

Gold Standard Version 3.0:
Summary of Consultation Round 1
April 2016

EXECUTIVE SUMMARY

This document is intended to provide a transparent transcript and responses to the comments received during the first round of consultation in the development of Gold Standard Version 3.0 (GSV3). The comments will inform the further development of GSV3 which will include a second round of consultation later during 2016.

Should any consultee feel a comment has been misrepresented or misunderstood or have any broader concerns about the consultation process please email owen.hewlett@goldstandard.org with the nature of the issue.

Gold Standard acknowledges that individual reviewers do not necessarily represent the views of their wider organisation. Where reviewer identity is included these should not be read, implied or inferred as endorsement of any organisation.

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SUMMARY OF KEY CLARIFICATIONS

The key principle clarifications and short responses are highlighted as follows. These are drawn from observation by the GS Secretariat based on themes raised on multiple occasions or where perceived as most significant. They are provided for quick reference only; all comments will be addressed during the re-drafting phase of GSV3:

1 - Generally Gold Standard 3.0 appears to be more burdensome than previous versions at first review. This is because it gathers together the key elements of our three existing scopes under one umbrella but it is important to note that not all activities will be affected by all clauses. A good example is the Safeguarding Principles where there are 120+ requirements in total. However, if you imagine a wind farm or a cookstove project then immediately a large number are irrelevant (water abstraction/scarcity, use of pesticide, animal welfare etc). They are required in the standard all the same due to the broad variety of activities that are currently eligible under GS and that may become eligible in the future. Ultimately we intend to develop an online platform that will pre-filter by activity to make this even simpler for developers.

It should also be noted that V3 is intended to be non-activity specific. We agree and are working on tools to make certain project types more accessible but the main standard is not the place to attempt this, otherwise it will become larger and more fragmented as we disaggregate by activity. A good illustration of this would be to add together our three existing scopes (energy, land-use and water) and compare the number of pages to what is currently included in V3.

2 - Why do we allow up to (net) 10,000 tCO₂e per year to be produced by an activity? This clause was included to allow consideration of resilience or basic services projects, such as water supply, to be viable under V3 within a limited tolerance for the emissions that they inevitably may produce. This requirement will be considered in more detail during the re-draft.

3 - Will this increase cost and what will be the fee model? Our intention is to reduce burden and increase efficiency wherever possible within the bounds of maintaining the high quality and rigour associated with GS. The standard itself is one area where this will be targeted, but perhaps more importantly is the development of an online platform and an Assurance Framework focussed on V3. These are not yet developed but will be released in due course. Finally, our intention is to pilot V3 prior to wider use in order to test the level of burden and cost. This is targeted for 2017 and beyond.

4 - Terminology and definitions not clear. The public consultation included a glossary section accessed via a hover function over key terms, it seems however that this was not picked up by some reviewers. A clearer guidance will be provided in round

two. Similarly, to earlier clarifications it is important to note that GS currently operates different terminology across its scopes and accordingly V3 will have to involve a degree of consolidation and change. Our intention is to also focus on plain English wherever reasonable.

5 - Requirement to prove positive contribution and monitor under 3 SDG targets increases burden on developer. The contribution to three areas is actually in line with our existing scopes if you consider that energy (V2.2) requires emissions reductions plus 2 other positive contributions (and one minimum neutral) to the MDGs. The change in V3 is that emissions reductions (linked to SDG13 targets) are more explicitly one of the three positive contributions. It is noted that use of SDG targets requires quantification in many cases and therefore may imply a different approach to previous versions.

6 - Clarify the difference between positive contributions to the SDGs and what is taken forward through a GS methodology and ultimately to issuance or statement. This is a key piece of work ahead of the second round consultation but broadly the intention is that demonstration of the three positive contributions in the base requirements is not expected to involve the more rigorous MRV and performance threshold as a GS approved methodology. For example, demonstrating a positive contribution to health in the base requirements would not involve the same level of monitoring as would be required to receive an ADALYs contribution statement through the use of a GS methodology. We recognise however that this difference requires greater clarity.

7 - Is it intended that an activity can receive multiple products (like credits) or statements (like black carbon or ADALYs) and have these bought or funded by a single or by different buyers and sponsors? Yes - the intention is that activities will be able to stack products and statements of outcome in order to seek funding from multiple (and new) sources. This is also a key piece of work ahead of the second round consultation wherein rules on additionality, claims management, co-issuance, causal linkages, registry function etc will be clarified.

8 - How will GS monitor/manage claims made against funded products or outcomes, particularly if there are multiple funders? This is a new innovation within the carbon markets and considered to be critical in attracting finance from other sectors. This will also be further clarified ahead of the second round of consultation and in discussion with our existing stakeholders. It is intended that GS will provide clearer claims guidance for the different statements and a clear assignment within a registry. 'Policing' of claims as a technical development is something that will be further defined during piloting and in discussions with stakeholders to ensure that we play the role that the market(s) require of us and in line with transparent, best practice.

