

Gold Standard[®]

Climate Security +
Sustainable Development for All

*2016 Annual Conference. V3.0 in action.
The Nexus*



CONTENTS

What is the Nexus?

Applying it under V3.0

V3.0 in action

▀ The Nexus

- What do we mean by sustainable development?
- V3.0 provides many new tools and opportunities for projects but one of the key challenges for traditional project design has been the inability to recognise negative impacts and the opportunities to enhance project design, reduce risk and increase revenue.
- WHY IS THIS RELEVANT?

■ The Nexus

- There is a growing understanding and awareness that water, energy and food security are inextricably linked.
- The actions in one area more often than not have impacts in one or both of the others.
- Traditional project development have often failed to recognise or acknowledge these trade offs exposing the project to risk, false claims and missed opportunities. If we want to talk about credible sustainable development we must acknowledge and address these.
- This is not necessarily relevant for all projects and must be considered in the appropriate context but often the greater needs present the greater challenges

┐ GOLD STANDARD 3.0 STRUCTURE



1) Gold Standard principles + safeguards

Climate security and sustainable development

Energy – Food – Water Nexus

Gold Standard 3.0 Requirements

1. Introduction / Purpose / Gold Standard Principles
2. Project Cycle and Key Project Information
3. Project Eligibility
4. Affected Stakeholder Engagement / Grievance
5. Safeguards & Risk Assessment including acknowledgement of negative impacts (former 'Do No Harm')
6. SDG Contribution
7. Certification & Financial Needs/Additionality (when needed for product issuance of VERs, WBCs, etc.)
8. Audit Requirements

1) Gold Standard principles + safeguards

- Stronger project design that mitigates risk, maximizes impact, and ensures the results intended from the start

2) Activity methodologies + quantification

- Allows for multiple activities and impacts to be certified -- applicable to large scale interventions like Cities and Landscapes
- Begins with existing Gold Standard methodologies and safeguards; Create partnerships to develop new trade-off assessment tools and methodologies like biodiversity + health
- Develop new tools to simplify monitoring and verification, reduce costs and increase ROI



2) Activity methodologies + quantification

- Full assessment of a given activity to all relevant outcomes toward SDGs for simple, comprehensive reporting

