

## 'FAST TRACK' OPTION FOR RETROACTIVE PROJECTS

The 'fast-track' process is an option available to submitted retroactive projects (including, under certain conditions, those within PoAs as specified in the latest version of GS Annex F) as long as the DOE contracted for validation complies with one of the following three criteria<sup>1</sup>:

1. The DOE has submitted at least 10 validation reports to GS overall in the year prior to the validation start date of the project proposed for the 'fast-track' process, and at least 3 validation reports for projects making use of the same methodology as the project submitted for 'fast-track'
2. An auditor of the validation team taking care of the submitted project has attended a GS DOE training workshop within the last 6 months prior to the start of validation of the project proposed for the 'fast-track' process
3. An auditor of the validation team taking care of the submitted project has attended a GS DOE training webinar within the last 6 months<sup>2</sup>

The following project types requiring a Pre-Feasibility Assessment (PFA) are NOT eligible for fast-tracking and must undergo a full PFA in all cases:

1. Retroactive hydropower projects and hydropower projects with more than 20 MWe power generation capacity
2. Projects rejected under the CDM and applying subsequently under the GS VER stream
3. Palm-oil related projects (including palm oil mill effluent activities)

When opting for the fast-track option for a given project, project participants will be provided with a check-list of items that they will need to pay particular attention to so as to allow for a smoother and faster validation and registration process and therefore increase the chances of approval at the registration review stage.

All pre-feasibility assessments, whether 'fast-tracked' or not, are subject to the pre-feasibility assessment fee, as per The Gold Standard fee schedule (GS Annex L).

Project participants will also be granted a 2-hour consultation with the relevant GS Regional Manager early on in the project cycle to discuss the likely, sensitive issues associated with the submitted project. This will provide informal, non-exhaustive, but worthwhile feedback at the very beginning of the project cycle. A summary of the 2-hour consultation will be provided to the DOE contracted for validation as part of the feedback to their workplan.

For project participants opting for the regular pre-feasibility assessment process, rules remain as per

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<sup>1</sup> DOEs interested in attending a GS training workshop please contact; [info@cdmgoldstandard.org](mailto:info@cdmgoldstandard.org).

<sup>2</sup> In the specific case of webinars, please note that only auditors who have attended both the 'beginners' and 'advanced' training webinars are eligible for validating fast-track projects. After that, auditors must complete the advanced training session every 6 months in order to remain eligible for validating fast-track projects.

The Gold Standard Requirements, with the exception that validation is now allowed to take place in parallel with the GS pre-feasibility assessment. Project participants can make use of this option at their own risk; the Validation Report will still have to address all issues raised in the pre-feasibility assessment, even if this means a supplementary site-visit.

The fast-track process consists of the following steps:

1. Project participant applies for the fast-track process by first contacting The Gold Standard Secretariat (relevant GS Regional Manager<sup>3</sup>) and by providing the proof of compliance (i.e. a list of project ID numbers, auditor names, webinar/workshop dates, etc) with the criteria listed above for the DOE.
2. GS Secretariat checks whether the project submitted for the fast-track process meets the eligibility criteria and if so, sends a project-based Memorandum of Understanding (MoU) to project participant.
3. Project participant signs the project-based MoU and sends back to GS Secretariat.
4. GS Secretariat signs the project-based MoU and returns to the project participant, together with a checklist, and then “lists” the project in the registry.
5. Project participant arranges a 2-hour consultation with the relevant GS Regional Manager, and revises the project documentation in the light of feedback received and the generic checklist provided. The GS Secretariat highly recommends the participation of the DOE during the fast track PFA consultation<sup>4</sup>.
6. Project participant uploads the revised project documentation (PDD, Passport, etc.) into the GS registry and submits for validation by a GS experienced DOE, as defined above.

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<sup>3</sup> <http://www.cdmgoldstandard.org/contact>

<sup>4</sup> The 2-hour consultation can be conducted in various formats i.e. phone call, conference call, physical meeting etc.

