

THE APPLICATION OF GLOBAL WARMING POTENTIALS FOR GOLD STANDARD PROJECT ACTIVITIES

The Global Warming Potential (GWP) is the measure of heat a greenhouse gas traps in the atmosphere, expressed as a factor of carbon dioxide. This document outlines the process for applying GWPs to Gold Standard project activities and Programme of Activities (PoA) within the second commitment period of the Kyoto Protocol.

Requirements:

1. All emission reductions accrued by Gold Standard projects and PoAs (micro, small and large scale) in the second commitment period of the Kyoto Protocol will be calculated using the Global Warming Potentials (GWPs) as defined by the IPCC.¹ This requirement will apply to all projects/PoAs in The Gold Standard project cycle from 1 January 2013.
2. All monitoring, verifications and requests for issuance from Gold Standard Certified Emission Reductions (GS CERs) and Gold Standard Verified Emission Reductions (GS VERs) that fall within the second commitment period (from 1 January 2013) will be calculated using the revised GWPs. This rule takes into account all emission reductions achieved by GS projects and PoAs, irrespective of The Gold Standard version and project cycle stage.

For example: If a project activity, such as a Version 1 landfill gas project registered with The Gold Standard on 1 October 2009, applies for issuance for the monitoring period 1 October 2012 to 30 September 2013. The emissions accrued between the period 1 October to 31 December 2012 will use the GWP for methane for the first commitment period, whilst the emissions accrued between 1 January to 30 September 2013 will use the new GWP for the second commitment period.

Project documentation:

3. All project design documents (PDDs) or programme design documents (PoA DDs, CPA/VPA-DDs), where the time of first submission is on or after 1 January 2013, will need to apply the GWPs valid for the second commitment period to calculate the ex-ante emission reductions.
4. All project design documents (PDDs) or programme design documents (PoA DDs, CPA/VPA-DDs), where the time of first submission is before 1 January 2013, are required to apply the GWPs valid for the second commitment period to PDDs or PoA-DDs that are formally submitted to The Gold Standard after 1 January 2013.
5. For PDDs or PoA-DDs submitted before 1 January 2013, project participants or co-ordinating/managing entities may opt to use the GWPs valid for the second commitment period to calculate the ex-ante emission reductions for the period starting 1 January 2013.

¹ http://www.ipcc.ch/publications_and_data/ar4/wg1/en/ch2s2-10-2.html#table-2-14

6. For Type III small-scale projects that, due to the revision in GWP, exceed their threshold for annual emission reductions achieved at the time of issuance will be capped at 60,000 tCO₂/annum.
7. For projects submitted under the new micro-scale scheme, if the time of first submission is before 1 January 2013 and the PDD is formally submitted after 1 January 2013, then emission reductions will be capped at 10,000 tCO₂/annum.
8. Registered micro-scale projects that exceed the annual emission reductions threshold at time of issuance due to the revisions in GWP, will be capped as follows:
 - a. First generation micro-scale projects - capped at 5,000 tCO₂²/annum.
 - b. Community focused micro-scale projects - capped at 10,000 tCO₂/annum.
 - c. The new standalone micro-scale scheme - capped at 10,000 tCO₂/annum.

² Please note that in case these projects are registered with a cap on an annual emission reductions of 5,000 tCO₂ / annum then they would have to pay an internal validation fee of USD 5000 to upgrade to the annual cap to 10,000 tCO₂ / annum.