# PROJECT REVIEW REPORT

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| Project ID | 2416 |
| Project Name | Distribution of Improved Cook Stove - Phase 12 |
| Program(s) | VCS |
| Verification Period | 3 December 2012 to 2 December 2017 |
| Project Proponent | M/s G K Energy Marketers Pvt. Ltd |
| Methodology | AMS - II.G; "Energy Efficiency measures in thermal applications of non-renewable biomass", EB 60, Version 03 |
| Sectoral Scope(s) | Scope 3: Energy Demand |
| Validation/Verification Body (VVB) | TÜV SÜD South Asia Pvt Ltd |

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| Assessment Criteria | VCS Standard v4.2, AMS – II.G v03.0 |
| Date of First Issue | 21 June 2022 |
| Date of Final Issue | 13 December 2022 |

Summary:

An accuracy review of the Distribution of Improved Cook Stove - Phase 12 joint registration and verification request has been conducted by Verra in accordance with Section 4.3 of the VCS *Registration and Issuance Process*.

The accuracy review has six assessment findings and two minor findings, detailed below. The VVB, in coordination with the project proponent, is hereby required to provide a response to the assessment findings presented in Section 1. The six assessment findings must be addressed to the satisfaction of Verra.

This project review report will be made publicly available. Confidential information may be provided as separate attachments.

# 1. ASSESSMENT FINDINGS

| Finding 1 |
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| Section 1.7 of the project description and Section 3.1 of the joint validation and verification report mentions that the project proponent has established project ownership through tripartite agreement.<br><br>However, the VVB does not provide more information on how the agreements were checked, given the number of end users involved, and how M/s. G K Energy Marketers is established as the sole project proponent and has the carbon rights of the project.<br><br>Thus, the VVB is requested to provide more information on how the agreements were checked (i.e., if any sampling of the agreements were conducted for the end users) and a description on how the agreements establish M/s. G K Energy Marketers as the sole project proponent and carbon rights of the project. Please provide this information in section 3.1 of the joint validation and verification report. |
| **VVB Response:**<br><br>The tripartite agreement submitted by the PP is between the end party user, Vikram stoves and G K Energy Marketers Private Limited. The agreement clear states that the rights of the VCUs rests with G K energy marketers private limited. The agreement has been signed by all the parties.<br><br>Hence as per Section 3.6.1 of the VCS Standard v4.1, the project owner is G K Energy Marketers Private Limited. |
| **Verra Response:**<br><br>Finding 1 remains open<br><br>**Ownership agreement has not been provided to Verra.**<br><br>**Issue:**<br><br>The VVB indicates that the project proponent and the end party user have signed a tripartite agreement stating that the rights of the VCUs rests with G K Energy Marketers Private Limited. However, there is no evidence of the agreement.<br><br>**Actions Required:**<br><br>1. The VVB must ensure that the project proponent has provided a copy of the tripartite agreement stating that the rights of the VCUs rests with G K Energy Marketers Private Limited to Verra for review.<br><br>**Program Rule:**<br><br>VCS Standard v4.2, section 3.6 |
| **VVB Response:** A copy of the tripartite agreements stating that the rights of the VCUs rests with G K |

Energy Marketers Private Limited has now been submitted to Verra.

**Verra Response:**

Finding 1 is closed.

Tripartite agreements have been provided to Verra and is deemed appropriate.

**Finding 2**

The project start date for non-AFOLU projects according to section 3.7 of the *VCS Standard v4.2* is the date on which the project began generating GHG emission reductions or removals. Furthermore, the crediting period is defined by *VCS Program Definitions, v4.1* as the time period for which GHG emission reductions or removals generated by the project are eligible for issuance as VCUs.

The project documents present conflicting information about the project start date and project crediting period start date. Therefore, the VVB is requested to clarify the project start date and the project crediting period start date. Specifically in the following context:

1. Section 1.8 of the project description and Section 1.5 of the monitoring report state the following about the project start date: "The real action pertaining to the earliest date of handover of improved cook stoves to beneficiary (also considered as date of onset of GHG emission reductions)... is considered as the start date."

   However, in the third paragraph, the project proponent states "The date of supply/receipt of... cookstoves from manufacturer to the regional office of the line department was considered as start date under the CDM registered PDD... The start date referred to in the registered CDM-PDD was mirrored in the VCS PD."

   Therefore, the VVB is required to request the project proponent to clarify if the start date was the handoff to the end user or the handoff from manufacturer to regional office. The VVB is also requested to update Section 1.4 of the joint validation and verification report where needed.

2. Currently, the project start date is 01 October 2012 but the crediting period start date is 03 December 2012. Section 1.9 of the project description, Section 1.6 of the monitoring report and Section 1.4 of the joint validation and verification report identify that the "cookstoves under the project activity is distributed between 01-October 2012 to 02-December-2012" and thus 03-December-2012 is considered the crediting period start date.

   However, Section 1.8 of the project description and Section 1.5 of the monitoring report state that the "real action pertaining to the earliest date of handover of improved cook stoves to beneficiary (also considered as date of onset of GHG emission reductions) under the project activity is considered as the start date..." Since the *VCS Program Definitions, v4.1* defines the project crediting period as the time period for which GHG emission reductions or removals generated by the project are eligible for issuance as VCUs, the project crediting period start date is 01 October 2012 instead of 03 December 2012.

