

## Application of the Oeko-Institut/WWF-US/ EDF methodology for assessing the quality of carbon credits

This document presents results from the application of version 3.0 of a methodology, developed by Oeko-Institut, World Wildlife Fund (WWF-US) and Environmental Defense Fund (EDF), for assessing the quality of carbon credits. The methodology is applied by Oeko-Institut with support by Carbon Limits, Greenhouse Gas Management Institute (GHGMI), INFRAS, Stockholm Environment Institute, and individual carbon market experts. This document evaluates one specific criterion or sub-criterion with respect to a specific carbon crediting program, project type, quantification methodology and/or host country, as specified in the below table. Please note that the CCQI website [Site terms and Privacy Policy](#) apply with respect to any use of the information provided in this document. Further information on the project and the methodology can be found here: [www.carboncreditquality.org](http://www.carboncreditquality.org)

Sub-criterion:	<a href="#">1.3.1: Robustness of the general program principles and provisions for determining emission reductions and removals</a>
Carbon crediting program:	<a href="#">Gold Standard</a>
Assessment based on carbon crediting program documents valid as of:	<a href="#">30 June 2021</a>
Date of final assessment:	<a href="#">31 January 2023</a>
Score:	<a href="#">See page 2</a>

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## Scores

<b>Project type</b>	<b>Score</b>
Efficient cookstoves	1.88
Establishment of natural forest	2.29
Household biodigesters	1.88
Industrial biodigesters fed with livestock manure	2.08
Landfill gas utilization	2.08
Solar photovoltaic power	2.08
Wind power (onshore)	2.08

## Assessment

### Indicator 1.3.1.1

#### Relevant scoring methodology provisions

“The program has quantification methodologies in place and available for use, as well as a process for developing new or updating existing quantification methodologies.”

#### Information sources considered

- 1 Program website: SDG Impact Quantification Methodologies (<https://globalgoals.goldstandard.org/400-sdg-impact-quantification/>). Last accessed 14 January 2022.
- 2 Impact Quantification Methodology Approval Procedure, Version 1.0, 22 October 2018. Available: <https://globalgoals.goldstandard.org/401-sdqig-methodology-approval-procedure/>.

#### Relevant carbon crediting program provisions

- Provision 1 Source 1: “Methodologies and/or tools that must [be] applied to quantify SDG impacts from a specific project type (e.g. emission reductions, aDALYs etc). Note multiple methodologies may be applied in one project.”
- Provision 2 Source 2, section 1.1, page 1: “1.1 This document outlines the Impact Quantification methodology approval process under the Gold Standard for the Global Goals (GS4GG).”

#### Assessment outcome

Yes (2 Points)

#### Justification of assessment

The above documentation specifies that the indicator is fulfilled.

### Indicator 1.3.1.2

#### Relevant scoring methodology provisions

“Approved methodologies (or general program provisions) address the following essential components:

- Applicability or eligibility criteria
- Determination of the project boundary
- Determination of additionality
- Establishing the baseline scenario

- Quantification of emission reductions
- Monitoring practices”

### Information sources considered

- 1 Impact Quantification Methodology Approval Procedure, Version 1.0, 22 October 2018.  
Available: <https://globalgoals.goldstandard.org/401-sdgiq-methodology-approval-procedure/>.

### Relevant carbon crediting program provisions

- Provision 1 Source 2, section 3.1.1.1, page 2: “Eligibility Check The methodology developer shall submit the methodology concept note to the Gold Standard Secretariat to assess the eligibility of the new methodology. Eligibility requirements are the following (including but not limited to):
- (a) The proposed methodology shall be in line with the general eligibility principles and criteria as given in Section 2.0 of the Gold Standard for the Global Goals Principles and Requirements as well as activity requirements.
  - (b) Evidence shall be provided that the proposed methodology provides the quantification approach(s) to assess contribution to at least one Sustainable Development Goal (SDG).
  - (c) The proposed methodology should not yet be covered by another approved or under-development Gold Standard methodology. If the proposed approach(es) has already been covered partially or completely by another Gold Standard methodology, modifications to the existing methodology should ideally be proposed. However, if a new methodology covering the scope of the exiting methodology(ies) (partially or completely) introduces innovative approaches, if justified, it may be considered for review.”
- Provision 2 Source 1, section 3.1.1.2, page 4: “The draft methodology document shall include at least the following key elements:
- (a)Methodology title
  - (b)Summary of the methodology (max. 100 words)
  - (c) Definitions and terms specific to the methodology or that deviate from definitions used in the applicable Activity Requirements
  - (d)Possible additional requirements for the chapters ‘Sustainable Development Goals’
  - (e)Crediting period (for Land Use & Forest [LUF] related methodologies only)
  - (f) Applicability conditions
  - (g)Ex-ante parameters/defaults and monitoring parameters and frequency
  - (h)Selected emission pools and sources (for LUF related methodologies only)
  - (i) Baseline

- Stratification (for LUF related methodologies only)
- Baseline scenario
- Baseline assessment including monitoring, if applicable

(j) Project activities

- Stratification (for LUF related methodologies only)
- Project activities scenarios
- Project activities monitoring

(k) Leakage

(l) Other emissions

(m) List of references

(n) Considerations in case of applying methodology in PoA

The draft methodology document shall also consider the following quality criteria:

- (a) Clear, logical, concise and precise formulation
- (b) Layout and terminology streamlined with the applicable Activity Requirements”

### Assessment outcome

Yes (1 Point).

### Justification of assessment

The above documentation specifies that the indicator is fulfilled.

### Indicator 1.3.1.3

#### Relevant scoring methodology provisions

“The program requires that, as part of the approval process, new quantification methodologies undergo expert review by an independent technical panel or working group.”

#### Information sources considered

- 1 Impact Quantification Methodology Approval Procedure, Version 1.0, 22 October 2018. Available: <https://globalgoals.goldstandard.org/401-sdgiq-methodology-approval-procedure/>.
- 2 Technical Governance: Guiding Principles, Version 1.0, 13 September 2021. Available: <https://globalgoals.goldstandard.org/000-2-gov-technical-governance-guiding-principles/>.
- 3 Technical Advisory Committee Terms of Reference, Version 2.1, 9 April 2021. Available: <https://globalgoals.goldstandard.org/000-3-gov-terms-of-references-tac/>.

## Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.1.1.3, page 5: “Once a draft methodology has been accepted for progression, the Gold Standard Secretariat will identify external and internal reviewers to conduct the in-depth review of the draft methodology. Two external subject matter experts with relevant background will be identified and appointed by the Gold Standard Secretariat. In addition, two internal reviewers will be identified by the sectoral Technical Advisory Committee (TAC) where:

- (a) One reviewer will be from the relevant sectoral Gold Standard TAC, and
- (b) One reviewer from the ‘Energy TAC’, ‘Land-use TAC, and/or the ‘Water TAC’, in case the context of the proposed methodology is relevant to more than one sectors

The reviewers will assess the draft methodology based on the following:

- a) Requirements outlined in 3.1.1.2.
- b) Alignment with the Gold Standard for the Global Goals Principles & Requirements and the respective Activity Requirements
- c) Alignment with the latest version of the Gold Standard for the Global Goals Safeguarding Principles & Requirements
- d) Reputational risks for the Gold Standard

The Gold Standard Secretariat and the TAC shall choose reviewers to ensure no conflict of interest among the parties involved. In case a TAC member participates in the development of the methodology, the respective member may participate in the discussions but shall not vote on the methodology approval/ rejection decision

Provision 2 Source 2, section 4, page 4-5: “PRINCIPLE: Gold Standard technical governance shall be expert-led and focus on quality of outcome (for standards and methodologies) or on accuracy (for assurance and oversight).

IN PRACTICE:

- a. Gold Standard shall convene experts to govern and decide upon all technical developments. Where necessary, experts from outside the existing Gold Standard network shall be approached to join such groups and committees.
- b. The Gold Standard Secretariat shall recognise the limitations of its technical expertise and supplement this as required.
- c. For the development of standards and methodologies, best practice and quality of outcome shall be a core consideration, considering the views of stakeholders and matters of practicality as required.
- d. For the development of assurance and oversight procedures, the accuracy and veracity of claims arising shall be a core focus, as well as quality of performance of those responsible for audit.”

