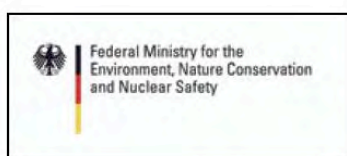


Influence. Innovate. Inspire.

The Gold Standard Requirements

Version 2.2



GS REQUIREMENTS – VERSION 2.2

History of the document

| Version | Date | Nature of revision(s) |
|---------|----------------|---|
| 2.0 | 01 August 2008 | Launch Gold Standard Version 2.0 |
| 2.1 | 01 July 2009 | First Upgrade of Gold Standard Version 2.0 |
| 2.2 | 1 June 2012 | Second Upgrade of Gold Standard Version 2.0 |

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Acknowledgements

Main Sponsors

The Gold Standard Foundation gratefully acknowledges the following main sponsors:



Chapter 0

How to Use

0.1 Introducing the Requirements

Hereby we present the revised “Gold Standard Requirements”. This document is part of Gold Standard version 2.2 and replaces Gold Standard version 2.1 in setting out an updated version of the principles and rules by which Gold Standard projects are carried out.

0.2 Reason for the Upgrade of The Gold Standard

The Gold Standard was established a decade ago by the NGO community to define, demonstrate and drive best practice in the carbon markets. As such, it is used by projects around the world to verify that they meet the highest benchmarks in carbon accounting, design and ethics.

All Gold Standard projects must adhere to a stringent and transparent set of criteria developed by the Secretariat, overseen by an independent Technical Advisory Committee and verified by UN accredited independent auditors. The Gold Standard’s unique certification process requires the involvement of local stakeholders and NGOs and, as a result, is the only certification standard trusted and endorsed by more than 80 NGOs worldwide.

To date, the 750+ projects undergoing Gold Standard certification are calculated to save more than 65-million metric tonnes of carbon from the atmosphere by 2015 and provide verified health, employment and other social and environmental benefits to millions of people.

We are pleased to introduce The Gold Standard Version 2.2, which augments and improves Gold Standard Version 2.1. Affording those who employ Version 2.1 additional clarity and flexibility, Version 2.2 incorporates recent decisions of The Gold Standard Technical Advisory Committee and periodic rule updates since the launch of Version 2.1, including revised PoA rules, revised micro scale scheme rules, micro programme rules, continuous input/grievance mechanism, clarifications on procedures for the renewal of crediting periods and project design changes, further guidance on sustainable development assessments and methodology eligibility, appeal procedures, a new fee structure and scope expansion to composting. Version 2.2 is available for use immediately and project applicants currently using Version 2.1 may choose to implement part or all of the upgrades available in Version 2.2.

All projects applying under the regular project cycle that have not submitted the complete LSC report (see Gold Standard Toolkit, Sections 2.6 & 2.9) and all projects applying under the retroactive project cycle that have not submitted the complete documentation required for a pre-feasibility assessment (see Gold Standard Toolkit, Table 2.9) and have not paid the pre-feasibility assessment fee by July 31, 2012, will be required to employ the entirety of Version 2.2.

0.3 Validity of Previous Gold Standard Versions

Version 2.0 has been valid since August 1, 2008. There was a grace period of one month for the use of Version 1. This means that projects that requested The Gold Standard applicant status by uploading an Initial Stakeholder Consultation report or applied for retroactive registration before September 1, 2008

will still be able to use Version 1. The Gold Standard Version 1 and all corresponding documentation remain applicable to GSv1 projects but expired after September 1, 2008 for new project applicants.

Version 2.1 became effective on July 1, 2009. This means that projects that requested the Gold Standard applicant status by uploading a Local Stakeholder Consultation report or that applied for retroactive registration by uploading the required documentation and paying the pre-feasibility assessment fee before August 1, 2009 were still be able to use Version 2.0. Upgrading to GSv2.1 was possible at anytime as long as all of the requirements were met.

Version 2.2 becomes effective on 1 June 2012 and is available for immediate use. This means that projects that request The Gold Standard applicant status by uploading a Local Stakeholder Consultation report, or that apply for retroactive registration by uploading the required documentation and paying the pre-feasibility assessment fee before July 31, 2012, will still be able to use Version 2.1. Upgrading to GSv2.2 is possible at anytime as long as all of the requirements are met.

0.4 Development of the Version 2.2 Upgrade

The revised Gold Standard Rule Book – GS V2.2 – is a culmination of more than 12-months. The revised rules expand The Gold Standard scope to waste handling and disposal, provide revised eligibility criteria for various types of activities, introduce new micro-scale schemes, provide revised rules and further guidance for PoAs, provide more detailed guidelines for project developers and auditors on the assessment of sustainable development aspects and include new procedures such as a Grievance Mechanism and Appeal Mechanism to make the standard more robust.

Many of the rule updates were undertaken in conjunction with work being carried out for BMU - The German Ministry for the Environment, Nature Conservation and Nuclear Safety.

Additionally, there has been extensive market input, consultation and feedback through workshops and webinars, generally for V2.2 and particularly on the new micro-scale schemes, the new PoA rules, the appeal mechanism and hydropower rule revisions.

0.5 Documents of Gold Standard Version 2

The Gold Standard version 2.2 is for multiple users: project participants, validators, and verifiers as well as other carbon market actors. The Gold Standard documentation consists of the following parts:

The **Gold Standard Requirements** ('Requirements') concisely presents the fundamental principles and the rules of Gold Standard certification. The Requirements provide an "at a glance" overview of the criteria for validators and project developers. (This is the document you are reading now.)









The **Gold Standard Toolkit** ('Toolkit') describes the project cycle and provides examples and detailed instructions on the use of The Gold Standard.

The **Gold Standard Annexes** include detailed mandatory guidelines, guidance notes, legal documents, and fixed templates which have to be used to report information being passed between project participants, validators, verifiers and The Gold Standard. (This document can also be downloaded from The Gold Standard website.)

0.6 How to use the Requirements and Toolkit

The Requirements and Toolkit are intended for different groups of users, as detailed in Table 0.1. Animal icons correspond to different users. Project Representatives should also define project category and scale.

Table 0.1



| Validators/ Verifiers | Gold Standard Secretariat and Technical Advisory Committee | Project participants | | | |
|---|---|----------------------|---|---|---|
| | | Type | Scale | | |
| DOE/AIE | | | Large/ Small* | Micro** | Programme of Activities |
|  |  | CDM |  | - |  |
| | | JI |  | - | - |
| | | VER |  |  |  |

* Note there are specific guidelines and rules for small-scale projects. The threshold for large- and small-scale projects can be found under section 1.2 of the Toolkit.

** Gold Standard micro-scale projects can claim emission reductions up to 10,000 tCO₂ equivalent per annum. Micro-scale activities can also be grouped and submitted within Micro-programmes.

Animal icons serve to identify the user through their respective GS process step by step. Where exceptions occur and rules are not applicable to all the title animals, the animal(s) for which the rule is valid is/are presented directly with the rule. See example in Table 0.2.

Table 0.2

| Examples from the Toolkit | Explanation |
|---|--|
| <p>Chapter 1: Plan:</p>  | <p>Chapter 1 is applicable to all project participants</p> |
| <p>3.3 Upload validation workplan:</p>  <p>To increase the transparency of the validation process, you must prepare a validation workplan.</p> | <p>Section 3.3 is applicable to DOEs and AIEs only</p> |

The animals have been chosen based on the types of projects they represent.



The: buffalo, represents the CDM.



The herd of buffalo represents the CDM programme of activities.



The bear represents the JI project.



The pelican represents voluntary market projects.



The hummingbird(s) represents voluntary standalone micro-projects or micro-programmes.



The swarm of birds represents voluntary market programme of activities projects of any scale.



The fox represents the independent auditors (DOE and AIE).



The owl represents The Gold Standard secretariat together with its Technical Advisory Committee (TAC).

References from the Requirements to the Toolkit are made by stating T plus the section number. For example T. 4.2.1 would refer to Toolkit Chapter 4 section 2.1.

After reading this “How to Use” section, proceed with the Requirements and the Toolkit.

See Table 0.3 for the fixed **templates** and where to find them. These fixed templates have to be used to report information being passed between project participants, validators, verifiers and The Gold Standard.

Table 0.3

| Template | Description | Location |
|--|--|-----------------------|
| Gold Standard Passport | The document presents all GS specific, required information that is not already covered in the PDD and is required for registration under The Gold Standard. | Gold Standard Annex R |
| Local Stakeholder Consultation Report | The Document that describes the outcomes of your local stakeholder consultation, including the meeting outcomes. | Gold Standard Annex Q |
| ODA Declaration | The declaration by which the Project Owner states that the project has not directly or indirectly received or benefited from official development assistance on the condition that the credits are transferred to the donor country of the assistance. | Gold Standard Annex D |
| Sustainable Development matrix | The matrix in which you explain the relevance of each sustainable development indicator in the context of your project and how you score them, and where you provide appropriate sources of information. | Gold Standard Annex I |
| Sustainability Monitoring Plan - table | This table needs to be used to describe the monitoring of the relevant indicators and corresponding parameters of your project. Note there is no template for the entire sustainability monitoring plan, only for the monitoring table. | Gold Standard Annex I |
| Terms & Conditions | This document needs to be signed by the project participant before registration in order to guarantee the project is committed to the lawful use of the name and brand Gold Standard. | Gold Standard Annex M |

| | | |
|--|--|------------------------|
| Cover Letter | This document needs to be signed by the project participants before registration in order to guarantee that the project has met all preconditions related to Gold Standard certification and to clarify the modalities of communications and the issuance process. | Gold Standard Annex S |
| Emissions Reduction Acquisition Agreement (CDM) | This agreement governs The Gold Standard's acquisition of CERs that will be generated by a Project in the amount equal to Gold Standard VERs awarded prior to registration. | Gold Standard Annex O |
| PoA Design Consultation Report | The Document that describes the outcomes of your Programme Design Consultation – valid for all scale of Programmes | Gold Standard Annex AK |
| PoA Local Stakeholder Consultation Report | The Document that describes the outcomes of your local stakeholder consultation that is carried out at Programme Level | Gold Standard Annex AL |
| PoA Passport | The document presents all GS specific, required information that is not already covered in the PoA-PDD and is required for registration under The Gold Standard | Gold Standard Annex AM |
| Micro Programme of Activities Design Document (PoA-DD) | This document presents all baseline, additionality, monitoring and local stakeholder consultation related information for micro programmes | Gold Standard Annex AN |
| Micro Programme Activity Design Document (VPA-DD) | This document presents all baseline, additionality, monitoring and local stakeholder consultation related information for micro scale activities within a programme | Gold Standard Annex AO |
| Micro scale project design document | This document presents all baseline, additionality, monitoring and local stakeholder consultation related information for stand alone micro scale activities | Gold Standard Annex AP |
| Micro scale Sustainable Development Appraisal Report- Validation Stage | This document contains Objective Observer's appraisal of sustainable development aspects required for validation of micro scale project | Gold Standard Annex AQ |
| Micro scale Sustainable Development Appraisal Report- Verification Stage | This document contains Objective Observer's appraisal of sustainable development aspects required for verification of micro scale project | Gold Standard Annex AR |

| | | |
|--|--|------------------------|
| Sustainable Development Appraisal Report- Validation in Conflict Zones | This document contains Objective Observer’s appraisal of sustainable development aspects required for validation of project in conflict zones or refugee camps | Gold Standard Annex AS |
| Sustainable Development Appraisal Report- Verification in Conflict Zones | This document contains Objective Observer’s appraisal of sustainable development aspects required for verification of project in conflict zones or refugee camps | Gold Standard Annex AT |

If you have any questions, recommendations or feedback whilst reading the Requirements or Toolkit, please do not hesitate to contact The Gold Standard Foundation to share your views.¹

¹ Please e-mail to: info@cdmgoldstandard.org

Chapter 1

Principles

Fundamental Principles of The Gold Standard Certification Scheme

Every Gold Standard project faces a different set of circumstances and conditions, rendering the application of a common set of rules challenging. This section briefly outlines the principles that underpin the Gold Standard and steer its design and ultimately the approval or rejection of projects.

