

ANNEX R – PASSPORT TEMPLATE

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SECTION A. Project Title

[See Toolkit 1.6]

Title: Avoidance of Methane Emissions at Organic Compost Soil Amendment Facility from GEC Organics

Date: 08.04.2013

Second Updation 23.06.2013

Version no.: 2

SECTION B. Project description

[See Toolkit 1.6]

The proposed project activity involves aerobic decomposition of chicken litter from chicken broiler farms and green waste (wood shavings, potash) is purchased from local timber companies. These waste are received at the composting facility as raw material to produce high potency organic compost, OSA1000TM that is pathogen free and odorless in Castleberry Alabama in the South-Eastern Region of the United States.

The project activity will be undertaken by M/s GEC Organics ("GECO"), a fully reporting publicly traded company that is committed to the development, production and marketing of advanced technologies that address specific worldwide environmental challenges.

The composting facility has a waste processing capacity of 3000 TPM (chicken litter 2000 TPM + wood shavings 1000 TPM) and will process the organic content of waste through windrow composting to produce the final product, organic compost. The entire process of the project will be as follows:

1. Delivery of Waste
2. Weighing of loaded truck containing waste in weigh bridge scale
3. Formation of Windrows and aerobic decomposition
4. Curing and refinement of treated waste
5. Screening
6. Packing and storage of compost

In the current situation, the PP is operating 5 windrows in 70 acreage of leased land. In the project, the combination of the above waste streams are heated to 160 degrees, turned and blended with dominate all natural microbe formula over a 30 to 45 day cycle. The result is organic USDA certified compost which is pathogen free, odorless, and safe for the environment and will also rebuild the soil while retaining moisture.

M/s GEC Organics will be the responsible implementing and coordinating agency for this project.

The compost thus produced will be applied to soil as a soil enricher for agricultural activities. In the

absence of the project activity the generated waste chicken litter would have continued to be disposed at an existing agricultural farms in unscientific way as fertilizer. The wood shavings would have disposed at places such as nursery, landscaping and resulted in generation of methane due to anaerobic decay.

Implementation of the project activity will thus avoid the emission of methane by facilitating aerobic decomposition of the wastes and result in emission reductions. The project activity is estimated to achieve verified emission reductions (GS-VERs) of 7,406,945 tonnes of CO₂e over the entire crediting period of ten years.

The project activity will bring a number of benefits to sustainable development, explained as follows:

1. Environmental benefits:

- ✚ The project will significantly improve local air quality; and
- ✚ The project will create global benefits through reduced impact upon climate change.
- ✚ Reduction in the impact of the waste disposal in surroundings
- ✚ The water quality of nearby streams, lakes, rivers and ground water will improve significantly
- ✚ The soil quality and natural fertilization potential will be improved
- ✚ The project will lead to paradigm shift from fossil fuel based synthetic fertilizers to more sustainable and environment friendly organic agricultural production practices.

2. Social and Economic Benefits:

- ✚ The project generates employment and business opportunities for local people
- ✚ Improved air quality, through the reduction of odours, will have an impact upon the quality of life for the neighboring communities
- ✚ It leads to improved sanitation and waste segregation at source through better waste management
- ✚ The Project also enables exploration of the immense market potential of compost plants and its related benefits to society at large.

3. Technological Benefits:

- ✚ The project sets an example for composting in Alabama Region. The project including waste processing method show cases and contributes to the transfer of knowledge these technologies.



Stage 1: Weighing of loaded truck containing waste in weigh bridge scale

Stage 2: Spreading of waste in cement pad for deodorization



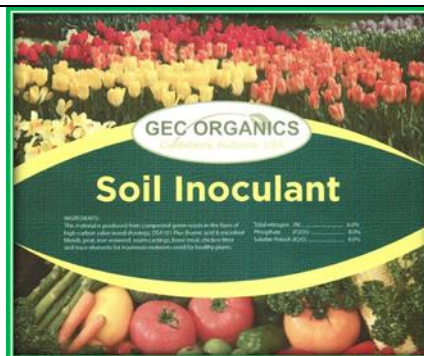
Stage 3: Windrow Formation

Stage 4: Aerobic Decomposition



Stage 5: Segregation

Stage 6: Storing



7: Transportation of compost for bulk customers	8: Highly nutritious Compost Tea	9: Nutrious Microbial Soil
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Estimated project start date:

The project has already achieved start date on 21/09/2011, i.e. The GEC Organics purchased the Scarab Composting machinery worth USD 97,290. This was the first earliest major expenditure from PP related to project construction.

SECTION C. Proof of project eligibility

C.1. Scale of the Project

[See Toolkit 1.2.a]

Please tick where applicable:

Project Type	Large	Small
	☐	☐
	☐	☐
	☐	☐
	✓	☐
	☐	☐

	☐
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C.2. Host Country

[See Toolkit 1.2.b]

United States of America

C.3. Project Type

[See Toolkit 1.2.c and Annex C]

Please tick where applicable:

Project type	Yes	No
Does your project activity classify as a Renewable Energy project?	☐	✓
Does your project activity classify as an End-use Energy Efficiency Improvement project?	☐	✓
Does your project activity classify as waste handling and disposal project?	✓	☐

Please justify the eligibility of your project activity:

[See Toolkit 1.2.c and Annex C]

Section 1.2 “Assess project eligibility” of the Gold Standard Toolkit version 2.2 (June 2012) identifies eligibility of projects under Gold Standard as defined by the following aspects:

- 1) Scale of project activity
- 2) Host county or state
- 3) Type of project activity
- 4) Greenhouse gases
- 5) Official Development Assistance (ODA)
- 6) Project timeframe
- 7) Other Certification Schemes

The project activity meets all of the aspects for GS project eligibility as per the GS Toolkit version 2.2. Details for meeting each aspect are below.

1. Scale of project activity:

Categories of the Project:

Sectoral Scope 13 - Waste Handling and Disposal

The Project activity utilizes two different types of fresh waste i.e. chicken litter and wood shavings from nearby chicken farms and lumber operators.

CDM Methodology applied: The applicable meth is Approved Consolidated Baseline and Monitoring Methodology ACM0022 – “Alternative waste treatment processes”, Version 1.0.0, Annex 11, EB 69.