Provision 3 Source 3, section 3.1, page 3-4: “RESPONSIBILITIES OF TECHNICAL ADVISORY COMMITTEE

3.1 | Standards Development. Standards Development activities including approval of new standards, standards updates, rule changes and clarifications (where required), based on (not exhaustive)

- Developments under the UNFCCC, the Paris Agreement, the Sustainable Development Goals (SDGs) and other relevant reference frameworks
- Developments in the end-user markets served by Gold Standard and GS4GG
- Developments in best practice and research as relevant to Gold Standard and GS4GG
- Proposals from Secretariat, Gold Standard Board and the NGO supporter community
- Feedback and suggestions from market actors submitted to the TAC through Secretariat; and
- Emergence of innovations suitable for addition to the Gold Standard activities.

In the context of Environmental Markets, the TAC is also the body in charge of operationalising any future scope expansions of Gold Standard for Global Goals based on previous ‘in principal’ Board approval. Decision on whether to approve a change of scope ideally requires consensus among TAC members (of the relevant committee like Energy/Land Use) or a two third absolute majority of the TAC committee. Such approval should be based on the advice of the Secretariat and informed by a public stakeholder consultation where required.”

Provision 4 Source 3, section 4, page 4-5: “On Secretariat’s recommendation or on needs basis, the Technical Governance Committee (TGC) can establish and mandate new Technical Advisory Committees (TAC) to make decisions following the Standards Setting Procedure.

The committees are set up on a permanent or semi-permanent basis as required. On Secretariat’s recommendation or on needs basis, an appointed TAC may set up temporary working groups and dissolve once they have resolved their duties. The permanent committee defines specific decision-making modalities for Committees and Working Group that clarify any decision-making authority or limitations. With regards to Category 2 decisions as referred Standards Setting Procedure, two permanent TAC bodies are already in operation with the responsibility to oversee and administer Technical Governance;

- i. Energy Committee for Energy projects and
- ii. Land-use Committee for Land use portfolio of projects

The scope of responsibilities of these committees has been outlined in annex A of this document.”

## Assessment outcome

Yes (2 Points).

## Justification of assessment

The above documentation specifies that the indicator is fulfilled. The Technical Advisory Committee is a body of technical experts responsible for standards development activities (Provision 1 & Provision 2) including approval of new standards, standards updates, rule changes and clarifications (Provision 3).

## Indicator 1.3.1.4

### Relevant scoring methodology provisions

“The program requires that the approval of new quantification methodologies must include a public stakeholder consultation.”

### Information sources considered

- 1 Impact Quantification Methodology Approval Procedure, Version 1.0, 22 October 2018. Available: <https://globalgoals.goldstandard.org/401-sdgiq-methodology-approval-procedure/>.
- 2 Gold Standard Standards setting procedures, Version 2.1, 9 April 2021. Available: [https://globalgoals.goldstandard.org/standards/000.1\\_V2.1\\_Gov\\_Standards-Setting-Procedure.pdf](https://globalgoals.goldstandard.org/standards/000.1_V2.1_Gov_Standards-Setting-Procedure.pdf)

### Relevant carbon crediting program provisions

Provision 1 Source 1, section 3.1.1.5, page 6: “Once all CARs/Obs have been successfully closed, the revised draft methodology document may be published for public consultation for a 30-day period following the Gold Standard “Standard Setting Procedures”. Please refer to Figure 1 for further details.

The Gold Standard Secretariat shall compile and share the comments received during the public consultation with the methodology developer who shall address the relevant comments and incorporate them in the draft methodology document.”

Provision 2 Source 1, section 3.1.1.1, page 4: “The decision for stakeholder consultation shall be at the discretion of the Gold Standard Technical Governance Committee [TGC] or another appointed committee. For example, new cross-cutting, first-of-kind, complex methodologies or, in some cases, new methodologies or updates may require a 30-day public consultation.”

Provision 3 Source 2, section 3.5.1, page 8: “As a part of the Standard development or revision process, the Secretariat shall target key stakeholder groups which include both those who will be directly impacted by the implementation of the Standard and those who are indirectly affected, giving an opportunity to all groups to contribute to the development of the Standard.”



Provision 4 Source 2, section 3.5.2, page 8: “All stakeholder consultations shall follow the Gold Standard Stakeholder Consultation Policy. The Secretariat shall maintain a dedicated area on the organisation’s website for all ongoing consultation.”

Provision 5 Source 2, section 3.1.1, page 4-5: “Table 2 explains the types of documents and categories (as related to Table 1, above) of decision making within Gold Standard:

**Table 2 – Categories of Documents and Technical Developments**

Document Series	CATEGORY 1 Matters reviewed and mandated by the TGC	CATEGORY 2 Matters reviewed and approved by a permanent Committee
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[...]

400 – Impact Methodologies	<ul style="list-style-type: none"> <li>- New cross-cutting or first of its kind (outside given Committee scope)</li> <li>- Publication of terms of reference/key principles and rationale</li> <li>- 1 round (30 days) of public consultation required</li> </ul>	<ul style="list-style-type: none"> <li>- New methodologies or updates to same (within a given Committee) scope</li> <li>- 1 round (30 days) of public consultation at discretion of Committee</li> </ul>
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**Assessment outcome**

No (0 Points).

**Justification of assessment**

Step 5 of the Gold Standard methodology approval process specifies that “the revised draft methodology document may be published for public consultation for a 30-day period following the Gold Standard ‘Standard Setting Procedures’ (Provision 1) at the discretion of the Gold Standard Technical Governance Committee or another appointed committee (Provision 2). The Standard Setting Procedures document identifies that the Secretariat will target key stakeholders for consultation (30 days) for “new cross-cutting or first-of-kind methodologies” or for “new methodologies or updates to same” (Provision 5). From these provisions it appears that the consultation of public stakeholders is an option but not pursued for all new methodologies proposed for approval. Therefore, this indicator is not fulfilled.

**Indicator 1.3.1.5**

**Relevant scoring methodology provisions**

“The program requires that all quantification methodologies be reviewed and updated at least every five years to verify that they continue ensuring environmental integrity. The program may provide for exceptions from this rule (e.g. in case of rarely used quantification methodologies or if the review is pending due to forthcoming decisions by other bodies such as governments or guidance setting institutions).”

## Information sources considered

- 1 Gold Standard Standards setting procedures, Version 2.1, 9 April 2021. Available: [https://globalgoals.goldstandard.org/standards/000.1\\_V2.1\\_Gov\\_Standards-Setting-Procedure.pdf](https://globalgoals.goldstandard.org/standards/000.1_V2.1_Gov_Standards-Setting-Procedure.pdf)

## Relevant carbon crediting program provisions

- Provision 1 Source 1, section 5.1.1, page 8: “All the Standards documentation shall be reviewed at a minimum of five years or periodically as requested by the external party or the TGC. The revisions can be specific to a document or the entire Standards documentation as deemed appropriate. The Secretariat shall inform its stakeholders of the planned date of revision of Standard or its Modules.”
- Provision 2 Source 1, section 1.1.1, page 2: “The Gold Standard Secretariat, governed by the Technical Governance Committee (TGC) is responsible for the development (including the initiation, design, authoring and development) of all Standards under Gold Standard for the Global Goals (GS4GG). ‘Standard’ is used as an overarching term throughout this document and may refer to the following list and any associated procedures, guidelines, templates:
- 000 Series –Technical Governance Principles & Requirements
  - 100 Series –Principles & Requirements
  - 200 Series –Activity Requirements
  - 300 Series –Contextual Requirements
  - 400 Series –Impact Quantification Methodologies
  - 500 Series –Product Requirements”

## Assessment outcome

Yes (1 Point).

## Justification of assessment

The above documentation specifies that the indicator is fulfilled. “Standard” is used as an overarching term for Gold Standard documentation and includes also Impact Quantification Methodologies (Provision 2), and all Standards must be reviewed at a minimum of every 5 years (Provision 1).

## Indicator 1.3.1.6

### Relevant scoring methodology provisions

“The program has procedures in place to suspend the use of quantification methodologies in cases where new information, such as new scientific studies, indicate that emission reductions or removals are being over-estimated or that additionality may not be ensured.”

