PROJECT REVIEW REPORT

Project ID	2357
Project Name	Improved Cook Stove Market Development in Rural Nepal
Program(s)	VCS Program
Verification Period	1 November 2018 – 31 October 2020
Project Proponent	Practical Action
Other Entity	VNV Advisory Services Pte. Ltd.
Methodology	AMS-II.G.: Energy efficiency measures in thermal applications of non-renewable biomass -- v11.1
Sectoral Scope(s)	3. Energy Demand
Validation/Verification Body (VVB)	Carbon Check (India) Private Ltd.

Assessment Criteria	*VCS Standard, v4.1*
Date of First Issue	17 September 2021
Date of Final Issue	23 November 2021

Summary:

An accuracy review of the *Improved Cook Stove Market Development in Rural Nepal* registration and verification approval request has been conducted by Verra in accordance with Section 4.3 of the *Registration and Issuance Process*.

The accuracy review has raised 4 findings and 1 minor finding, 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 4 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

The *VCS Standard, v4.1* Section 3.4.1 requires the project proponent to use the relevant template for describing project activities and to adhere to all instructional text within the relevant template.

The joint project description and monitoring report v4.0 Section 3.4 refers to numerous source documents with missing or incomplete citations. Many of the source documents are outdated. These include the following.

1. *National Climate Change Impact Survey 2016* – there is no page number for the claim, "Majority of households in the project districts use firewood to meet their cooking needs"
2. *The Environmental Impact of Poverty: The Evidence of Firewood collection in Rural Nepal* – there is no page number and there is a broken hyperlink for the claim, "Research indicates that use of firewood has a low sensitivity to economic determinants"
3. Unspecified NESS report – there is no reference whatsoever for the report for the claim, "the reduction in the consumption of firewood is subject to the trends defined in AMS"
4. *The Environmental Impact of Poverty: Evidence from Firewood Collection in Rural Nepal* – the report is 14 years old and no longer a reliable source.
5. *National Action Programme on Land Degradation and Desertification in the context of United Nations Convention to Combat Desertification* – the report is 17 years old and no longer a reliable source.
6. *Energy Sector Synopsis Report*– the report is 11 years old and no longer a reliable source.
7. *Investment Prospectus for Clean Cooking Solutions in Nepal* – there is no page number for the reference to "National Rural and Renewable Energy Program"

The project proponent is requested to provide complete citations, including page numbers and links to source documents, where available. Where cited source documents are out-dated, the proponent is requested to consider using more relevant sources.

Project Proponent(s) Response (30 September 2021):

1. Page 14 for reference has been added to citation to foot note 2 added to the report

2. Now the reference to this report has been removed.

3.The link to the report is no longer available , however the copy of the report is submitted for the reference. File is attached as supportive document

4. Now the reference to this report has been removed.

5. This reference has been removed now.

6. new research papers has been added. In addition to that, 11 years old papers should be included considering that new research in Nepal is based on analysis of old data prior to year 2010. It is not feasible to have any updated report annually considering the challenging conditions in Nepal.

7. Page no. 4 is added for reference to foot note 7

We have searched all the documents and other published literatures which are added for the justification. It is noteworthy, that even the recent reports of 2016-2018 refers data & information & the surveys done prior to 2010 in Nepal. Also, it is not possible to conduct survey & data collection on yearly or regularly basis in Nepal due to challenging geographic conditions.

Verra Response (19 November 2021):

The proponent submitted a revised joint project description and monitoring report, version 4.1, on 4 November 2021. This version of the report now includes only valid references with complete citations, sufficiently demonstrating the baseline scenario.

This finding is closed.

Finding 2

The *VCS Standard, v4.1* Sections 4.1.13-14 require the VVB to use the relevant template for validation and verification reporting and adhere to all instructional text within the relevant template.

The joint validation and verification report v2.1 Sections 1.4 and 3.1 state that the project location is different compared to the location reported in Sections 1.1, 1.12, 1.13, and 3.4 of the joint project description and monitoring report v4.0.

The VVB is requested to clarify the actual location of the project activities. Please submit revised documentation as needed.

VVB Response (30 September 2021):

VVB acknowledge the mistake in the report and the same is corrected in section 1.4 and 3.1 of the revised report.

Verra Response (23 November 2021):

The joint validation and verification report v2.2 Sections 1.4 and 3.1 have been corrected to accurately describe the 10 districts that form the location for this project.

This finding is closed.

Finding 3

The *VCS Standard, v4.1* Section 3.7.1 requires non-AFOLU projects to complete validation within two years of the project start date.