# THE GOLD STANDARD PRE-FEASIBILITY ASSESSMENT CHECKLIST FOR GS V2.2 RETROACTIVE PROJECTS

## 1. Eligibility<sup>5</sup>

### a. Type of project

- i. Assess if the project is a renewable energy supply<sup>6</sup> or end-use energy efficiency improvement project<sup>7</sup> or waste handling and disposal project<sup>8</sup>?
- ii. Look for specific eligibility criteria related to the specific projects that require a PFA (such as hydro projects greater than 20 MWe<sup>9</sup>, palm-oil related projects<sup>10</sup> or rejected CDM projects).

<sup>5</sup> Please refer to GSV2.2 Requirements, Section III. Project Eligibility Criteria.

<sup>6</sup> The Renewable Energy Supply category is defined as the generation and delivery of energy services (e.g. mechanical work, electricity, heat) from non-fossil and non-depletable (landfill gas excluded) energy sources.

<sup>7</sup> 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. Projects 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 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.

<sup>8</sup> 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 SD benefits (e.g. composting).

<sup>9</sup> Hydro projects with installed capacity greater than 20 MWe shall be evaluated on a case-by-case basis with Local Stakeholder Consultation Report and the DOE in line with the latest WCD guidelines shall validate Compliance Report. Hydropower projects located in High Conservation Value (HCV) areas shall NOT be eligible under The Gold Standard.

Unless already addressed satisfactorily as part of an existing Environmental and Social Impact Assessment (ESIA), the opinion of an independent, relevant expert(s) shall be provided at a minimum on all of the following issues: 1) Competing use of water resources, 2) Minimal ecological flow, 3) Impact on groundwater level, 4) Design of fish passages and screens, 5) Sediment management plan, and 6) Mitigation measures to prevent soil erosion. For retroactive projects, fast-tracking is NOT allowed. A full pre-feasibility assessment must be conducted and the independent expert(s) shall be contracted on time to deliver as part of the documentation submitted for pre-feasibility assessment the list of issues for which an independent expert opinion will be needed on time for validation and/or verification. This list is reviewed and potentially approved by The Gold Standard Foundation as part of the pre-feasibility assessment. Project Participants shall plan for, and conduct a one-day training for the hydropower plant staff on the different issues identified by the independent expert. This training must be included in the Monitoring Plan. Please refer to Annex C- Guidance on project type eligibility for more details.

<sup>10</sup> The PP must demonstrate that process for RSPO compliance has been initiated and the RSPO Compliance Report will be reviewed at the time of GS registration.

- iii. Carefully look at other specific eligibility criteria for different project types such as biomass (e.g. renewable origin<sup>11</sup>, competing use of resources<sup>12</sup> & land, transparency on GMOs, requirement of renewable fuel share of at least 50% to be achieved within the first 3 years of start of crediting period for retrofit projects, and of 80% from the outset for greenfield projects), biogas (emission reductions from both methane avoidance including the flared biogas fraction and non-renewable fuel substitution are eligible as long as at the time of validation, evidence is provided to demonstrate that the system is designed in a way to at least make use of some of the biogas recovered for the delivery of energy services, for e.g. electricity, heat), hydro (Annex C), etc.

**Please refer to Annex C, The Gold Standard, Version 2.2.**

#### **b. Project gases**

- i. Ensure that the emission reductions claimed for are related to CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O emission reductions (emission reductions related to other Kyoto Protocol gases i.e. industrial gases and non Kyoto Protocol gases are NOT eligible).

#### **c. Host country or state**

- i. VER projects: Ensure that the activity is located in a host country or state which does not have a cap enforced, or provide satisfactory assurances that an equivalent amount of allowances will be retired to back-up the issued GS VERs. Gold Standard credits will not be issued prior to confirmation that an equivalent amount of allowances have been retired.
- ii. CDM/JI projects: UNFCCC eligibility will apply<sup>13,14</sup>.

#### **d. Project timeframe**

- i. Previous announcement check: The PP shall provide a statement in the GS Passport attesting that no previous announcement of the project going ahead without carbon revenues has been made or that the project has subsequently been cancelled or the design has been significantly revised.