Applicability of ACM0022	Justification
<i>“This methodology applies to project activities where fresh waste, originally intended for disposal in a SWDS, is treated using any (combination) of the waste treatment options listed in Table 1 below. The project activity therefore avoids emissions of methane associated with disposing organic waste in a SWDS with or without a partial LFG capture system.</i>	The project activity utilizes two different types of fresh waste i.e. chicken litter and wood shavings from nearby chicken farms and lumber operators. 1. The chicken litter was primarily purchased by local area farmers in the price of \$ 10 to \$ 35 depending upon the chicken litter, NPK contents¹ and disposed of in nearby agricultural farms and used as fertilizer. 2. The wood shavings will be disposed in nurseries, landscaping ² municipality without LFG capture system.
<i>In addition, the project activity may also potentially claim emission reductions for:</i> <i>Avoiding methane emissions from degradation of wastewater in an anaerobic lagoon or sludge pit by treating the wastewater in combination with fresh waste by either co-composting or anaerobic digestion;”</i>	The project activity does not involve treatment of wastewater through co-composting or anaerobic digestion. Hence, this condition is not applicable to the project activity.
<i>“Displacing natural gas in a natural gas distribution system with upgraded biogas;”</i>	The project does not involve any displacement of the natural gas distribution system. Hence this condition is not applicable to the project activity.
<i>Displacing electricity in a grid or electricity generation by a fossil fuel fired captive power-only or cogeneration plant; and</i>	The proposed project activity does not include electricity generation by fossil fuel fired captive power plant or any cogeneration plant. Therefore this scope & applicability is not

¹ <http://www.aaes.auburn.edu/comm/pubs/highlightsonline/fall01/fall-adhik.html>

² <http://alabamarock.com/>

	applicable to the proposed project activity.
<i>Displacing heat generation by a fossil fuel fired cogeneration plant, boiler or air heater.”</i>	The proposed project activity does not involve in any thermal treatment process by fossil fuel fired captive power plant or any cogeneration plant. Therefore this scope & applicability is not applicable to the proposed project activity.
As per the methodology Approved consolidated baseline and monitoring methodology ACM0022-“Alternative waste treatment processes”, Version 1.0.0, “Table 1 (of the methodology, given below) provides the applicability conditions that apply for each specific treatment option. In addition, the following general applicability conditions apply to all project activities using this methodology: <i>The project activity involves the construction of a new plant to implement one or several of the alternative waste treatment options provided in Table 1 below;”</i>	The project activity includes the construction of a new composting plant for treating the two different types of fresh waste consisting of chicken litter and wood shavings generated from the local chicken broiler farms and lumber operations from Conecuh County Alabama. So this scope & applicability is applicable to the project activity.
<i>“In the project plant, except for the case of composting, co-composting and anaerobic digestion, only wastes for which emission reductions are claimed (fresh waste or wastewater) are processed. In the case of anaerobic digestion, only run-off wastewater may be processed in addition to fresh waste and wastewater;”</i>	The project activity involves composting process. The project activity only processes waste (fresh waste) (chicken litter) and (wood shavings) for which emission reductions are claimed.
<i>“Neither organic fresh waste nor products and by-products from the waste treatment plant established under the project activity are stored on-site under anaerobic conditions. For example, no organic materials are stored in a stockpile that is considered a SWDS;”</i>	In the project activity, the fresh solid waste (chicken litter) and (wood shavings) is collected from nearby chicken broiler farms and lumber operations and transferred to the project site for treatment. The produced compost will be used as soil inoculant and it will be sold

	primarily to local farmers and in the local market. Thus, neither organic fresh waste nor products and by-products from the waste treatment plant established under the project activity are stored on-site under anaerobic conditions. The compost will not be stored in a manner that may result in anaerobic conditions before its use. The sale of USDA certified compost is the primary source of revenue from the project activity. Hence, the project manager ensures that products are packed and sold as soon as a batch of waste completes the waste treatment process cycle. The proper records are maintained for the amount of product produced and sold.
<i>“Any run-off wastewater is treated within the project boundary;”</i>	The proposed project activity is a composting plant and does not involve any run off waste water treatment hence, applicability criteria is not applicable for the proposed project activity. So the above mentioned scope & applicability is met by the project activity.
<i>“The project does not reduce the amount of waste that would be recycled in the absence of the project activity. Detailed justifications shall be provided and documented in the CDM-PDD for demonstrating that the project activity does not reduce the amount of waste that would be recycled in the absence of the project activity.”</i>	The project does not reduce the amount of waste that would be recycled in the absence of the project activity. Prior to implementation of the project, the recyclable wastes if any are dumped in the SWDS. After the implementation of the project activity, only fresh waste will be processed within the project facility boundary.
<i>“Finally, the methodology is only applicable if the procedure for the selection of the most plausible baseline scenario, as outlined below, results in that the baseline scenario is:</i> <i>(a) The disposal of the fresh waste in a SWDS with or without a partial LFG capture system</i>	In the absence of the project activity the most plausible baseline situation is as follows for both the waste products: 1. The estimated amount of poultry litter produced annually in Alabama is more

(M2 or M3);”	than 1,250,000 tons³. Chicken litter waste generated from broiler farms is used as a fertilizer by local nearby farmers on their agricultural land. This practice is widely adopted in entire state of Alabama and there is great demand of this waste material and the price is \$30 per tonne and higher. A national survey indicated that 90% of litter is disposed on the poultry grower’s acreage in the south central and southeastern United States, this practice of waste disposal causes nutrient overloading and other Environmental problems.⁴ 2. Wood Shavings are currently sold by lumbers mill operators as a mulch at a price of \$25 per tonne. Their prospective customers are landscapers, nurseries and municipalities, chicken house and horse breeders⁵. 3. Both the waste chicken litter and wood shavings are not used as in any form energy conversion process such as LFG. Therefore this alternative (M3) is a real and plausible baseline alternative. Therefore, the project activity meets the applicability criteria.
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³ <http://onlinelibrary.wiley.com/doi/10.1002/ep.10303/abstract>

