The Gold Standard
Premium quality carbon credits

Gold Standard: Experience in Development and Implementation of Methodologies

Practitioners Workshop

on AMS-I.E, AMS-II.G and AMS-I.C: CDM methodologies for household cooking energy supply

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Narendra Paruchuri,
TAC Member, The Gold Standard Foundation

What is the Gold Standard?

What, Why, How

What is the Gold Standard Foundation?

- An independent foundation endorsed by 60 NGOs worldwide
- A tool for promoting outstanding projects with a proven contribution to both sustainable development and climate change mitigation, in the compliance and voluntary markets

Why the Gold Standard Label in the Voluntary market?

- Ensure credibility and transparency in the voluntary market

  Provide a quality assurance label for generating premium quality carbon credits

  (controlled risk, inc. stakeholder acceptance, enhanced reputation, premium prices, market visibility, contribution to SD)

How Does it Work?

- GS rigorous and systematic procedures ensure best practices are followed
- GS project cycle provides a step-by-step guide to developing credible projects

Premium quality label

- Brand: trademarked globally and use of logo for visual identification
- For projects
  - All GS-registered projects
  - Projects in pipeline:
    - after approval of the Local/Initial Stakeholder Consultation Report
    - must be listed in the Registry for public use
    - “Gold Standard applicant” status clearly stated
- GS Foundation retains ultimate control over the use of the logo

GS Structure & Governance

Gold Standard Supporters
Give the brand its value
60 NGOs
GS NGOs

Foundation Board
Budget Oversight
Ultimate Control Over GS Brand
8 members

Technical Advisory Committee
Project & Meth Reviews
Rule changes
8 experts of the carbon market
GS TAC

Auditors
External Validation
DOEs

Gold Standard Secretariat
Daily Management of GS Activities
Project & Meth Reviews
Capacity Building
Registry Management
Marketing & Fund Raising

APX
Registry Development
Invoicing

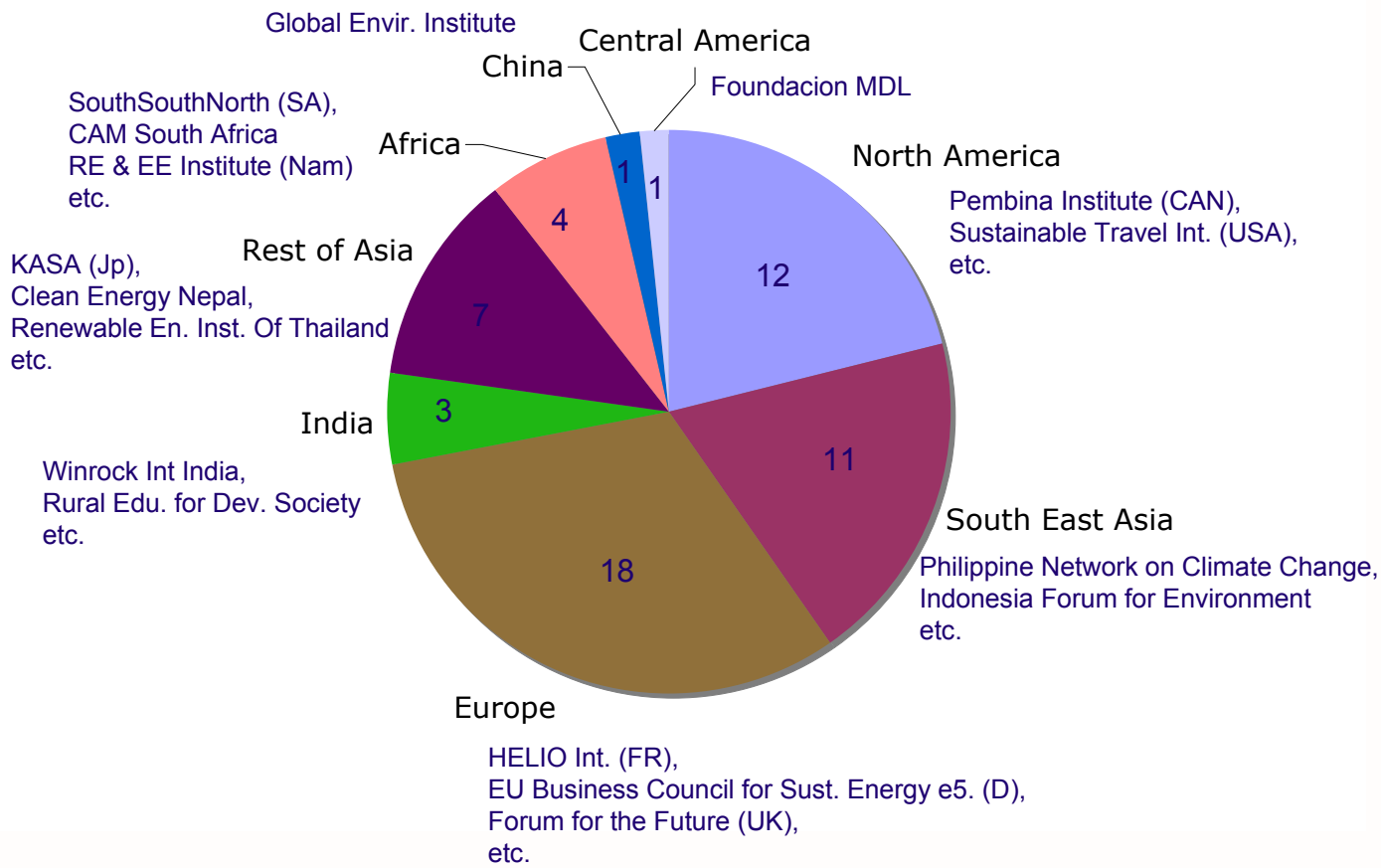
Local Experts (100% GS)
South Africa, Egypt, China, India, Chile, Mexico, Philippines

