



Gold Standard[®]

Climate Security & Sustainable Development

ALIGNING GOLD STANDARD PROJECTS WITH THE PARIS AGREEMENT

**SUMMARY OF CONSULTATION
FEEDBACK AND NEXT STEPS**

JUNE 2021

EXECUTIVE SUMMARY

With record-high demand and growing interest from all corners, the voluntary carbon market has a unique opportunity to deliver finance to high-impact projects across the world and make a meaningful contribution to tackling the climate crisis. Gold Standard welcomes this market expansion and, provided they have integrity, supports growing investment through offsetting as well as alternative use cases that are emerging.

However, market expansion on its own is not sufficient. We need at the same time to ensure that fundamental principles of quality and integrity are preserved, that the market evolves for the new context in which it operates, and as a result that voluntary action works in support of the goals and framework established by the Paris Agreement.

On 18 February, Gold Standard published a consultation that outlined proposed steps to align our rules with the new framework and emerging guidance under the Paris Agreement. This alignment will ensure:

- Gold Standard projects continue to represent best practice into the future
- Gold Standard project developers can access different markets that we expect to adopt Article 6 rules over time
- Gold Standard rules appropriately take into account the action that host countries will take to meet their Nationally Determined Contributions (NDCs).

These issues are relevant for all market practitioners, and project developers will encounter these issues whichever standard they choose. Gold Standard has opted to proactively address them to protect integrity and maximise opportunity for our project developers in multiple markets. While some of these changes may be challenging to adapt to, failing to do so is likely to expose projects and broader market participants in the near future.

We are grateful to all stakeholders who submitted feedback to the consultation, those who attended our multi-stakeholder events, and those with whom we engaged more informally over the consultation period.

Gold Standard has carefully considered all feedback received in response to the consultation, with formal responses published on the [online consultation page](#) for

transparency. This document summarises the main messages from this feedback and our intended next steps.

In the short-term, we intend to:

1. Update Gold Standard's Claims Guidance, Double Counting Guidelines and other necessary documents to reflect and address double claiming risks under the Paris Agreement. Our intended approach is outlined [on pages 11-13](#).
2. Develop initial guidance for the use of carbon credits towards non-offsetting claims, as an input to further discussion across the market. We also invite current or prospective buyers of Gold Standard credits to [contact us](#) if you would like to discuss such claims further.
3. Develop a new assessment approach and applicability criteria for demonstration of ongoing financial need at the point of renewal of crediting period, considering applicability to different project types.
4. Consider whether to introduce exemptions, for example in LDC community projects, to Gold Standard's existing requirement that pre-2016 projects seeking to transition to Gold Standard from other schemes must demonstrate risk of discontinuation.
5. Update Gold Standard's new SDG Tool and make this available for use by all project developers, to enable more efficient monitoring, reporting and verification of SDG benefits.

In the medium-term, and taking into account progress and outcomes in Article 6 negotiations, we intend to:

1. Update Gold Standard's **baseline requirements**, following the outcome of COP26 negotiations on Article 6.
2. Review Gold Standard's **additionality requirements**, as we expect all standards to do to align with the Paris Agreement context.
3. Consider whether and how Gold Standard should incorporate the principle of **overall mitigation of global emissions**, following the outcome of COP26 negotiations.

4. Consider how best to continue to support projects that deliver services to communities benefiting from **suppressed demand** baselines, within the Paris Agreement context.
5. Consider any further additions or amendments to our **double claiming policy**, following the outcome of Article 6 negotiations and early stages of implementation.