⁴ <https://www.cotton.org/journal/2007-11/1/upload/jcs11-26.pdf>

⁵ <http://www.shaneyfeltshavings.com/index.html>

(b) <i>“In the case of co-composting or the use of wastewater in an anaerobic digester: the treatment of organic wastewater in an existing or new to be built anaerobic lagoon or sludge pit without methane recovery (W1 or W4);”</i>	The project activity does not involve co-composting activity or the treatment of waste water in an anaerobic digester. Therefore, the applicability criterion is not applicable to the project activity.
(c) <i>In the case that the project activity generates electricity: the electricity is generated in an existing/new captive fossil fuel fired power-only plant, captive cogeneration plant and/or in the grid (P2, P4 or P6);</i>	The proposed project activity does not involve any electricity generation or any waste to energy generation process. Therefore, the applicability criterion is not applicable to the project activity.
(d) <i>In the case that the project activity generates heat and this displaces heat generation in the baseline: the heat is generated in an existing/new fossil fuel fired cogeneration plant, boiler or air heater (H2 or H4).”</i>	The project activity does not involve any heat generation and displacement of heat generation in the baseline. Therefore, the applicability criterion is not applicable to the project activity.
Furthermore, approved consolidated baseline and monitoring methodology ACM0022-“Alternative waste treatment processes”, Version 1.0.0, states, <i>“note that in the case that applicable laws or regulations require the use of the waste treatment option(s) implemented under the project activity, the compliance rate of such laws and regulations should be below 50% in the period for which issuance of VER is requested in order to claim emission reductions for that period</i>	The regulations of Alabama Department of Environment Management (ADEM) US govt. do not mandate⁶ the use of waste treatment options mentioned in table 1 of meth ACM0022 and composting. Thus project compost activity do not fall under any compliance trend to enforced regulation and hence the compliance rate is 0%⁷
Surplus Biomass: As per Annex C, section Biomass Resources Project Participants Shall demonstrate that their project makes Use of	There are two types of biomass used in the project activity. Chicken litter + Wood Shavings.

⁶ <http://www.recycle.cc/compostregs.htm#Alabama>

⁷ <http://www.recycle.cc/compostregs.htm#Alabama>

surplus biomass for each type of Biomass resources used.	Both the biomass materials are available in abundant. The chicken litter is abundantly available in Alabama. ⁸ The wood shavings is a byproduct of timber. Timber is sourced from forest and Alabama is the 3 rd most timberland state in USA. ⁹ Hence both the biomass are available in surplus quantity in Alabama.
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The estimated GS - Verified Emission Reductions (VERs) from project are 740,694 tCO₂e crossing the small scale limit more than $\leq 60,000$ tCO₂ per annum for projects in Sectoral Scope 13 - Waste Handling and Disposal. The project qualifies under this aspect for GS eligibility.

2. Host country or state:

The project is located in the United States of America. In principle, any country can host a Gold Standard voluntary carbon market project.

3. Type of project activity:

The project has been designed in a way to make use of waste material (chicken litter + green waste) to produce useful organic product as a natural fertilizer with sustainable development benefits.

The project does not make use of waste materials that were already in use in the pre-project situation. Hence, the project activity falls into the waste handling & disposal category, and the project qualifies for GS eligibility with respect to this aspect.

4. Greenhouse gases:

The sources & gases included in the project boundary are methane CH₄ emission from decomposition of waste at the project site, CO₂ emissions from onsite fossil consumption. Since methane and CO₂ are greenhouse gas eligible under the UNFCCC and is accepted under GS, the project meets the eligibility criteria for this aspect.

5. Official Development Assistance (ODA):

Since the project does not receive ODA (refer to the ODA Declaration in Annex 1 of this Passport), the project is eligible for GS as it qualifies for this aspect.

6. Project timeframe:

The project is categorized as a retroactive project as the project activity is already being implemented at the time of first submission to GS as per the GS Requirements (version 2.2), and is therefore

⁸ <http://www.sciencedirect.com/science/article/pii/S0168169908001506>

⁹ <http://www.madeinalabama.com/industries/forest-products/>

required to undergo Retroactive Registration as per the GS Requirements (version 2.2) and guidance in the GS Toolkit (version 2.2). The project achieved start date on 22nd Sept 2011 and started construction on 25 Oct 2011.

7. Other Certification Schemes:

The project does not claim Green or White Certificates, or equivalents; therefore, the project qualifies for GS eligibility for this aspect. In conclusion, the project activity meets all of the aspects for GS project eligibility as per the GS Toolkit version 2.2.

Pre Announcement	Yes	No
Was your project previously announced?	√	☐

Explain your statement on pre announcement:

Carbon revenues are extremely critical for the implementation of the project activity. Project participants considered carbon revenues at the time when the initial project planning was done. This is evident from the following timeline of implementation.

#	Milestone	Date
1	Consulting Agreement with Global Enviro Services to help GEC and its Subsidiaries in arrangement of funds and exploring carbon credit opportunity by GHG emissions reduction from the remediation of waste in the production of compost.	1 Nov 2010
2	Board of Directors Resolution to proceed ahead with composting project implementation	15 Aug 2011
3	First meeting with Mayor, regulatory officials at Alabama	30 Aug 2011
4	Site Visit and discussions with Stakeholders about project and GHG reduction potential	31 Aug 2011
5	Purchase of Scarab Composter Machinery (Start date of Project as GS guidelines)	21 Sept 2011
6	Appreciation Letter from Mayor of Alabama for GEC efforts for composting project	22 Sept 2011
7	70 acre Land Lease valid till Sept 2012	1 Sept 2011
8	Hawk Associates news Release on behalf of GECO for start of construction on 70 acreage land	25 Oct 2011
9	First Purchase of Raw Material (Chicken litter)	12 Jan 2012
10	First Purchase of Raw Material (Wood Shavings)	24 Jan 2012
11	Visit of Mayor, Regulatory officials, NGOs and Local People to Project site and Town hall meetings with local people and NGOs (Roughly some date) <u>On this date we began to have different organizations visit the site. A few are Poarch Creek Indians, Alabama Extension System, Coastal Gateway,</u>	28 March 2012

	<u><i>Piedmont National, local farmers</i></u>	
12	Hawk Associates news release on behalf of GECO stating Alabama Govt. official praising the efforts of GECO	28 March 2012
13	Application submission to ADEM for permits and other approval	23 April 2012
14	Storm Water Permit Approval from ADEM	23 May 2012
15	First Meeting with Alabama Agriculture Commission	14 Aug 2012
16	Beta testing to meet the requirements of USDA	1 Nov 2012
17	Submission of form to Amricert International	5 Nov 2012
18	USDA certificate to Compost	22 Dec 2012
19	Carbon Credit forward purchase agreement with Kronos International Investments	8 May 2013
20	Agreement with Green Giant Venture Fund, for the carbon credit business	14 May 2013
210	Carbon Credit forward Purchase Agreement between GECO and GS Enviroservices Signs Carbon Credit Deal With GEC Organics Corp ¹⁰ . (date of carbon credit purchase document)	22 July 2013
22	Letter to stockholders mentioning about carbon credit forward purchase agreement	7 August 2013
23	Board Resolution to open account in Climate Action Reserve (CAR) in registry	19 Sept 2013
24	Board Resolution to open account in VCS in registry	9 Oct 2013
25	Opening of account in VCS registry	15 Oct 2013
26	Opening of account in Climate Action Reserve (CAR) registry	4 Nov 2013
27	Appointment of Validation Agency PJR	Dec 2013
28	Appointment of PDD writer	Jan 2014

As per above chronology the PP was aware that there is some GHG reduction potential in project. The agreement for arrangement of funds and exploring carbon credit opportunity was signed in Nov 2010. The project construction could be started only after signing the ERPA and obtaining the funds from prospective investors. In the absence of the carbon revenues and required funds, the project would not have been implemented hence carbon revenues consideration was extremely decisive.