Taking a step back, the purpose of The Gold Standard is to encourage innovation, provide legitimacy, and enable pragmatism in the compliance and voluntary market for the technologies within scope. Keeping these goals in balance is achieved through participatory and bottom up processes; a conservative approach; reliance on integrated design; and a commitment to verifiable information and transparency.

The key principle is that of using a **bottom-up and integrated approach** to project design. The Gold Standard assumes a world where imperfect information and unforeseen consequences are the norm. In order to reduce the risk of unwanted secondary effects in the carbon market, The Gold Standard requires an extensive **stakeholder consultation** where the community defines the most important indicators of social, economic and environmental success.

The Gold Standard tools, i.e. **the sustainable development matrix, the stakeholder consultation guidelines, and the monitoring plan requirements** are manifestations of the overall philosophy that project success and risks must be defined in a participatory process so as to reduce the chances that important project impacts will be overlooked.

Because The Gold Standard recognises that complete information is impossible it endorses **the principles of transparency and a conservative approach**. Where accuracy is compromised, The Gold Standard relies on conservative choices that are well-documented and traceable.

Cultural conditions vary, languages vary and the definition of “community” is dynamic – every project happens under unique circumstances. Thus, when in doubt, simply demonstrate that sincere and best efforts were made to apply the Gold Standard tools in full while at the same time apply transparent and reproducible **pragmatism** to the final decisions related to the project.

Legitimate reasons to deviate from the rules occur. Pragmatic adaptations to The Gold Standard rules are acceptable provided that the project participants provide a transparent, objectively verifiable explanation that adheres to the other principles mentioned previously.

The third-party checks and the ultimate reviews by the Gold Standard are there to make sure the fundamental principles of The Gold Standard are followed and documented to the best extent possible, using existing sources wherever possible to limit the need for additional efforts unless quality of the information is insufficient.

Ultimately, The Gold Standard aims to add value to projects for all involved and The Gold Standard requirements reflect the best-available process to achieve this in the opinion of the Gold Standard constituency.

The Gold Standard constantly strives to improve and streamline its criteria without ever compromising on the objective of only certifying premium quality emission reductions.

Please note that The Gold Standard certification is there to highlight the best of the compliance market and to legitimize real efforts in the voluntary market. However, The Gold Standard is additional to and independent of the CDM. Application of The Gold Standard does not in any way reflect back on an application to the CDM Executive Board.

Chapter 2

Rules

I. **Applicable Rules**

I.a. UNFCCC rules

I.a.1. Unless otherwise indicated within The Gold Standard documentation, all projects submitted to The Gold Standard for certification must be consistent with applicable UNFCCC rules for Clean Development Mechanism (CDM) or Joint Implementation (JI) projects, as periodically updated.

I.b. Gold Standard rules

I.b.1. All Gold Standard projects shall be consistent with applicable Gold Standard documentation. Gold Standard documentation refers to the: Gold Standard Requirements; Gold Standard Toolkit, Gold Standard-Annexes, including Gold Standard Terms & Conditions, Templates and Cover Letters; Gold Standard Registry Terms of Use; Gold Standard VER Additionality Tools; and Gold Standard VER Methodologies.

I.b.2. For purposes of these Requirements, references beginning with the letter T (e.g., 'Section T.1.2.a') are references to sections of The Gold Standard Toolkit.

I.c. Transition from Gold Standard Version 1 (GSv1) to Gold Standard Version 2.2 (GSv2.2)

I.c.1. **GSv1 expiration.** Gold Standard Version 1.0 and all the corresponding documentation remains applicable to all projects that applied under GSv1 rules. It expired on August 1, 2008 for new applicants.

I.c.2. **GSv2.0 expiration.** Gold Standard Version 2.0 and all the corresponding documentation remains applicable to all projects that, on or before August 1, 2009, requested The Gold Standard applicant status by uploading a Local Stakeholder Consultation report or applying for retroactive registration.

I.c.3. **GSv2.1 expiration.** Gold Standard Version 2.1 and all corresponding documentation remains applicable to all projects that, on or before July 31, 2012, request The Gold Standard applicant status by uploading a Local Stakeholder Consultation report or applying for retroactive registration.

I.c.4. **GSv2.2 commencement.**

I.c.4.1. New project applicants that do not meet the requirements of Rule I.c.3 are required to follow Gold Standard Version 2.2.

I.c.4.2. Gold Standard Version 2.2 documentation shall be effective immediately for those Version 2.1 projects that wish to upgrade to Version 2.2. A Version 2.1 project may upgrade to Version 2.2 at any time as long as it can demonstrate compliance with the revised requirements.

I.c.5. **Grace Period.**

- I.c.5.1. Project Representatives that requested Gold Standard applicant status by uploading a Local Stakeholder Consultation Report before 1 September 2008 shall be permitted to apply under Gold Standard version 1 if they so choose.
- I.c.5.2. Project Representatives that applied for retroactive registration by submitting the required project documentation before 1 September 2008 shall be permitted to apply under Gold Standard version 1 if they so choose.
- I.c.5.3. Project Representatives that requested Gold Standard applicant status by uploading a Local Stakeholder Consultation Report before 1 August 2009 shall be permitted to apply under Gold Standard version 2.0 if they so choose.
- I.c.5.4. Project Representatives that applied for retroactive registration by submitting the required project documentation before 1 August 2009 shall be permitted to apply under Gold Standard version 2.0 if they so choose.
- I.c.5.5. Project Representatives that requested Gold Standard applicant status by uploading a Local Stakeholder Consultation Report before 31 July 2012 shall be permitted to apply under Gold Standard version 2.1 if they so choose.
- I.c.5.6. Project Representatives that applied for retroactive registration by submitting the required project documentation before 31 July 2012 shall be permitted to apply under Gold Standard version 2.1 if they so choose.

II. **Definitions**

'Accredited Independent Entity (AIE)' means an entity responsible for determining whether emission reductions resulting from a JI project meet the relevant requirements of Article 6 of the Kyoto Protocol and the JI guidelines.

'Annex I Parties' means industrialized countries that have commitments to reduce greenhouse gas emissions under the UNFCCC.

'Baseline' means the amount of greenhouse gas emissions that would be produced in the absence of the carbon credit project, also known as the 'Business as usual' scenario, which forms the basis for calculating a project's emissions reductions and helps determine additionality.

'Certified Emission Reduction (CER)' means a carbon credit generated by a CDM project that is equal to one metric tonne of CO₂ equivalent.

‘Certification’ means the written assurance by the designated operational entity that, during a specified time period, a project achieved the reductions in anthropogenic emissions by sources of greenhouse gases (GHG) as verified.

‘Clean Development Mechanism (CDM)’ means the mechanism established under Article 12 of the UNFCCC Kyoto Protocol to assist industrialised countries (Annex I Parties) in achieving compliance with their quantified emission limitation and reduction commitments under the Protocol, and assist developing countries (non-Annex I Parties) in achieving sustainable development, by recognizing emission reduction activities undertaken in non-Annex I Parties that generate Certified Emission Reductions (CERs) units against Annex I Party obligations.

‘CDM Project Activities (CPA)’ means a CDM project activity under a programme of activities. A CPA is a single, or a set of interrelated measure(s), to reduce GHG emissions or result in net anthropogenic greenhouse gas removals by sinks, applied within a designated area defined in the baseline methodology.

‘Coordinating / managing entity’ means an entity that communicates with the Gold Standard on all matters related to a PoA and associated activities, as nominated in the cover letters to be submitted for each one of the activities.

‘Designated Operational Entity’ (DOE)’ means a private company responsible for validating a project. Designated Operational Entities (DOEs) are firms that have been accredited by the United Nations as competent project evaluators. They validate that an offset project is designed in a credible way, and they control the projects themselves to make sure that the carbon emission reduction has actually been achieved

‘Designated National Authority (DNA)’ means the host country authority entitled to issue a letter of approval for a CDM project.

‘Do No Harm Assessment’ means the assessment conducted by the Project Representatives, which uses a series of safeguarding principles to determine the risk that the proposed project might result in negative environmental, social and/or economic impacts.

‘Emissions Reduction Unit (ERU)’ means a carbon credit unit generated by a JI project that is equal to one metric tonne of CO₂ equivalent.

‘Gold Standard crediting period’ means the period of time for which Gold Standard project activities generate emission reductions that are eligible for crediting under The Gold Standard.

‘Gold Standard documentation’ means The Gold Standard Requirements, The Gold Standard Toolkit, Gold Standard Annexes, Gold Standard Terms & Conditions, Templates and Cover Letters, The Gold Standard Registry Terms of Use, The Gold Standard VER Additionality Tools, and The Gold Standard VER Methodologies.

‘Gold Standard Passport’ means the document to be completed by all Gold Standard Project Participants that presents all information required for Gold Standard registration on top of the information provided in the Project Design Document (PDD).

‘Gold Standard Supporter NGOs’ means the group of non-governmental organisations that have formally declared that they subscribe to Gold Standard principles.

‘Gold Standard VER methodology’ means a methodology composed of both:

- (i) A Baseline methodology, defined as the means to estimate the emissions that would have been created in the most plausible alternative scenario to the implementation of the project (called the ‘baseline scenario’); and
- (ii) A Monitoring methodology, defined as the method used by project representatives for the collection and archiving of all relevant data necessary for the implementation of the monitoring plan.

‘Green or White Certificates’ mean certificates verifying that electricity has been generated using renewable energy or verifying that energy has been saved through energy efficiency measures respectively.

‘Host country’ means the country in which the project takes place.

‘Joint Implementation (JI)’ means the mechanism established under Article 6 of the UNFCCC Kyoto Protocol to assist industrialised countries in achieving compliance with their quantified emission limitation and reduction commitments under the Protocol and that generates Emission Reduction Units (ERUs).

‘Micro-scale schemes’ refer to the rules & procedures adopted for the various stand-alone micro-scale activities or The Gold Standard micro-programmes.

‘Micro-programmes’ mean a set of micro scale activities implemented to reduce GHG emissions or result in net anthropogenic greenhouse gas removals by sinks, applied within a designated area.

‘Non-Annex I countries’ means all countries not listed in Annex I of the UNFCCC (which Annex sets out a list of industrialised countries), among which are all developing countries.

‘Objective Observer’ means independent expert (e.g. academics from local universities, staff from local NGOs or local consultancies, representatives of development organizations, etc) who are contracted to appraise the project with respect to sustainable development aspects.

‘Official Development Assistance (ODA)’ means financial flows to developing countries and multilateral institutions, provided by government agencies, whose main objective is the economic development and welfare of developing countries and that are concessional in character, conveying a grant amount of at least 25%. For a full definition see T.1.2.e.

‘Pre-CDM VERs’ means Gold Standard VERs issued to CDM projects for a monitoring period that occurred before registration by the UNFCCC.

‘Pre-JI VERs’ means Gold Standard VERs issued to JI projects for a monitoring period that occurred before registration by the UNFCCC.

‘Pre-feasibility Assessment’ means the step required to assess whether a proposed retroactive project complies with Gold Standard criteria and can potentially apply for registration under The Gold Standard.

‘Programme of Activities (PoA)’ means a set of interrelated measures to reduce GHG emissions or result in net anthropogenic greenhouse gas removals by sinks, applied within a designated area defined in the baseline methodology.