Points of Contact (part-time GS)
South Africa, Egypt, China

Roster of External Experts
Project & Meth Reviews
(to be expanded shortly)
RE

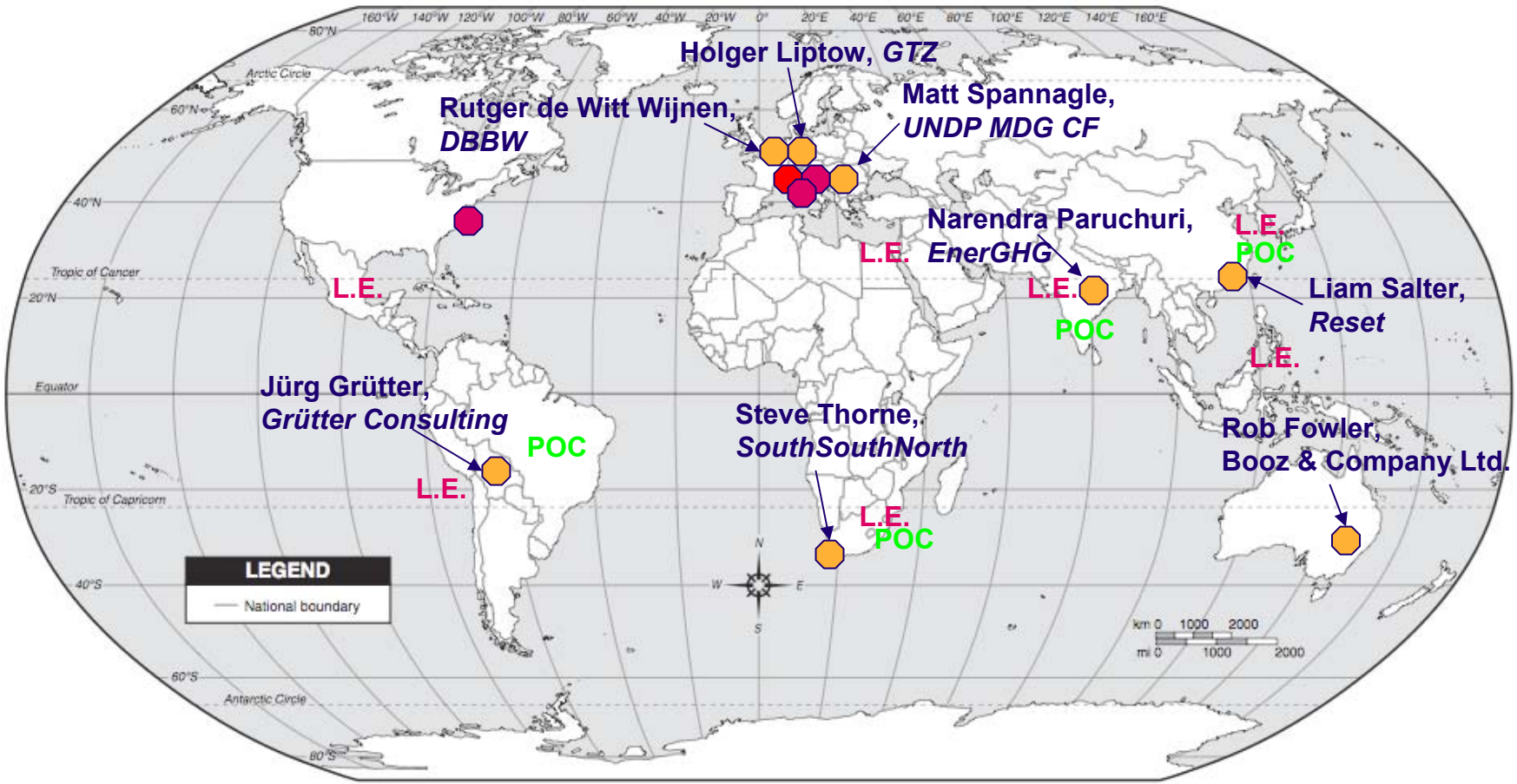
Gold Standard Buyers
Voluntary Commitment to use majority GS
Assist with marketing and events