Therefore, the VVB is requested to update the project documents with the appropriate project crediting period start and end dates. The VVB is required to request the project proponent to do the same.

**VVB Response:**

- The date on which the project began to generate emission reductions is 01-October-2012. The start date of the project activity has now been made consistent to the start date of the crediting period i.e. 01-October-2012.
- The start date of the project activity has now been updated in section 1.10 of the Project Design Document. The table has now been updated in section 1.10 as per the updated start date i.e 01-October-2012.
- The start date of the project activity has now been updated through out the Project Design Document, Monitoring Report and Joint Val/Ver Report. The start date of the project activity is 01-October-2012. The emission reductions have also been updated accordingly.

**Verra Response:**

Issue 1 is closed. The project uses the VCS' definition of project start date which is real action pertaining to the earliest date of handover of improved cookstoves to the beneficiary, which is the first day where GHG ERR is achieved. This is explained in the PD, MR and have been assessed in the joint VR-VR. This is consistent with the VCS definition of project start date.

However, Issue 2 remains open. Please see below:

**Inconsistent estimated annual average ERRs and crediting period start and end dates.**

**Issue:**

1. Issue 2 remains open. The start of the crediting period is now the same as the project start date, and this is now consistent with the VCS rules. However, section 3.1 of the joint VR-VR (page 31), still has the old value of the GHG ERR (i.e., 62,531 $tCO_2e$ instead of 13,233 $tCO_2e$).
2. Furthermore, section 3.1 of the joint VR-VR (page 32) still has the old crediting period.

**Actions required:**

1. The VVB must update the GHG ERR in section 3.1 of the joint VR-VR to the right value.
2. The VVB must update the crediting period in section 3.1 of the joint VR-VR.

**Program rules:**

VCS Joint Validation and Verification Report Template v4.0, Section 3.1.

**VVB Response:**

1. GHG Estimated Emission Reductions have now been updated in section 3.1 of the Joint Validation and Verification Report.
2. Crediting Period has now been updated in section 3.1 of Joint Validation and Verification Report.

**Finding 2 is closed**

The abovementioned errors have been fixed by the VVB.

**Finding 3**

Section 1.11 of the *VCS Project Description Template v4.0* states "Include a list and the arrangement of the main manufacturing/production technologies, systems, and equipment involved. Include in the description information about the age and average lifetime of the equipment based on manufacturer's specifications and industry standards, and existing and forecast installed capacities, load factors, and efficiencies".

Section 3.1 of the monitoring report provides the information about the age and the average lifetime of the technologies used for this project, However, Section 1.11 of the PD does not provide a description regarding the information about the age and average lifetime of the equipment based on manufacturer's specifications and industry standards, and existing and forecast installed capacities, load factors, and efficiencies".

The VVB is requested to ask the PP to include a description regarding the information about the age and average lifetime of the equipment based on the manufacturer's specifications and industry standards, and existing and forecast installed capacities, load factors, and efficiencies in section 1.11 of the PD. Furthermore, the VVB is requested to provide an assessment regarding such matter in section 3.1 of the VVR.

**VVB Response:**

Information regarding the age and average lifetime of the equipment based on manufacturer's specifications and industry standards, and existing and forecast installed capacities, load factors, and efficiencies" has now been incorporated in section 1.11 of the Project Description.

**Verra Response:**

Finding 3 is closed.

Section 1.11 has been updated and includes the description regarding the age and the lifetime equipment of the improved cookstove. The VVB has also provided an assessment regarding the technical specification of the improved cookstove in section 1.4 of the joint VR-VR.

| Finding 4 |
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| Section 3.10.1 of the *VCS Standard, v4.2* states that "Where there are a large number project activity instances… at least one geodetic coordinate shall be provided, together with sufficient additional geographic information… to enable sampling by the validation/verification body."<br><br>Section 1.12 of the project description does provide geodetic coordinates of the districts and the names of the villages involved in the project. However, Section 3.1 of the joint validation and verification report does not provide information about how the locations of the cookstoves are validated and verified.<br><br>Thus, the VVB is requested to provide more information about how the cookstove locations were assessed to a reasonable level of assurance. The VVB may include this information in Sections 2.1 and 3.1 of the joint validation and verification report. |
| **VVB Response:**<br><br>The geo-coordinates of the districts have now been incorporated in Project Description and monitoring Report.<br><br>The name of the villages has also been mentioned in Project Description and monitoring Report. |
| **Verra Response:**<br><br>Finding 4 remains open. Please see below:<br><br>**The assessment that these locations are part of this project and not part of any other project is missing.**<br><br>**Issue:**<br><br>Section 3.1 of the joint VR-VR does not have information on how the VVB validated (and verified) the project's location.<br><br>**Actions required:**<br><br>1. The VVB must provide information on how the project area where the cookstoves are distributed is assessed in section 2.1 or 3.1 of the joint VR-VR.<br><br>**Program rules:**<br><br>*VCS Standard v4.2,* section 3.10.1<br><br>*VCS Joint Validation and Verification Report Template v4.0,* sections 2.1 and 3.1. |

**Background:**

Section 1.12 of the project description already has sufficient information regarding the project location. Verra would like to understand if the information provided in section 1.12 is sufficient for the VVB to conduct the assessment process. Such assessment must be described by the VVB in sections 2.1 and 3.1 of the joint VR-VR.