‘Project Applicant’ means a Project Participant wishing to use The Gold Standard Brand for marketing a specific project prior to registration.

‘Project Design Document (PDD)’ means the document required for CDM or JI registration within the UNFCCC and Gold Standard VER process that describes an emission reduction project in detail and explains how the project meets validation requirements.

Project participant’ means (a) a Party providing a written approval for a project, (b) a private and/or public entity authorized by a Party providing a written approval to participate in a project, or (c) for purposes of Gold Standard VER projects, any entity or person that is responsible for, or is working closely with the Project Representative to carry out, the project activities. Project participants shall be collectively represented by the Project Representative.

‘Project Representative’ means the entity or person who will serve as the focal point for the Project. The Project Representative may have Sole or Joint authority for (1) instructing the Secretariat and communicating with The Gold Standard in connection with the Project; (2) requesting the addition of Project participants, communicating any voluntary withdrawal of Project participants and updating the contact details of Project participants; and (3) communicating with the Secretariat and The Gold Standard on any general matter related to the Project.

‘Proposed project’ means the activity for which Gold Standard crediting is sought.

‘Regular Project Cycle’ means the project cycle that applies to projects applying for Gold Standard registration (as defined under time of first submission) before the start date of the project.

‘Retroactive Project Cycle’ means the project cycle that applies to projects applying for Gold Standard registration (as defined under time of first submission) after the start date of the project.

‘Retroactive crediting’ means the crediting of emission reductions that have occurred prior to the date of Gold Standard registration

‘Safeguarding principles’ mean the list of eleven principles to be considered in conducting the ‘Do No Harm’ Assessment under The Gold Standard’s Sustainability Assessment.

‘Share of Proceeds’ means, for a project applying under the regular project cycle that has not submitted the complete Local Stakeholder Consultation Report (see Gold Standard Toolkit, sections 2.6 & 2.9) by August 1, 2009, or for a project applying under the retroactive project cycle that has not submitted the complete documentation required for a pre-feasibility assessment (see Gold Standard Toolkit, Table 2.9) and has not paid the pre-feasibility assessment fee by August 1 2009, the mandatory transfer and delivery of 2% of all Voluntary Emission Reduction credits issued or 1.5% of all Certified Emissions Reduction credits labeled, or the equivalent substitution of any other Gold Standard VER or CER, respectively, to The Gold Standard Foundation in lieu of the fixed cash registration and issuance fees.

‘Standard UNFCCC crediting period’ means the period of time for which CDM or JI project activities generate emission reductions that are eligible to claim credits under UNFCCC rules. Under the UNFCCC rules, the crediting period is either a 7-year period that can be renewed twice, for a total of 21 years, or a one-off 10-year period. For Gold Standard registration, where a 7-year period is chosen and renewed, the baseline and assessment of sustainability indicators must be renewed and revalidated after each 7-year period. See Gold Standard Annex Z.

‘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).

‘State’ means, for purposes of these Requirements, a sub-national administrative unit with a cap on greenhouse gas emissions.

‘Sustainability Monitoring Plan’ means the plan established to monitor the impact of the project on sustainable development under The Gold Standard’s Sustainability Assessment.

‘Time of first submission’ means submission of the Local Stakeholder Consultation Report for projects proceeding under the regular project cycle, and submission of the required Gold Standard project documentation for a Pre-Feasibility Assessment and payment of the applicable fee under the retroactive project cycle.

‘Validation’ means an independent evaluation by a Designated Operational Entity or Accredited Independent Entity (or an internal evaluation by The Gold Standard in the case of a micro-scale project) that a project fulfils Gold Standard validation requirements.

‘Verification’ means the periodic independent review and ex post determination by a Designated Operational Entity of monitored reductions in anthropogenic emissions by sources of greenhouse gases (GHG) that have occurred as a result of a registered project during the verification period.

‘VER-POA-DD’ means a design document for a voluntary Programme of Activities.

‘Voluntary Emission Reduction (VER)’ means a unit resulting from the certification of a voluntary offset project.

Voluntary Project Activities (VPA)’ means a voluntary project activity under a programme of activities. A VPA is a single, or a set of interrelated measure(s), to reduce GHG emissions or result in net anthropogenic greenhouse gas removals by sinks, applied within a designated area defined in the baseline methodology.

Please see the UNFCCC Glossary for further definitions, at <http://cdm.unfccc.int/Reference/glossary.html>

III. Project Eligibility Criteria

III.a. General eligibility requirements

III.a.1. **General requirements.** All Gold Standard projects must be additional, contribute to sustainable development and result in real, measurable and verifiable permanent emission reductions.

III.a.2. **Previous announcement statement.** Project activities are NOT eligible for registration or crediting under The Gold Standard if an announcement has been made previously of the project going ahead without the revenues from carbon credits, unless the project has subsequently been cancelled or the design has been significantly revised. Project Representatives shall provide a pre-announcement statement in The Gold Standard Passport, attesting that no such previous announcement has been made. The Project Representatives shall be subject to the sanctions described in Section 16 of the Terms and Conditions for any material misrepresentations in the pre-announcement statement.

III.b. Eligible project location

III.b.1. **Gold Standard CDM host country.** Gold Standard CDM project activities must be located in a non-Annex I country, as defined by the UNFCCC (see section T.1.2.b for references).

III.b.2. **Gold Standard JI host country.** Gold Standard JI project activities must be located in an Annex I country with a commitment inscribed in Annex B, as defined by the UNFCCC (see section T.1.2.b for references).

- III.b.3. **Gold Standard VER host country or state.** Gold Standard VER project activities may be located in any host country or state. However, where host countries or states have caps on GHG emissions, projects shall only be eligible if the Project Representatives have provided The Gold Standard Foundation with satisfactory assurances that an equivalent amount of allowances are retired to back-up the GS VERs issued. Any AAUs may be retired for this purpose. Gold Standard credits will not be issued prior to confirmation by the relevant local authorities that an equivalent amount of allowances has been retired (see section T.1.2.b for references).
- III.b.4. **Gold Standard VER host country or state – post-registration institution of caps on GHG emissions.** Projects that have been registered in a given host country or state prior to that country or state’s adoption or implementation of a cap on relevant greenhouse gas emissions shall be required to retire allowances or other-denominated units reflecting emission reductions to back-up issued VERs from the date any new cap is enforced.
- III.c. Eligible project gases
- III.c.1. **Eligible gases.** Only Carbon Dioxide (CO₂), Methane (CH₄) and/or Nitrous Oxide (N₂O) are eligible for Gold Standard crediting, provided project activities comply with Gold Standard eligibility criteria.
- III.c.2. **Project activities involving both eligible and ineligible gases.** Project activities involving the reduction of both eligible and non-eligible greenhouse gases shall be eligible under Gold Standard for the crediting of emission reductions associated with eligible gases only.
- III.d. Eligible project types
- III.d.1. **Eligible project types.** Three categories of project activities are eligible for Gold Standard registration: Renewable Energy Supply, End-use Energy Efficiency Improvement and Waste Handling & Disposal project activities.
- III.d.2. **Renewable Energy Supply.** This category of project activities is defined as the generation and delivery of energy services (e.g. mechanical work, electricity, heat) from non-fossil and non-depletable² energy sources.
- III.d.3. **End-Use Energy Efficiency Improvement.** The End-use Energy Efficiency improvement category is defined as the reduction in the amount of energy required for delivering or producing non-energy physical goods or services. Project activities must implement measures to reduce energy requirements as compared to the baseline without affecting the level and quality of the services provided (service equivalence). Furthermore, the following principle applies: efficiency measures implemented are considered 'end-use' energy efficiency measures when final end-users of products or services delivered can

² Although making use of a depletable source, landfill gas projects are eligible under The Gold Standard.

be clearly identified and therefore are within the project boundaries, and when physical intervention is required at the end-user side. Both emission reductions from direct and indirect energy savings are potentially eligible, i.e. the introduction of measures which directly reduce the use of non-renewable fuels at the point of intervention, or of measures that do not directly reduce the amount of fossil fuels consumed at the point of intervention but lead to a reduction of the amount of an energy intensive product (e.g. fertilizer) used for the delivery of the same non-energy physical goods or services.

- III.d.4. **Waste Handling & Disposal.** The waste handling and disposal category refers to all waste handling activities that deliver an energy service (e.g. LFG with some of the recovered methane used for electricity generation) or a usable product with sustainable development benefits (e.g. composting).
- III.d.5. **Specific additional eligibility criteria.** Gold Standard project activities in the above three categories must also comply with the specific eligibility criteria set out in Gold Standard Annex C.
- III.d.6. **Project activities involving both eligible and ineligible project types.** Unless otherwise specified in The Gold Standard documentation, and in particular in the list of additional eligibility criteria provided in Gold Standard Annex C, activities making use of a mix of renewable and non-renewable energy sources shall be eligible to claim credits for those emission reductions that are associated with the share of renewable energy sources in the total energy service delivered. Similarly, energy efficiency activities that combined both efficiency improvements on the user side and on the supply side shall only be eligible to claim credits for those emission reductions that are associated with the share of the end-use energy efficiency improvements.
- III.d.7. **Bundled project activities.** Where project activities are submitted together for Gold Standard registration within a bundle of activities, each project activity shall individually be in compliance with The Gold Standard eligibility criteria. Eligibility criteria with regards to the scale of the project (see III.e.1 and III.e.2) shall apply to the bundle as a whole and not to the individual project activities.
- III.d.8. **Programme of Activities.** Where a group of project activities is submitted together for Gold Standard registration within a Programme of Activities, each of these activities must be in compliance with The Gold Standard eligibility criteria. Programmes considering micro-scale activities only can apply under the Micro-programme Rules. See Gold Standard Annex U.

III.e. Eligible project scale

III.e.1. **Gold Standard CDM and JI project activities.** Gold Standard CDM or JI project activities may be 'large-scale' or 'small-scale' project activities, as defined in accordance with UNFCCC rules and as explained in section T.1.2.a.

III.e.2. **Gold Standard VER project activities.** Gold Standard VER project activities may be 'large-scale', 'small-scale' or 'micro-scale' project activities.

III.e.2.1. 'Large-scale' and 'small-scale' project activities are defined in accordance with UNFCCC rules, as explained in section T.1.2.a.

III.e.2.2. 'Micro-scale' project activities are those project activities associated with annual emission reductions of less than or equal to 10,000 tCO₂-eq in each year covered by The Gold Standard crediting period.

III.e.3. **Annual emission reductions in excess of selected project scale.**

III.e.3.1 Projects with expected emission reductions exceeding the micro-scale eligibility threshold in any of the years covered by the crediting period shall not be eligible under any Gold Standard micro-scale schemes.

III.e.3.2 Where the maximum level of allowable annual emission reductions for a small-scale or micro-scale project has been exceeded, that project shall only be eligible for Gold Standard CERs, ERUs or VERs up to the maximum number of allowable credits under that project scale per annum. No GS VERs can be claimed for emission reductions generated over and above what is credited under a small-scale CDM or JI project.

III.e.4. **Annual emission reductions for elements not covered by a CDM project.** GS VERs may be claimed for separate project elements not covered by a CDM project as long as they are validated separately as a VER project. See T.4.11.

III.f. Eligible methodologies for project activities

III.f.1. **CDM and JI project activities.** CDM and JI project activities must use an approved UNFCCC CDM methodology to be eligible for Gold Standard registration (see section T.2.2 and Gold Standard Annex AD for applicable methodologies). All Gold Standard project documentation must apply the most recent version of this methodology and applicable tools available at the time of first submission of the project for Gold Standard registration.