These changes are important to build for the next decade of climate and development action. Beside these rule updates, Gold Standard is also taking forward:

1. New steps to **simplify rules and requirements** while retaining integrity.
2. **Digitisation options** to improve the user experience and reduce complexity and costs for project developers and other actors.
3. The next generation of **methodologies and scopes**, to ensure Gold Standard projects continue to drive transformative climate and development action - without disruption to our existing projects.
4. Application of our requirements and standards beyond the carbon market to help **climate and sustainable development finance** reach those most in need. We will do this by applying Gold Standard for the Global Goals and our nearly two decades of impact quantification and assurance experience to reduce risks for government, city and impact investors keen to have assurance that project and portfolio climate and sustainable impacts are achieved in the real economy. We will at the same time support project developers to use Gold Standard certification as a means to demonstrate that their activities deliver the impact that investors are looking for.

Nearly twenty years after our founding, Gold Standard remains focused on supporting high-impact climate and development activity across the world, applying high standards of integrity to ensure projects benefit local communities and the planet, and to give confidence to buyers and investors. With these rule updates, we can continue to provide this confidence and preserve the integrity of the various mechanisms we support in the new context under the Paris Agreement. We are excited to work with our full community of partners, project developers and stakeholders over the next decade and beyond.

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INTRODUCTION

On 18 February 2021, Gold Standard issued a consultation entitled [*Integrity for Scale: Aligning Gold Standard-Certified Projects with the Paris Agreement*](#). This sought feedback on several proposed rule changes to align Gold Standard's rules with the framework and underpinning guidance of the Paris Agreement.

The consultation concluded on 15 April 2021 with formal written feedback from over 30 stakeholders, from the business and investment community, project development, civil society, academia and consultancy, carbon service retailers and several trade associations, as well as informal feedback from other stakeholders throughout the period of consultation.

This document summarises the areas in which Gold Standard sought feedback, the main messages and common themes contained in formal written feedback, and how Gold Standard intends to proceed in each area. The full list of questions on which Gold Standard sought feedback is at Annex A, and the full list of respondents at Annex B.

Due to the volume of responses received, this summary cannot reflect all points shared with Gold Standard through formal written feedback. However, in the interest of transparency, all stakeholder responses for which publication consent has been given can be viewed on the [online consultation page](#).

RISK OF DISCONTINUATION FOR PROJECTS TRANSITIONING TO GOLD STANDARD FROM OTHER SCHEMES

The consultation sought feedback on whether certain projects should be exempted from Gold Standard's existing requirement that projects with a start date of first crediting period prior to 1 January 2016 must demonstrate they are at risk of discontinuation if seeking to transition from the Clean Development Mechanism or other certification schemes.

Without provisions for such projects to transition to Gold Standard, projects would need to fail and relaunch to participate in carbon markets, which would be perverse, unjust and inefficient. At the same time, Gold Standard does not wish to accept projects from third party schemes that no longer need carbon finance, nor for these to unfairly compete with Gold Standard credits that do require carbon finance.

It is important to note that this requirement is only relevant to projects seeking to transition to Gold Standard that have a start date of first crediting period prior to 1 January 2016, and not for existing Gold Standard projects, or projects from other schemes with a later start date.

FEEDBACK

Stakeholder feedback on this question reflected a wide range of views.

Many respondents stated that projects in Least Developed Countries (LDCs), Small Island Developing States (SIDS), Landlocked Developing Countries (LLDCs) and conflict zones should be exempt from this requirement.

Other examples given where certain respondents considered that exemptions should apply included: microscale and community projects; Gold Standard-labelled CDM projects; activity types deemed automatically additional; activity types that underwent a robust additionality test at the start of the project; and that the requirement should only apply to projects with a start date of first crediting period prior to 2013.

On the other hand, some respondents stated that every project with a start date of first crediting period prior to 1 January 2016 should be required to demonstrate risk of discontinuation. Meanwhile others stated that this requirement should be removed entirely.

NEXT STEPS

CDM projects and projects from other certification schemes with a start date of first crediting period before 1 January 2016 are already restricted from transitioning to Gold Standard (as GS VER projects) unless they demonstrate risk of discontinuation. As stated in the consultation, [this is an existing rule](#) and will not be reconsidered.