<sup>11</sup> Refer to EB 23, Annex 18 “Definition of Renewable Biomass or its update ([http://cdm.unfccc.int/EB/023/eb23\\_repan18.pdf](http://cdm.unfccc.int/EB/023/eb23_repan18.pdf))

<sup>12</sup> Activities expected to make use of biomass resources already in use shall NOT be eligible for Gold Standard registration unless convincing evidence is provided showing that the current users are in agreement with the envisioned shift of use (potential leakage associated to such a shift must be taken into account). In the absence of such an agreement, Project Participants shall demonstrate that their project makes use of surplus biomass for each type of biomass resources used. They must do so once, ex-ante on time for validation for small-scale activities, and on time for validation and for each one of the verifications (inclusion in the Sustainability Monitoring Plan) for large-scale activities.

<sup>13</sup> CDM: [http://unfccc.int/parties\\_and\\_observers/parties/non\\_annex\\_i/items/2833.php](http://unfccc.int/parties_and_observers/parties/non_annex_i/items/2833.php)

<sup>14</sup> JI: [http://ji.unfccc.int/JI\\_Parties/index.html](http://ji.unfccc.int/JI_Parties/index.html)

- ii. Crediting period: Make sure the crediting period is a standard crediting period – 10 years fixed or 7 years renewable twice, regardless of project scale and stream.
- iii. Upgrading from GS VER to GS CDM/JI: The project must re-apply under GS CDM/JI before the issuance of any GS VER credits. Alternatively, the project must enter into an agreement with The Gold Standard Foundation according to which the PP commits 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 the VERs issued, to ensure that the overall crediting period remains the standard UNFCCC crediting period.
- iv. Where a Gold Standard project has been or is registered under one or more other voluntary carbon standards or certification schemes, make sure that the total crediting period under all schemes combined does not exceed the standard period when all carbon credits sought under The Gold Standard and under other standards or schemes are aggregated.
- v. Retroactive crediting: The following conditions are applicable:
  - CERs/ ERUs: If a project applies for Gold Standard CERs or ERUs, it is potentially eligible for receiving credits for realized emission reductions prior to Gold Standard registration<sup>15</sup> for a maximum of two years.
  - VERs: If a project applies for Gold Standard VERs, it is potentially eligible for receiving credits for realized emission reductions prior to Gold Standard registration for a maximum period of two years.
- vi. Parallel submission: A project may be submitted for registration to both The Gold Standard CDM/JI stream and The Gold Standard VER stream in parallel:
  - If the proposed CDM/JI project is successfully registered under the UNFCCC, the Gold Standard VER project shall be cancelled.
  - If the submitted VER project has been previously rejected by UNFCCC due to inapplicability of the methodology considered, in such a case, the project may apply for Gold Standard registration under the VER stream but is not eligible for fast-track PFA.

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<sup>15</sup> The formal date of Gold Standard registration will be the end of the registration review period, whatever the date at which all issues raised are closed.



- The Gold Standard VER project shall only be made public and registered after an official communication with the UNFCCC on rejection of the project has been submitted by the PP to the Gold Standard Foundation, or after the PP has formally requested that the Gold Standard cancel registration under the GS CDM/JI stream for the project.

#### e. Applicability of methodology

- i. Ensure that the project uses an approved CDM or GS methodology. For more details on GS VER methodologies, refer to the following web link:  
<http://www.cdmgoldstandard.org/project-certification/gs-methodologies>  
For information on the eligibility of the CDM methodologies under The Gold Standard please refer '**Methodology Eligibility Tool**' (Annex AD).
- ii. Check whether the version of the applied methodology is the latest version available at the **time of first submission** of the project documentation to The Gold Standard (**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<sup>16</sup> for a Pre-Feasibility Assessment and payment of the applicable fee under the retroactive project cycle). The period within which the project documentation must be submitted for Gold Standard validation in order to use the version of the methodology or tool applicable at the time of first submission is 6 months. If the project is not submitted for Gold Standard validation within the 6-month deadline, then the latest available version of the methodology and tool(s), at the time of submission for validation, must be applied. The time of submission for DOE validation is the date when the DOE is contracted for the validation of the project.
- iii. Ensure that all applicability criteria defined in the methodology are met.