3) Certified products, outcomes + claims

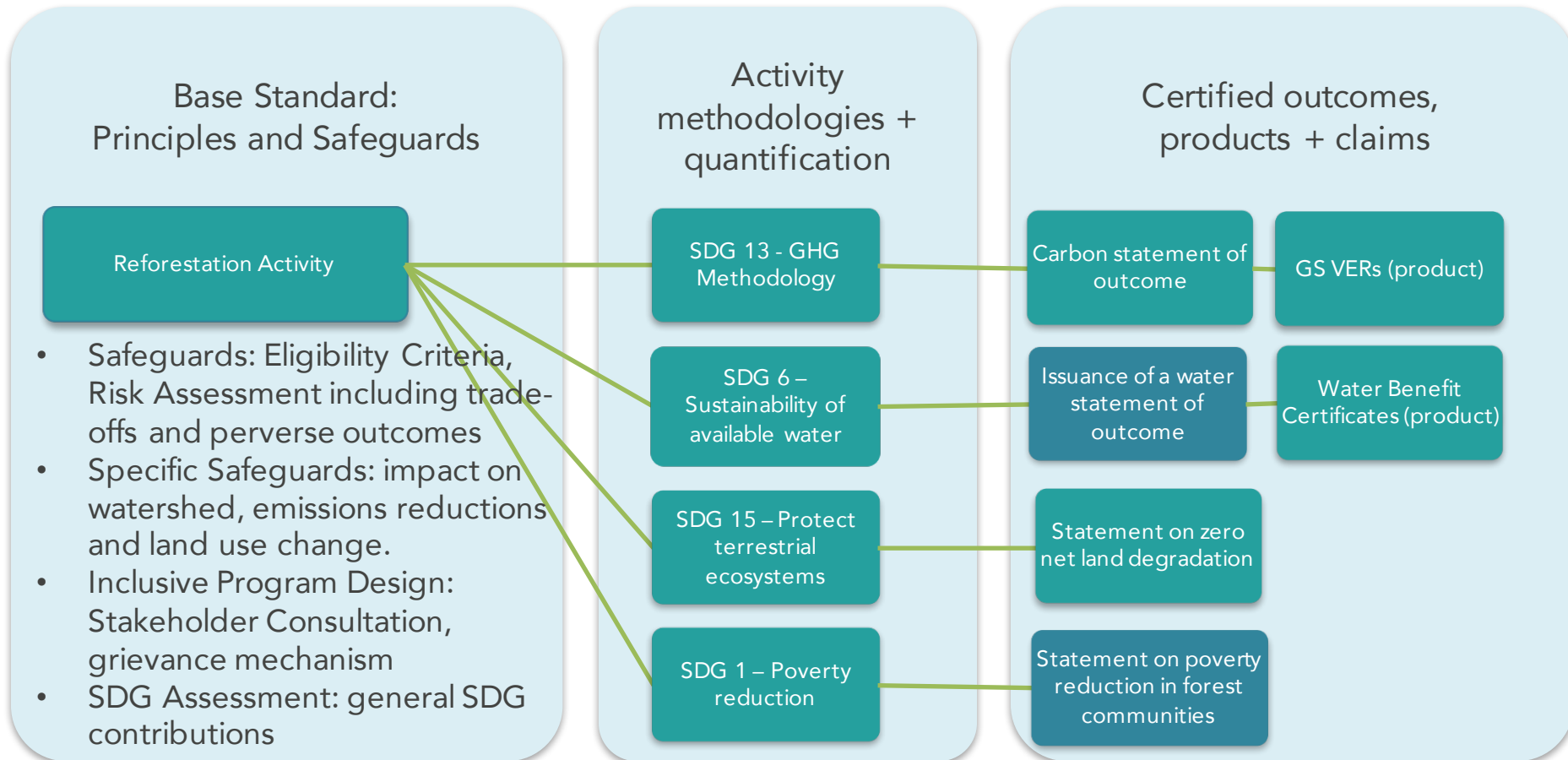