After arrangement of funds with potential investor the GEC Organics Board of Directors took investment decision in Aug 2011 to go ahead with project in outdoor facility and to develop a compost using a mixture of chicken litter, green waste and by adding microbial blend. PP was aware of GHG reduction potential in the project and appraised informally to local stakeholders about the concept and plan in Aug 2011. PP also met regulatory officials in Sept 2011 at Alabama and explored the possible options of project funding. The mayor of Alabama was impressed with PP efforts towards project and wrote a welcome letter and also appraised the efforts of GEC Organics towards environment protection and social development by investing in Alabama. PP purchased the machineries related to composting process in Sept-Oct 2011 and also signed land lease purchase agreement in Oct 2011. The project construction was started in Oct 2011 and the first batch of raw material (chicken litter + wood shavings) was purchased in Jan 2012.

¹⁰ <http://online.wsj.com/article/PR-CO-20130731-911563.html>

After procurement of first batch raw materials (chicken litter + green waste), PP realized that the process and product requires testing to understand the raw material requirement, ratio of NPK, quantity of microbial blend required in mixing to optimize the windrow duration process, optimization of waste for bulk manufacturing required for a specific crop from a prospective customer. There are different varieties of crops grown in Alabama e.g. corn, cotton, peaches, tomatoes, soybeans, peanuts and oranges. The composting process is not defined set of procedures fixed by input and output method. The out product is entirely depended on weather conditions, degradation process, microbial reactions, moisture content of raw material etc. The chemical composition is not fixed and similar for all types of crops because the plants, crops growth and response depends on the NPK ratio, soil type etc.

To ensure the results, PP has engaged the services of a team of specialists consisting of plant pathologists, soil scientists, entomologists and agronomists who will evaluate the OSA1000 and provide GEC organics with a comprehensive report detailing plant performance and crop yield.

After generation of first batch of compost, PP invited local stakeholders via radio, telephone such as local farmers, regulatory officials, local organizations and NGOs to visit the facility and test the manufactured compost on the agricultural products. PP distributed the manufactured compost in kind. This event happened in March 2012. During this event some question was asked by visitors to ensure that the project is not a waste dumping site.

PP also applied for ADEM (Alabama Department of Environment Management) permits for storm water approval since composting projects in Alabama required an approval as per federal water pollution control act. Although PP was working on beta testing of compost however in parallel PP was not able to achieve good sale of first batch of compost. The high price of compost as compared to synthetic fertilizer, hesitance by farmers to use compost on the crops because of pathogens, bad odour and PP was the only compost manufacturing developer competing against synthetic fertilizer. To overcome this challenge, GEC organics Director of Corporate Development invited the Commissioner of Agriculture for the State of Alabama to visit project site to understand their views and get some suggestions for acceptance of compost by farmers and to enhance market share. PP got the idea suggestion to registering the compost by USDA certification to enter for expanding organic market and to add value to compost. PP eventually decided to improve the technology to accommodate the all organic growers for all crops without restriction. This initiative of third party certification was appreciated by GEC management and thus PP went ahead to explore the criteria of USDA certification and improve the technology.

PP evaluated the essential requirements to register the compost product with USDA certification In Oct 2012 and appropriate changes in process-design was done and application form was submitted in Nov 2012. The major interventions required in the design changes for USDA certification was to ensure the optimized NPK ratio, state of product, organic ingredients, non-hazardous, non-accidental, appropriate handling and storage, exposure control, personal protection, balanced pH, non-toxic, no adverse environmental effects, non-pathogenic, non-explosive, health hazard criteria, signs and symptoms of exposure, medical conditions after exposure, emergency and first aid procedure and waste disposal considerations and method. After satisfactory demonstration of above mentioned criteria, GEC Organics received USDA registration and certification from Americert International. Thus to obtain USDA registration and certification from Americert International, PP has carried out significant design changes in the process to optimize the organic value of compost ,to reduce health hazard during operation and handling. Thus PP has taken strenuous actions to secure carbon credit for

the project.

Post USDA Certification PP conduct marketing initiatives to brand the product as organic in composition. Apart from compost manufacturing activities PP was also exploring companies, investors for forward sale of carbon credit. The agreement for carbon credit was signed with GS EnviroServices, PP accordingly informed the stockholders of company via letter in Aug 2013. Post signing of ERPA, the GEC Organics Board of Directors took decision in Sept-Oct 2013 to open account with prospective carbon project registration registries in United States. PP submitted the relevant details required to open account. The VCS and Climate Action Reserve confirmed for opening of account in Oct-Nov 2013. The PJR was also appointed as validation agency in Dec 2013 and PDD writer was also appointed in Jan 2014.

As on date, the sale of compost is less and PP is not able to recover the rate of investment (RoI). The project IRR is negative. The carbon credits generation from project entirely depends upon sale of compost.

From the above described sequence of events prior to USDA registration and certification of manufactured compost it is demonstrated that PP announced the GHG potential of project to local stakeholders by appraising about the GHG reduction potential and plan. Apart from this PP conducted significant testing and design changes in the composting process to optimize cost, acceptance of compost by local customers for all crop varieties and also to achieve additional credentials (USDA certification) to enhance sale of compost.