III.f.2. **VER project activities.** VER project activities must use either an approved UNFCCC CDM methodology or a GS VER methodology to be eligible for Gold Standard registration (see section T.2.2 and Gold Standard Annex AD for applicable methodologies). All project documentation submitted to The Gold Standard must apply the most recent version of

the selected methodology and applicable tools available at the time of first submission of the project for Gold Standard registration. This methodology and tool version may be used by the project until it is registered under The Gold Standard as long as the project is submitted for validation³ within 6 months after the time of first submission for Gold Standard registration. If this condition is not met, the latest available version of the methodology and of the tool(s) must be applied at the time of submission for validation.

- III.f.3. **Bundle.** A bundle of micro-scale project activities making use of different methodologies may be submitted within the same PDD. CDM rules apply for small-scale projects.
- III.f.4. **Voluntary Programme of Activities.** VER activities may use different methodologies under the same VER PoA. See Gold Standard Annex F for all details.
- III.f.5. **New Gold Standard VER methodologies.** Project Representatives submitting a new VER methodology to The Gold Standard Foundation for approval shall follow the procedures provided in section T.5.1. New approaches for additionality demonstration may be submitted to The Gold Standard Foundation for approval as part of new VER methodology. In the context of micro-scale activities, new methodologies may be submitted for approval as part of the project documentation, at the time of submission for internal validation (see Gold Standard Annex T and U).
- III.f.6. **Data vintage.**
- III.f.6.1. **Data vintage.** When no specific guidance is provided on the valid reference point in time for data that must be used, then the data valid at the time of first submission are the ones to use.
- III.f.6.2. **Data vintage for calculation of grid emission factor.** All project activities (CDM / JI / VER) submitted for Gold Standard registration must apply the most recent available data vintage, available at the time of submission of the project for Gold Standard validation, for the calculation of the Grid Emission Factor.
- III.g. Official Development Assistance (ODA) funding
- III.g.1. **ODA Support.** Official Development Assistance (ODA) support for any project located in a country named by the OECD Development Assistance Committee's ODA recipient list will render that project ineligible for carbon crediting under The Gold Standard where the ODA is provided under the condition that the credits generated by the project will be transferred, either directly or indirectly, to the donor country providing ODA support. ODA is defined in section T.1.2.e.
- III.g.2. **ODA Declaration Form.** All Project Applicants applying for project activities located in a country named by the OECD Development Assistance Committee's ODA recipient list

³ The time of submission for DOE validation is the date when the DOE is contracted for the validation of the project, as formally confirmed by the DOE in the validation report.

must sign and submit the ODA Declaration Form provided in Gold Standard Annex D with the Project Design Document in connection with validation.

- III.g.3. **Amended ODA Declaration Form.** Where there is a material change in the role of ODA for the development or implementation of the project, the Project Representative must immediately submit the Amended ODA Declaration, located in Gold Standard Annex D.
- III.h. Relationship between GS CDM/JI submissions and GS VER submissions
- III.h.1. **Parallel submissions to The Gold Standard CDM/JI and VER streams.** A project may be submitted for registration to both The Gold Standard CDM/JI stream and The Gold Standard VER stream in parallel.
- III.h.1.1. If the proposed CDM/JI project is successfully registered under the UNFCCC, Project Representatives shall immediately inform The Gold Standard Foundation and The Gold Standard VER project shall be cancelled.
- III.h.1.2. If the proposed CDM/JI project is rejected by the UNFCCC, Project Representatives shall immediately inform The Gold Standard Foundation and in order to continue registration of the project under the GS VER stream they must apply for a Pre-feasibility Assessment in accordance with the procedure provided in section T.2.5.
- III.h.1.3. The Gold Standard VER project shall only be made public and be registered after an official communication with the UNFCCC on rejection of the project has been submitted by the Project Representatives to The Gold Standard Foundation, or after the Project Representatives have formally requested that The Gold Standard cancel registration under the GS CDM/JI stream for the project.
- III.h.2. **Gold Standard VER submission after UNFCCC rejection.** Following the rejection of a project by the UNFCCC due to the inapplicability of the methodology considered, Project Representatives may apply for Gold Standard registration under the VER stream. This process is initiated through application for a Pre-feasibility assessment in accordance with the procedure provided in section T.2.5, if and after a revised methodology has been submitted to and approved by The Gold Standard as a Gold Standard VER methodology. A project shall not be eligible under Gold Standard following rejection by the UNFCCC for any other reasons.
- III.h.3. **Upgrading GS VERs to GS CERs/ERUs during a crediting period.** Project Representatives may seek to upgrade a Gold Standard VER project to a Gold Standard CDM/JI project at any time during the crediting period with respect to future emission reductions, provided the Project Representatives either apply under The Gold Standard CDM/JI stream before any GS VERs have been issued, or enters into an agreement with The Gold Standard Foundation according to which they 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 in an amount equal to VERs already issued. The agreement shall make use of The 'Gold Standard CDM Emission Reduction Acquisition Agreement' template provided as Annex O.

III.i. Project involvement in other certification or emissions trading schemes

III.i.1. **Upgrading VERs to GS VERs.** VER project activities registered, or to be registered, under another voluntary carbon crediting scheme may seek to upgrade a VER project to a GS VER project at any time during the crediting period with respect to future emission reductions, provided proof of the following:

III.i.1.1. The project opts out from the other voluntary carbon crediting scheme and the emission reductions of a given vintage are claimed only once, under one single scheme; and

III.i.1.2. The total duration of the crediting period does not exceed the standard UNFCCC crediting period (i.e. 10 years, or 7 years renewable a maximum of twice for 21 years in total) when all carbon credits sought by the Project Representatives are aggregated, regardless of the various carbon standards considered (see V.a.5).

III.i.1.3. The Project Representatives opt in for Gold Standard by delivering the full set of GS specific project documentation, or the project documentation provided under the other voluntary scheme together with a report highlighting and discussing the gaps between the requirements of the other voluntary scheme and The Gold Standard requirements ("Gap Analysis Report"). This report shall be validated by a DOE/AIE in accordance with The Gold Standard validation requirements. See also Toolkit, Chapter 3.

III.i.2. **Certificate trading schemes.** Project activities claiming Green or White Certificates, or equivalent certificates, shall NOT be eligible for Gold Standard registration unless Project Representatives provide a clear and convincing demonstration that no double counting and/or claiming would arise from the issuance of Gold Standard carbon credits. This demonstration and evidence to support it shall be provided as part of the project documentation, on time for validation by a DOE.

III.i.3. **European Union Greenhouse Gas Emissions Trading Scheme (EU ETS).** Project activities involving facilities under the EU ETS shall NOT be eligible for Gold Standard registration unless the Project Representatives have provided The Gold Standard Foundation with satisfactory assurances that an equivalent number of allowances under the EU ETS (termed 'EUAs') are retired to back-up The Gold Standard VERs issued. All EUAs may be used for this purpose. Gold Standard credits will not be issued prior to confirmation by the relevant local authorities that an equivalent number of EUAs have been retired to back-up The Gold Standard credits issued.

IV. Project Cycle for Gold Standard Registration

IV.a. Registration requirement

- IV.a.1. **Requirement of Registration.** Only eligible project activities that have been duly registered with The Gold Standard as GS CDM, GS JI, or GS VER projects and that have complied with all applicable steps set out in The Gold Standard requirements, Toolkit and Annexes are eligible for Gold Standard crediting.
- IV.a.2. **Gold Standard Branding.** Project Representatives who wish to use the Gold Standard Brand prior to registration should consult The Gold Standard Terms & Conditions, at Gold Standard Annex M.
- IV.a.3. **Project design change.** Permanent changes in project design that occur before or after registration of the project shall be assessed as per The Gold Standard Procedures for Approval of Design Changes (See Gold Standard Annex AA). These procedures also apply to PoAs.
- IV.a.4. **Retroactive Registration.** Project Representatives may seek Gold Standard retroactive registration, by applying to The Gold Standard for a Pre-feasibility Assessment in accordance with the procedure provided in section T.2.5, which shall, among other things, credibly and transparently demonstrate that the project satisfies Gold Standard criteria for additionality. The pre-feasibility assessment is initiated upon the payment of a fee (see fee schedule in Gold Standard Annex L). A pre-feasibility assessment must be conducted for each one of the retroactive CPAs/VPAs added to a Programme of Activities.

The Project Representatives may choose to fast track the Pre-feasibility Assessment as long as the DOE contracted for validation complies with the eligibility criteria stated in Gold Standard Annex P.

IV.b. Applicable project cycle

- IV.b.1. **Regular project cycle.** The regular project cycle applies to project activities that apply for Gold Standard registration (time of first submission) before the start date of the project.
- IV.b.2. **Key elements of the regular project cycle.** Key elements of the regular project cycle include: project planning, design and reporting (assessment of project eligibility, initial drafting of Project Design Document (PDD), selection of baseline and monitoring methodology, additionality assessment, sustainability assessment and creation of Sustainable Development Matrix and Sustainability Monitoring Plan, Local Stakeholder Consultation, drafting and submission of Stakeholder Consultation Report, project revisions as necessary, stakeholder feedback, and finalisation and submission of Gold Standard Passport and PDD); validation; Gold Standard registration review; project

registration; monitoring; reporting; Gold Standard verification review; project verification; Gold Standard certification; and Gold Standard crediting/issuance.

IV.b.3. **Retroactive project cycle.** The retroactive project cycle applies to project activities that apply for Gold Standard registration (time of first submission) after the start date of the project.

IV.b.4. **Key elements of the retroactive project cycle.** Key elements of the retroactive project cycle include: project reporting (assessment of project eligibility, initial drafting of Project Design Document (PDD), selection of baseline and monitoring methodology, additionality assessment, sustainability assessment and creation of Sustainable Development Matrix and Sustainability Monitoring Plan); Gold Standard pre-feasibility assessment; stakeholder feedback; project revisions as necessary; validation; Gold Standard registration review; project registration; monitoring; reporting; Gold Standard verification review; project verification; Gold Standard certification; and Gold Standard crediting/issuance.

V. Gold Standard Project Crediting Period

V.a. Crediting Period

V.a.1. **Duration of Gold Standard Crediting Period.** Gold Standard project activities that generate emission reductions are eligible to claim credits for no more than a 7-year period that can be renewed twice, for a total of 21 years, or a one-off 10-year period, consistent with the allowable Standard UNFCCC Crediting Period. Where a 7-year renewable period is chosen, the baseline and sustainability assessment must be renewed and revalidated after each 7-year period. See Gold Standard Annex Z.

V.a.2. **Start of The Gold Standard Crediting Period.**

V.a.2.1. For VER project activities proceeding under the regular project cycle, the start date of the Gold Standard Crediting Period shall be the date of start of operation or a maximum of two years prior to Gold Standard registration, whichever occurs later, and be mentioned in section C.2.11 or C.2.2.1 of the PDD.

V.a.2.2. For CDM or JI project activities proceeding under the regular project cycle, the start date of The Gold Standard Crediting Period shall be the start date of the crediting period under CDM or JI or a maximum of two years prior to Gold Standard registration, whichever occurs later.

V.a.2.3. Project activities proceeding under the retroactive project cycle, may be eligible for retroactive crediting for realised emission reductions prior to Gold Standard registration of a maximum period of two years.