Gold Standard will present the consultation findings to its Technical Advisory Committee and will consider if any exemption criteria should be introduced for this rule, for instance based on a project's location or type, as was proposed by many respondents.

In addition, Gold Standard will develop guidelines and assessment approaches to help project developers understand how to demonstrate risk of discontinuation for transitioning projects with a start date of first crediting period before 1 January 2016. For projects that are at genuine risk of discontinuation, we do not expect it should be difficult to demonstrate this fact.

ONGOING FINANCIAL NEED FOR CREDITING PERIOD RENEWAL

The consultation sought feedback on whether it is important for projects to be required to demonstrate ongoing financial need at the time of renewal of their crediting period, as well as whether this requirement is reasonable for project developers and if any flexibilities should be introduced for certain projects.

Gold Standard currently requires the disclosure of Ongoing Financial Need at the time of crediting period renewal. However, this is currently used for information purposes, rather than as part of the decision-making process.

FEEDBACK

Many respondents agreed that buyers would find it useful for projects to be required to demonstrate ongoing financial need at the time of renewal of their crediting period, and that clear and transparent guidelines would be important.

Some respondents did not agree with the proposed requirement, stating that such a requirement could introduce a new investment risk, by introducing uncertainty as to whether a project would continue to be eligible for crediting beyond its first crediting period. Others felt that robust up-front additionality testing was the most important consideration.

Several respondents expressed specific caution about the application of an ongoing financial need test for projects with high upfront capital costs. They stated a need to ensure guidance does not discriminate against such projects. Examples were noted that would need to be taken into account, including projects for which credits are only sold towards the end of the crediting period, or for which credit sales are deliberately held back with a view to achieving higher revenues later.

Several respondents proposed that exemptions should apply, for example, for microscale projects, community-based and small-holder projects, AFOLU projects, distributed projects and projects in LDCs/SIDS/LLDCs and conflict zones. On the other

hand, some respondents stated that no general exemptions should apply based on geography, but projects could be granted flexibility in certain justified cases.

Finally, several respondents provided detailed feedback on how an ongoing financial need test should be designed.

NEXT STEPS

Ongoing financial need requirements are already part of Gold Standard's Principles & Requirements. In consultation with subject matter experts and Gold Standard's Technical Advisory Committee, we will develop an assessment approach and applicability criteria for demonstration of Ongoing Financial Need, to enable this to be considered as part of formal decision making to decide whether a project can renew or not. Gold Standard will consider the feedback submitted by respondents, in particular comments related to investment certainty, applicability to different project types and changing dynamics.

Separately, Gold Standard recognises that approaches for the demonstration and assessment of additionality will need to evolve to suit the new context of the Paris Agreement. Most notably, new approaches will be needed to ensure regulatory additionality, given that all governments are required to implement domestic policies to achieve their Nationally Determined Contributions (NDCs).

Gold Standard, with support from the Swiss Federal Office for the Environment, is developing an additionality framework for market activities under the Paris Agreement, which we intend to publish later this year. This will provide a framework for Parties engaging in market-based cooperation under Article 6.2 of the Paris Agreement, and is intended to inform broader thinking on additionality in different market applications, including the voluntary carbon market.

DOUBLE CLAIMING OF CARBON CREDITS USED FOR OFFSETTING

There has been increased focus recently on the claims made by users of carbon credits and ensuring the integrity of these claims. Carbon credits have historically been used largely towards 'offset-based claims' (see Box 1 below), where the carbon credit is claimed to have offset or compensated for an equivalent emission impact, which promises no net increase of emissions to the atmosphere. There is however need for and nascent practice of purchasing carbon credits as a way to take climate action without claiming their emissions have been offset.