C.4. Greenhouse gas

[See Toolkit 1.2.d]

Greenhouse Gas	
Carbon dioxide	√
Methane	√
Nitrous oxide	☐

C.5. Project Registration Type

[See Toolkit 1.2.f]

Project Registration Type	
Regular	✓

Pre-feasibility assessment	Retroactive projects (T.2.5.1)	Preliminary evaluation (eg: Large Hydro or palm oil-related project) (T.2.5.2)	Rejected by UNFCCC (T2.5.3)
	✓	☐	☐

If Retroactive, please indicate Start Date of project activity dd/mm/yyyy: 21/09/2011

SECTION D. Unique project identification

D.1. GPS-coordinates of project location

[See Toolkit 1.6]

	Windrow 1	Windrow 2	Windrow 3	Windrow 4	Windrow 5
Latitude	31° 19'23 75" N	31° 19'17 22" N	31° 19'19 23" N	31° 19'23 52" N	31° 19'25 31" N
Longitude	87° 01' 22.04" W	87° 02' 02.42" W	87° 02' 00.53" W	87° 02' 13.07" W	87° 01' 10.44" W

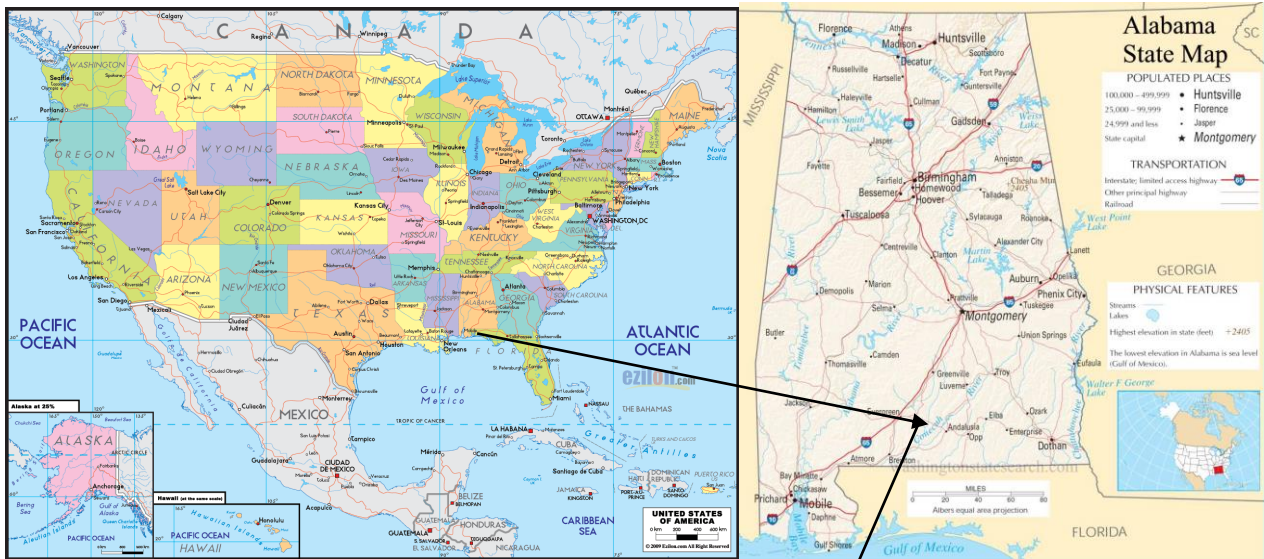


Explain given coordinates

The above mentioned coordinates are the locations of 5 windrow currently used in the project activity to prepare compost in 70 acreage project area.

D.2. Map

[See Toolkit 1.6]



SECTION E. Outcome stakeholder consultation process

The details of previous consultation activities are as follows:

Informal Consultations with local stakeholders about GHG reduction potential and project plan in Aug 2011:

In Aug of 2011, PP went to identify and select site area. During this trip, PP meet local stakeholders, prospective farmers nearby neighbors, etc. PP appraised about the GEC Business mission and prospective venture in the composting project in Conecuh County. PP also briefed during discussions that apart from composting process, project also has potential in environment protection such as reduction in soil pollution, dependence of synthetic fertilizers and reduction of GHG emissions while manufacturing of compost. PP appraised that this project is first of its kind initiative and there is significant risk. The GHG reduction potential provides opportunity for company to monetize the achieved GHG reductions and mitigate the investment risk. The project also requires significant testing and experimenting to confirm the quality, robustness in results and financial viability of the product in large scale as compared to synthetic fertilizers.

Few Questions asked by people during informal discussions

1. What will be the expected price of your product
2. Is the project area will be solid waste disposal site
3. Does the Project will create bad odour and nuisance in local surrounding
4. How much time company will take for commercial operations
5. Are there any side effects on crops using your product
6. How will provide GHG reduction monetization benefits, Private Company or US Govt.

Consultation and Site Visit for composting product testing Conducted in March 2012:

PP invited local stakeholders, NGOs to visit the site. The local people was appraised that the project is not a solid waste disposal site. PP distributed the compost product free cost to test at their agricultural land. The compost product was appreciated by local farmers and PP received positive feedback from local stakeholders. Moreover PP also invited four local leaders, Castleberry Mayor J.B. Jackson, County Commissioner Leonard Millender, State Representative Harry Shiver and the Executive Director of the Costal Gateway Regional Economic Development Alliance, James Searcy, to inspect and visit facility.

The local govt. officials appraised the PP effort to implement the project in Castleberry and largest of its kind in Alabama. The Mayor appraised the project stating “This is a great opportunity for our community and the region as a whole. New jobs are being created for our citizens and the economy of the surrounding area has already experienced a positive impact.”

- Barbara Wolfe, retail customer and gardening expert. “I used the Compost from GEC on tomato plants by mixing it in with the soil. My plants were green and healthier and bloomed earlier while producing more tomatoes than all other years.”
- Debra Burch, consumer and avid gardener. “I tilled the GEC Compost into the ground and planted squash and okra. The okra grew taller, had an increased yield and had a growing longer than the previous year. The squash plants were also bigger and healthier while producing more squash than last year.”
- Josh Coleman, farmer. “I tilled the OSA1000 into the ground and planted winter greens. They are growing faster and doing better than I have ever seen”
- Johnny Andrews, farmer. I used the Compost on winter greens by first tilling it in the soil. My winter plants are doing better than all past years. I can’t wait to see how the OSA1000 will perform in the summer.”
- Josh Reeves, consumer. “I spread the Compost by hand on my lawn when I planted grass seed. In a short time the new grass was thicker than what was already growing for years in my backyard.”
- Lavon Boutwell, owner of The Farm Center in Brewton Alabama, a representative for John Deere and formerly a fertilizer distributor throughout Alabama and Florida for 30 years. “I have experimented with the GEC OSA1000 and the results were very impressive. As an example, I grew pineapple plants side by side using synthetic fertilizer and OSA1000. The OSA plants had greener leaves, grew faster and much bigger. A pineapple in Southern Alabama.
- Jeremy Padgett, farmer and builder. “For the last home I built, I laid sod for the lawn and it turned completely brown. I contacted GEC and purchased their Compost Tea, OSA-CT1000. I drenched the sod and in 3 days it was green and began to knit together. The results were hard to believe.”