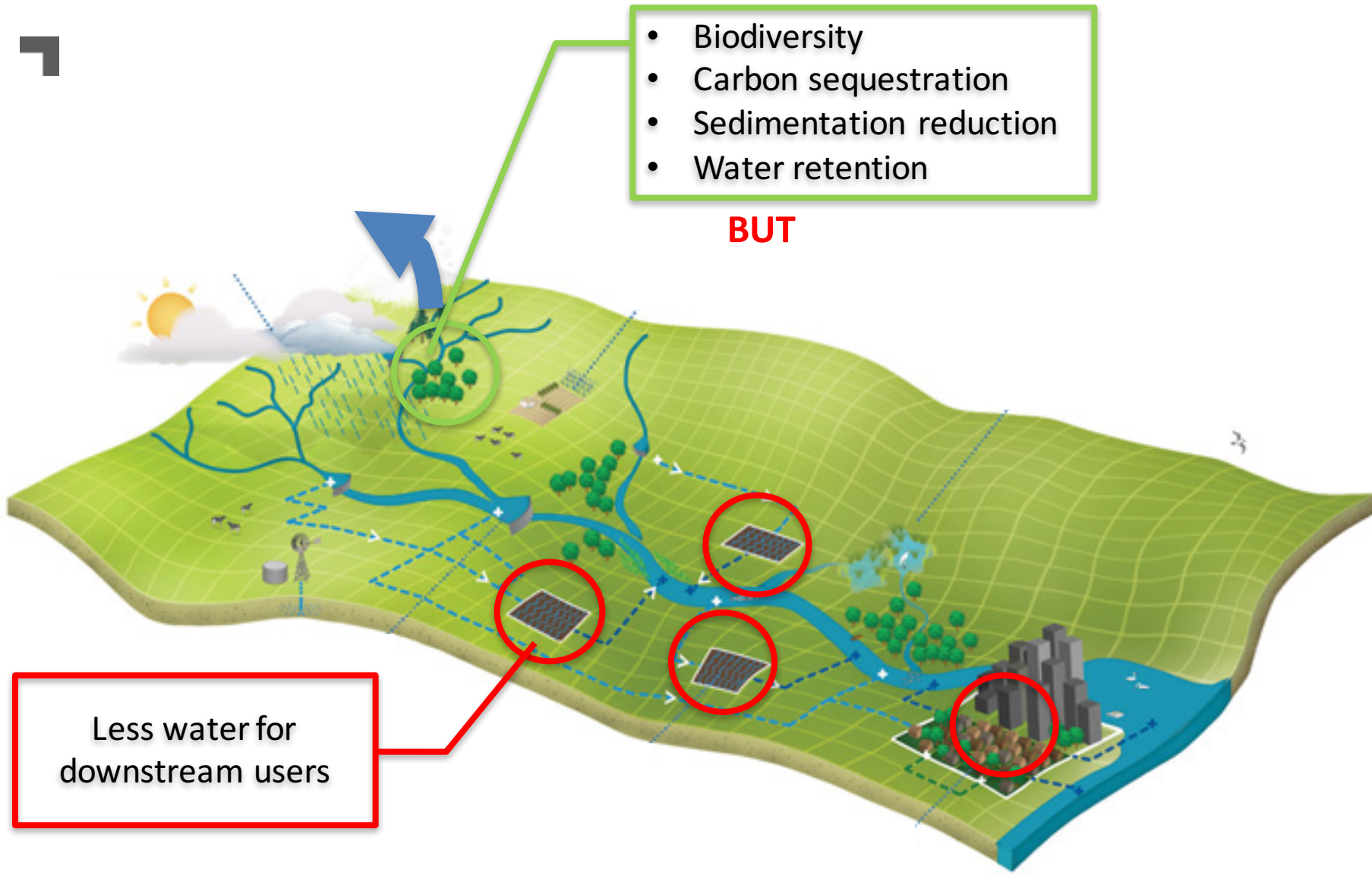
3) Certified outcomes, products + claims