The consultation sought feedback on several questions related to the avoidance of double claiming where *offset-based claims* are made, particularly in the context of the Paris Agreement, wherein the mitigation benefits derived from the carbon market project would or may also be captured in the host country's NDC inventory. In this case, and as described in further detail in a [February 2021 article](#), global emissions would not necessarily be lowered by mitigation driven by carbon finance, which is a necessary attribute for a claim that emissions have been 'offset'. This is one of several types of double counting that Gold Standard seeks to address through our rules.

Specifically, we sought feedback on:

- A staggered roll-out of requirements for corresponding adjustments for offsetting or carbon/climate neutral claims
- Whether exemptions should apply for certain projects, including those generating suppressed demand credits
- Whether within-country offsetting should be treated the same as offsetting using credits from another country, and
- Whether corresponding adjustments should be required for projects outside the scope of the host country's Nationally Determined Contribution (NDC)

BOX1 – Offset and non-offset-based claims

*Gold Standard understands an offset-based claim to be any claim by which the buying entity implies that their Scope 1, 2 or 3 emissions have been offset, compensated for or neutralised by an emission reduction or removal underpinning a carbon credit they have purchased and retired. This also includes headline claims to be 'carbon-neutral' or 'climate-neutral'. Buyers can make other claims when purchasing and retiring carbon credits that do not imply that emissions have been offset. For instance, a buyer could make an **'impact', 'mitigation' or 'contribution' claim**, in which they acquire credits to take responsibility for unabated emissions but do not claim that these carbon credits have 'offset' their emissions. Some organisations have already adopted this model, and we expect it to become increasingly popular as more organisations shift towards achieving long-term net zero status while taking responsibility for their emissions along that path.*

In this model, the buyer's claim can reasonably be made while the same emission reductions are used by the host country towards their NDC, and so the options outlined above to mitigate the risk of double claiming with that NDC are not required. Core principles of environmental integrity must still be followed, with respect to the mitigation activity, the carbon credit, and the overall climate policy of the buyer.

The Climate Action Network, representing over 1500 organisations in over 130 countries, has [supported the development and promotion of such claims](#) and other multi-stakeholder initiatives and actors are also looking at this issue.

FEEDBACK

Stakeholder feedback on these questions reflected a wide variety of views.

Staggered roll-out

A number of respondents agreed with Gold Standard's policy position on double claiming related to carbon offsetting, i.e., that it must be safeguarded against in order for an offset to be credible, as well as the proposed staggered introduction of corresponding adjustments.

Some suggested that Gold Standard's original proposals did not go far enough to address the risk of double claiming. One respondent stated that deferring the introduction of corresponding adjustments for certain countries would imply that double claiming is acceptable for several years, while another gave encouragement for credits to be used towards a quantified impact or contribution claim in the near-term while countries develop capacity to authorise and apply corresponding adjustments.

One respondent stated that governments are already expecting to apply corresponding adjustments for project-based reductions.

On the other hand, a number of respondents disagreed with Gold Standard's proposed approach. In some cases, these respondents disagreed in principle with the application of corresponding adjustments for offsets generated and used within the voluntary carbon market. One respondent representing multiple businesses, for instance, described the Paris Agreement as having great 'elasticity' which could make corresponding adjustments 'meaningless'.

In other cases, respondents did not express principled opposition but instead disagreed with the detail of Gold Standard's proposals.

A number of these respondents stated that Gold Standard's proposed timeline for introduction was too fast and that more time would be needed for host governments to develop capacity. One respondent proposed that Gold Standard instead adopt a milestone approach under which corresponding adjustments are required once a host government fulfils certain criteria.

Some respondents highlighted risks related to the introduction of corresponding adjustments, including a risk of corruption or inequity in securing authorisations of corresponding adjustments; risks that projects that are unable to secure corresponding adjustments are discriminated against; risks that host countries do not follow through on commitments to apply corresponding adjustments; and risks that private investment declines.