#### f. Project scale<sup>17</sup>

- i. CDM/JI projects: Please check that the project documentation clearly indicates whether the project is small-scale or large-scale. These limits are defined in accordance with UNFCCC rules.
- ii. VER projects: Small-scale or large-scale project limits are defined in accordance with UNFCCC rules. Micro-scale VER projects are defined strictly as less than or equal to 10,000 tCO<sub>2</sub>e for each single year of the crediting period.

<sup>16</sup> For CDM/JI Projects: draft PDD + draft GS Passport + CDM Validation report (if available) + complementary annexes like EIA, and additional Annex C requirements (if necessary).

For VER Projects: draft PDD + draft GS Passport + complementary annexes like EIA and additional Annex C requirements (if necessary).

<sup>17</sup> Refer to Table 1.2, Section 1.2.1 of the GSV2.2 Toolkit.

- iii. 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.
- iv. Bundled projects: Where project activities are submitted together for Gold Standard registration within a bundle of activities, please ensure that each project is individually 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 activity.

**g. ODA**

- i. The project is not eligible for Gold Standard registration if it received ODA under the condition that the credits coming out of the project are transferred, directly or indirectly, to the donor country requirements (only for countries on the ODA list). If the project is located in a country part of the OECD Development Assistance Committee's OD recipient list, the project participant must provide an ODA Declaration Form as part of documents to be submitted for starting the 8-week registration review period (GSV2.2, Annex D).

**h. Projects related to other schemes**

- i. In case the project claims Green or White Certificates, or equivalent, the PP shall provide a clear and convincing demonstration that no double counting would arise from the issuance of Gold Standard carbon credits.

**i. Pre-CDM VERs**

- i. Check whether the CDM/JI project is allowed to claim for pre-CDM/JI VERs according to the GSV2.2 rule update. PPs can claim GS Pre-CDM VERs under the following condition:
  - Projects can claim GS Pre-CDM VERs for a maximum of two years prior to the start of the CDM crediting period provided that the PP enters into an agreement with The Gold Standard Foundation. The agreement is known as Gold Standard CDM Emission Reduction Acquisition Agreement (GSV2.2, Annex O). The agreement requires commitment from the PP to surrender to The Gold Standard Foundation, for immediate retirement, CERs that will be issued in respect of GHG reductions generated by the project during the crediting period in an amount equal to Pre-CDM VERs. There is a grace period during the initial two years of issuance after CDM/JI registration where no delivery is required.

## j. Programmes of activities

- i. If a group of project activities is submitted together for Gold Standard registration within a Programme of Activities, please check that each of these activities is in compliance with The Gold Standard eligibility criteria. The project participant must carefully check the rule and procedures applicable for Programme of Activities as listed in the latest version of Annex F, v2.2. The Annex F provides rules on the stakeholder consultation process and programme timeframe. It also provides rules on sustainability assessment, multiple types of activities in a programme, DOE site visits, inclusion and verification procedures, multi-country programmes, criteria for compliance check and post-registration design change. The project participant must also ensure that the relevant PoA templates are used for submission to The Gold Standard.
- ii. **Please note that Micro-scale projects can also apply under a Programme of Activities.** This scheme allows for the extension of the programmatic approach to The Gold Standard's micro-scale scheme activities. It combines benefits associated with the respective approaches, such as the concept of a validation and verification fund and the simplified procedures for the replication of similar activities under a programme. Each activity under the programme is capped at 10,000 tCO<sub>2</sub>e per annum, but no overall cap is applied to the programme as a whole. Projects already submitted under any of the standalone micro-scale schemes can be included in a future micro-programme, upon request by project participants and as long as they have not yet been submitted for internal or external validation. The project participant must ensure that the relevant Micro-programme templates are used for submission to The Gold Standard.