- V.a.2.4. The start date of The Gold Standard Crediting Period may be postponed for one year without justification, or for up to two years if convincing justification is provided. The start date of crediting period as mentioned in section C.2.1.1 or C.2.2.1 of the registered PDD cannot be postponed by more than 2 years.
- V.a.3. **Total crediting period.** The total duration of the crediting period for Gold Standard project activities cannot exceed the duration of the Standard UNFCCC crediting period, regardless of project cycle and start date. See T.1.2.f.
- V.a.4. **Aggregation of crediting periods.** Where a Gold Standard project has been or is registered under one or more other voluntary carbon standards or certification schemes, the total crediting period under all schemes combined shall not exceed The Gold Standard crediting period when all carbon credits sought by Project Representatives under The Gold Standard and under other standards or schemes are aggregated. Gold Standard status shall immediately be withdrawn from any projects that are found to have violated this requirement and The Gold Standard Foundation reserves its right to pursue remedies in accordance with and pursuant to Section 16 of The Gold Standard Terms & Conditions.
- V.a.5. **Gold Standard VERs for CDM or JI projects ('Pre-CDM VERs' or 'Pre-JI VERs')).** Projects Representatives 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 according to which they 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. The agreement shall make use of the 'Gold Standard CDM Emission Reduction Acquisition Agreement' template or the 'Gold Standard JI Emission Reduction Acquisition Agreement' template provided as Annex O and Annex P, and no delivery is required for a grace period of the initial two years of issuance after CDM registration/JI determination.

VI. **Additionality Assessment**

VI.a. Additionality Requirement

- VI.a.1. **Additionality.** All Gold Standard project activities must be demonstrated to be additional, meaning that they shall reduce anthropogenic emissions of greenhouse gases below those that would have occurred in the absence of the registered Gold Standard project.

VI.b. Gold Standard CDM and JI project activities. Gold Standard CDM and JI project activities are not required to carry out additional assessment for demonstration of additionality over and above what has been done for registration / determination with the CDM EB / JISC.

VI.c. Gold Standard VER project activities

VI.c.1. **Additionality tools.** Gold Standard VER projects are required to use either a UNFCCC-approved or a Gold Standard-approved additionality tool to demonstrate project additionality, with the exception of micro-scale activities that meet stipulated eligibility criteria (see Gold Standard Annex T and U). Additionality tools currently available are provided in section T.2.3.

Gold Standard VER projects developed under the 'regular cycle' that meet the stipulated eligibility criteria can use the CDM 'Guidelines For Demonstrating Additionality of Micro Scale Project Activities'.

Small-scale Gold Standard VER projects can use the latest version of CDM 'Attachment A to Appendix B of 4/CMP.1 Annex II' to demonstrate additionality. However, projects developed under 'retroactive cycle' cannot claim for deemed additionality (positive list).

VI.c.2. **Version of tool.** Project Representatives must use the latest version of the additionality tool available at the time of first submission to The Gold Standard. This tool may be used by the project until the project it is registered.

VI.c.3. **New additionality tools.** Proposals may be made for new Gold Standard VER additionality tools, following the procedures detailed in section T.5.2. The Gold Standard reserves the right to require changes to proposed additionality tools, seek clarification, or reject proposed additionality tools if insufficient progress is made on requested changes. New approaches for additionality demonstration may also be submitted to The Gold Standard Foundation for approval as part of a new VER methodology.

VII. Sustainability Assessment

VII.a. Projects risks and benefits for sustainable development

VII.a.1. **Risk of harmful impacts.** With the exception of micro-scale activities, Project Representatives are required to assess the risk that their project activities will have severe negative environmental, social and/or economic impacts through a 'Do No Harm' Assessment, to be completed in the project's Gold Standard Passport (See T.2.4.1). In the context of micro-scale activities, assessments shall be performed by Project Representatives or by an Objective Observer depending on a 'target-random' selection process (see Gold Standard Annex T and U).

- VII.a.2. **Sustainable development benefits.** With the exception of micro-scale activities, Project Representatives are required to demonstrate that their project activities will have clear sustainable development benefits through a Detailed Impact Assessment, to be completed in the project's Gold Standard Passport. See T.2.4.2. In the context of micro-scale activities, the assessment focuses on potential negative impacts and mitigation measures and shall be performed by Project Representatives or by an Objective Observer, depending on 'target-random' selection process (see Gold Standard Annex T and U).
- VII.a.3. **Monitoring project impacts on sustainable development.** All Project Representatives are required to elaborate a Sustainability Monitoring Plan to assist in monitoring the impact of project activities on sustainable development and in verifying that the project has indeed contributed to sustainable development and/or severe negative environmental, social and/or economic impacts are prevented. See T.2.4.3 or Gold Standard Annex T or U, as appropriate.
- VII.a.4. **Local, regional and national Environmental and Social Impact Assessment Requirements.** All Projects must fulfill host country requirements on environmental and social impact assessments at the local, regional and national levels. A declaration must be submitted by the Project Representatives, as part of the Cover Letter, warranting that the project complies with local environmental and social regulations. See T.2.4.4.
- VII.a.5. **Project rejection on sustainability grounds.** The Gold Standard Foundation reserves the right and shall reject projects that fail to satisfy Gold Standard requirements on sustainability.
- VII.b. 'Do No Harm' Assessment
- VII.b.1. **Compliance with safeguarding principles.** Gold Standard project activities shall be in compliance with the list of safeguarding principles provided in section T.2.4.1. With the exception of micro-scale activities, Project Representatives shall assess their project against these safeguarding principles in accordance with the guidelines provided in Gold Standard Annex H. In the context of micro-scale activities, the assessment shall be performed by Project Representatives or by an Objective Observer, depending on 'target-random' selection process (see Gold Standard Annex T and U). A declaration must be submitted by the Project Representatives, as part of the Cover Letter, warranting that the project complies with the safeguarding principles referenced in this paragraph.
- VII.b.2. **Adaptation and mitigation measures.** Project activities that violate or risk violating any of the safeguarding principles shall NOT be eligible for Gold Standard registration unless the design of the project is adapted to restore compliance with these principles or convincing mitigation measures are put in place to ensure the harmful effect will not

occur. The Project Representatives are required to ensure that appropriate mitigation measures are implemented and monitored over the crediting period of the project.

- VII.b.3. **Bundle of project activities.** Project Representatives (or Objective Observer, as appropriate) shall conduct the 'Do No Harm' Assessment at the project activity level, unless convincing argumentation validated by a DOE is provided as to why this should not be required for the particular bundle.
- VII.b.4. **Programme of Activities.** Coordinating/managing entities submitting a Programme of Activities for Gold Standard registration shall conduct the 'Do No Harm' Assessment at the CPA/VPA-level, unless convincing argumentation validated by a DOE is provided as to why this should not be required for the particular Programme of Activities.
- VII.c. Detailed Impact Assessment – Sustainable Development Matrix ('SD Matrix')
- VII.c.1. **Benefits to Sustainable Development.** With the exception of micro-scale activities, all Gold Standard projects must demonstrate clear benefits to sustainable development through completion of a Detailed Impact Assessment. See T.2.4.2. In the context of micro-scale activities, the assessment focuses on potential negative impacts and mitigation measures and shall be performed by Project Representatives or by an Objective Observer, depending on 'target-random' selection process (see Gold Standard Annex T and U).
- VII.c.2. **Sustainable Development Indicators.** With the exception of micro-scale activities, Gold Standard project applicants shall assess their project activities against a series of twelve Sustainable Development Indicators in three categories: Environment, Social Development and Economic and Technological Development, in accordance with the guidelines provided in section T.2.4.2 and T.2.6. The results of this assessment are referred to as the 'SD Matrix'. The list of the indicators is provided in Gold Standard Annex I.
- VII.c.3. **Minimum scoring for eligibility.** With the exception of micro-scale activities, Gold Standard Project Representatives shall score each of the Sustainable Development Indicators either negative (-), neutral (0), or positive (+) in close collaboration with the local stakeholders, and against the baseline situation, i.e. the most likely situation if the project were not implemented. All indicators shall be given the same weight. In order to qualify for Gold Standard registration, project activities must at a minimum contribute positively to two of the three categories and be neutral to the third category. Guidelines are provided in section T.2.4.2 and T.2.6.
- VII.c.4. **Reproducibility.** The scoring of the Sustainable Development Indicators must be easily reproducible. Scoring shall be supported by convincing argumentation for each indicator, and shall systematically refer to publicly available information sources or to expert opinions. Guidelines are provided in section T.2.4.2 and T.2.6.

- VII.c.5. **Mitigation measures.** Project activities that do not comply with the minimum scoring requirements shall NOT be eligible unless the project design is altered to result in compliance, or mitigation measures are put in place to 'neutralise' some of the indicators scoring negatively. These mitigation measures shall be monitored over the crediting period of the project. Guidelines are provided in section T.2.4.2 and T.2.6.
- VII.c.6. **Bundle of project activities.** Project participants shall conduct the Detailed Impact Assessment at the project activity level, unless convincing argumentation validated by a DOE is provided as to why this should not be required for the particular bundle.
- VII.c.7. **Programme of Activities.** Coordinating / managing entities submitting a Programme of Activities for Gold Standard registration shall conduct the Detailed Impact Assessment at the CPA/VPA-level, unless convincing argumentation validated by a DOE is provided as to why this should not be required for the particular Programme of Activities.
- VII.d. Sustainability Monitoring Plan
- VII.d.1. **Monitoring Plan.** Gold Standard Project Representatives must develop a Sustainability Monitoring Plan to monitor the impact of project activities on sustainable development and verify if the project indeed contributes to sustainable development and/or prevents severe negative environmental, social and/or economic impacts, in order to assess eligibility for Gold Standard certification. See T.2.4.3.
- VII.d.2. **Monitoring parameters.** Project Representatives shall identify parameters that can be used to properly monitor each non-neutral Sustainable Development Indicator according to section T.2.4.3 and Gold Standard Annex I. Project Participants shall monitor these parameters over the crediting period and on a recurrent basis to measure the impact of their Gold Standard project activities on these Sustainable Development Indicators. The monitoring of Sustainable Development Indicators shall be verified for each verification period, as well as during each mandatory Verification site-visit.
- VII.d.3. **Non-neutral indicators.** All non-neutral indicators shall be monitored.
- VII.d.4. **Mitigation and compensation measures.** All mitigation and compensation measures put in place to prevent violation or the risk of violating a safeguarding principle of the 'Do No Harm' Assessment or to 'neutralise' a Sustainable Development Indicator and/or to address stakeholder concerns shall be monitored
- VII.d.5. **Sustainability Monitoring Plan.** Project Representatives shall submit their Sustainability Monitoring Plans to The Gold Standard Foundation, describing how and with what frequency they monitor the monitored parameters and associated indicators on a quantitative and/or qualitative basis, in accordance with the guidelines are provided in section T.2.4.3.

VIII. Gold Standard Project Management

VIII.a. Gold Standard Registry

VIII.a.1. **Gold Standard Registry & Project Administration System.** Gold Standard project administration is managed in large part through The Gold Standard Registry & Project Administration System. The functioning of The Gold Standard Registry & Project Administration System is described in The Gold Standard Registry Operating Procedure. Guidelines on how to use the registry are provided in Gold Standard Annex E. For further information, see The Gold Standard Registry website at <http://goldstandard.apx.com/>

VIII.a.2. **Opening of approved accounts in The Gold Standard Registry.**

VIII.a.2.1. **Project Representatives.** Project Representatives seeking to apply for Gold Standard registration under the CDM, JI or VER streams must open an account in The Gold Standard Registry, in accordance with T.1.4 and Gold Standard Annex E.

VIII.a.2.2. **Validators & Verifiers.** Validators and Verifiers must have an approved account before they can validate or verify a Gold Standard project.

VIII.a.2.3. **Reviewers.** Reviewers must have an approved account before they can review the documentation submitted by a Gold Standard project.

VIII.a.2.4. **Account application procedures.** Account application guidelines procedures and approval procedures are provided in Gold Standard Annex E.

VIII.a.3. **Terms of Use.** All users of The Gold Standard Registry & Project Administration System must sign the Terms of Use of The Gold Standard Registry and Project Administration System.