## Information sources considered

- 1 Standards setting procedures, Version 2.1, 9 April 2021. Available: [https://globalgoals.goldstandard.org/standards/000.1\\_V2.1\\_Gov\\_Standards-Setting-Procedure.pdf](https://globalgoals.goldstandard.org/standards/000.1_V2.1_Gov_Standards-Setting-Procedure.pdf)
- 2 GHG Emissions Reduction & Sequestration Product Requirements, Version 2.0, 1 April 2021. Available: <https://globalgoals.goldstandard.org/501-pr-ghg-emissions-reductions-sequestration/>

## Relevant carbon crediting program provisions

- Provision 1 Source 1, section 4.1.1, page 8: “All allegations, grievances and complaints regarding standards setting shall be directed through the Gold Standard Grievance Procedure.”
- Provision 2 Source 1, section 5.1.1, page 8: “All the Standards documentation shall be reviewed at a minimum of five years or periodically as requested by the external party or the TGC. The revisions can be specific to a document or the entire Standards documentation as deemed appropriate. The Secretariat shall inform its stakeholders of the planned date of revision of Standard or its Modules.”
- Provision 3 Source 2, section 8.1.2, page 8: “The Gold Standard, subject to decision from the TAC, reserves the right to enforce revision to the applied methodology(ies) at any point, in case its application by a project/VPA has resulted and/or will result in overestimation of emission reductions.”

## Assessment outcome

No (0 Points).

## Justification of assessment

The above documentation identifies a grievance policy – in case a stakeholder identified a methodological issue with a quantification methodology (Provision 1). Also, the requirement for methodological review and revision (if necessary) that could be implemented in the case of new information that would impact the environmental integrity of projects implemented following the direction of methodologies would likely resolve some cases where new information could be addressed through a revision of the methodology (Provision 2) and the TAC can enforce the need for revision at any point to prevent the occurrence of overestimation (Provision 3). However, there is no procedure identified to suspend the use of a methodology during the revision process nor to suspend a methodology indefinitely due to an issue that is not resolvable through revision. The indicator is therefore not fulfilled.

## Indicator 1.3.1.7

### Relevant scoring methodology provisions

“The program clearly defines that a carbon credit unit represents one metric ton of CO<sub>2</sub> equivalent of GHG emission reductions or removals and identifies the underlying GWP values used to calculate the CO<sub>2</sub> equivalence (e.g., the source of the GWP value and the time horizon used).”

### Information sources considered

- 1 Program Website, FAQ, <https://www.goldstandard.org/resources/faqs>. Last accessed 18 January 2022.

### Relevant carbon crediting program provisions

Provision 1 Source 1: “A carbon credit, sometimes called a carbon offset, represents the certified reduction or removal of one tonne of carbon dioxide equivalent (tCO<sub>2</sub>e) from the atmosphere.”

### Assessment outcome

Yes (1 Point).

### Justification of assessment

Provision 1 specifies that the indicator is fulfilled.

### Indicator 1.3.1.8

#### Relevant scoring methodology provisions

“The program requires in its general program provisions (rather than only in its specific quantification methodologies) that emission reductions or removals be determined in a conservative manner (rather than using the most accurate estimate) to ensure that emission reductions or removals are not overestimated (this prioritization of conservativeness over accuracy acknowledges that uncertainty exists with even the most accurate estimates)

OR

The program requires in its general program provisions (rather than only in its specific quantification methodologies) that emission reductions or removals be determined in a conservative manner (rather than using the most accurate estimate) to ensure that emission reductions or removals are not overestimated, unless emission reductions or removals can be determined with a very high accuracy, in which case no conservativeness needs to be included in the quantification.”

### Information sources considered

- 1 Gold Standard Principles & Requirements, Version 1.2, October 2019. Available: <https://globalgoals.goldstandard.org/101-par-principles-requirements/>.
- 2 Gold standard GHG Emissions Reduction & Sequestration Product Requirements, Version 2.0, 1 April 2021. Available: <https://globalgoals.goldstandard.org/501-pr-ghg-emissions-reductions-sequestration/>.
- 3 Gold Standard Technical Governance: Guiding Principles, Version 2.0, 13 September 2021. Available: [https://globalgoals.goldstandard.org/standards/000.2\\_V1.0\\_Gov\\_Technical-Governance-Guiding-Principles.pdf](https://globalgoals.goldstandard.org/standards/000.2_V1.0_Gov_Technical-Governance-Guiding-Principles.pdf)

## Relevant carbon crediting program provisions

- Provision 1 Source 1, section 4.1.8, page 9: “The Project shall define both the Baseline and Project Scenarios. These are defined as follows:
- (a) Baseline Scenario: The Baseline Scenario is defined as the reasonable, conservative scenario that would exist in the absence of the project. While setting the Baseline Scenario, the Project Developer shall consider the relevant applicable legislation and how effectively these are enforced.”
- Provision 2 Source 3, section 3, page 4: “CONSISTENCY AND ACCURACY PRINCIPLE: Technical governance shall ensure the consistency of rationale and detail and the accuracy and veracity of claims arising from the use of the standard and assurance. IN PRACTICE: This means that
- a. The approach to technical governance shall include the cross-referencing and involvement of members and stakeholders from various aspects to ensure overall consistency.
  - b. The truthfulness, accuracy and verifiability of claims arising shall be a core consideration of new standards and methodologies as well as major updates.”

## Assessment outcome

Neither of the two conditions specified in the scoring methodology are fulfilled (0 Points).

## Justification of assessment

The Gold Standard Principles and Requirements requires all projects to determine their baseline scenario which is defined as the “reasonable, conservative scenario that would exist in the absence of the project” (Provision 1). Provision 2 also identifies the importance of accuracy but Source 3 does not mention conservativeness. Except for this section, there are no provisions in the Gold Standard general documents that require a conservative approach to calculating emission reductions and no specific considerations for addressing uncertainty through a conservative approach. Therefore, neither of the two conditions specified in the methodology are fulfilled. This corresponds to 0 points.

## Indicator 1.3.1.9

### Relevant scoring methodology provisions

“The program requires in its general program provisions that, before approving a methodology, the level of uncertainty of emission reductions and removals is identified, or that a provision is included in the methodology requiring that each project applying the methodology must determine the level of uncertainty in quantifying the emission reductions or removals.”

### Information sources considered

- 1 Impact Quantification Methodology Approval Procedure, Version 1.0, 22 October 2018.  
Available: <https://globalgoals.goldstandard.org/401-sdqig-methodology-approval-procedure/>.

- 2 Gold Standard Land Use & Forests Activity Requirements, Version 1.2.1, 2 April 2020. Available: <https://globalgoals.goldstandard.org/203-ar-luf-activity-requirements/>.
- 3 Gold Standard Standards setting procedures, Version 2.1, 9 April 2021. Available: [https://globalgoals.goldstandard.org/standards/000.1\\_V2.1\\_Gov\\_Standards-Setting-Procedure.pdf](https://globalgoals.goldstandard.org/standards/000.1_V2.1_Gov_Standards-Setting-Procedure.pdf)
- 4 Gold Standard Technical Governance: Guiding Principles, Version 2.0, 13 September 2021. Available: [https://globalgoals.goldstandard.org/standards/000.2\\_V1.0\\_Gov\\_Technical-Governance-Guiding-Principles.pdf](https://globalgoals.goldstandard.org/standards/000.2_V1.0_Gov_Technical-Governance-Guiding-Principles.pdf)
- 5 GHG Emission Reductions from Manure Management Systems and Municipal Solid Waste, version 1.0, 14 December 2013. <https://globalgoals.goldstandard.org/421-wm-ghg-emission-reductions-from-manure-management-systems-and-municipal-solid-waste/>

### Relevant carbon crediting program provisions

- Provision 1 Source 2, Annex A, section 1.1.1, page 22: “Estimated greenhouse gas emissions and removals resulting from Land Use and Forestry (LUF) activities have uncertainties associated with the measurements/ estimates of various parameters, especially area or other activity data, carbon stocks, biomass growth rates, expansion factors, emission factors and other coefficients.”
- Provision 2 Source 2, Annex A, section 1.1.2, page 22: “This guideline provides a step-by-step approach on how to treat uncertainties in LUF projects and how to comply with the required target precision of 20% of the mean at a 90% confidence level.<sup>1</sup>”
- Provision 3 Source 2, Annex A, section 1.1.3, page 22: “This guideline does not provide requirements for the estimation of uncertainties. Rather, it is assumed that the uncertainties associated with the various input data are known, either as estimates based on sound statistical sampling/measurement or published values, or default values given in IPCC Guidelines (2006), IPCC GPG -LULUCF (2003).”
- Provision 4 Source 2, Annex A, section 1.1.4, page 22: “To accommodate that measurements are not always available to projects, and IPCC default factors following tier 1 approach do not meet Gold Standard requirements for project data and precision level, this guideline incorporates three approaches for baseline and project activity quantification:
- (a) Approach 1: requires on-site measurements to directly document pre-project and project activity data.
  - (b) Approach 2: uses peer-reviewed publications to quantify baseline and project activity data. Project owners need to prove that the research results are conservative and applicable to the project site and management practice.