E.1. Assessment of stakeholder comments

[See Annex J]

[See Local Stakeholder Consultation Report B.5 and insert table from “C.3.iii Assessment of all comments”. Insert a summary of alterations based on comments]

All positive and appreciating comments were received. No adverse or negative Comment was received from stakeholders during LSC event on May 8 – 2014.

E.2. Stakeholder Feedback Round

Please describe report how the feedback round was organized, what the outcomes were and how you followed up on the feedback.

[See Toolkit 2.11]

Outcome of SFR will be reported here.

E. 3. Discussion on continuous input / grievance mechanism

[See Annex W]

Discuss the Continuous input / grievance mechanism expression method and details, as discussed with local stakeholders.

	Method Chosen (include all known details e.g. location of book, phone, number, identity of mediator)	Justification
Continuous Input / Grievance Expression Process Book	Any complaints are directed to the project owners via phone, in writing or in person. A book will be kept at the site office to record all grievances, inputs and any responses, mitigation actions or Follow-up. Furthermore a "comments" box will be kept at the local sub district administration office, and will be checked regularly.	Any complaints are directed to the project companies and a regular monthly meeting between project companies and the local people directly or indirectly associated with project. These meetings will provide a platform for dealing with any grievances directed towards the project itself. If the issue is more serious than a more immediate meeting may be called. This suggestion was made by the stakeholders during the stakeholder feedback round, and is to be implemented by the project owners as an extra route by which stakeholders can give continuous inputs or grievance expression.

Telephone access	+1-973-610-6048	Details available on website and other sources.
Internet/email access	http://gecorganics.us/ peterubaldi@comcast.net	Details available on website and other sources.
Nominated Independent Mediator (optional)	No mediator nominated	To date no mediator has been required, however depending on the issue at hand, an independent mediator could be brought in.

All issues identified during the crediting period through any of the Methods shall have a mitigation measure in place. The identified issue should be discussed in the revised Passport and the corresponding mitigation measure should be added to sustainability monitoring plan in section G.

SECTION F. Outcome Sustainability assessment

F.1. 'Do no harm' Assessment

[See Toolkit 2.4.1 and Annex H]

Safeguarding principles	Description of relevance to my project	Assessment of my project risks breaching it (low/medium/high)	Mitigation measure
Human Rights			
1. The project respects internationally proclaimed human rights including dignity, cultural property and uniqueness of indigenous people.	The dignity, cultural properties and the economic, social and culture freedom of the participants and local people is not affected. As the programmers is limited to households no industry is involved that could have negative human rights influences. The project respects internationally proclaimed human rights including dignity, cultural property. United States is a party to Universal Declaration of Human Rights.¹¹	Low/none	NA

¹¹ <http://www.hrw.org/news/2009/07/24/united-states-ratification-international-human-rights-treaties>

The project is not complicit in Human Rights abuses	http://www.hrw.org/news/2009/07/24/united-states-ratification-international-human-rights-treaties		
2. The project does not involve and is not complicit in involuntary resettlement	The project does not involve any resettlement	Low/none	NA
3. The project does not involve and is not complicit in the alteration, damage or Removal of any critical cultural heritage	The construction and operation of the project will not involve any damage of critical cultural heritage.	Low/none	NA
Labour Standards			
4. The project respects the employees' freedom of association and their right to collective bargaining and is not complicit in restrictions of these freedoms and rights.	The project will strictly comply with Labour Law of the United States, under the supervision of the local administrative department, the local office will strictly respects the employees' freedom of association and their right to collective bargaining and thus the Project is not complicit in restrictions of these freedoms and rights.	Low/none	NA
5. The project does not involve and is not complicit in any form of forced or Compulsory labour.	The project does not involve in any form forced labour. United states is a party to C 105 Abolition of Forced Labour Convention. ¹² http://en.wikipedia.org/wiki/Abolition_of_Forced_Labour_Convention	Low/none	NA
6. The project does not employ and is not complicit in any form of Child labour.	The project does not involve in any form child labour. The United States is the party to Convention 182 (worst form of child labour). ¹³ https://www.ilo.org/dyn/normlex/en/f?p=1000:11200:	Low/none	NA

¹² http://en.wikipedia.org/wiki/Abolition_of_Forced_Labour_Convention

¹³ https://www.ilo.org/dyn/normlex/en/f?p=1000:11200:3138929239051286::::P11200_INSTRUMENT_SORT:4

	3138929239051286:::P11200_INSTRUMENT_SORT:4		
7. The project does not involve and is not complicit in any form of discrimination Based on gender, race, religion, sexual orientation or any other basis.	The project will strictly comply with Labour Law of the United States, under the supervision of the local administrative department. The Project will protect the rights of staffs, make sure it does not involve and is not complicit in any form of discrimination based on gender, race, religion, sexual orientation or any other basis.	Medium	PP will ensure that there is no gender, sexual and labour discrimination by appropriate checking systems in compliance with local laws and help of local law and order force.
8. The project provides workers with a safe and healthy work environment and is not complicit in exposing workers to unsafe or unhealthy work environments.	The project work profile will not lead risk to any worker for health and safety issues. However Project will strictly comply with Law of the United States on Work Safety, the Project unit shall abide by this Law and other laws and regulations concerning work safety and health. PP has defined a safety rules for all employees. Appropriate measures such as providing safety training to project staff for work safety and health and improving the conditions for it to ensure work safety and health. Thus the Project is not complicit in exposing workers to unsafe or unhealthy work environments. http://www.dol.gov/dol/topic/safety-health/index.htm	Medium	NA
9. The project takes a precautionary approach in regard to environmental challenges and is not complicit in practices contrary to the precautionary principle.	No significant impact of noise, wastewater, air and dust pollution will be caused by the project. The project uses biodegradable waste and there is no pollution of groundwater due to leachate. The project will comply with the requirements of local Environment protection Agency. i.e. ADEM.	Low	NA
10. The project does not involve and is not complicit in significant conversion Or degradation of	The project is using biodegradable waste to produce compost and does not involve not interfere and/or harm any of the protected areas.	Low/none	NA

critical natural habitats, including those that are Legally protected, (b) officially proposed for protection, (c) identified by Authoritative sources for their high conservation value, or (d) recognized As protected by traditional local communities.			
11. The project does not involve and is not complicit in corruption	The project is private equity investment does not involve any kind of corruption. United States is a party to United Nation Convention against Corruption ¹⁴ since 2006 and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business ¹⁵ . http://www.unodc.org/unodc/en/treaties/CAC/signatories.html http://en.wikipedia.org/wiki/OECD_Anti-Bribery_Convention	Low/none	NA
Additional relevant critical issues for my project type	Description of relevance to my project	Assessment of relevance to my project (low/medium/high)	Mitigation measure
1			
2			
Etc.			