## 2. Clarification on Additionality<sup>18</sup>

### a. Additionality tools

- i. The PP shall ensure to use UNFCCC approved or GS approved additionality tools for the assessment of additionality of the project. For more details refer to Table 2.3 under Section 2.3 of GSV2.2 Toolkit.
- ii. Make sure that the latest version of a tool (available at the time of first submission to the Gold Standard) approved by UNFCCC is used for the demonstration of additionality whatever the type and scale of the project and whatever the stream the PP applies for.
- iii. Make sure all the steps (identification of alternative scenarios, barrier analysis, investment analysis, common practice) of the additionality tool used are discussed and backed by

<sup>18</sup> Please refer to see GSV2.2 Requirements, Section VI. Additionality Assessment.



sufficiently convincing, publicly available and easily accessible sources of information, or that these sources are provided. The latest available version of the following CDM guidelines may be taken into consideration while demonstrating additionality:

- Guidelines for objective demonstration and assessment of barriers
  - Guidelines on additionality of first-of-its-kind projects
- iv. For additionality demonstration with respect to Programme of Activities, project participants must ensure that the latest available version of Annex F, v2.2 is followed.
- v. Project participants must note that micro-scale projects applying under retroactive cycle cannot apply for deemed additionality criteria and are required to apply UNFCCC approved or Gold Standard approved additionality tools. For more information please refer to the latest version of the 'Standalone Micro-Scale Scheme Rules'.
- vi. GS VER projects under regular cycle that meet the stipulated eligibility criteria can use CDM 'Guidelines For Demonstrating Additionality of Micro Scale Projects'.
- vii. The methodological requirements should also be kept in mind while demonstrating additionality for a project. For e.g., projects making use of GS methodology 'Technologies and Practices to Displace Decentralized Thermal Energy Consumption' can be additional if it can be shown that the project technology has been adopted by less the 20% of the population in the target area. In such a situation, the technology can be qualified as 'first of its kind' and hence a realistic and credible barrier due to prevailing practice can be claimed<sup>19</sup>.

#### **b. Early consideration of CDM/carbon revenues and alleviation of barriers**

- i. The early consideration of CDM/carbon revenues should be clearly explained and well documented. The PP shall also take into account the latest available 'CDM Guidelines on the Demonstration and Assessment of Prior Consideration' wherever applicable.
- ii. The PP shall make sure an explanation of how the income from carbon credits helps to overcome or alleviate the identified barriers is provided. A general statement that the revenues from the carbon credits help to overcome the barrier is not sufficient. There should be a substantial explanation, e.g. on how a cooperation with a technology supplier has been enabled by means of the CDM/carbon revenues.

#### **c. Investment Analysis**

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<sup>19</sup> The demonstration must rely on existing credible sources of information or on a survey conducted specifically for the occasion by a third party within a sample representative enough of the overall population in the target region.

- i. The PP shall make use of the latest available version of the 'Guidelines on the Assessment of Investment Analysis' provided by CDM EB.
- ii. Please ensure that benchmark used is relevant for choice of IRR (Project IRR or Equity IRR). For e.g. government bond rates increased by suitable risk premium are not a suitable benchmark for project IRR (they are suitable for equity IRR) whereas, Weighted Average Cost of Capital (WACC) is suitable benchmark for project IRR.
- iii. The PP shall check that IRR should be calculated for economic lifetime of the project. In case IRR is calculated for period shorter than economic lifetime for e.g. 10 years, then appropriate residual value should be added as cash in-flow in the 10th year.
- iv. Determine whether benchmark referred is relevant for post-tax or pre-tax cash flows. Based on this, please ensure that cash flows used to calculate IRR are appropriately determined.

#### **d. Sensitivity analysis**

- i. The PP shall make sure a sensitivity analysis is conducted as part of the investment analysis with the full range of sensitive parameters (check how the 'worst case scenario' is defined), and that the right range of sensitivity is used. The variables that constitute more than 20% of either total project cost or total project revenues should be subjected to reasonable variation, which should at least cover a range of +10% and -10%.

#### **e. References**

- i. The PP shall check that the references used to demonstrate additionality are valid at the time of investment decision.

### **3. Baseline and Project Emission Reductions**

#### **a. Check PDD**

- i. Check that the PDD uses the latest version of the methodology (please check Section 1.e of this checklist for more information related to this requirement) at the time of first submission to the Gold Standard (as defined in the Gold Standard Requirements).
- ii. Check that the PDD describes the baseline methodology used and its applicability to the project.
- iii. Check that the PDD describes the quantified baseline scenarios.
- iv. Check that the PDD substantiates the choice of baseline scenario.