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<sup>1</sup> For parameters also applied in Gold Standard Energy such as fuel emission factors the Gold Standard precision of 10% of the mean at the 90% confidence level must be applied.

(c) Approach 3: applies default factors to quantify changes but a discounting factor (Uncertainty Deduction) must be applied if compliance with the uncertainty threshold of  $\pm 20\%$  at a 90% confidence interval is not satisfied.”

Provision 5 Source 2, Annex A, section 1.1.5, page 22: “Generally, the most specific approach possible with the data available must be chosen.”

Provision 6 Source 4, section 3, page 4: “CONSISTENCY AND ACCURACY PRINCIPLE: Technical governance shall ensure the consistency of rationale and detail and the accuracy and veracity of claims arising from the use of the standard and assurance. IN PRACTICE: This means that

a. The approach to technical governance shall include the cross-referencing and involvement of members and stakeholders from various aspects to ensure overall consistency.

b. The truthfulness, accuracy and verifiability of claims arising shall be a core consideration of new standards and methodologies as well as major updates.”

Provision 7 Source 5, Appendix 5, page 50: “For the purposes of the [a]ssays described in Appendix 2 and 3, project participants shall observe the following guidance on sample extraction procedure: [...]

6 - Uncertainty range shall not exceed 20% under a 90% confidence interval...”

### Assessment outcome

No (0 Points).

### Justification of assessment

No general program provisions could be identified with respect to this indicator. Uncertainty is partially addressed in specific quantification methodologies (Provisions 1, 2, 4 and 7); however, these provisions only cover part of the overall emission reduction quantification. The indicator is therefore not fulfilled.

## Indicator 1.3.1.10

### Relevant scoring methodology provisions

“The program requires in its general program provisions (rather than only in its specific quantification methodologies) that the degree of conservativeness in quantifying emission reductions or removals be based on the magnitude of uncertainty in the estimation of emission reductions and removals (i.e., applying a larger degree of conservativeness in case of higher uncertainties).”

### Information sources considered

- 1 Gold Standard Land Use & Forests Activity Requirements, Version 1.2.1, 2 April 2020. Available: <https://globalgoals.goldstandard.org/203-ar-luf-activity-requirements/>.
- 2 Gold Standard Principles & Requirements, Version 1.2, October 2019. Available: <https://globalgoals.goldstandard.org/101-par-principles-requirements/>.

- 3 Gold Standard GHG Emissions Reduction & Sequestration Product Requirements, Version 2.0, 1 April 2021. Available: <https://globalgoals.goldstandard.org/501-pr-ghg-emissions-reductions-sequestration/>.
- 4 Gold Standard Renewable Energy Requirements, Version 1.4, 16 August 2021. Available: <https://globalgoals.goldstandard.org/202-ar-renewable-energy-activity-requirements/>.

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 1.1.6, page 23-24: “Under Approach 1 data is measured within each stratum and shall follow accepted sampling and analysis protocols. The project owner shall use Special Guidance for Smallholder Projects Data. Data is measured within each stratum and shall follow accepted sampling and analysis protocols.
- (a) If the uncertainty of estimated value is less than or equal to 20% of the mean change value then the project owner may use the estimated value without any deduction for uncertainty, i.e. UD = 0.
  - (b) If the uncertainty is greater than 20% of the mean value, then the project owner shall either increase the sampling effort to achieve this target or the project owner shall use the estimated value subject to an Uncertainty Deduction (UD) in table 1 below (see approach 3).”
- Provision 2 Source 1, section 1.1.7, page 24: “Approach 2
- (a) Data is derived from peer reviewed published literature. Evidence for applicability of the literature values to the project site has to be provided with respect to climate factors (e.g. precipitation levels and seasonal distribution), soil and vegetation types as well as current and historic management systems (e.g. crops, tillage techniques, fertilization). Direct application of literature values is only permitted if the source conditions match the project environment, evidence of which shall be provided. Furthermore, literature values shall only be applied within the spatial and temporal dimensions analysed in the original source (e.g. SOC depth, timespan for which changes are documented). If a range of parameter values are given in a source or data is aggregated across various factor levels (e.g. average in a region, across a range of soil types), the most conservative value shall be used.
  - (b) Alternatively, values from literature may be verified by comparing them to measurements in a set of sample sites within the respective project stratum to indicate conservativeness of the parameter values applied. Such measurements are required if evidence for applicability (as listed above) of literature values is deemed insufficient by an auditor.
  - (c) The project owner shall use precision of 20% of the mean at the 90% confidence level as the criteria for reliability of estimates”
- Provision 3 Source 1, section 1.1.8, page 24-25: “Special Guidance for Smallholder Projects
- (a) Data is derived from peer reviewed published literature. Evidence for applicability of the literature values to the project site has to be provided with respect to climate factors (e.g. precipitation levels and seasonal distribution), soil and vegetation



types as well as current and historic management systems (e.g. crops, tillage techniques, fertilization). Direct application of literature values is only permitted if the source conditions match the project environment, evidence of which shall be provided. Furthermore, literature values shall only be applied within the spatial and temporal dimensions analysed in the original source (e.g. SOC depth, timespan for which changes are documented). If a range of parameter values are given in a source or data is aggregated across various factor levels (e.g. average in a region, across a range of soil types), the most conservative value shall be used.

- (b) Alternatively, values from literature may be verified by comparing them to measurements in a set of sample sites within the respective project stratum to indicate conservativeness of the parameter values applied. Such measurements are required if evidence for applicability (as listed above) of literature values is deemed insufficient by an auditor.
- (c) If the uncertainty of estimates is less than or equal to 20% of the mean change value then the project owner may use the estimated value without any deduction for uncertainty, i.e. UD = 0. If the uncertainty is greater than 20% of the mean value, then the project owner shall use the estimated value subject to an Uncertainty Deduction (UD) in table 1 below (see approach 3)."

Provision 4 Source 1, section 1.1.9, page 25: "Approach 3

- (a) Project owners may use published default factors such as IPCCs. However, as IPCC default factors are often available on tier 1 level only and are thus too generic for project level with high resulting errors for an individual site (or product), Gold Standard provides a discounting approach for those default factors which do not meet the Gold Standard uncertainty threshold of  $\pm 20\%$  at a 90% confidence interval.
- (b) If the uncertainty is less than or equal to 20% of the mean change value then the project owner may use the estimated value without any deduction for uncertainty, i.e. UD = 0. If the uncertainty is greater than 20% of the mean value, then the project owner shall use the estimated value subject to an Uncertainty Deduction (UD) in Table 1:

**Table 2: Uncertainty discounting approach**

Uncertainty [U]	Uncertainty Deduction [UD] (% of U)
$20 < U \leq 30\%$	50%
$30 < U \leq 40\%$	75%
$40 < U \leq 50\%$	100%

Example:

Estimated mean =  $60 \pm 30$  kgCO<sub>2</sub>e

Calculate Uncertainty  $U = 30/60 = 50\%$

Resulting Uncertainty Deduction UD =  $100\% * 30 = 30$  kg CO<sub>2</sub>e

Provision 5 Source 1, section 1.1.10, page 25-26: “The Uncertainty Deductions shall always be applied in the most conservative way, i.e. limiting the activities’ GHG benefits to the lower end of the confidence interval. Discounted conservative mean:

For stocks / GHG removals:

In baseline =  $60 + 30 = 90 \text{ kgCO}_2\text{eq}$

In project =  $60 - 30 = 30 \text{ kgCO}_2\text{eq}$

For GHG emissions:

In baseline =  $60 - 30 = 30 \text{ kgCO}_2\text{eq}$

In project =  $60 + 30 = 90 \text{ kgCO}_2\text{eq}$ ”

### Assessment outcome

Efficient cookstoves: No (0 Points).