¹⁴ <http://www.unodc.org/unodc/en/treaties/CAC/signatories.html>

¹⁵ http://en.wikipedia.org/wiki/OECD_Anti-Bribery_Convention

F.2. Sustainable Development matrix

[See Toolkit 2.4.2 and Annex I]

Insert table as in section D3 from your Stakeholder Consultation report (Sustainable Development matrix).

Indicator	Mitigation measure	Relevance to achieving MDG	Chosen parameter and explanation	Preliminary score
Gold Standard indicators of sustainable development.	If relevant copy mitigation measure from "do no harm" –table, or include mitigation measure used to neutralise a score of ‘–’	Check www.undp.or/mdg and www.mdgmonitor.org Describe how your indicator is related to local MDG goals	Defined by project developer	Negative impact: score ‘–’ in case negative impact is not fully mitigated score 0 in case impact is planned to be fully mitigated No change in impact: score 0 Positive impact: score ‘+’
Air quality	None	Ensure Environmental Sustainability (Goal 7)	In addition to the greenhouse gases reduction, the project will significantly improve air quality as compared to the baseline scenario. In baseline scenario the bad odour was generated due to disposal of chicken litter in agricultural farms. The project activity itself will produce a low level of local emissions including particulates from the heavy vehicles and machinery for e.g. transportation truck, windrow	+

			turner and small gasoline fired engine.	
Water quality and quantity	None	Ensure Environmental Sustainability (Goal 7)	There is no significant impact identified on water quality and quantity from the project activity during the project implementation period. Therefore, the indicator is scored neutral for conservativeness.	0
Soil condition	None	Ensure Environmental Sustainability (Goal 7)	No significant impact is identified on Terrestrial Ecology and land use during the project Implementation period. Therefore, the indicator is scored neutral for conservativeness.	0
Other pollutants	None	Ensure Environmental Sustainability (Goal 7)	Low impact may occur from noise during the operation phase. At the working area where there is some level of noise source, such as at the noise generated from heavy vehicles and machinery for e.g. transportation truck, windrow turner and small gasoline fired engine. Health and safety equipment and rules is strictly required to be used by operators. Therefore, the indicator is scored neutral for conservativeness.	0
Biodiversity	None	Ensure Environmental Sustainability (Goal 7)	The project would not involve any deterioration to terrestrial ecology and aquatic ecology. Thus no significant impact is identified on biodiversity. Therefore, the indicator is	0

			scored neutral for conservativeness.	
			Subtotal	+
Quality of employment	None	Eradicate Extreme Poverty and Hunger	All employees working in the project site will be employed according to national employment regulations. A health and safety officer is employed onsite, all safety equipment is available and used by personnel. Ongoing training will be provided to staff and skills developed in-house for operation and maintenance for composting. The chosen parameter will be: a) Relevant health and safety precautions taken, and: b) Training given to staff to develop skills. At present 7 employees are working on site. Appropriate training related to safety procedures will be provided. Therefore, the indicator is scored neutral for conservativeness.	0
Livelihood of the poor	None	Eradicate Extreme Poverty and Hunger	Overall the project will have little impact on eradicating extreme poverty and hunger. The project does give advantage to the local people by providing business opportunities. Therefore, the indicator is scored neutral for	0

			conservativeness.	
Access to affordable and clean energy services	None	Ensure Environmental Sustainability (Goal 7)	The Project is a composting Project hence this indicator is not applicable for project. Therefore, the indicator is scored neutral for conservativeness.	0
Human and institutional capacity	None	MDG-1: Eradicate extreme poverty & hunger	Explanation: Local employment opportunities created by the project will have an impact of income distribution on different Socio-economic groups. Although the project will contribute to income of local people, it is not possible to monitor it, thus a neutral score will be given according to conservativeness principle. Baseline for parameter: Current income situation in the region Impact of other PPs on socio economic income distributions Future target for parameters. Continuation of the existing situation.	0
Quantitative employment and income generation	None	Eradicate extreme poverty and hunger	Chosen parameter : Number of jobs created and the staff salaries paid by the project. Explanation : The Project activity leads to some employment generation during the construction of the project. In addition, employment and business opportunities are increased.	+

Balance of payments and investment	None	Develop a Global Partnership for Development	The major equipment of the Project was purchased from domestic manufacturer, thus there's no additional requirement for foreign currency payment. As per the PDD, the project has financial barriers. It has no significant effect on further investments into similar project activities. Therefore it scores "0".	0
Technology transfer and technological self-reliance	None	In cooperation with the private sector, make available the benefits of new technologies, especially information and communications.	Explanation: The project, employed technology locally available. Baseline: not applicable Future target for parameters: Not Applicable	0
			Subtotal	Positive

Justification choices, data source and provision of references

Air quality	The Project activity will have positive impacts by the reduction of bad odour and fugitive emissions of methane and other gases as compared to baseline. In the composting process some minor bad odour will be generated and it will produce foul smell due to presence of organic and inorganic compounds in the chicken litter. These organic and inorganic compounds are the agents which affects air quality, soil quality, and biodiversity life. The results of qualitative analysis of compost, PP can determine the effects of compost preparation or process of compost synthesis on air, water and soil and biodiversity. PP will send compost sample of every batch (which is in correlation to raw material feed batch) to certified laboratory and can understand the effects. Reference: For measurement of Bad odour and organic, inorganic compounds the most appropriate reference is American Public Health Association (APHA)¹⁶.
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¹⁶ <http://www.standardmethods.org/>