Supporter NGOs worldwide



plus 4 International NGOs (WWF Int., Greenpeace Int., Mercy Corps, REEEP)

GS TAC, Local Experts & Points of Contact



GSV2 Rule Books

- "Requirements"
  - Presents the fundamental principles and 'hard' rules
- "Toolkit" and its Annexes
  - Describes the project cycle, provides examples and detailed instructions on the use of the GS
  - Annexes include:
    - Templates
    - GS Terms and Conditions
    - Cover Letter
    - GS Registry Operation

Available at:
www.cdmgoldstandard.org

GSV2 Project Documentation

- Local Stakeholder Consultation Report
  - Fixed template for all project types
- UNFCCC PDD templates
  - All GS projects must use latest UNFCCC PDD templates
- GS Passport
  - Provides all required GS-specific information not already covered in the PDD (fixed template)

How does it work?

GSV2 Guiding Principles

- Bottom-up participatory approach
- Contribution to local Sustainable Development
- Conservativeness
- Transparency

The Gold Standard
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GS Project Cycle

Pre-evaluation
- eligibility
- Additionality
- sustainability

Open Registry Account

Local Stakeholder Consult.
- non technical summary
- SD indicators
- draft PDD and Passport

GS NGOs

New methodology
- draft submission
- approval process

GS TAC | RE

Retroactive Registration
- pre-feasibility assessment

GS TAC | RE

Project Final Design
- PDD
- Methodology
- Additionality
- 'Do no harm' assessment
- SD Matrix, Monitoring Plan
- EIA

GS Certification/Issuance
- 3 weeks review period
- issuance of credits
- serial number

GS TAC | GS NGOs

GS Verification
- monitoring (incl. SD ind.)
- Verification Report

DOEs

Stakeholder feedback round
- public posting

GS NGOs

GS Registration
- 8 weeks review period

GS TAC | GS NGOs

GS External Validation
- Validation Report

DOEs

GS Internal Validation
- Validation Statement

GS TAC

micro-scale projects

Project Eligibility Criteria

- Type of project activity - scope (RE & end-use EE) and specific criteria (Toolkit, Appendix C)
- Previous annoucement & ODA
- Project gases (CO_2, CH_4 and N_2O)
- Project location
- Project timeline (e.g. crediting period, retroactive registration, retroactive crediting, pre-CDM VERs)
- Only CDM or GS Methodologies valid at the time of submission to GS are allowed

Additionality

- Regardless of project scheme, size, and type, project documentation must make use of:
  - Either the latest version (available at time of first submission to the GS) of the UNFCCC approved Additionality Tools
  - Or the latest version of GS approved Additionality Tools
    - No new additionality tool submited so far
    - Approval process - review by two relevent external experts & GS TAC + test against existing UNFCCC Tools required
    - GS TAC can also decide to make a new tool available