- v. Check that the PDD includes an overview of the current and known future legally binding regulatory instruments and assesses whether the project would be implemented anyway because of these.
- vi. Check that the PDD provides evidence so that it can be assessed whether or not the technology used is considered “common practice”.
- vii. Check that the PDD addresses leakage issues as part of the baseline and project boundary.

**b. Ensure that the conservative<sup>20</sup> baseline scenario is selected**

- i. Ensure that all likely baseline scenarios are developed and quantified.
- ii. Where relevant, the lifetime of existing equipment should be considered. (e.g. if the equipment needs to be replaced in 5 years, how will this affect the baseline,?)
- iii. Check that the definition of the baseline (baseline here covers the baseline as defined in the PDD) is consistent throughout the project documentation including the sustainable development assessment section in the GS Passport.

**c. Ensure that the baseline emissions are conservative**

- i. Affirm that correct values are applied for the numerical data sets (e.g. generator efficiencies, and fuel types and resulting emission factors, etc.).
- ii. Check that there is systematic referencing to publicly available information or to expert opinions. Check that information is verifiably presented with a sufficient degree of detail and transparency. Reproducibility is key.
- iii. Check that full transparency is applied with regard to which sets of data were selected based on the prerogative of conservativeness. This includes full references to sources of data used.

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<sup>20</sup> The Gold Standard allows for *the use of any of the equally convincing, applicable options allowed by the applied methodology*, even though the chosen option may not be necessarily the most conservative among these options.

For example, this would imply that projects applying the CDM small scale methodology, AMS I.D, would have the liberty to choose between weighted average and CM GEF approach as long as one is not evidently more convincing in the considered context (which is usually the case), and would be allowed to use either of these regardless of the fact that the chosen option may indeed not be the most conservative one.

- iv. Ensure that data uncertainties are clearly stated, if possible, with associated margins of error.

#### **d. Project emission reductions**

- i. Make sure that all necessary data for the calculation of the project emission reductions and all equations are provided including information on leakage.
- ii. Make sure the estimation of baseline emissions, project emissions, leakage and emission reductions are exactly in line with the methodology.
- iii. Check whether summary tables are provided which allow a quick review of baseline and project emissions, leakage, and emission reductions.
- iv. Check that there is systematic referencing to publicly available information or to expert opinions. Check that information is verifiably presented with a sufficient degree of detail and transparency. Reproducibility is key.
- v. Check whether the contact details of the person who conducted the baseline and project emission reductions study are provided.

### **4. Sustainable Development Assessment**

#### **a. 'Do no harm' assessment**

- i. Make sure that all the 11 safeguarding principles are assessed and that explanations and references are provided for each principle to justify the evaluation of the degree of risk. It will be helpful if a PP is familiar with the agreements and conventions that the host country is part of related to the specific Safeguarding Principle.
- ii. The PP may refer Annex H for assessing the safeguarding principles' relevance to the project along with the GS Sustainable Development Checklist for specific project type available on the GS Registry.
- iii. Make sure that all the potential risks corresponding to each safeguarding principle are listed during the assessment. Additional critical issues relevant to a particular project type not already covered by the safeguarding principles shall also be listed during the assessment.
- iv. Make sure that in case of a medium to high risk to any safeguarding principle, a mitigation measure is put in place to minimise the risk and that the mitigation measure is included in the monitoring plan of the GS Passport.

- v. Coordinating entities submitting a PoA for Gold Standard registration shall conduct the 'Do No Harm' Assessment at the CPA/ VPA equivalent level, unless convincing argumentation, validated by a DOE and approved by the Gold Standard, is provided as to why this can be conducted at PoA level only. In such a case, risks with respect to the relevant safeguarding principles shall be identified at the Programme level and future activities can only be included in the Programme if they are in line with DNH compliance criteria defined in the PoA-passport. In this case, the PoA passport would contain DNH assessment criteria per type of activity, defined at Programme level.