1.0 INTRODUCTION AND OVERVIEW OF CONSULTATION PROCESS

1.1 Gold Standard (GS) formally opened a consultation process for the development of GSV3 from 03rd February 2016 to 04th April 2016. During this period the date for the Gold Standard Conference was confirmed and the consultation period was extended to coincide with the conclusion of the conference. The final consultation period was therefore set as 03rd February 2016 to 15th April 2016.

1.2 As set out in the Terms of Reference for GSV3¹ the standard will be posted for two rounds of consultation in total. The first (the subject of this report) was proposed to be open for a minimum of 60 days, the second for 30 later in 2016. This is in line with the ISEAL Alliance codes of best practice².

1.3 The consultation consists of three key aspects as follows:

1.3.1 Open public consultation³ – the documentation (see 1.7) was posted to the GS website and available to access by any stakeholder. It was also circulated to the GS mailing list of NGO supporters and stakeholders as well as key targeted organisations and individuals.

1.3.2 Targeted consultations – a series of bilateral or group sessions were arranged with key, targeted consultees. These were identified by the organisation using the list of key stakeholders originally mapped to support the early stage strategic vision underpinning GSV3. In addition, further ad hoc sessions and discussions took place during the consultation and were recorded where they were felt to be of relevance. Finally, GS also held a public consultation for the development of a health impacts quantification methodology for clean cooking⁴. Some feedback from this consultation was also incorporated into GSV3.

1.3.3 Marginalised consultees – GS identified that some of its stakeholders may not easily access the consultation through the above routes. Namely these stakeholders are the community end users of GS projects. Examples might include smallholder farmers or users of clean cooking technology. To seek views from these groups GS is working with key project developer and NGO supporter partners who specialise in these areas. These include HIVOS, Nexus, NOVA, Microsol and Fair Climate Network. These were selected on the basis of their commitment to the GS vision and mission, their extensive experience

¹ http://www.goldstandard.org/sites/default/files/documents/terms_of_reference_for_gsv3.pdf

² <http://www.isealalliance.org/our-work/defining-credibility/codes-of-good-practice>

³ <http://www.goldstandard.org/our-work/innovations-consultations/gold-standard-v30-public-consultation>

⁴ <http://www.goldstandard.org/our-work/innovations-consultations/methodology-estimate-and-verify-averted-disability-adjusted-life>

of GS standards, their collective global coverage and wide-range of activity and community types and their engagement with 'grass roots' NGOs and project developers.

- 1.4 Regarding the marginalised consultee inputs it was decided that these be collected throughout the entire development process of GSV3 as opposed to restricting to one or other consultation phase. As this feedback is highly valuable and potentially difficult to capture this process will continue throughout 2016.
- 1.5 The Gold Standard Conference (14/15 April 2016) provided a valuable opportunity to capture further inputs. During the conference all GS staff were made available and instructed to capture comments in relation to GSV3 (making this clear to those who had raised them). In addition, a system of comment capture was implemented to allow attendees to write comments and suggestions and post these for capture.
- 1.6 The consultation process, as with all GS technical matters is overseen by the Technical Governance Committee (TGC). Specifically, a small group of members was asked to monitor progress and direct on key decisions such as extension of consultation period to coincide with the conference.
- 1.7 The following documents were made available during the public consultation. To help frame the consultation a short video briefing was created. This can be viewed by following the link provided p3, footnote 3. This video was also used to brief targeted consultees:
 - Gold Standard V3.0 Requirements – Draft for Public Consultation
 - Gold Standard V3.0 Safeguarding Principles – Draft for Public Consultation
 - Gold Standard V3.0 Stakeholder Guidelines – Draft for Public Consultation
 - Gold Standard V3.0 Sustainable Development Goals Framework – Draft for Public Consultation
- 1.8 Comments received during the consultation process are categorised as Principle, Substantive, Observation, Editorial or Clarification. These are defined as follows:
 - Principle – comments concerning the principles, objectives or strategic approach of GSV3. These may not relate to any one section or mechanism. For example, if a consultee disagreed with the approach to link the standard to the Sustainable Development Goals.