Water quality and quantity	According to the ADEM, the Project has a positively ecological and social effect on the local environment and society. During the project's implementation, there should not be any waste water or pollutants that affect the local water quality and quantity from the project activity. Therefore, the impact is neutral. The indicator is scored 0.
Soil condition	No impact is expected from the project activity with regard to the land use or terrestrial ecology. Hence, the impact is neutral. The indicator is scored 0.
Other pollutants	As per project profile no other pollutants are expected from the project activity and no significantly positive impacts of the project are identified with regard to other pollutants reduction. Hence, the impact is neutral. There is no noise pollution due to project as per local laws of ADEM.
Biodiversity	The project utilizes methane to generate electricity on the landfill site, and does not involve any deterioration to terrestrial ecology or aquatic ecology surrounding it, according to the Initial Environmental Examination report. Thus, there is no expected negative or significantly positive impact from the project activity on biodiversity.
Quality of employment	No negative impacts of the project are identified, in fact the quality of employment and business opportunities are improved. All employees working for the project activity will be employed according to national employment regulations.
Livelihood of the poor	The project does not directly impact the poor, although some low income people are hired as contractors for manual workers in the composting process.
Access to affordable and clean energy services	The Project is a composting Project hence this indicator is not applicable for project.
Human and institutional capacity	No negative or significantly positive impacts from the project are identified. As the project has no impact on education and skills or gender equality and empowerment, there is no impact on the human and institutional capacity. Labour practices will be conducted in a non-discriminatory manner as per the relevant laws of the United States.
Quantitative employment and income generation	The Project activity leads to some employment generation during the construction of the project. In addition, employment and business opportunities are increased for local people.
Balance of payments and investment	No negative or significantly positive impacts from the project are identified. As per the project activity description and additionality demonstration, the investment was made via group of private equity investors and funds. Moreover, the major equipment was purchased from domestic manufacturer,

	thus there's no additional requirement for foreign currency payment.
Technology transfer and technological self-reliance	The project, employed technology locally available and conceptualised by GEC Organics.

SECTION G. Sustainability Monitoring Plan

[See Toolkit 2.4.3 and Annex I]

Copy Table for each indicator

No		1
Indicator		Air Quality
Mitigation measure		No Precautions Required
<i>Repeat for each parameter</i>		
Chosen parameter		<i>Organic and Inorganic Compounds</i>
Current situation of parameter		No quantitative information is available for projection of described emission rates.
Estimation of baseline situation of parameter		Not Applicable
Future target for parameter		Avoidance of Organic and Inorganic Compounds
Way of monitoring	How	As per the procedures mentioned APHA Standard Methods for the Examination of Water and Wastewater.
	When	Annually
	By who	Assigned technician by Plant Manager or assigned carbon consultant

No	2
Indicator	Quality of the employment
Mitigation measure	Health and Safety Trainings
<i>Repeat for each parameter</i>	
Chosen parameter	1. Number of employees having Health & Safety Trainings 2. Personal protection equipment's

Current situation of parameter		None
Estimation of baseline situation of parameter		Not Applicable
Future target for parameter		a) Trainings completed b) Provision of workers with required equipment's in line with the Regulations.
Way of monitoring	How	a) Training certificates or records for attendance to the trainings. In the following years, only new trainings will be reported. b) Checking equipment's and procedural documents by DOE on site visit.
	When	a) Once during the first verification
	By who	Assigned technician by Plant Manager or assigned carbon consultant

No		3
Indicator		Quantitative employment and income generation
Mitigation measure		NA
<i>Repeat for each parameter</i>		NA
Chosen parameter		Number of employment
Current situation of parameter		
Estimation of baseline situation of parameter		Not applicable
Future target for parameter		Local recruitments
Way of monitoring	How	Social security records of the employees
	When	Annually (Once at the end of the each monitoring period)
	By who	Assigned technician by Plant Manager or assigned carbon consultant

Additional remarks monitoring

If any additional parameter identified after stakeholder feedback round (SFR). Appropriate monitoring details will be mentioned.

SECTION H. Additionality and conservativeness

This section is only applicable if the section on additionality and/or your choice of baseline does not follow Gold Standard guidance

H.1. Additionality

[See Toolkit 2.3

Please see PDD B.5. of the project.

H.2. Conservativeness

[See Toolkit 2.2]

The version of methodologies applied by the PDD for registration are version 01 of methodology ACM0022-“Alternative waste treatment processes”

All parameters used in the ER calculation are from the latest version of methodology and the latest data issued by project participant, and all uncertainties have been taken into account to maintain the conservativeness. The parameters’ values of calculation have been chosen IPCC default values when the site-specific values are not convenient to achieve; its conservativeness has been committed by the EB.

ANNEX 1 ODA declaration

[See Toolkit Annex D]

There is no involvement of ODA funds. The project is 100% investment by private equity investors.

ANNEX D - OFFICIAL DEVELOPMENT ASSISTANCE DECLARATION

Date: [June 23rd 2014]

The Gold Standard Foundation

79 Avenue Louis Casai

Geneva Cointrin, CH-1216

Switzerland

RE: Declaration of Non-Use of Official Development Assistance by Project Owner of [GS ID 2772]

[Peter D Ubaldi]

As Project Owner of the above-referenced project, and acting on behalf of all Project Participants, I now make the following representations:

[Project Representative]

I hereby declare that I am duly and fully authorized by the Project Owner of the above-referenced project to act on behalf of all Project Participants and make the following representations:

I. The Gold Standard Documentation

I am familiar with the provisions of The Gold Standard Documentation relevant to Official Development Assistance (ODA). I understand that the above-referenced project is not eligible for Gold Standard registration if the project receives or benefits from Official Development Assistance with the condition that some, or all, of the carbon credits [CERs, ERUs, or VERs] coming out of the project are transferred to the ODA donor country. I hereby expressly declare that no financing provided in connection with the above-referenced project has come from or will come from ODA that has been or will be provided under the condition, whether express or implied, that any or all of the carbon credits issued as a result of the project's operation will be transferred directly or indirectly to the country of origin of the ODA.

II. Duty to Notify Upon Discovery

If I learn or if I am given any reason to believe at any stage of project design or implementation that ODA has been used to support the development or implementation of the project, or that an entity

providing ODA to the host country may at some point in the future benefit directly or indirectly from the carbon credits generated from the project as a condition of investment, I will notify The Gold Standard immediately using the Amended ODA Declaration Form provided below.

III. Investigation

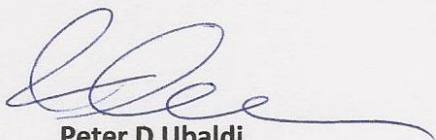
The Gold Standard reserves the right to conduct an investigation into any project it reasonably believes may be receiving ODA with the condition that some or all of the carbon credits from the project will be transferred to the ODA donor country.

IV. Sanctions

I am fully aware that the sanctions identified in The Gold Standard Terms and Conditions may be applied to me or the above-referenced project in the event that any of the information provided above is false or I fail to notify The Gold Standard of any changes to ODA in a timely manner.

I swear that all of the statements contained herein are true to the best of my knowledge.

Signed:



Name: Peter D Ubaldi

Title: President & CEO

On behalf of: GEC Organics Corp.

Place: Montclair New Jersey United States of America