## **b. Sustainable development matrix**

- i. Make sure all twelve indicators are scored.
- ii. Make sure that the indicators are scored against the baseline (baseline here covers the baseline as defined in the PDD), which can be, but is not necessarily, the current situation.
- iii. Make sure that the scoring of the SD indicators is easily reproducible for the DOE. Ensure that there is an explanation for each indicator, along with a reference to publicly available and easily accessible information sources, expert opinions, or other supporting documents (including page numbers, contact details, etc). Or the sources can be provided as annexes. Whenever possible provide some quantitative justification on top of qualitative ones.
- iv. Make sure each indicator is interpreted along the Gold Standard lines (e.g. employment quality different from employment numbers). For further guidance and for definitions of the indicators (and for a list of possible monitoring parameters), please refer to Annex I of the GSV2.2 Documents, along with the GS Sustainable Development Checklist for specific project type available on the GS Registry
- v. Make sure that all the non-neutral indicators are monitored as well.
- vi. Make sure that the project contributes positively to at least two of the three categories and is neutral to the third category.
- vii. Double-check that regardless of the score, all 12 indicators in the consolidated matrix of the GS Passport have a justification paragraph and a reference source(s). A reference source can be any academic or non-academic source such as feasibility study or government report, website, local expert opinion (contact details provided), EIA, sections of the PDD, etc.
- viii. Make sure that all the reference sources that are not easily accessible are provided with the PDD as either a website link or are scanned and uploaded into the registry.
- ix. Coordinating entities submitting a PoA for Gold Standard registration shall conduct the Detailed Impact Assessment at the CPA/ VPA equivalent level, unless convincing



justification validated by a DOE and approved by the Gold Standard is provided as to why this could be conducted at PoA level only. In such a case, future activities are included in the Programme only if they are in line with sustainable development compliance criteria defined in the PoA-passport. In this case, the PoA passport would contain SD matrix per type of activity, defined at Programme level.

- x. Environmental and Social Impact Assessment (ESIA): Ensure that the project conforms to host country (local, regional or national) requirements concerning environmental and social impact assessment (regardless of the size of the project).

### **c. Stakeholder consultation**

- i. In a retroactive registration, the term 'local stakeholder consultation' (LSC) should not be used. This is dedicated to projects applying for the GS regular cycle, as there is no relevance for an LSC when the design phase of a project is over. Reference should be made instead to 'previous consultation activities'.
- ii. Recommendations for the stakeholder feedback round (SFR):
  - The PP must actively invite via various media (e.g. email, newspaper advertisement, sms, radio, announcement in religious buildings, door to door visits, etc.) the following stakeholders to comment on the revised project documentation:
    - Local residents
    - Local NGOs
    - Local GS Supporter NGOs and the 5 international GS Supporter NGOs (WWF, Helio International, Greenpeace, Mercy Corps, REEEP).
    - Local officials (including the ones who were consulted earlier in the course of the project)
  - The project documentation should discuss to what extent the approach used for gathering comments from the stakeholders was the most appropriate in order to ensure an optimal participative process.
  - A site-visit is strongly recommended as a good opportunity for collecting opinions, discussing the non-technical summary and the SD matrix, and for taking photographs.
  - Stakeholder comments must be reported upon and action taken to resolve issues presented in a written and interpretable manner so as to provide a paper trail that underpins a decision by the validator.
  - Make sure to report not only about positive comments but also about the full spectrum

of comments.

- Make sure there is sufficient diversity (skills, gender, ethnicity, etc.) in the stakeholder representation.
- iii. The following points must be taken into account and fully documented in the GS Passport as an outcome of the SFR:
- A list of all stakeholders invited to the stakeholder meeting, including local NGOs and GS Supporter NGOs.
  - A copy of the posting/flyer, newspaper article, email or any other form of advertisement that was used to invite participants to the meeting is provided.
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  - A clear list of all meeting attendees, with their signatures, positions or occupation and clear contact details (in case physical meeting was organized).
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  - A copy of the non-technical summary of the project published or handed out at the meeting.
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  - A summary of the resulting stakeholder comments and responses provided.
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  - If a questionnaire or door-to-door survey was used, a copy of that original, filled-in questionnaire.
  - 
  - Including the points mentioned above in the GS Passport after the SFR has occurred will facilitate a more efficient DOE validation.

