

Annex on the launch of the grievance procedure with regard to the project Sustainable Deployment of the LifeStraw Family in rural Kenya (GS 886)

Berlin, 14.04.2016

1 Introduction

This document entails detailed background information and arguments supporting the letter sent to The Gold Standard Foundation and its CEO Marion Verles for the commencement of the official grievance procedure with regard to the project GS 886 *Sustainable Deployment of the LifeStraw Family in Rural Kenya*.

2 Background and nature of grievance

2.1 The Carbon Crooks - Doubts about the usage of the LifeStraw

The documentary *'The Carbon Crooks'* by Tom Heinemann investigates instances of fraudulent emission trading and carbon offsetting. The offset project scrutinized is the GS LifeStraw project in Kenya, involving the distribution of water filters to replace the usage of fuel wood to boil water. In the documentary, alleged direct beneficiaries of the LifeStraw filter state that they don't know anybody who uses the LifeStraw. This is in stark contrast to the more than four million tons of CO₂ savings that have been issued from the Gold Standard for this project so far¹, making it one of the biggest Gold Standard projects.

The documentary further claims that after conducting three independent studies, The Gold Standard Foundation refers however to a usage of LifeStraw filters by 92%. The mentioned independent studies are however not publicly available on the project's website in the Gold Standard Registry.

The documentary *The Carbon Crooks* can be accessed under the following link:

<https://vimeo.com/99007191>

 (please do not forward the password or make it publicly available)

¹ See public Gold Standard Registry for Sustainable Deployment of the LifeStraw family in rural Kenya.
<http://www.goldstandard.org/our-work/our-project-registry>

2.2 Concerns on plausibility of emission reductions and baseline scenario during second verification

On 01. February 2013, atmosfair gGmbH, Germanwatch and E5 submitted their first feedback on the mentioned project during the review period for the second issuance. Central concerns were that calculated emission reductions as well as the baseline scenario are not plausible due to atmosfair's experiences in African countries. This is supported by other publications and data which shows that boiling raw water for purification is not common practice by most households.

The author Kevin Starr writes *'People in western Kenya, by and large, don't boil their water.'* He supports his statement by referencing secondary data from the NGO Aquaya that conducted a study in Western Kenya. They state that *'only about a quarter of respondents reported boiling their drinking water.'*² Studies on global household water treatment practices demonstrate that only 10.6% of the interviewed population in different regions of Africa report practicing adequate household water treatment. Only 4.5% of the interviewed person stated to boil their water.³ A survey performed in Kenya revealed that *'in focus group discussions, however, participants acknowledged that they rarely treated their water.'* Reasons for non-treatment are according to the study inconvenience, effects on the taste of the water and lack of understanding of the risk presented by faecal contaminated water.⁴

The project owner however assumes that people do boil their water in Western Kenya and or would boil their water if they had all the time, money and resources by using the suppressed demand methodology. atmosfair however argued back in 2013 that it is implausible that more wood would be used for boiling water in the absence of the project, since there is a general wood scarcity in the region (also indicated in the project's PDD) and there are more preferable alternative development paths to ensure safe drinking water (e.g. wells, new water infrastructure).

The project owner further claimed that introducing Life Straw filters will lead to a reduction of fuel wood consumption since water does no longer have to be boiled. Monitoring documents of the second Monitoring Period however first showed that fuel wood consumption was only reduced by 1.3% due to the use of the Life Straw. This suggests that people did not boil their water before reception of the Life Straw nor significantly reduced their fuel wood consumption through using the Life Straw.

Based on our submitted feedback, the Gold Standard Foundation provided answers to the questions raised. Documents had allegedly been changed by the project participant (PP) and the auditors (DOE). However, atmosfair, Germanwatch and E5 argued in their second answer to the Gold Standard Foundation that certain revision were not transparent and traceable such as the revision from fuel wood savings from 1.3% to 24% in the respective documents. Moreover, some survey data and the complete question and answer process were not provided for public consultation. Therefore, atmosfair, Germanwatch and E5 asked the Gold Standard Foundation to not proceed with the issuance of any Verified Emission Reductions (VERs) unless the comments and questions raised were not resolved.

² http://ssir.org/articles/entry/thirty_million_dollars_a_little_bit_of_carbon_and_a_lot_of_hot_air

³ American Journal of Tropical Medicine: Rosa G, Clasen T. Estimating the Scope of Household Water Treatment in Low- and Medium-Income Countries. The American Journal of Tropical Medicine and Hygiene. 2010; 82(2):289-300. doi:10.4269/ajtmh.2010.09-0382.

⁴ http://apps.who.int/iris/bitstream/10665/70049/1/WHO_HSE_WSH_09.02_eng.pdf

The Gold Standard Foundation decided nonetheless to proceed with the issuance of the VERs without further notice to atmosfair, Germanwatch and E5. According to the publicly available documents the project then issued 1.701.562 VERs for the second verification.

2.3 Follow-Up of Stakeholder input and concerns expressed by DOE during third verification

Based on information contained in the Monitoring Report for the third monitoring period, the Gold Standard Foundation commissioned an independent expert group due to the feedback provided by NGOs in 2013. The group was comprised of members from Berkely Air Monitoring Group and George Washington University, in order to review Vestergaard's survey data and methodologies to assess usage of the LifeStraw. According to the Monitoring Report by Vestergaard Frandsen Group, recommendations from the independent expert group were applied during the third monitoring period, in order to monitor the LifeStraw usage rate.

The full report of the independent expert group is however not publicly available.

Despite the application of those recommendations by Vestergaard Frandsen Group, the auditing organisation ERM CVS still highlighted in their verification report the following points with regard to the monitoring and the emission reduction calculations⁵:

- The lack of understanding of the conservativeness approach by the involved monitoring personnel *'resulting in non-conservative figures being taken by some enumerators'*
- The hypothetical nature of questions asked to monitor key parameters (e.g. percentage rate of people who would boil their water)
- The potential subjectivity in monitoring key parameters that should be minimised (e.g. conversion of given answers into usage in litre per day)

One core objective of the verification, as also indicated in the report by ERM CVS, is *to verify that the monitoring data meets the key principles of data quality and that data are complete, reliable, consistent, accurate, valid, transparent and conservative*. Moreover, ERM CVS states in their report that *conservativeness is applied throughout the process to ensure that emission reductions are not overstated*.

If the DOE however admits that the monitoring of two key parameters is based on a hypothetical question, involves subjectivity and that staff hasn't been trained adequately to always ensure conservative results, atmosfair is wondering how the data can be considered reliable and conservative. Thus, atmosfair critically questions how the DOE could issue a positive certification statement which in the end has been approved by the Gold Standard Foundation and resulted in an issuance of a total of 1,419,458 VERs for the third monitoring period.

⁵ Please see the Gold Standard Verification Report by ERM CVS, dated 19 June 2014