One respondent encouraged Gold Standard to work with other standards towards a market-wide approach, which Gold Standard has already sought to do through participation in past coordination efforts. Another respondent asked about the capacity-building support that Gold Standard will provide to host countries, though another stated that it was not Gold Standard's role to work with host countries. Several respondents proposed new approaches to ensure host countries are aware of voluntary action taking place within their jurisdiction, including through a meta-registry.

Within-country offsetting

Nearly all respondents agreed that within-country offsetting (i.e., where an emission reduction is achieved and used as an offset within the same national jurisdiction) should be treated the same as international offsetting. However, considering other feedback on the issue of double claiming, Gold Standard assumes that respondents have different views on what this treatment should be.

Projects outside the scope of NDCs

Many respondents stated that corresponding adjustments should not be applied for emission reductions achieved by a project outside the scope of the host country's NDC. Different reasons were given for this: some stated that as a project is outside the scope of the NDC, there is no risk of double claiming; others that the host government would be unlikely to authorise a corresponding adjustment for projects outside the NDC; and others that an exemption could crowd in investment where it would not otherwise take place.

However, several respondents stated that corresponding adjustments should be applied in all cases, with reasons including the fact that NDC scopes are ill-defined, that they can be adjusted over time, and to avoid a disincentive for the host government to move to an economy-wide NDC. Some respondents stated that temporary exemptions could be applied for activities outside the scope of the NDC in non-developed countries.

Exemptions

Several respondents did not believe that exemptions should be granted to projects based on their geography, size, or activity type. On the other hand, many respondents stated that an exemption should apply for micro-scale activities. In some cases, the reason given was that projects of this scale may not show up in the host country's inventory.

In addition, several respondents stated that exemptions should apply to projects in LDCs, LLDCs, SIDS and conflict zones, and others that exemptions should apply to community services and AFOLU projects, or those in areas of extreme poverty.

Suppressed demand

Feedback again reflected a variety of views in response to specific questions about suppressed demand. Many respondents stated that Gold Standard should not require corresponding adjustments for projects based on a suppressed demand scenario, though some disagreed. Other respondents stated that Gold Standard should not issue credits to projects using a suppressed demand scenario, with one stating that such projects would be better suited to climate finance contributions, or in other words 'impact claims', than offsetting.

NEXT STEPS

As was recognised by several respondents, the risk of double claiming with host country NDCs - and of consequent perverse impacts - is present from now for all credits issued with respect to emissions reductions achieved during a host country's NDC implementation period. Gold Standard's overall view of this integrity risk has not changed following this consultation period, and as such remains in line with the clear majority of civil society, academic and independent accounting experts observing carbon markets. We also note the call from [G7 Environment and Climate Ministers](#) that carbon market mechanisms, including those used for voluntary purposes, "should be based on robust rules and accounting that ensure avoidance of all forms of double counting".

Policy position

Gold Standard intends to update its [Claims Guidelines](#) to clarify that we will only authorise voluntary offset-based claims (see definition in Box 1 above) made against the use of credits with a post-2020 vintage¹ where these credits fulfil one of the two mitigation options outlined below. As such, any offset-based claim made using post-2020 credits that have not fulfilled one of these mitigation options will not be deemed authorised under our Claims Guidelines.

Gold Standard will authorise offset-based claims made using Gold Standard credits with a post-2020 vintage where:

¹ The term 'vintage' refers to the year in which the verified emission reduction occurred.

1. The host government has authorised the use of the underlying mitigation towards a voluntary offsetting claim (or provided an appropriate blanket authorisation) and agreed to apply a corresponding adjustment, for instance through a Letter of Authorisation and Assurance (LoAA).
2. Where Option 1 is not possible, an offset-based claim will be authorised where one additional Gold Standard credit with a post-2020 vintage (from any host country) that does meet the requirements under Option 1 is cancelled, and evidence is provided that this additional credit has been cancelled for this specific purpose. In other words, for every non-adjusted credit, an additional adjusted credit must be cancelled. This option may be relevant for buyers wishing to purchase credits from a specific geographic location where a corresponding adjustment has not been agreed to.