Establishment of Natural Forest: Yes (1 Point).

Household biodigesters: No (0 Points).

Industrial biodigesters fed with livestock manure: No (0 Points).

Landfill gas utilization: No (0 Points).

Solar photovoltaic power: No (0 Points)

Wind power (onshore): No (0 Points)

### Justification of assessment

The program has no general provisions for the estimation of uncertainties in place. Therefore, this indicator is not fulfilled, with one exception. The Land Use & Forests Activity Requirements provide three approaches for quantifying baseline and project activities. For all approaches, if uncertainty is less than or equal to 20% of the mean value of change, the project owner may use the estimated value without uncertainty deduction. If the uncertainty is greater than 20% of the mean value, the project owner must use the estimated value with an uncertainty deduction (UD), which is defined in Table 1. According to Table 1, the greater the uncertainty values, the greater the uncertainty deduction. Furthermore, the uncertainty deduction must always be applied in the most conservative manner (Provision 1 to Provision 5). For these activities the indicator is therefore fulfilled.

### Indicator 1.3.1.11

#### Relevant scoring methodology provisions

“The program explicitly requires in its general program provisions (rather than only in its specific quantification methodologies) that existing government policies and legal requirements which lower GHG emissions (e.g., feed-in tariffs for renewable energy, minimum product efficiency standards, air quality requirements, or carbon taxes) must be included when determining the baseline emissions.

Note: This indicator does not apply to announcements that have not yet been operationalized within the country, such as mitigation targets communicated in Nationally Determined Contributions (NDCs) or Low Emission Development Strategies (LEDS), or other similarly broad national goal-

setting policies. However, the implementing policies developed to accomplish objectives within NDCs or LEDS would need to be considered (if relevant to the project in question).”

### Information sources considered

- 1 Gold Standard Principles & Requirements, Version 1.2, 24 October 2019. Available: <https://globalgoals.goldstandard.org/101-par-principles-requirements/>.
- 2 Gold Standard GHG Emissions Reduction & Sequestration Product Requirements, Version 2.0, 1 April 2021. Available: <https://globalgoals.goldstandard.org/501-pr-ghg-emissions-reductions-sequestration/>.

### Relevant carbon crediting program provision

Provision 1 Source 1, section 4.1.8, page 9: “The Project shall define both the Baseline and Project Scenarios. These are defined as follows:

(a) Baseline Scenario: The Baseline Scenario is defined as the reasonable, conservative scenario that would exist in the absence of the project. While setting the Baseline Scenario, the Project Developer shall consider the relevant applicable legislation and how effectively these are enforced.”

### Assessment outcome

No (0 Points).

### Justification of assessment

The provisions defined in the Gold Standard Principles and Requirements identify that the Baseline Scenario shall consider relevant applicable legislation and how effectively these are enforced (Source 1). From these provisions, it is not clear whether policies and legislation lowering emissions always need to be incorporated in the quantification of baseline emissions. The indicator is therefore not fulfilled.

## Indicator 1.3.2.12

### Relevant scoring methodology provisions

“The program explicitly requires in its general program provisions (rather than only in its specific quantification methodologies) that new government policies and legal requirements which lower GHG emissions (e.g., feed-in tariffs for renewable energy, minimum product efficiency standards, air quality requirements, or carbon taxes) must be included when determining the baseline emissions, once they enter into force. This means that baseline emissions may need to be adjusted during the crediting period, and not only when a regular review of the baseline emissions is required (e.g., at the renewable of the crediting period).”

Note: This indicator does not apply to announcements that have not yet been operationalized within the country, such as mitigation targets communicated in Nationally Determined Contributions (NDCs) or Low Emission Development Strategies (LEDS), or other similarly broad national goal-

setting policies. However, the implementing policies developed to accomplish objectives within NDCs or LEDS would need to be considered (if relevant to the project in question).

### Information sources considered

- 1 Gold Standard Principles & Requirements, Version 1.2, 24 October 2019. Available: <https://globalgoals.goldstandard.org/101-par-principles-requirements/>.
- 2 Gold Standard Community Services Activity Requirements. Version 1.2, 23 October 2019. Available: <https://globalgoals.goldstandard.org/201-ar-community-services-activity-requirements/>
- 3 Gold Standard GHG Emissions Reduction & Sequestration Product Requirements, Version 2.0, 1 April 2021. Available: <https://globalgoals.goldstandard.org/501-pr-ghg-emissions-reductions-sequestration/>.

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 4.1.8, page 9: “The Project shall define both the Baseline and Project Scenarios. These are defined as follows:
- (a) Baseline Scenario: The Baseline Scenario is defined as the reasonable, conservative scenario that would exist in the absence of the project. While setting the Baseline Scenario, the Project Developer shall consider the relevant applicable legislation and how effectively these are enforced.”
- Provision 2 Source 1, section 5.1.45, page 27: “To maintain Gold Standard Certified Project status beyond five years, a Project must undergo Design Certification Renewal. This process shall begin (defined by the submission of a Renewal opinion by a VVB for Design Review to Gold Standard) no later than the last date of current certification cycle. Note that review of the Design Certification Renewal may complete after the last date of current crediting period. In this case, the renewal date shall be the first day after the end date of the current certification cycle.”
- Provision 3 Source 1, section 5.1.47, page 27-28: “Design Certification Renewal follows the same process as Validation and Design Review (Design Certification) though the scope of assessment is limited to:
- (a) Changes in the Project as related to the General Eligibility Criteria
- (b) Incorporation of any relevant updates to the Gold Standard Requirements
- (c) Re-definition of Baseline Scenario and any impact of change on the Eligibility Principles, Criteria and Requirements
- (d) Any Gold Standard activity, product and methodology-specific Requirements
- (e) Demonstration of Ongoing Financial Need, where relevant – see Ongoing Financial Need”
- Provision 4 Source 1, section 5.1.48, page 28: “A five-year Design Certification Renewal cycle apply to all projects though some project types are allowed for automatic renewal for

a given number of cycles and/or to remove the need for any or all of (a)-(e) above. Such exceptions are defined in applicable Activity and/or Product Requirements and/or Methodology.”

Provision 5 Source 2, section 4.1.7, page 6: “Design Certification Renewal in the case of CSA projects is mandatory every 5 years as per the Principles & Requirements. For the first renewal, CSA Projects are not required to reassess the Baseline Scenario.”

### **Assessment outcome**

No (0 Points).

### **Justification of assessment**

The program provisions do not explicitly require reflecting new government policies and legal requirements which lower GHG emissions in establishing baseline emissions, once they enter into force. The indicator is therefore not fulfilled.

## **Indicator 1.3.1.13**

### **Relevant scoring methodology provisions**

“The program has established procedures to invalidate and/or replace carbon credits under circumstances in which the emission reductions or removals are demonstrated to have been overestimated.”

### **Information sources considered**

- 1 Gold standard GHG Emissions Reduction & Sequestration Product Requirements, Version 2.0, 1 April 2021. Available: <https://globalgoals.goldstandard.org/501-pr-ghg-emissions-reductions-sequestration/>.
- 2 Gold Standard Principles & Requirements, Version 1.2, 24 October 2019. Available: <https://globalgoals.goldstandard.org/101-par-principles-requirements/>.
- 3 Gold Standard Validation & Verification Body Requirements, Version 2.0, 14 January 2021. Available: <https://globalgoals.goldstandard.org/109-par-validation-verification-body-requirements/>.

### **Relevant carbon crediting program provisions**

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### **Assessment outcome**

No (0 Points).

### **Justification of assessment**

No program provisions addressing this indicator could be identified.