VIII.b. Local Stakeholder Consultation

VIII.b.1. **Local stakeholder inputs.** Project Representatives shall proactively invite The Gold Standard Foundation and the local stakeholders, including all Gold Standard supporter NGOs active in the host country of the project, to provide comments on proposed project activities in accordance with the guidelines provided in section T.2.6.

VIII.b.2. **Notice to DNA and National Focal Point.** Project Representatives are required to notify the DNA or the National Focal Point about the existence of the project.

VIII.b.3. **Local Stakeholder Consultation timeline.** Gold Standard Project Representatives proceeding under the regular project cycle shall conduct a Local Stakeholder Consultation at the design phase of their project activities. The consultation must take

place prior to the start date of the project. Local stakeholders must be actively invited for comments.

- VIII.b.4. **Retroactive project cycle.** Project Representatives submitting a project for retroactive registration shall NOT conduct a Local Stakeholder Consultation per se but instead must apply for a Pre-feasibility Assessment in accordance with the procedure provided in section T.2.5. The outcome of the pre-feasibility assessment provides information on what complementary stakeholder consultation shall be conducted.
- VIII.b.5. **Public consultation meeting.** The Local Stakeholder Consultation shall include at least one public meeting, which shall be open to anyone willing to attend and which shall be conducted in accordance with the guidelines provided in section T.2.6.
- VIII.b.6. **Continuous Input/ Grievance Mechanism.** All projects applying for Gold Standard registration must have a formal continuous input/ grievance mechanism in place. See Gold Standard Annex W for details on the mechanism.
- VIII.b.7. **Report on Local Stakeholder Consultation.** Project Representatives must prepare a report on the Local Stakeholder Consultation (outcome from the physical meetings and feedback received via other means) in accordance with the guidelines provided in section T.2.6. The report must be uploaded into The Gold Standard Registry within three month after the date of the meeting (or date of the last meeting if a series of meetings are held). Project Representatives must use the template provided in Gold Standard Annex Q in reporting on the meeting.
- VIII.b.8. **Gold Standard Applicant Status.** The Local Stakeholder Consultation Report must be uploaded on The Gold Standard Registry and Administration System for submission (see section T.2.9 and Gold Standard Annex J), and the report approved, before the project can formally refer to itself as a Gold Standard applicant project.
- VIII.b.9. **Bundle of project activities.** The Local Stakeholder Consultation shall take place at the project activity level, and a report per project activity shall be prepared and submitted. However, coordinating entities may organise a single meeting for several project activities for implementation in parallel, as long as they can convincingly demonstrate that this does not compromise fulfillment of the requirements for The Gold Standard stakeholder consultation.
- VIII.b.10. **Programme of Activities.** The Local Stakeholder Consultation shall take place at the CPA/VPA level, and a report per CPA/VPA shall be prepared and submitted. However, coordinating entities may organise a single meeting for several CPAs/VPAs for implementation in parallel, as long as they can convincingly demonstrate that this does not compromise fulfillment of the requirements for The Gold Standard stakeholder consultation. See Gold Standard Annex F for further details.

- VIII.b.11. **Confidentiality.** The Local Stakeholder Consultation report will be made publicly available on The Gold Standard Registry and Administration System once it has been approved. Prior to approval, only The Gold Standard Secretariat and Technical Advisory Committee will be able to access the report.
- VIII.c. Project documentation
- VIII.c.1. **Project Design Document (PDD).** Project Representatives must submit project information fulfilling or relating to UNFCCC requirements to The Gold Standard Foundation. This shall be done using the latest version of the applicable UNFCCC Project Design Document (PDD) template that is available at the time of first submission of the project activities to The Gold Standard Foundation. Section T.2.1 provides a link to the relevant templates as a function of the stream for which Project Representatives apply. The Gold Standard Project Design Document will have to be submitted for the validation process; a revised version will be submitted for the registration process. In the context of micro-scale activities, Project Representatives can make use of a simplified version of the PDD (See Gold Standard Annex T and U).
- VIII.c.2. **Gold Standard Passport.** For Gold Standard registration, additional information is required beyond that required by the applicable Project Design Document. With the exception of micro-scale activities, Project Representatives are required to submit this additional project information (specific to Gold Standard requirements or that deviates from the UNFCCC requirements), to The Gold Standard using the latest version of The Gold Standard Passport template. The Gold Standard Passport will have to be submitted for the validation process; a revised version will be submitted for the registration process. Guidelines are provided in section T.1.5. In the context of micro-scale activities, and depending on a 'target-random' selection process, this information must be provided by Project Representatives or by an Objective Observer using a Validation Appraisal Form. See Gold Standard Annex T and U.
- VIII.c.3. **Gold Standard VER Programme of Activities.** Coordinating entities shall submit to a DOE the following documentation for validation:
- VIII.c.3.1. A completed VER-POA-DD. Generic information on baseline and monitoring must be provided for each one of the different methodologies (or combination of methodologies) considered.
 - VIII.c.3.2. A completed VER-DD, which is to be based on the application of the PoA to one real case, for each one of the different methodologies or technologies/measures (or combination) considered.
 - VIII.c.3.3. A Gold Standard Passport for each one of the VPAs.

- VIII.c.4. **Gold Standard Micro-programmes.** Project Representatives shall follow rules and procedures provided in Gold Standard Annex U.
- VIII.d. Stakeholder feedback round
- VIII.d.1. **Purpose.** The Stakeholder feedback round is the second round of stakeholder consultation necessary to qualify for Gold Standard certification. For project activities applying under the regular project cycle, it is intended to cover all issues raised from the Local Stakeholder Consultation and address how due account was taken of stakeholders' comments. For project activities applying under the retroactive project cycle, it is intended to cover all issues raised from the pre-feasibility assessment. Project Representatives under the retroactive project cycle shall therefore conduct the stakeholder feedback round according to the outcomes of the Pre-feasibility Assessment. Guidelines can be found in section T.2.11.
- VIII.d.2. **Documentation to be made available.** Stakeholders must have available for comment, at a minimum, the Local Stakeholder Consultation Report, the (revised) Project Design Document, the (revised) Gold Standard Passport (with the exception of micro-scale activities) and, if applicable, supporting documentation such as Environmental and Social Impact Assessments (EIAs) for projects under the regular project cycle. See T.2.11.
- VIII.d.3. **Timing.** Project Representatives under the regular project cycle shall upload the above documentation on The Gold Standard Registry and Administration System, making it publicly available and open for comments for at least two months before the validation process can be completed, in accordance with the guidelines provided in section T.2.11.
- VIII.d.4. **Reporting.** Project Representatives are required to report to the Gold Standard Foundation on the stakeholder feedback round organisation, outcomes and follow-up as part of the finalised Gold Standard Passport (or simplified PDD for micro-scale activities).
- VIII.e. Validation of project
- VIII.e.1. **External validation.** Project Representatives of all Gold Standard CDM and JI project activities and all Gold Standard large-scale and small-scale VER project activities shall have an independent third party Validator assess their project design and project documentation against The Gold Standard requirements. The Validator shall confirm with a formal statement that the project design, as documented in The Gold Standard Project Design Document, Gold Standard Passport and Local Stakeholder Consultation Report, is sound and reasonable and meets the relevant criteria. See T.3.1 and T.3.5.
- VIII.e.2. **Validators.** Gold Standard Project Representatives are required to use a UNFCCC-accredited Designated Operational Entity (DOE) for CDM project activities or VER project activities in Annex I or non-Annex I countries, or Accredited Independent Entity

(AIE) for JI project activities or VER project activities in Annex I countries, with accreditation for the relevant scope as defined by the UNFCCC for the validation of their project against The Gold Standard requirements. GS VER methodologies have been assigned scopes as per sectoral scopes in CDM. Contracted DOEs for Gold Standard VER activities, are required to have accreditation by the CDM EB for the relevant scopes. Guidelines can be found in section T.3.1.

- VIII.e.3. **Micro-scale project activities & Internal Validation.** Project Representatives submitting a micro-scale project for validation shall either contract a DOE (or AIE if the host country is an Annex I country) for an external validation or submit their project to The Gold Standard for an Internal Validation in accordance with the procedures provided in Gold Standard Annex T.
- VIII.e.4. **Project documentation.** To support the validation stage, Project Participants shall submit their full set of Gold Standard project documentation: The Gold Standard Project Design Document, The Gold Standard Passport (with the exception of micro-scale activities), together with the supporting project documentation necessary for validation of the project against The Gold Standard requirements. This documentation shall be submitted via The Gold Standard Registry and Project Administration System.
- VIII.e.5. **Confidentiality.** Confidential information that will not be made publicly available after project registration, shall be uploaded on The Gold Standard Registry and Project Administration System within separate annexes and shall be accessible by the Validator and The Gold Standard Secretariat and Technical Advisory Committee only. Project Representatives wishing to prevent a given member of the Technical Advisory Committee from reviewing the project documentation shall submit a written request to The Gold Standard Foundation, providing the name of the relevant TAC member and the rationale for preventing access to project information.
- VIII.e.6. **Validation Workplan.** Validators are required to submit a Validation Workplan to The Gold Standard Foundation via The Gold Standard Registry and Project Administration System (see Section T.3.3 of the Toolkit), and alert The Gold Standard Secretariat via email before they can validate a Gold Standard project. The workplan must follow the outline provided in section T.3.3.
- VIII.e.7. **Validation guidelines.** Validators shall validate the project in accordance with the guidelines provided in section T.3.5. By default, and unless stated otherwise in The Gold Standard documentation, Gold Standard project activities shall be validated in accordance with the latest version of the UNFCCC Validation and Verification Standard (VVS) available at the time of submission of the project for validation.
- VIII.e.8. **Site visit.** Validators are required to conduct a site-visit as part of the validation of Gold Standard project activities.

- VIII.e.9. **Timeline.** Validators may conduct the validation or determination of The Gold Standard project documentation in parallel with the validation or determination required under the regular UNFCCC project cycle, but two separate Validation or Determination Reports shall be delivered.
- VIII.e.10. **Validation or Determination Report.** Validators shall deliver a Validation or Determination Report, including a Validation or Determination Opinion in accordance with guidelines provided in section T.3.5. This report must use the Validation or Determination report outline provided in Gold Standard Annex K.
- VIII.e.11. **Retroactive registration.** The Validation or Determination Report shall include a table listing the requests from The Gold Standard Pre-feasibility Assessment and briefly discuss how they have been addressed.

At their own risk, the Project Representatives may choose to start the validation process before Pre-feasibility Assessment is finalized by The Gold Standard Secretariat and the project is listed.

- VIII.e.12. **Gold Standard VER Programmes of Activities.** Validation of The Gold Standard PoA Design Document (GS VER–PoA-DD) shall follow the UNFCCC guidance with noticeable exceptions such as:
- VIII.e.12.1. The Gold Standard allows for the use of more than one methodology under one PoA;
 - VIII.e.12.2. Contrary to the de-bundling provisions in 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.
 - VIII.e.12.3. A VPA submitted for Gold Standard inclusion/registration under the regular/retroactive project cycle is potentially eligible to receive credits for realised emission reductions generated prior to Gold Standard inclusion/registration for a maximum period of two years.
 - VIII.e.12.4. The CME shall provide details of the approach chosen for site-visits in view of the inclusion of future activities in the PoA-DD.

See Gold Standard Annex F for further details on rules and procedures for the validation of Gold Standard PoAs.

- VIII.e.13. **Gold Standard Micro-programmes.** Micro-programmes shall be validated in accordance with rules & procedures provided in Gold Standard Annex U.