Sustainability Assessment

- ‘Do no harm’ assessment based on UNDP safeguard principles (e.g. precautionary principle, labor standards)
- 12 Sustainable Development Indicators in 3 categories:
  - Environment,
  - Social Development and
  - Economic and Technological Development
- Sustainable Development Matrix with simplified scoring process (-1, 0, or +1)
  - Positive score required for at least 2 subcategories, non-negative required for all subcategories

Sustainability Assessment

Indicator	Mitigation Measure	Relevance to achieving MDG	Chosen parameter and explanation	Preliminary score
Gold Standard Indicator for Sustainable Development	If relevant copy mitigation measure from "do no harm" table or include mitigation measure use to neutralise a –ve score	Check www.undp.org/mdg and mdgmonitor.org Describe your indicator is related to local MDG goals	Defined by project developer	Negative impact: score –ve incase negative impact is not fully mitigated Scope 0 incase the measure is fully mitigated No change in impact: Score 0 Positve impact: Scope +ve
Air quality				
Water quality and quantity				
Soil condition				
Other pollutants				
Bio diversity				
Quality of employment				
Livelihood of the poor				
Access to affordable and clean energy sources				
Human and institutional capacity				

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Quantitative employment and income generation				
Balance of payments and investments				
Technology transfer and technological self reliance				

Sustainability Monitoring Plan

Indicator	Description
No.	
Indicator	
Mitigation measure	
Chosen parameter	
Current situation of parameter	
Estimation of baseline situation of parameter	
Future project target for parameter	
Way of monitoring	
How	
When	
By Who	

In summary…

... for Gold Standard compliance, a project must:

- ✓ Be a renewable energy or end-use energy efficiency project
- ✓ Pass the Additionality test
- ✓ Contribute to Sustainable Development
- ✓ Be endorsed by local stakeholders
- ✓ Pass an independent val/ver by UN-accredited auditors
- ✓ Monitor the Sustainable Development impacts/benefits

GS Methodologies

All UNFCCC methodologies are applicable for GS Project activities …

✓In addition, GS accepts specific methodologies developed for Gold Standard project activities
✓Developers submit draft meth together with draft PDD
✓TAC ….

GS Meths and Projects

GS Methodologies

4 meths approved so far …

- ✓ Biogas Digesters
- ✓ Energy Efficient Cooking Stoves
- ✓ Switch to Biomass Fuel
- ✓ Indicative Program, Baseline and Monitoring Methodology for Large-Scale Supply and Distribution of Efficient Light Bulb and Showerhead Products to Households
- ✓ Biodiesel from Waste Oil/Fat

GS Methodologies

Meths under consideration …

✓Thermal Energy from Plant Oil for the User of Cooking Stoves (Revised AMS.I.C.)

✓Bio-ethanol Diesel Blends for Stationary or Mobile Sources

Other meths – initial documentation received

✓ Introduction of an alternative ignition technique as measure to improve the energy efficiency of domestic household coal fires

GS Projects

Project type	Listed	Validated	Registered	Issued	Total
Biogas – Cogeneration	4		1		5
Biogas – Electricity	28		2	1	31
Biogas – Heat	11	2	1		14
Biomass, or Liquid Biofuel – Cogeneration	4	1			5
Biomass, or Liquid Biofuel – Electricity	10		3	1	14
Biomass, or Liquid Biofuel – Heat	4	1			5
Energy Efficiency – Domestic	6	2	2		10
Energy Efficiency – Industrial	10				10
Energy Efficiency – Public Sector	2		2		4
Geothermal	1		1		2
Liquid Biofuel – Transportation			1		1
Other	7		2	1	10
PV	1	1	2		4
Small, Low-Impact Hydro	29		4		33
Solar Thermal – Heat	1	1	1		3
Wind	60	11	8	12	91
Total	**178**	**19**	**30**	**15**	**242**

GS Projects

Project type	Status
*Efficient Cooking with Ugastoves	Registered
*Improved Household Charcoal Stoves in Ghana	Registered
*Improved Household Charcoal Stoves in Mali	Registered
*Kuyasa low cost housing energy upgrade project (Solar water heating)	Registered
*Solar steam for cooking and other applications	Registered
Total	**5**

For details on GS meths and Projects

http://www.cdmgoldstandard.org

http://goldstandard.apx.com

Thank you!

Narendra Paruchuri
TAC Member, The Gold Standard Foundation
Meth Panel Member, UNFCCC CDM

Email: narendra@energhg.in