## Indicator 1.3.1.14

### Relevant scoring methodology provisions

“The maximum length of the sum of crediting periods is

- a. up to 40 years for afforestation/reforestation projects and up to 10 years for all other project types  
OR
- b. up to 60 years for afforestation/reforestation projects and up to 15 years for all other project types  
OR
- c. up to 80 years for afforestation/reforestation projects and up to 20 years for all other project types  
OR
- d. more than 80 years for afforestation/reforestation projects and more than 20 years for all other project types.

### Information sources considered

- 1 Gold standard GHG Emissions Reduction & Sequestration Product Requirements, Version 2.0, 1 April 2021. Available: <https://globalgoals.goldstandard.org/501-pr-ghg-emissions-reductions-sequestration/>.
- 2 Gold Standard Community Services Activity Requirements, Version 1.2, 23 October 2019. Available: <https://globalgoals.goldstandard.org/201-ar-community-services-activity-requirements/>.
- 3 Gold Standard Renewable Energy Requirements, Version 1.4, 16 August 2021. Available: <https://globalgoals.goldstandard.org/202-ar-renewable-energy-activity-requirements/>.
- 4 Gold Standard Land Use & Forests Activity Requirements, Version 1.2.1, 2 April 2020. Available: <https://globalgoals.goldstandard.org/203-ar-luf-activity-requirements/>.
- 5 Gold Standard Principles & Requirements, Version 1.2, 24 October 2019. Available: <https://globalgoals.goldstandard.org/101-par-principles-requirements/>.
- 6 Gold Standard Activity Requirements (Crediting Period), April 2021. Sustain-Cert.com. Available: <https://www.sustain-cert.com/wp-content/uploads/2021/04/GS-Activity-Requirements.pdf>

### Relevant carbon crediting program provisions

- Provision 1 Source 1. Section 10.1.1, page 12: “Gold Standard Projects are eligible to claim GSVERs for no more than:
- (a) The maximum Certification Renewals/ Cycles (i.e. Crediting Period) as stipulated in the relevant Activity Requirements OR

- (b) A maximum of one Certification Renewal Cycle (i.e. Crediting Period of 10 years) in the absence of the Activity Requirements

#### NOTE

- Project, PoA/VPAs registered with previous versions of Gold Standard and renewing their crediting period under GS4GG shall maintain their existing crediting cycle and maximum crediting periods following Transition Requirements.
- Project, PoA/CPAs registered with other standards like CDM seeking transition to GS4GG for GSVERs issuance shall refer to Annex B of this document as applicable.”

Provision 2 Source 2, 3.1.1-.2, page 4: “Types of project – Pre-identified CSA project types are noted below. Project Developers may submit new project types to Gold Standard for approval following the Principles & Requirements.

(a) Renewable energy: Renewable energy types such as solar (photovoltaic and solar thermal electricity generation), tidal/wave, wind, hydropower, geothermal, waste to energy and renewable biomass that are connected to mini grid<sup>2</sup> or off grid solutions for targeted users and/or applications.

- Renewable projects supplying electricity to a national or a regional grid shall refer to Gold Standard Renewable Energy Activity Requirements.
- Additional eligibility criteria for specific projects (e.g. Hydropower, biomass resources, etc.), are prescribed in Annex A of this document.

(b) End-use energy efficiency: Project activities that reduce energy requirements as compared to baseline scenario without affecting the level and quality of services or products, where the end-user of the products and services are clearly identified and when the physical intervention is required at the user end. For example, efficient cooking, heating, lighting, etc.

(c) Waste management and handling: All waste management activities that deliver energy or a usable product with sustainable development benefits such as composting, biogas etc.

(d) Water, sanitation and hygiene (WASH): WASH activities contributing to climate change mitigation and/or adaptation benefits.

3.1.2 Project area, boundary and scale: Project Area and Boundary shall be defined in line with the applicable Impact Quantification Methodologies and Product Requirements.

The definition of scale is the same for all Projects, except Microscale which is defined as:

<sup>2</sup> A mini-grid is defined as small-scale power system with a total capacity not exceeding 15 MW (i.e. the sum of installed capacities of all generators connected to the mini-grid is equal to or less than 15 MW) which is not connected to a national or a regional grid.

(a) CSA Project issuing emission reductions less than or equal to 10,000 tCO<sub>2</sub>eq per annum

(b) CSA Project seeking any Gold Standard Certified Impact or Product other than emission reductions and meeting one of the following criteria:

- Installed capacity less than equal to 2 MWeI /6 MWth that employs renewable energy as the primary technology
- Energy savings at a scale of no more than 20 GWh per year where energy efficiency is the primary activity
- Achieve GHG emissions reductions at a scale of no more than 20,000 tCO<sub>2</sub>eq per annum where project activity type is not included in the above two criteria.”

Provision 3 Source 3, 2.1.2, page 3: “In order to be eligible for Gold standard certification, all Renewable Energy Projects, shall meet the following Eligibility Criteria:

a. Projects shall generate and deliver energy services (e.g., mechanical work/electricity/heat) from non-fossil fuel and renewable energy sources.

b. Projects shall comprise of renewable energy generation units, such as solar photovoltaic, tidal/wave, wind, hydro, geothermal, waste to energy and renewable biomass, that are:

- Supplying energy to a national or a regional grid; OR
- Supplying energy to an identified consumer facility via national/regional grid through a contractual agreement such as wheeling. Renewable Energy activity requirements v1.4 Climate Security and Sustainable Development

c. Any Project supplying electricity to a mini-grid<sup>1</sup> shall refer to Community Services Activity Requirements.

d. Projects generating on-site energy for captive consumption at an industrial facility shall refer to the requirements in this document.”

Provision 4 Source 3, 4.4.2, page 10: “Projects may receive Issuance of Certified Impact Statements or Products for a maximum of three Certification Renewal Cycles i.e., a total of 15 years, unless mentioned otherwise in the Product Requirements.”

Provision 5 Source 4, section 3.1.9, page 15: “A/R specific: The crediting period shall be a minimum of 30 years and maximum 50 years. The Project Developer shall select the crediting period based on the characteristics of the project.”

Provision 6 Source 4, section 3.1.10, page 15: “AGR specific: The crediting period shall be a fixed 10-year period unless otherwise stated in applicable Impact Quantification Methodology.”

Provision 7 Source 5, section 5.1.1, page 19: “Gold Standard for the Global Goals Project Certification is based on a five year renewable certification cycle, with key features as follows:



- a) All Projects must LIST with the Gold Standard by undertaking a Preliminary Review and uploading Key Project Information, draft Project Design Document and completed Stakeholder Consultation Report.
- b) Projects may then seek Gold Standard Certified Design status by successfully completing Validation (within two years of the date of Listing) and a subsequent Design Review.
- c) New projects attaining Gold Standard Certified Design status then enter a five-year renewable certification cycle wherein for each five-year period they must undergo Verification and Performance Review to achieve and maintain Gold Standard Certified Project status and where sought Issuance of Gold Standard Certified Impact Statements and Products.
- d) To retain Certified Design status at the fifth year, all projects must undergo Design Certification Renewal by updating information and the baseline, unless otherwise stated in relevant Activity or Product requirements.”

Provision 8 Source 6, page 1: “Refer to Principle 4 of the applied Activity Requirements to determine the maximum length of crediting period.

Community Services Projects = 3 x 5 years (max. 15 years)

Renewable Energy Projects = 3 x 5 years (max. 15 years)

Land-Use and Forestry =

1. A/R specific: The crediting period shall be a minimum of 30 years and maximum 50 years

2. AGR specific: The crediting period shall be a fixed 10-year period All other projects (where no Activity Requirements are applied) the maximum length is 10 years.”

### Assessment outcome

The second condition applies (2 Points).