Credits that have a valid authorisation from the host government as described in Option 1 will be indicated as such in the registry. We will explore whether and how to indicate credits that apply Option 2 as outlined above.

Application

Under our Claims Guidelines, Gold Standard reserves the right to take any action against any entity that engages in unauthorised claims. However Gold Standard recognises, as did a number of consultation respondents, that most governments do not yet have the procedures in place to authorise and apply corresponding adjustments, and that Article 6 guidance has not yet been adopted under the UNFCCC. In addition, there are a wide range of claims being made in the market, and explicit clarity as to those that are acceptable and those that are not requires careful consideration and a logical approach.

In light of this, Gold Standard does not intend to take action in cases where entities make offset-based claims against credits that do not fulfil one of the two mitigation options outlined above, in instances where these credits:

1. Are generated in non-Annex I countries², and
2. Have vintages prior to 1 January 2025.

² https://unfccc.int/process/parties-non-party-stakeholders/parties-convention-and-observer-states?field_national_communications_target_id%5B515%5D=515

Such use of credits would however still not be deemed authorised by Gold Standard, as outlined above.

In other words, Gold Standard intends to take no specific action itself in the immediate future if a credit generated by a Gold Standard project in a non-Annex I country is used towards an offsetting claim without meeting one of the two options outlined above to address the risk of double claiming. At the same time, we encourage all market participants, within and beyond Gold Standard, to take responsibility for their ongoing actions, and to make responsible claims.

Gold Standard will review our approach for vintages from 2025 onwards in due course and may consider taking action in the period up to 2025 if unauthorised claims are made with respect to credits generated in Annex I countries. We expect such governments in general to have greater capacity to authorise and apply corresponding adjustments in the nearer future.

Transition period

The approach described above allows for a responsible and practical transition period while host countries develop the capacity and procedures to authorise and apply corresponding adjustments, and the market adjusts to a new mode of operation in the context of the Paris Agreement.

During this transition period, and as was proposed by several respondents, Gold Standard encourages entities to transition towards non-offset-based claims when using credits for which double claiming has not been addressed. In the coming months, Gold Standard intends to produce suggested guidelines and principles for using carbon credits towards such non-offsetting – or ‘impact’ - claims, as an input for further discussion across the carbon market to develop this model. We are also happy to speak to any current or prospective buyers of Gold Standard credits who would like further information or have questions about such claims. Please contact help@goldstandard.org if you would like to do so.

In the short-term, Gold Standard will update its Claims Guidelines, Double Counting Requirements, registry functionality and take other necessary steps to implement this rule update. As well as their application for the voluntary carbon market, the updates to Gold Standard’s Double Counting Requirements and registry functionality will be

relevant for the use of Gold Standard credits towards ICAO's Carbon Offsetting and Reduction Scheme for International Aviation (CORSA) and potential use by national governments under Article 6.2 of the Paris Agreement.

Prior to 2025, Gold Standard will also:

1. Consider whether to extend beyond 2025 the period in which we waive our right to act against unauthorised claims with respect to particular credits, for instance those generated in LDCs, LLDCs, SIDS and conflict zones, and potentially for specific project types.
2. Consider whether there are other acceptable options to mitigate the risk of double claiming in addition to the two listed above, in particular in cases where credits are generated and used in the same jurisdiction.
3. Consider whether to adopt temporary exemptions or alternative arrangements with respect to emissions reductions achieved in sectors or greenhouse gases outside the scope of the host country's NDC, if/once Article 6 guidance is adopted within the UNFCCC. Until any such decision, emission reductions will be treated equally whether they are achieved inside or outside the scope of the host country's NDC.
4. Consult on appropriate safeguards to address the risk that host governments do not apply corresponding adjustments that they have committed to.
5. Work with partners and directly with host governments to build understanding, capacity and appropriate, fair, transparent and best practice procedures and policies to administer requests for corresponding adjustments. In this respect, we will seek to address the concerns raised by several respondents about the practicalities of requesting authorisations.
6. Engage with other standards to explore alignment in approach, to seek to provide clarity and consistency for market actors.