- Transparency of outcomes and management of claims to demonstrate impact in a credible and trusted way

▀ Holistic Assessment in Action

└ GOLD STANDARD 3.0 IN A FORESTRY ACTIVITY



- 
- Biodiversity
 - Carbon sequestration
 - Sedimentation reduction
 - Water retention

BUT

Less water for
downstream users

GS TRADE-OFFS APPROACH

Context
important. I.e
water scarcity
and scale

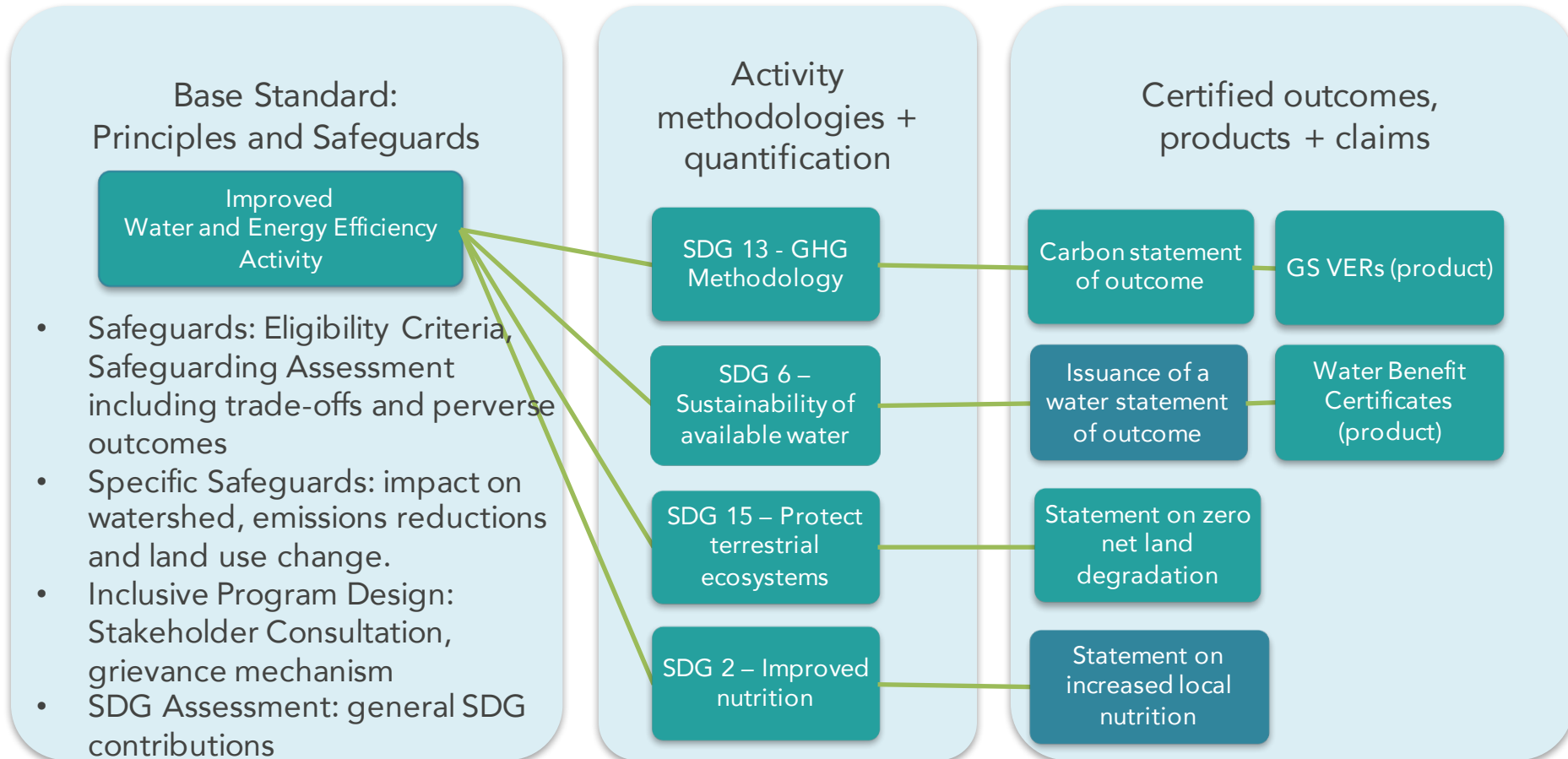
- Safeguarding Assessment tools
 - Water
 - Energy
 - Landuse