### Justification of assessment

From the Principles & Requirements document a project must be reviewed through “Design Certification Renewal” every 5 years to renew the crediting period (Provision 7). The GHG Emissions Reduction & Sequestration Product Requirements specify that the maximum length of the sum of crediting periods in the absence of Activity Requirements is generally 10 years (Provision 1). As identified within Provisions 4 and 8, however, community services projects and renewable energy projects can be credited for a maximum of 15 years. Efficient cookstoves and household biodigesters directly provide services to communities and qualify as “pre-identified CSA project types” (Provision 2, sub-paragraph b and c). The project types solar photovoltaic power and wind power (onshore) are listed as “pre-identified CSA project types” as well (Provision 2, sub-paragraph a). The two other project types - industrial biodigesters fed with livestock manure and landfill gas utilization - convert waste to energy, which qualifies as renewable energy (Provision 3, sub-paragraph b). All these project types thus qualify for a sum of crediting periods of 15 years. Therefore, they meet the second condition of the indicator which corresponds to 2 points.

For Afforestation projects, the Land Use & Forests Activity Requirements define the crediting period as “a minimum of 30 years and maximum 50 years” but no renewal or additional crediting periods are identified as being allowed (Provision 5 and Provision 6), which meets the second condition of the indicator and corresponds to 2 points.

### Indicator 1.3.1.15

#### Relevant scoring methodology provisions

“The program provides guidance on the renewal of the crediting period, which must include a re-assessment of the baseline scenario.”

#### Information sources considered

- 1 Gold Standard Principles & Requirements, Version 1.2, 2 October 2019. Available: <https://globalgoals.goldstandard.org/101-par-principles-requirements/>.
- 2 Gold Standard Technologies and Practices to Displace Decentralized Thermal Energy Consumption, Version 3.1, 25 August 2017. Available: <https://globalgoals.goldstandard.org/407-ee-ics-technologies-and-practices-to-displace-decentralized-thermal-energy-tpddtec-consumption/>.
- 3 Gold Standard Land Use & Forests Activity Requirements, Version 1.2.1, 2 April 2020. Available: <https://globalgoals.goldstandard.org/203-ar-luf-activity-requirements/>.
- 4 Gold Standard Community Services Activity Requirements, Version 1.2, 23 October 2019. Available: <https://globalgoals.goldstandard.org/201-ar-community-services-activity-requirements/>.
- 5 Afforestation/Reforestation GHG Emissions Reduction & Sequestration Methodology, Version 1, 3 July 2017. Available: <https://globalgoals.goldstandard.org/403-luf-ar-methodology-ghgs-emission-reduction-and-sequestration-methodology/>.
- 6 Gold Standard Renewable Energy Requirements, Version 1.4, 16 August 2021. Available: <https://globalgoals.goldstandard.org/202-ar-renewable-energy-activity-requirements/>.
- 7 ACM0001 Large-scale Consolidated Methodology: Flaring or use of Landfill gas, Version 19.0, 14 June 2019. Available: <https://cdm.unfccc.int/UserManagement/FileStorage/HEJ2MD41GB0PUZISL9FNTAYQV3875Q>
- 8 Methodological Tool Assessment of the validity of the original/current baseline and update of the baseline at the renewal of the crediting period, Version 03.0.1, Available: <https://cdm.unfccc.int/methodologies/PAMethodologies/tools/am-tool-11-v3.0.1.pdf>
- 9 GHG Emission Reductions from Manure Management Systems and Municipal Solid Waste, version 1.0, 14 December 2013. <https://globalgoals.goldstandard.org/421-wm-ghg-emission-reductions-from-manure-management-systems-and-municipal-solid-waste/>
- 10 Renewable Energy activity requirements v1.4, 16 August, 2021. <https://globalgoals.goldstandard.org/202-ar-renewable-energy-activity-requirements/>

## 11 Reduced Emissions from Cooking and Heating: Technologies and Practices to Displace Decentralized Thermal Energy Consumption (TPDDTEC), Version 4.0. 10 July 2021.

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 5.1.47, page 27-28: “Design Certification Renewal follows the same process as Validation and Design Review (Design Certification) though the scope of assessment is limited to:
- (a) Changes in the Project as related to the General Eligibility Criteria
  - (b) Incorporation of any relevant updates to the Gold Standard Requirements
  - (c) Re-definition of Baseline Scenario and any impact of change on the Eligibility Principles, Criteria and Requirements
  - (d) Any Gold Standard activity, product and methodology-specific Requirements
  - (e) Demonstration of Ongoing Financial Need, where relevant – see Ongoing Financial Need”
- Provision 2 Source 3, section 3.1.12, page 16: “At the time of project renewal, The A/R and AGR projects shall update the baseline following the applied Impact Quantification Methodology requirements.”
- Provision 3 Source 4, section 4.1.7, page 6: “Design Certification Renewal in the case of CSA projects is mandatory every 5 years as per the Principles & Requirements. For the first renewal, CSA Projects are not required to reassess the Baseline Scenario.”
- Provision 4 Source 6, section 4.4.4, page 10: “The baseline shall be reassessed at the time of Crediting Period Renewal following the applicable methodology and Principles & Requirements”
- Provision 5 Source 7, paragraph 80, page 25: “Refer to the latest approved version of the methodological tool “Assessment of the validity of the original/current baseline and update of the baseline at the renewal of the crediting period”.”
- Provision 6 Source 9, paragraph 34, page 22: “Changes required for methodology implementation in 2nd and 3rd crediting periods
- At the start of the second and third crediting period for a project activity, the continued validity of the baseline scenario shall be assessed by applying the latest version of the tool “Assessment of the validity of the original/current baseline and update of the baseline at the renewal of the crediting period”.”
- Provision 7 Source 10, 4.4.4, page 10: “The baseline shall be reassessed at the time of Crediting Period Renewal following the applicable methodology and Principles & Requirements.”
- Provision 8 Source 11, 3.13.1, page 18: “When the project developers apply for crediting period renewal, the baseline fuel consumption must be reassessed, in addition to other relevant methodological parameters as per the latest version of the methodology

available at the time submission of renewal of crediting period and GS4GG crediting period renewal requirements.”

### Assessment outcome

Efficient cookstoves: No (0 Points).

Establishment of Natural Forest: Yes (1 Point).

Household biodigesters: No (0 Points).

Industrial biodigesters fed with livestock manure: Yes (1 Points).

Landfill gas utilization: Yes (1 Points).

Solar photovoltaic power: Yes (1 Point)

Wind power (onshore): Yes (1 Point)

### Justification of assessment

Generally, guidance on the renewal of crediting periods is provided and this entails a re-assessment of the baseline scenario (Provision 1). Source 3, however, excludes Community Service Activity (CSA) projects from the requirement to reassess the baseline for the first renewal (Provision 3). Therefore, for CSA projects, including efficient cookstoves and household biodigesters, the indicator is not fulfilled. The other project types evaluated fulfil the indicator.

### Indicator 1.3.1.16

#### Relevant scoring methodology provisions

“In the case of project types where the baseline scenario is the continuation of the current situation (i.e. not undertaking any investment), the program requires the re-assessment of additionality at the renewal of the crediting period.” (See methodology for further explanation)

#### Information sources considered

- 1 Gold Standard Principles & Requirements, Version 1.2, 2 October 2019. Available: <https://globalgoals.goldstandard.org/101-par-principles-requirements/>.
- 2 Gold standard GHG Emissions Reduction & Sequestration Product Requirements, Version 2.0, 1 April 2021. Available: <https://globalgoals.goldstandard.org/501-pr-ghg-emissions-reductions-sequestration/>.
- 3 Gold Standard Land Use & Forests Activity Requirements, Version 1.2.1, 2 April 2020. Available: <https://globalgoals.goldstandard.org/203-ar-luf-activity-requirements/>.
- 4 Gold Standard Community Services Activity Requirements. Version 1.2, 23 October 2019. Available: <https://globalgoals.goldstandard.org/201-ar-community-services-activity-requirements/>.