BASELINE SETTING

The consultation sought feedback on intentions to update requirements for baseline setting, subject to the final outcome of Article 6 negotiations, and whether additional criteria should be considered on top of those proposed by Gold Standard.

FEEDBACK

Most respondents agreed with Gold Standard's intended approach with respect to activity baselines, following adoption of Article 6 guidance.

A number of respondents made additional comments.

One suggested that Gold Standard may need to incorporate alignment with the long-term target of the Paris Agreement in the future, meaning baselines will deviate from business-as-usual over time. Another respondent suggested that in order to target high-hanging fruit, Gold Standard's approach should reflect the policies a host country would need to take in order to align with the Paris Agreement's temperature goal, even if such policies are not considered or implemented.

Meanwhile another respondent stated that Gold Standard should only consider real host government policies rather than vague or distant targets, and that while baselines should be conservative, an arbitrary discount from business-as-usual should not be part of the rational process to develop a baseline.

One respondent stated that Gold Standard should continue to avoid crediting REDD+ activities, and several others that suppressed demand activities should not be credited.

NEXT STEPS

As indicated in the consultation, Gold Standard will wait until the outcome of Article 6 negotiations at COP26 before updating its rules with respect to baselines. All else being equal, our intention at that point is to move forward with the changes outlined in the consultation, which were supported by many respondents.

SUSTAINABLE DEVELOPMENT

The consultation sought feedback on whether Gold Standard's existing rules on sustainable development remain appropriate for the new context of the Paris Agreement.

FEEDBACK

All respondents to this question agreed that Gold Standard's existing rules are appropriate for the new context of the Paris Agreement. A number of respondents highlighted and welcomed ongoing work by Gold Standard to standardise monitoring and reporting of sustainable development benefits. Several respondents stated that tools should be user friendly, and reporting requirements should accommodate differences between projects.

NEXT STEPS

As indicated in the consultation, Gold Standard intends to maintain its requirements with respect to sustainable development, and to continue to require all projects to support progress towards the Sustainable Development Goals (SDGs).

In February, Gold Standard [launched a new tool](#) to help project developers more efficiently monitor, quantify and verify a project's contributions to the SDGs. Gold Standard invited stakeholders to test the current version of tool, over a piloting period that ran from 4 February to 4 April 2021.

Gold Standard intends to make the SDG tool, guidelines and case studies available for all project developers to use after incorporating changes required in response to feedback received during the consultation period. The SDG tool will in the future be digitized to have a seamless information exchange with the registry and certification entities and we are exploring alignment with national reporting and commitments.

Gold Standard will also continue to advocate for ambitious incorporation of sustainable development in Article 6 guidance and implementation through the [Sustainable Development Initiative](#), in collaboration with UNEP DTU Partnership.

OVERALL MITIGATION IN GLOBAL EMISSIONS

The consultation sought feedback on whether Gold Standard should adopt the principle of 'overall mitigation in global emissions', and if so, how this should be operationalised.

FEEDBACK

Some respondents stated support for the adoption of a partial cancellation of credits at issuance as means to achieve overall mitigation in global emissions and move beyond 'zero-sum' offsetting. Some said that such a cancellation should be an option for buyers of Gold Standard credits but not imposed at the point of issuance.

Most respondents, however, did not favour the adoption of a partial cancellation, with some stating that the principle is achieved through the conservativeness of methodologies and baselines.

Some respondents stated that Gold Standard should wait until the outcome of Article 6 negotiations before taking a decision.

NEXT STEPS

As indicated in the consultation, and stated by several respondents, Gold Standard intends to wait until the outcome of Article 6 negotiations at COP26, and at that point assess whether to adopt new rules to align with decisions under the UNFCCC.