- Mitigation measures
 - Water supply project
 - Efficiency project

Affected Stakeholder
Consultations

- Further scale up of impact
and SDG contributions

┐ GOLD STANDARD 3.0 IN AN AGRICULTURAL ACTIVITY



- How much energy for water?
- Efficiency only local, impact downstream

- Safeguarding Assessment tools
 - Water
 - Energy
 - Landuse

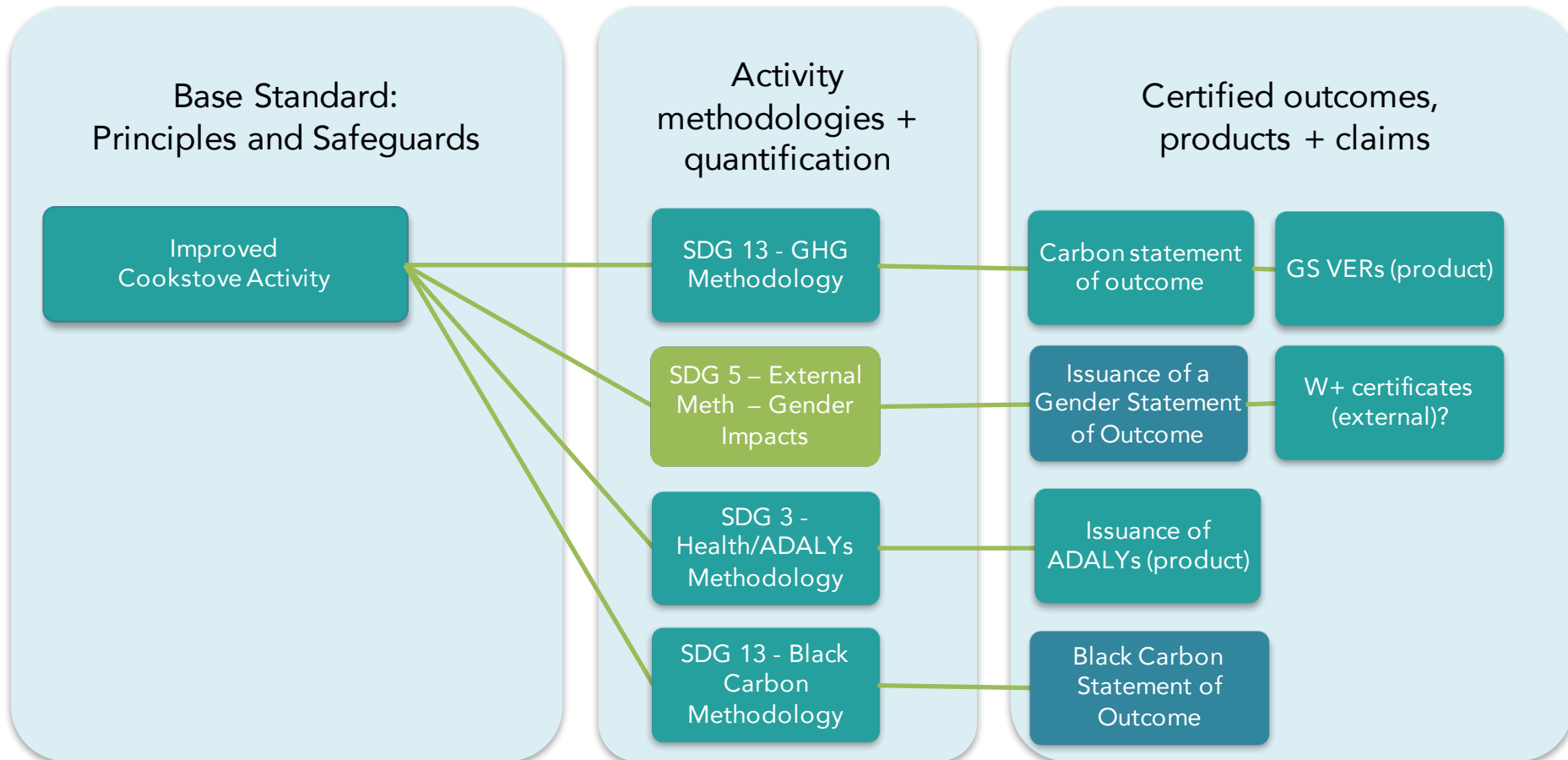
BUT

- Mitigation measures
 - Appropriate meth
 - CO2 offset

- Water efficient cropping
- Improved production
- Reduced CO2 through tillage

Affected Stakeholder
Consultations

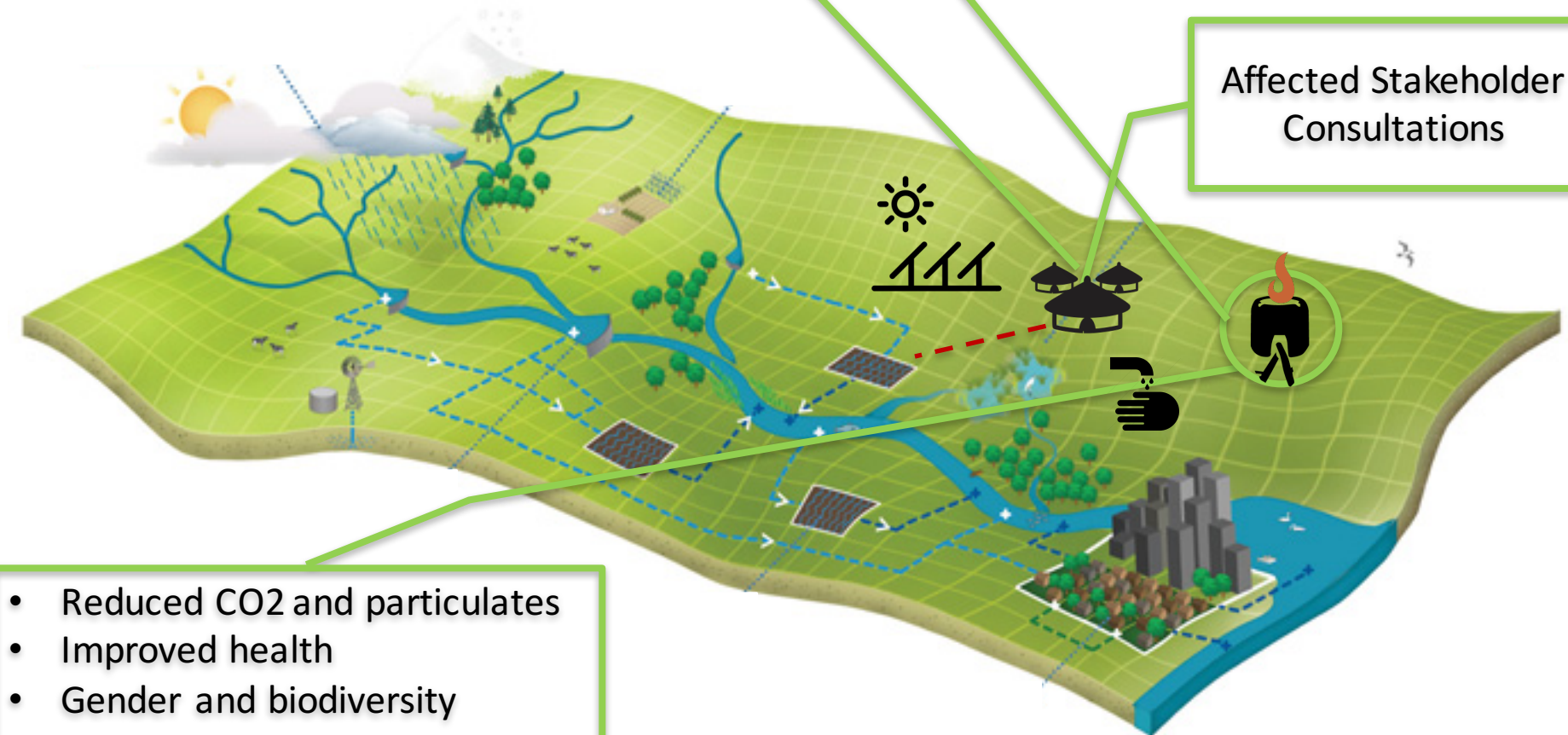
└ GOLD STANDARD 3.0 IN A COOKSTOVE ACTIVITY



- Increasing impacts, scale, enhanced SDG contributions and value

- Safeguarding Assessment tools
 - Water
 - Energy
 - Landuse

Affected Stakeholder Consultations



- Reduced CO2 and particulates
- Improved health
- Gender and biodiversity

└ FINANCING THE FUTURE WE WANT

Unique Holistic Approach

- A standard addressing sustainable development in a holistic way
 - Breaks down silo thinking
 - Scalable
 - Considers perverse impacts and trade-offs within SD
- A standard that delivers finance for sustainable development via carbon and beyond
 - Allows for a variety of financing mechanisms depending on the claim being sought
 - CER/VER credit
 - Water Benefit Certificates
 - Other future potential products
 - Health, Biodiversity, Gender, PES.

Making Every Dollar Do More

- Ensuring every dollar invested delivers real and quantifiable impacts that demonstrate a return on investment for donors, corporates and investors.

Building blocks

- Allows ability to build further assessment tools in a step wise fashion
 - E.g. Biodiversity, livelihoods etc

Thank you





Managing risk

Stakeholders

Holistic and scalable

Water, energy and food are inextricably linked. Water is an input for producing agricultural goods in the fields and along the entire agro-food supply chain. Energy is required to produce and distribute water and food: to pump water from groundwater or surface water sources, to power tractors and irrigation machinery, and to process and transport agricultural goods.

synergies and trade-offs

Agriculture is currently the largest user of water at the global level, accounting for 70% of total withdrawal. The food production and supply chain accounts for about 30% of total global energy consumption. <http://www.unwater.org/topics/water-food-and-energy-nexus/en/>