- 5 GHG Emission Reductions from Manure Management Systems and Municipal Solid Waste, version 1.0, 14 December 2013. <https://globalgoals.goldstandard.org/421-wm-ghg-emission-reductions-from-manure-management-systems-and-municipal-solid-waste/>
- 6 Renewable Energy activity requirements v1.4, 16 August, 2021. <https://globalgoals.goldstandard.org/202-ar-renewable-energy-activity-requirements/>

### Relevant carbon crediting program provisions

- Provision 1 Source 1, section 4.1.51, page 17: **“(b) ONGOING FINANCIAL NEED**
- All Gold Standard Projects (including those that transition from earlier versions) required to demonstrate Financial Additionality, as noted above, shall demonstrate Ongoing Financial Need for such mechanisms.”
- Provision 2 Source 1, section 4.1.52, page 17-18: “Ongoing Financial Need shall be demonstrated at Design Certification Renewal. The project shall provide a qualitative narrative, supported by an overview of project finances, that demonstrates how the finance derived Gold Standard Certification is material to the ongoing sustainability of the Project. The narrative may include, but not limited to the following;
- (a) Information highlighting the key categories and amounts or relative proportions (%) of project income and outgoings, including the relative proportion of certification related cost and revenue.
  - (b) Description on how finance derived Gold Standard Certification contributes to or is being used to sustain or enhance the project.
  - (c) Where no revenue is realised from Gold Standard certification during a given period, this would be considered a FAR for the next Issuance.”
- Provision 3 Source 1, section 4.1.53, page 18: “The submission of the information to demonstrate OFN is mandatory, however this information will not be used for formal decision making to decide whether a project shall renew or not. The information
- (a) shall be validated by the VVB to ensure its accuracy
  - (b) may remain confidential (i.e. shall be submitted alongside other project documentation and not published to the Gold Standard Impact Registry), in recognition of the commercially sensitive nature of the information
  - (c) shall satisfy the OFN requirements and no further information (beyond responding to clarification questions) will be requested”
- Provision 4 Source 1, section 4.1.55, page 18: **“(d) PROGRAMMES OF ACTIVITY (PoA)**
- The Gold Standard certification cycle is suitable for multi-phased programmes with multiple interventions with an extended implementation period within a sector or multiple sectors, as is typically the case in, for example, urban low-carbon growth programmes.”

- Provision 5 Source 1, section 4.1.56, page 18: “Programmes of Activity shall follow Programme of Activity Requirements. The Requirements in this document are applicable for a Programme where multiple individual activities are spread over space and time.”
- Provision 6 Source 1, section 5.1.47, page 27-28: “Design Certification Renewal follows the same process as Validation and Design Review (Design Certification) though the scope of assessment is limited to:
- (a) Changes in the Project as related to the General Eligibility Criteria
  - (b) Incorporation of any relevant updates to the Gold Standard Requirements
  - (c) Re-definition of Baseline Scenario and any impact of change on the Eligibility Principles, Criteria and Requirements
  - (d) Any Gold Standard activity, product and methodology-specific Requirements
  - (e) Demonstration of Ongoing Financial Need, where relevant – see Ongoing Financial Need”
- Provision 7 Source 1, section 3.1.1, page 6: “The following General Eligibility Criteria applies to all projects seeking Gold Standard Certification:
- [...]
- Host Country Requirements: Projects shall be in compliance with applicable Host Country’s legal, environmental, ecological and social regulations.”
- Provision 8 Source 2, section 7.1.2, page 7: “All Projects shall demonstrate Ongoing Financial Need at Certification Renewal following latest version of Principles & Requirements available at the time of renewal of their crediting period, unless otherwise stated in the relevant Activity Requirements.”
- Provision 9 Source 3, section 3.1.13, page 16: “The project shall demonstrate additionality as per the Principles & Requirements, or GHG Emissions Reduction and Sequestration Product Requirements, as applicable.”
- Provision 10 Source 3, section 3.1.14, page 16: “The following requirements are applicable for the demonstration of prior consideration of revenues from Gold Standard certification for standalone projects:
- (a) Regular cycle projects are exempt from any kind of prior consideration of carbon revenue checks.
  - (b) Retroactive cycle projects shall submit the required documents to Gold Standard within five years of its start date (time of first submission). Project submitted at a date later than five year from the project start date will not be eligible for Gold Standard certification.”
- Provision 11 Source 3, section 3.1.15, page 16: “For retroactive cycle projects, the Project Developer shall demonstrate that:

(a) the revenues from Gold Standard Certified SDG Impact Statements or Products, such as GSVERs, were seriously considered in the decision to implement the project, AND

(b) there was continuous interest in Certified Impact Statements or Products for the project in parallel with its implementation.

Evidence to support the prior consideration can include contracts, draft versions of project information, correspondence with financial institutions or other stakeholders, minutes and notes of meetings, agreements or negotiations with auditors, publications in newspapers.”

Provision 12 Source 4, section 4.1.8, page 6: “All projects seeking the issuance of Certified Impact Statements and/or Products shall demonstrate Financial Additionality in accordance with the Principles & Requirements and the applicable Product requirements.”

Provision 13 Source 4, section 4.1.9, page 6: “Projects that meet any of the following criteria are considered as deemed additional and therefore are not required to prove Financial Additionality at the time of Design Certification:

(a) Positive list (Annex B of this document)

(b) Projects located in LDC, SIDS, LLDC4

(c) Microscale projects”

Provision 14 Source 4, section 4.1.10, page 6: “All CSA projects shall demonstrate Ongoing Financial Need as per the Principles & Requirements.”

Provision 15 Source 5, paragraph 34, page 22: “Changes required for methodology implementation in 2nd and 3rd crediting periods

At the start of the second and third crediting period for a project activity, the continued validity of the baseline scenario shall be assessed by applying the latest version of the tool “Assessment of the validity of the original/current baseline and update of the baseline at the renewal of the crediting period”.”

Provision 16 Source 6, 4.4.4, page 10: “The baseline shall be reassessed at the time of Crediting Period Renewal following the applicable methodology and Principles & Requirements.”

### **Assessment outcome**

No (0 Points).

### **Justification of assessment**

For design certification renewal the Gold Standard Principles and Requirements require projects to redefine “the Baseline Scenario and any impact of change on the Eligibility Principles, Criteria and Requirements”, to assess “any Gold Standard activity, product and methodology-specific Requirements” and to demonstrate “Ongoing Financial Need, where relevant” (Provision 6). The General Eligibility Criteria includes compliance with any legal requirements (Provision 7).

The assessment of ongoing financial needs, as set out by Gold Standard, does not fully correspond to a re-assessment of additionality. It is only provided in a qualitative way (Provision 2) and the information will not be used for formal decision making to decide whether a project shall renew or not (Provision 3).

Furthermore, many projects are excluded from the requirement to reassess additionality at design certification renewal (Provision 13), which leaves open the possibility that substantive changes to the project's additionality could occur within projects matching the excluded characteristics.

For these reasons, the program does not fulfil this indicator.

## Scoring results

According to the above assessment, the carbon crediting program achieves for this sub-criterion the following scores for the different project types:

- Efficient cookstoves: the program receives a total point score of 9 which corresponds to a score of 1.88.
- Establishment of natural forest: the program receives a total point score of 11 which corresponds to a score of 2.29.
- Household biodigesters: the program receives a total point score of 9 which corresponds to a score of 1.88.
- Industrial biodigesters fed with livestock manure: the program receives a total point score of 10 which corresponds to a score of 2.08.
- Landfill gas utilization: the program receives a total point score of 10 which corresponds to a score of 2.08.



## Annex: Summary of changes from previous assessment sheet versions

The following table describes the main substantive changes implemented in comparison to the assessment from 31 May 2022.

<b>Topic</b>	<b>Rationale</b>
Score on cover sheet	Scores have been differentiated to accommodate the new project types: household biodigesters, industrial biodigesters fed with livestock manure, solar photovoltaic and wind energy (onshore).
Indicator 1.3.1.10	The project types household biodigesters and industrial biodigesters were added and assessed against this indicator. The scores were adjusted according to the assessment outcomes.
Indicator 1.3.1.14	Provisions of the relevant methodologies and activity requirement documents have been added to assess the project types household biodigesters and industrial biodigesters fed with livestock manure. The point score was not changed compared to the previous assessment.
Indicator 1.3.1.15	Provisions of the relevant methodologies and activity requirement documents have been added to assess the project types household biodigesters and industrial biodigesters fed with livestock manure. The scores for these project types were added, based on the assessment outcomes.
Indicator 1.3.1.16	Additional provisions were added. The scores were not changed compared to the previous assessment.
Scoring results	The section was updated to reflect the scores for the new project types and methodologies and a further review of Gold Standard's provisions.