GENERAL COMMENTS

Some respondents also included feedback outside of the scope of the consultation questions. This has not been included in this document but can be seen in the original feedback responses published on the [online consultation page](#).

ANNEX A: CONSULTATION QUESTIONS

Transition and renewal of existing projects

1. Do you think that certain projects should be exempted from a vulnerability assessment? This could include projects from the CDM and other certification schemes hosted by LDCs/LLDCs/SIDS/conflict zones with a start date of first crediting period before 1 January 2016. Alternatively, it could include specific activity types that are deemed additional under Gold Standard's Activity Requirements.
2. Do carbon credit buyers think it would be useful for carbon markets, including both compliance and voluntary programs, to adopt criteria to assess the ongoing financial need for projects every 5 years at the time of renewal of crediting period?
3. Do project developers think the OFN requirement is reasonable and manageable, or are there adjusted or alternative approaches that could still achieve the same goal? Should flexibilities be put in place for certain projects, such as those in LDCs/LLDCs / SIDS / Conflict zones?

Using voluntary carbon credits in the post-2020 period

4. Do you agree with the proposed staggered approach to the implementation of corresponding adjustments rather than introducing a requirement for all countries at the same time?
5. Are there particular cases where you think exemptions should be made to the application of corresponding adjustments, for instance for micro-scale projects or those in areas of extreme poverty?
6. Do you agree that domestic offsetting, as described above, should be treated in the same way as offsetting using international credits? If not, are there alternative safeguards that could be applied?
7. Do you agree that the requirement for a corresponding adjustment should be applied to projects outside the scope of the host country's NDC as well as inside? Are there alternative approaches that should be considered for mitigation outcomes outside the NDC?

Aligning with the Paris Agreement – Integrity of other provisions

8. Do you think there are other criteria we should consider to ensure crediting baselines used by Gold Standard projects have integrity and are aligned with principles within Article 6 of the Paris Agreement?
9. Do you think host countries will be willing to carry out corresponding adjustments for suppressed demand credits considering that they are avoided emissions? If not, should Gold Standard continue to issue such credits and why? Are there other means Gold Standard could adopt to channel carbon finance to such projects implemented in vulnerable communities?
10. Should Gold Standard require corresponding adjustments for suppressed demand credits, considered that they will potentially not be counted in host country's emissions inventory and hence are unlikely to be double claimed?
11. Do you agree that Gold Standard's existing rules on sustainable development are appropriate for the new context and rules under the Paris Agreement, or do you believe changes are required?
12. Do you think OMGE is a principle that Gold Standard should adopt? If yes, how would you suggest that this is operationalised? For example, should it be done by partial discounting of a percentage of credits at issuance, by setting up conservative baselines, or by some other means?

ANNEX B: LIST OF STAKEHOLDERS SUBMITTING FORMAL WRITTEN FEEDBACK

- Aki Kachi, New Climate Institute
 - Atmosfair
 - BIK
 - Carbonsink
 - Climate Analytics
 - ClimateCare
 - Climate Neutral Business Network
 - Danone
 - Evolution Markets
 - Fastenopfer
 - GAIAGO
 - International Emissions Trading Association (IETA) / International Carbon Reduction and Offset Alliance (ICROA)
 - Likano Project Development GmbH
 - Manfred Stockmayer (individual)
 - Mirova Natural Capital
 - MyClimate
 - Nova Institute
 - Obo Cool Effect / Proyecto Mirador / High Tide Foundation
 - Permian Global
 - Perspectives Climate Group
 - PrimaKlima
 - Project Developers Forum
 - South Pole (UK)
 - Systemiq
 - TASC
 - Terra Global
 - Wetlands International³
 - VNV Advisory Services
 - Zero Mission
 - Zero Mission AB
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³ Feedback from Wetlands International is based on its experience to date, and the organisation is still in the process of formulating its organisational position and policy.