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- Substantive – comments concerning a given section or mechanism’s intent or approach. These could be specific, relating to a single clause or broader relating to a tool or section of the standard. For example, if a consultee felt that stakeholder consultation rounds should be increased or a step in the certification process could be removed.
- Observation – comments that do not imply a change or suggestion to improve the standard but may be of interest to GS to follow up. For example, if a consultee suggested a new tool or reference that could be allowed for use under GSV3.
- Editorial – these are comments that propose a change in wording or definition or make a correction in the standard due to a typo or error. For brevity these are not presented in this report but will be addressed by GS.
- Clarifications – comments that seek to further understand how a given element is intended to work in practice. These are not generally presented in this report but will be responded to by GS. Where several clarification requests relate to the same point or theme however these have been recorded in Section 2.0.

2.0 PRESENTATION OF CONSULTEE INPUTS

2.1 This section provides an overview of the inputs provided. The actual inputs are then presented in Appendices at the end of this report.

2.2 Summary of open consultation:

2.2.1 In total 92 individual reviewers signed in to access the documents.

2.2.2 The following key stakeholder groups were represented (note some reviewers represent multiple groups hence the total may be greater than the total number of reviewers):

Stakeholder Group	Reviewers	Organisations
NGO Supporter (member of the GS NGO Supporter list)	16	8
Civil Society (Non-profit/NGO status, not NGO Supporter)	7	6
Government (official state/government department)	3	3
Standard (other standards bodies)	8	5
International Policy (Multi-national organisations in the climate security and sustainable development policy areas)	3	3
Project Developer (GSF project developers of any scope/status)	37	29
Finance & Retail (organisations that finance activities and/or source GSF products such as VERs for market)	27	15
Certification Body (organisations/auditors that are eligible to certify against GSF existing standards)	5	4

2.2.3 GS highlights that the above represent the key stakeholder groups that individual reviewers are associated with. It is therefore fully acknowledged that individual reviewers do not necessarily represent the views of their wider organisations and that these do not represent 'endorsements' from any given body.

2.2.4 The stakeholder groups considered to be most impacted by the new standard are Project Developers, Finance & Retailers and Certification Bodies. For Project Developers and Finance & Retailers the stakeholder consultation is considered to have been adequately represented. For Certification Bodies further outreach is considered to be required in consultation round 2 due to the lower number of participants.

2.3 Summary of targeted and ad hoc consultations:

2.3.1 A number of consultations were held with a wide range of targeted and ad hoc consultations. These are recorded in Appendix B. Predominantly these concern Principle comments (see 1.8) with some consultees also submitting more detail through the open consultation.

2.3.2 A webinar was also convened for GS key accounts (clients) to further highlight key queries and concerns. These are all related to the points raised in the first section of this report.

2.4 As noted in Section 1.0 the inputs of marginalised consultees continue to be sought. At the time of writing this remains in a nascent stage and hence no inputs are presented herewith.

3.0 NEXT STEPS AND RECOMMENDATIONS

- 3.1 As intended the first round of consultation ended 15th April 2016 and was considered generally successful in the sense that it garnered a broad range of inputs across our spectrum of stakeholders. This section highlights the next steps and recommendations for inclusion in the next round of consultation.
- 3.2 The standard will begin a process of redrafting from April to June 2016, overseen by the GS TGC. This redraft will take account of the public comments and further improvements as needed. The TGC will approve it at the appropriate moment for a second round, 30-day consultation period. This is currently estimated Q3 2016.
- 3.3 With the publication of this report and Appendices GS transparently publishes the Principle, Substantive, Observation and Clarification comments received as well as an indication of the proposed resolution to each. These resolutions will be further explored and developed during the redraft and may change somewhat during the period.
- 3.4 Where necessary GS will engage with individual consultees to clarify certain comments or seek resolution. These will be included in the redraft. GS will also correct any comments that have been captured or para-phrased incorrectly and will publish these to the final version of the report.
- 3.5 Specifically, in relation to consultation round 1 the following recommendations are made:
- 3.5.1 The public consultation was handled via the Collaborase platform. This was generally successful and transparent as hoped and GS intends to continue to use the tool. Two possible process improvements will be explored – the first is to publish the documents as PDF to allow organisations to review as a group (though comments will only be accepted through Collaborase still). The second concerns ease of log in where a small minority of users had some difficulty requesting access. These were expertly resolved by Collaborase and we will continue to work with them as we progress.
- 3.5.2 While a broad range of stakeholders were included in the consultation the following groups were considered to be at a lower level of representation:
- Marginalised groups - see Section 2.4
 - Certification bodies/auditors - GS is currently developing a new Assurance Framework for use in Version 3.0. This work is overseen by our Technical Governance Committee and Oversight & Assurance Panel and will also be available for public consultation later in 2016. We will also seek targeted consultations with the GS audit community.

3.6 In terms of content for the standard the same four documents will be re-presented for second round consultation with the improvements and updates made during re-drafting. It has also been agreed that a more substantial 'claims and products' module will be produced. This is currently represented by a section within the Requirements document but will now be receive a greater focus ahead of the second round consultation.