Yes, a GS VER project can be located in any host country. However, project activities in countries with caps on GHG emissions must retire the equivalent amount of AAUs to claim GS VERs.

Which Sustainable Development (SD) indicators are required to be included in the SD monitoring plan?

All non-neutral and neutralized (with the help of mitigation measures) SD indicators should be included in SD monitoring plan. Also, Safeguarding Principles with 'medium' to 'high' risk should be included.