VIII.f. Registration of project

- VIII.f.1. **Formal Application.** Following the successful completion of the validation process, either the Project Representatives or the contracted DOEs/AIEs may formally apply for Gold Standard registration by uploading the full and finalised set of project documentation into The Gold Standard Registry and Project Administration System together with a signed Cover Letter (see VIII.f.2) and by alerting The Gold Standard Secretariat via email. It is the Project Representatives' responsibility to ensure that the documentation received by The Gold Standard completely and accurately reflects the findings of the DOE/AIE. Project Representatives will be held liable for any and all material errors or material misrepresentations in accordance with Section 16 of The Gold Standard Terms and Conditions, Version 2.2.
- VIII.f.2. **Cover Letter.** The Cover Letter accompanying the formal application forms part of the legal basis for the project. The contents of the Cover Letter include, but are not limited to, a declaration that the project has followed the requirements of Gold Standard Documentation and the identification of the recipient of the credits resulting from the project. The Cover Letter becomes part of the project's public record in the Registry. See Gold Standard Annex S.
- VIII.f.3. **Registration review period.** For all Version 2.2 projects, upon formal application for registration and the payment of the Registration Fee (see Annex L), The Gold Standard shall initiate a fixed review period of eight (8) weeks during which The Gold Standard Secretariat and Technical Advisor Committee and The Gold Standard supporter NGOs may request further clarification or corrective action from the Validator or the Project Representatives. The period is composed of a six (6)-week period open for comments for the Technical Advisory Committee and the GS supporter NGOs and a two (2)-week period for the synthesis and consolidation of all the comments received by The Gold Standard Secretariat. See section T.3.10.
- VIII.f.3.1 **Time constraint.** Requests for clarification or corrective action that have not been addressed within one year will result in the project being deleted from the GS Registry.
- VIII.f.4. **Project documentation.** During the fixed registration review period, the full set of final Gold Standard project public documentation shall be made accessible to The Gold Standard Secretariat and Technical Advisory Committee and to The Gold Standard supporter NGOs via The Gold Standard Registry and Project Administration System.
- VIII.f.5. **Confidentiality.** Confidential information, which will not be made publicly available after project registration, shall be uploaded on The Gold Standard Registry and Project Administration System within separate annexes and shall be accessible by The Gold Standard Secretariat and Technical Advisory Committee only. Project Representatives who wish to prevent a given member of the Technical Advisory Committee from reviewing the project documentation shall submit a written request to The Gold

Standard Foundation providing the name of the relevant TAC member and the rationale for preventing access to project information.

- VIII.f.6. **Registration.** At the end of the fixed registration review period, the submitted project will obtain 'registered' status and will be registered as a Gold Standard project unless any requests for clarification and/or corrective action received are still pending, and for CDM or JI project activities unless registration under the UNFCCC is still pending. Project activities registered after November 4th 2010 are given the end of the registration review period as the formal registration date, whatever the date at which all issues raised have been addressed, and as long as these have been addressed in accordance with clause VIII.f.3.1.
- VIII.f.7. **Registration fee.** For all Version 2.2 projects, the Registration Fee is an advance payment of the projected first issuance fee. See Gold Standard Annex L for more information on the Registration Fee.
- VIII.f.8. **Request for Clarification and Corrective Action.** The registration review period shall be prolonged until all requests for clarification and corrective action received as part of the registration review have been addressed in a satisfactory way by the Validator and/or the Project Representatives according to The Gold Standard requirements.
- VIII.f.9. **Project rejection.** After two rounds of requests, if the requests for clarification and corrective action have not been solved, The Gold Standard Technical Advisory Committee shall be allowed to reject a project on the basis of a simple majority vote.
- VIII.f.10. **Public project documentation.** Once a project is registered, the Local Stakeholder Consultation Report, the final Gold Standard Project Design Document (and the CDM or JI Project Design Document for CDM/JI project activities), the final Gold Standard Passport (or the Validation Appraisal Form for micro-scale activities), and the final Validation Report (as well as the final Validation or Determination Report for CDM/JI project activities) shall be made publicly available via The Gold Standard Registry and Project Administration System.
- VIII.g. Monitoring and Verification of project activities
- VIII.g.1. **Monitoring.** Once a project has been successfully registered, Project Representatives are required to monitor project emission reductions, sustainable development indicators and mitigation measures in accordance with their Gold Standard Emission Reduction Monitoring Plan and Gold Standard Sustainability Monitoring Plan, and the guidelines provided in Gold Standard Annex I.
- VIII.g.2. **External verification.** Project Representatives of all Gold Standard CDM and JI project activities, and all VER large-scale and small-scale project activities, are required to have an independent third party verify their monitoring of project emission reductions and

sustainable development impacts against the requirements set out by The Gold Standard.

- VIII.g.3. **Verifiers.** Gold Standard project applicants for CDM/JI and VER large-scale and small-scale project activities shall use a UNFCCC-accredited Designated Operational Entity (DOE) or Accredited Independent Entity (AIE) with accreditation for the relevant scope as defined by the UNFCCC for the verification of their project against The Gold Standard requirements. Guidelines can be found in Section T.4.2. For large-scale project activities, the DOE/AIE contracted for the verification process shall be different from the DOE/AIE contracted for the validation process, with the exception of retroactive credits.
- VIII.g.4. **Micro-scale project activities.** Micro-scale projects may be verified either by contracting a DOE/AIE, or by opting an Internal Verification in accordance with the procedures provided in Gold Standard Annex T.
- VIII.g.5. **Project documentation.** In order to initiate the verification process, Project Representatives must submit their Emission Reductions Monitoring Report and Gold Standard Sustainability Monitoring Report via The Gold Standard Registry and Project Administration System.
- VIII.g.6. **Confidentiality.** Confidential information, which will not be made publicly available after project registration, shall be uploaded on The Gold Standard Registry and Project Administration System within separate annexes and shall be accessible by the Verifier and The Gold Standard Secretariat and Technical Advisory Committee only. Project Representatives wishing to prevent a given member of the Technical Advisory Committee from reviewing the project documentation shall submit a written request to The Gold Standard Foundation, providing the name of the relevant TAC member and the rationale for preventing access to project information.
- VIII.g.7. **Verification Workplan.** Verifiers shall submit a Verification Workplan to The Gold Standard Foundation via The Gold Standard Registry and Project Administration System prior to verification of any Gold Standard project. This workplan shall follow the outline provided in section T.4.4.
- VIII.g.8. **Verification guidelines.** Verifiers shall verify the project in accordance with the guidelines provided in section T.4.6. By default, and unless stated otherwise in The Gold Standard documentation, Gold Standard project activities shall be verified in accordance with the latest version of the UNFCCC Validation and Verification Standard (VVS).
- VIII.g.9. **Site visit.** As part of the verification process, verifiers shall conduct a site-visit in one of the first two years after the start of the crediting period, and once every three years after that first two-year period, unless the Verifier provides a convincing case for less frequent visits as part of the Verification Report. A site visit by the contracted DOE is always required each time verification is conducted for a large-scale project. In the

context of small-scale projects, a site visit by the contracted DOE for verifications other than the mandatory ones defined above may not be required if appropriate justification is provided by the Project Representatives and a positive opinion is delivered by the DOE at the time of first verification

- VIII.g.10. **Verification timeline.** Verifiers may conduct the verification of The Gold Standard CDM or JI project in parallel with the verification under the regular UNFCCC project cycle, but two separate Verification Reports shall be delivered. Verification of both the emission reductions and sustainability monitoring reports for The Gold Standard VER project activities shall be conducted at the same time. Verification shall take place any time in the year but shall be undertaken at a minimum during each mandatory site-visit.
- VIII.g.11. **Verification of retroactive credits.** Project Representatives may contract the same DOE/AIE for the verification of the retroactive credits as the DOE/AIE who was contracted for the validation process. For each year retroactively credited, verifiers can submit one Verification Report only (separate reports are not required) that must specify the emission reductions achieved, separately for each year.
- VIII.g.12. **Pre-CDM VERs.** For Pre-CDM VERs, the DOE shall provide a Verification Report covering The Gold Standard VER period either with the first verification of the project, or as a separate Verification Report.
- VIII.g.13. **Verification of Gold Standard VER Programme of Activities.** Verification of GS VER PoAs shall follow UNFCCC guidance with noticeable exceptions such as:
- VIII.g.13.1. For activities that are not verified by a DOE due to sampling verification, spot-checks based on a 'target-random' approach are conducted by The Gold Standard Foundation. The Gold Standard Foundation conducts a 3-week review for selected activities.
- VIII.g.13.2. Multiple DOEs may be contracted within a same Programme to verify different activities. In case of sampling verification, each one of the DOEs involved in the verification shall comply with the sampling approach defined in the PoA-DD.
- See Gold Standard Annex F for details on rules and procedures for the verification of Gold Standard PoAs.
- VIII.g.14. **Gold Standard Micro-programmes.** Micro-programmes shall be verified in accordance with rules & procedures provided in Gold Standard Annex U.
- VIII.g.15. **Verification Report.** Verifiers shall deliver a Verification Report, including a Verification Opinion in accordance with the verification guidelines provided in section T.4.6. The report shall make use of the Verification Report outline provided in Gold Standard Annex K.

IX. Certification and Issuance of Credits

IX.a. Certification

- IX.a.1. **Submission of GS Verification Report.** To initiate certification and issuance of carbon credits, the Project Representatives or the Designated Operational Entity (DOE) or Accredited Independent Entity (AIE) that the Project Representatives have contracted must submit a Gold Standard Monitoring Report and a Gold Standard Verification Report consistent with the relevant Gold Standard guidelines, together with the CDM or JI Monitoring and Verification Reports for GS CDM or GS JI project activities, to The Gold Standard Foundation via The Gold Standard Registry and Project Administration System, and alert The Gold Standard Secretariat via email.
- IX.a.2. **Verification review period.** Upon receipt of Gold Standard Monitoring and Verification Reports, The Gold Standard Foundation shall initiate a fixed verification review period of three (3) weeks. During this period, The Gold Standard Secretariat, the Technical Advisory Committee and Gold Standard Supporter NGOs may raise requests for clarification and/or make requests for corrective action. The period is composed of a two (2)-week period open for comments for the Technical Advisory Committee and the GS supporter NGOs and a one (1) week period for the synthesis and consolidation of all the comments received by The Gold Standard Secretariat. See section T.4.10.
- IX.a.3. **Project documentation.** During the fixed verification review period, the full set of final Gold Standard project public documentation including the Emission Reductions Monitoring Reports, The Gold Standard Sustainability Monitoring Report, and the Verification Report(s) shall be made accessible to The Gold Standard Secretariat and Technical Advisory Committee and to The Gold Standard Supporter NGOs via The Gold Standard Registry and Project Administration System.
- IX.a.4. **Confidentiality.** During the fixed verification review period, confidential information shall be uploaded on The Gold Standard Registry and Project Administration System within separate annexes and shall be accessible by The Gold Standard Secretariat and Technical Advisory Committee only. Project Representatives who wish to prevent a given member of the Technical Advisory Committee from reviewing the project documentation shall submit a written request to The Gold Standard Foundation providing the name of the relevant TAC member and the rationale for preventing access to project information.
- IX.a.5. **Corrective action.** If The Gold Standard Foundation or the project Verifier concludes that the project does not meet the sustainable development claims reflected in the Do No Harm Assessment and the Sustainable Development Matrix, the Project Representatives shall restore compliance within one year, unless The Gold Standard Foundation or the Verifier suggests the violation is more serious and needs immediate corrective action or the cancellation of the project. Emission reductions under

verification shall only be certified if it can be shown that appropriate and convincing corrective action has been initiated. Future emission reductions will not be certified until compliance has been restored.