The project start date is 1 November 2018. The original validation deadline was 31 October 2020 and the request for pipeline listing was submitted within one month of the deadline, on 29 September 2020. Value Network Venture Advisory Services Pte. Ltd. submitted a request for extension to the validation deadline, citing Covid-19 and subsequent travel restrictions as a barrier preventing field visits and on-time validation. Verra granted an additional 80 days to complete validation, with a new validation deadline of 20 January 2021. The initial validation report was submitted on 19 January 2021. However, despite the additional time granted, no site visits were conducted for this validation. The VCS Program does not explicitly mandate site visits as part of the validation and verification process. Still, given that no site visits were conducted, the need for additional time to complete validation appears unfounded.

The project proponent and VVB are requested to clarify the need for additional time to complete validation given that no site visits were conducted.

Project Proponent(s) Response (30 September 2021):

The most important reason is the international travel restriction was still in place(flights were suspended or limited) place during that time which is the main cause of remote audit, furthermore people were not even vaccinated and so PP & DOE didn't take the risk of site visit (https://www.dgca.gov.in/digigov-portal/jsp/dgca/homePage/viewPDF.jsp?page=topHeader/COVID/Circular1(30Dec2020).pdf).

Also as per the company policy for employee safety , it is not allowed to travel abroad considering the prevailing COVID-19 situation. Moreover, people were not vaccinated during the time of validation assessment, so it is not safe to travel in COVID-19 situation.

The was published for 30 days public commenting period from 01/12/2020 to 30/12/2020. The technically the DOE conduct the site visit post the completion of public commenting period. The DOE started the assessment after the completion of public commenting period. The time left with the PP & DOE is just 20 days time for site visit plus validation and verification assessments. Considering the tight schedule and deadline for submission the PP & DOE were busy, so they conducted the remote audit.

Apart from this the other registry viz. UNFCCC & GS has initially provided an extension for remote site visit for initial 31/12/2020 to 31/12/2021, because the know that this COVID -19 situation takes longer time to become normal.

VVB's response (30 September 2021):

VVB noted, it is not mandatory to conduct site visit as per VERRA standard, which of-course was not the reason for not conducting the site visit. COVID-19 still a pandemic which forced countries from time to time to impose travel restrictions, movement of people and to avoid travel if possible. Considering the same other carbon credit mechanisms such as UNFCCC-CDM, GS allowed remote audit unto 31/12/2021. Vaccination was also even not started in January 2021 either in Nepal or in India (Auditor's travel origin). Therefore, it was a call to opt for remote audit in place of physical audit as VVB and PP thought by the end date of extension date i.e. 20/01/2021 it was not realistic to assume that things would be better. Hence, remote audit was conducted.

Verra Response (23 November 2021):

Site visits are not mandated for validation and the validation deadline was met, given the extension provided.

This finding is closed.

Finding 4

The *VCS Standard, v4.1* Section 4.1.2 requires the VVB to provide a reasonable level of assurance.

The VVB did not conduct in-person site visits for either the validation or the verification activities.

The VVB is requested to clarify how it achieved a reasonable level of assurance for both validation and verification of this cookstove project without in-person site visits. Please submit detailed information on the steps taken to achieve a reasonable level of assurance using only off-site interviews and desk review methods.

VVB Response (30 September 2021):

As explained in section 2.4 of the joint validation-verification report, video call audit was performed to check the operational status of project ICS and other relevant information were noted. Based on the information collected from end users and project proponent VVB confirmed a reasonable level of assurance. Some sample of video call snaps and audit check list is presented in Appendix C of the report now.

Verra Response (23 November 2021):

The VVB met the requirements for achieving a reasonable level of assurance for these validation and verification activities.

This finding is closed.

2. MINOR FINDINGS

No minor findings were raised.

3. ASSESSMENT CONCLUSION

On 17 September 2021, Verra conducted an accuracy review which resulted in the four assessment findings detailed above.

On 30 September 2021, Verra received responses from VNV Advisory Services Pte. Ltd. and Carbon Check (India) Private Ltd. The responses included a revised version of the joint project description and monitoring report and the joint validation and verification report.

On 4 November 2021, Verra received further responses from VNV Advisory Services Pte. Ltd. and Carbon Check (India) Private Ltd with additional revised reports.

On 23 November 2021, Verra closed all findings and concluded that the project's joint request for registration and verification approval shall be approved. The details on Verra's assessment findings can be found above in the body of this report.