iv. For a project to maintain a transparent channel of contact with the local stakeholders throughout the crediting period, a 'Continuous Input / Grievance Mechanism' has to be put in place by the project participant. The PP must establish methods 1-3 (below) of continuous input, method 4 is optional and should be chosen in agreement with local stakeholders. The PP must also demonstrate that they regularly monitor and respond to the comments that are made through the each of the methods for continuous input:

1. Continuous Input Process Book
2. Telephone access
3. Internet/email access
4. Nominated Independent Mediator

Please refer to the rules on Continuous Input/Grievance Mechanism (Annex W) for more details.

**d. For sustainable development assessment requirements and stakeholder consultation guidance for 'Standalone Micro-Scale Projects' and 'Micro-Scale Projects applying as a PoA' please refer to the GS Rules on standalone micro-scale scheme (Annex T) and GS Rules for Micro-programme activities (Annex U) respectively.**

## **5. Monitoring**

### **a. Monitoring plan in the PDD**

- i. Make sure the monitoring plan is in line with the applied methodology.
- ii. Discussion on roles and responsibilities of the monitoring and quality control process has to be included in the monitoring protocol.

### **b. Monitoring plan in the GS Passport**

- i. All the SD indicators to be monitored should be provided in the table format in the GS Passport, and all non-neutral indicators from the matrix as well as indicators that have warranted the use of mitigation measures should be included in this monitoring plan.
- ii. The PP shall identify parameters that can be used to properly monitor each non-neutral SD indicator according to Annex I of the GSV2.2 documents. The PP shall monitor these parameters over the crediting period and on a recurrent basis to measure the impact of their Gold Standard projects on these sustainable development indicators. The monitoring of sustainable development indicators shall be verified for each verification period.
- iii. Check whether the monitoring plan includes identified mitigation or compensation measures that were brought about during either the design, or construction or operational phases of the project in order to:
  - Neutralize a negatively scored SD indicator or a medium or high risk of violating a safeguarding principle.
  - Take into account concerns raised during the stakeholder consultation.
  - If an ESIA or environmental feasibility study was performed, ensure that the monitoring plan indeed includes these documented mitigation and/or compensation measures.

- iv. The PP shall also check if there are any monitoring requirements specific to GS. For e.g., collection and transportation process and disposal or recycling of the CFLs in case of efficient lighting projects.

## **6. Other**

### **a. Double-counting**

- i. Make sure that appropriate measures are considered to avoid any double-counting of emission reductions, especially in projects making use of numerous distributed energy technologies (e.g. cook-stoves, biodigesters, micro-hydro, etc.)

### **b. Credit Ownership**

- i. For improved distributed heating and cooking devices (e.g. biodigesters, cook-stoves), and distributed micro-scale electricity generation units (e.g. micro-hydro and PV for households), ensure that the transfer of credit ownership is clearly described. Activities involving a large amount of small, distributed heating, cooking or electricity generation devices using renewable energy sources shall provide The Gold Standard Foundation with a clear description of the transfer of credits ownership all along the investment chain, and with proof that end-users are aware of and willing to give up their rights on emission reductions. The transfer of credit ownership must be discussed during local stakeholder consultations for regular cycle projects. For retroactive projects, the project participants must collect stakeholder feedback through live consultations, telephonic discussions, electronic mode etc. as deemed necessary to reach out to the relevant stakeholders. Section E.2 of the Passport should document the feedback received from stakeholders on transfer of credit ownership.

### **c. Special Procedures for Conflict Zones and Refugee Camps**

- i. Projects participants facing considerable problems in contracting a DOE for validation and/or verification of projects located in conflict zones or refugee camps can make use of these new rules (Annex X), which allow for deviation from the usual procedures in such circumstances and to combine desk review by DOEs with on-site visits conducted by Objective Observers. All projects in conflict zones or refugee camps, irrespective of their status in The Gold Standard project cycle, can adopt these procedures.