- IX.a.6. **Certification.** Upon approval of the Verification Report(s), The Gold Standard Foundation shall certify the entire amount of emission reductions specified in the verification report and achieved by the project. Certification of only part of total volume of emission reductions specified in the verification report approved by Gold Standard Foundation is not allowed.
- IX.b. Issuance of Gold Standard Credits
- IX.b.1. **Gold Standard CDM and JI project activities.** Following the Project Representatives' submission of UNFCCC serial numbers for issued CERs and ERUs that satisfy all Gold Standard criteria, and, for projects employing the Fixed-Cash-Per Credit Fee Structure, upon payment of the required Gold Standard issuance fee, or, for projects employing the Share of Proceeds Fee Structure, upon the deduction of the pre-determined percentage of Gold Standard-labeled CERs, The Gold Standard Foundation shall issue the premium quality label associated with issued CERs or ERUs. No Gold Standard-labeled CERs are delivered to the UNFCCC Adaptation Fund. See Section T.4.11.
- IX.b.2. **Gold Standard VER project activities.** The Gold Standard Foundation shall originate The Gold Standard VERs and their respective serial numbers and issue them into The Gold Standard Registry account specified in the Cover Letter upon either payment by the Project Representatives of the required Gold Standard issuance fee for projects employing the Fixed Cash-Per-Credit Fee Structure or upon the deduction of the pre-determined percentage of Gold Standard VERs for project employing the Share of Proceeds Fee Structure. See Section T.4.11.
- IX.b.3. **Validity period.** Once issued, Gold Standard credits remain valid until the time when they are permanently retired in The Gold Standard Registry (GS VERs) or until the time they are used for compliance or retired in an authorised registry (GS CERs, GS ERUs). Once issued, GS CERs, ERUs or VERs cannot be retroactively cancelled.
- IX.b.4. **Pre-CDM VERs.** Gold Standard Pre-CDM VERs shall only be issued after a project has been successfully registered as a GS CDM project. See Gold Standard Annex O and Gold Standard Annex P.
- IX.b.5. **Public project documentation.** Once a project has been issued GS credits, the Local Stakeholder Consultation Report, the final Gold Standard Project Design Document (and the CDM or JI Project Design Document for CDM/JI project activities), the final Gold Standard Passport (with the exception of micro-scale activities), and the final Validation Report or Validation Appraisal Form for micro-scale activities (as well as the final Validation or Determination Report for CDM/JI project activities), the Emission

Reductions Monitoring Report(s), The Gold Standard Sustainability Monitoring Report, and the Verification Report(s) or Verification Appraisal Form for micro-scale activities shall be made publicly available via The Gold Standard Registry and Project Administration System.

X. Fee Structures⁴

X.a. Fixed Cash-Per-Credit Fee Structure

- X.a.1. Gold Standard Version 0 CERs or ERUs.** As detailed in Gold Standard Annex L, the following fixed cash payment or cash-per-credit fees may apply: (1) account subscription fee, (2) pre-feasibility assessment fee, (3) issuance fee and (4) credit transfer fee.
- X.a.2. Gold Standard Version 1.0 CERs or ERUs.** If the Project Representatives choose not to upgrade to the Share of Proceeds model, then the following fixed cash payment or cash-per-credit fees, as detailed in Gold Standard Annex L, may apply: (1) account subscription fee, (2) pre-feasibility assessment fee, (3) issuance fee and (4) credit transfer fee.
- X.a.3. Gold Standard Version 1.0 VERs.** If the Project Representatives choose not to upgrade to the Share of Proceeds model, then the following fixed cash payment or cash-per-credit fees, as detailed in Gold Standard Annex L, may apply: (1) account subscription fee, (2) pre-feasibility assessment fee, (3) issuance fee and (4) credit transfer fee.
- X.a.4. Gold Standard Version 1.0 Micro VERs.** If the Project Representatives choose not to upgrade to the Share of Proceeds model, then the following fixed cash payment or cash-per-credit fees, as detailed in Gold Standard Annex L, may apply: (1) account subscription fee, (2) pre-feasibility assessment fee, (3) validation flat fee, (4) issuance fee, (5) verification flat fee and (5) credit transfer fee.
- X.a.5. Gold Standard Version 2.0 CERs or ERUs.** If the Project Representatives choose not to upgrade to the Share of Proceeds model, then the following fixed cash payment or cash-per-credit fees, as detailed in Gold Standard Annex L, may apply: (1) account subscription fee, (2) pre-feasibility assessment fee, (3) project registration fee (4) issuance fee and (5) credit transfer fee.
- X.a.6. Gold Standard Version 2.0 VERs.** If the Project Representatives choose not to upgrade to the Share of Proceeds model, then the following fixed cash payment or cash-per-credit fees, as detailed in Gold Standard Annex L, may apply: (1) account subscription fee, (2) pre-feasibility assessment fee, (3) project registration fee, (4) issuance fee and (5) credit transfer fee.

⁴ This Section governs Gold Standard fees only. Fees levied by parties other than the Gold Standard, such as the Gold Standard Registry Administrator, may apply. See Annex L.

- X.a.7. **Gold Standard Version 2.0 Micro VERs.** If the Project Representatives choose not to upgrade to the Share of Proceeds model, then the following cash-per-credit fees, as detailed in Gold Standard Annex L, may apply: (1) account subscription fee, (2) pre-feasibility assessment fee, (3) validation flat fee, (4) project registration fee, (5) issuance fee, (6) verification flat fee and (7) credit transfer fee.
- X.a.8. **Gold Standard Version 2.1 CERs.** Projects seeking the Gold Standard label for CERs under Version 2.1 of The Gold Standard Requirements are subject to the Share of Proceeds Fee Structure described below in Section X.b.
- X.a.9. **Gold Standard Version 2.1 VERs.** Projects seeking Gold Standard VERs under Version 2.1 of The Gold Standard Requirements are subject to the Share of Proceeds Fee Structure described below in Section X.b.
- X.a.10. **Gold Standard Version 2.2 CERs.** Projects seeking the Gold Standard label for CERs under Version 2.2 of The Gold Standard Requirements may choose either the Cash Per Credit Fee Structure or the Share of Proceeds Fee Structure. See Gold Standard Annex L for the current rate of cash fees.
- X.a.11. **Gold Standard Version 2.2 VERs.** Projects seeking Gold Standard VERs under Version 2.2 of The Gold Standard Requirements may choose either the Cash Per Credit Fee Structure or the Share of Proceeds Fee Structure. See Gold Standard Annex L for the current rate of cash fees.
- X.a.12. **Gold Standard Version 2.2 Micro VERs.** If the Project does not choose the Share of Proceeds Fee Structure, then the following cash-per-credit fees, as detailed in Gold Standard Annex L, may apply: (1) account subscription fee, (2) pre-feasibility assessment fee, (3) validation flat fee, (4) registration fee, (5) issuance fee, (6) verification flat fee and (7) credit transfer fee.
- X.a.13 **Gold Standard Micro Programme.** See Gold Standard Annex L for a list of the current cash fees assessed for micro-scale Programmes of Activities.
- X.b. Share of Proceeds Fee Structure
- X.b.1. **Eligibility.** For Version 2.1 projects, the Share of Proceeds fee applied to (1) all projects under the regular project cycle that had not submitted the complete LSC report (see T.2.6 and T.2.9) by August 1, 2009, or (2) all projects under the retroactive project cycle that had not submitted the complete pre-feasibility assessment documentation and had not paid the pre-feasibility assessment fee by August 1, 2009. For Version 2.2 projects, the Share of Proceeds fee applies to any project that elects to be subject to the Share of Proceeds Fee Structure rather than the Cash Per Credit Fee Structure.
- X.b.2. **Upgrading from the Fixed Cash-Per-Credit Fee Structure to the Share of Proceeds Fee Structure.** Any GSv1 or GSv2 project not meeting the requirements in Paragraph X.b.1.

may, at anytime, upgrade from the Fixed Cash-Per-Credit Fee Structure to the Share of Proceeds Fee Structure by notifying The Gold Standard Foundation in writing in either the original Cover Letter or by submitting a revised Cover Letter. Upgrading to the Share of Proceeds model is final and irreversible for GS CER projects only.

- X.b.3. **Gold Standard CERs and ERUs.** In addition to the fees described in Gold Standard Annex L, 1.5% of the net CERs or ERUs issued to the Project Representatives shall be due and payable to The Gold Standard Foundation at the time of issuance. See Toolkit, Chapter 6.
- X.b.4. **Gold Standard VERs.** In addition to the fees described in Gold Standard Annex L, 2.0% of the total VERs issued to the Project Representatives shall be due and payable to The Gold Standard Foundation at the time of issuance. See Toolkit, Chapter 6.
- X.b.5. **Gold Standard Micro VERs.** In addition to the fees described in Gold Standard Annex L, 2.0% of the total VERs issued to the Project Representatives shall be due and payable to The Gold Standard Foundation at the time of issuance. See Toolkit, Chapter 6.
- X.b.6. **Substitution of Credits.** GS CER projects eligible to participate in the Share of Proceeds model may pay the credit-based fee with equivalent credits issued from another Gold Standard registered GS CER project. Substitution is not available for GS VER projects.

XI. Complaints and Investigations

XI.a General

- XI.a.1 In the event The Gold Standard receives a written complaint about a project, it may be necessary for The Gold Standard to conduct an investigation.
- XI.a.2 At all times, The Gold Standard reserves the right and discretion to determine when an investigation is necessary. The Gold Standard further reserves the right and discretion to determine the format and substance of the investigation, including the identification of relevant evidence and the process for gathering the relevant evidence. The Gold Standard may choose to conduct the investigation itself or hire a third party to conduct the investigation.
- XI.a.3 At all times, the parties to the investigation will fully cooperate with the investigative process.

XI.b Investigation Report

- XI.b.1 In all cases where an investigation is conducted, a full written report shall be prepared by The Gold Standard and made available to the parties to the investigation.

XII. Appeals

XII.a Eligible Dispute

- XII.a.1 Certain claims against The Gold Standard Foundation that may arise or that have arisen regarding final decisions related to Registration, Issuance or Labeling may be referred to arbitration at the International Bureau of the Permanent Court of Arbitration in the Hague.
- XII.a.2 Where an eligible dispute exists, and subject to further restrictions provided in The Gold Standard Rules for Appeals, Large Scale Projects, Programmes of Activities, Micro Scale and Small Scale Projects under Gold Standard Requirements may file an appeal.

XII.b The Gold Standard Rules for Appeals

- XII.b.1 Eligible disputes shall be settled in accordance with The Gold Standard Rules for Appeals, located at Gold Standard Annex AH.

XIII. General

XIII.a Additional Rules

- XIII.a.1 At any time throughout the certification process described in these Requirements, The Gold Standard reserves the right and the discretion to require additional evidence in any form to ensure the integrity of a project.

XIII.b External Experts

- XIII.b.1 From time to time, The Gold Standard may request the opinion of a third party, independent expert regarding a project.
- XIII.b.2 In the event The Gold Standard requests an opinion from an external expert, the Project Participants shall hire the external expert. The relationship between and among the Project Participants, the external expert and The Gold Standard shall be established in a Memorandum of Understanding that must be signed by all parties.
- XIII.b.3 The external expert shall conduct an independent investigation of the project. The scope and guidelines for the investigation shall be provided by The Gold Standard.
- XIII.b.4 The external expert shall document its findings in a report that shall be submitted to and owned by The Gold Standard.

XIII.c. Notices

- XIII.c.1 All notices, forms and declarations shall be submitted to The Gold Standard at the following address:

The Gold Standard Foundation
79 Avenue Louis Casai
Geneva Cointrin, CH-1216
Switzerland

Certain notices, forms and declarations may be submitted electronically through The Gold Standard Registry or, with The Gold Standard's prior written approval, through email.