**VVB Response:**

Information along with the assessment of the project area where the cookstoves are distributed has now been incorporated in section 2.1 or 3.1 of the Joint Validation and Verification Report.

**Verra Response**

Finding 4 is closed.

VVB has describe the assessment process on how they assess the distribution of the cookstoves in the VR-VR.

## Finding 5

One of the VCS program criteria that are stated in section 3 of the VCS Program Guide v4.1 is the unique principle, which states “Each VCU must be unique and must only be associated with a single GHG emission reduction or removal activity. There must be no double counting, or double claiming of the environmental benefit, in respect of the GHG emission reductions or removals.”

It has been identified that the project proponent has developed similar projects (VCS IDs: 2415, 2417, 2422, 2423, 2424, 2425, 2427, 2428, 2430, 2435, 2436, 2437, 2438, 2439, 2440, 2441, 2442, 2443, 2444, 2446, 2447, and 2448) with a similar project design and located within the same boundaries as this project.

The VVB is requested to provide an assessment on how the GHG ERR that is claimed will not be double counted in section 3.1 of the VR. The VVB may request the PP to explain how the VCUs from the project activity will be unique and only associated with a single GHG emissions reduction removal activity in Section 1.11 of the project description. The PP is also requested to provide an explanation of how the project activity will result in no double counting and double claiming of GHG ERR from potentially the same cookstoves and provide the scale of all the 25 phases of ICS projects that are being conducted.

**VVB Response:**

The cookstoves have been distributed by the Rural Development and Water Conservation (RDWC) Department, Government of Maharashtra and promoting betterment of living standard for the tribal household (ST) and families living Below Poverty Line (BPL) in villages of Maharashtra.

Each cookstove has unique Identification number and the Phase number has also been mentioned along with the identification number.

Each User agreement has been signed between end, project proponent & manufacturer confirming that there has been no double accounting of the cookstoves.

The same has also been confirmed in interview during the Remote audit.

The interview details have been incorporated in Joint Validation/Verification Report.

Moreover, no double accounting declaration provided by the Project Proponent has been found genuine.

The declaration states that emission reductions claimed in VCS will not be claimed in any other mechanism.

**Verra Response:**

Finding 5 is now closed.

Section 4.1 of the joint VR-VR has been updated where the VVB has confirmed that each ICS has a unique serial number that is related only to this project.

## Finding 6

Section 2,1 of the Joint Validation & Verification Report Template, v4.0 instructs the VVB to “Describe the method and criteria, including the sampling plan, used for undertaking the validation and verification. Where sampling plans are used as a part of the validation or verification, include a description of the sampling approach, important assumptions and justification of the chosen approach”

The VVB describes the general validation and verification approach (e.g., desk review, site visits) for this project. No information about sampling was included. Section 4.1 and 4.2 of the VVR refers to the use of a third-party survey, but not sampling methods were discussed.

Given that the project involves the dissemination of 14,720 cookstoves, the VVB is requested to provide more information about how the cookstoves are validated and verified against the project description and monitoring report. The VVB is requested to include a description of the sampling methods and plans. If none are used, the VVB is requested to justify how the important cookstove elements (e.g., location, thermal efficiency, percentage use, contracts, replacements or repairs) were assessed.

**VVB Response:**

Necessary confirmation statement has been incorporated in section 4.1 and 4.2 of the Joint Val/Ver Report

**Verra Response:**

Finding 6 is now closed.

The VVB has provided the necessary information in the joint VVR.

## 2. MINOR FINDINGS

| Finding 1 |
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| Please indicate whether comments were received during the public comment period in section 2.4 of the PD.<br><br>Finding 1 is closed. |

| Finding 2 |
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| Section 2.1 of the VVR states that "The validation and verification team performs first a desk review, followed by an onsite visit, which results in the formation of a draft report and a list of findings. The next step". However, section 2.3, 2.4, 3.1, 3.3.2, 4.1, and 4.2 indicate that the audit was only done remotely, without conducting a site visit. The VVB is requested to clarify whether or not a site visit was conducted during the validation and verification procedure. Please make the necessary correction in the VVR regarding this matter.<br><br>Finding 2 is closed. |

## 3. ASSESSMENT CONCLUSION

In May 2022, Verra Submitted the first round of PRR to the PP (M/s G K Energy Marketers Pvt. Ltd) and the VVB (TÜV SÜD South Asia Pvt Ltd) of VCS project 2416 with six assessment findings and two minor findings.

In 5 October 2022, Verra submitted the second round of PRR to the VVB and PP of VCS Project ID 2416.

Verra has closed the remaining findings of VCS Project ID 2416 for registration and verification request. This request has been approved.