

PROJECT REVIEW REPORT

Project ID	1721
Project Name	ONIL Stoves –Guatemala – Uspantán
Program(s)	VCS
Verification Period	01-September-2020 to 19-December-2020
Project Proponent	HELPS International Incorporated C-Quest Capital LLC
Methodology	VMR0006: Methodology for Installation of High-Efficiency Firewood Cookstoves, Version 1
Sectoral Scope(s)	03 – Energy Demand
Validation/Verification Body (VVB)	Earthood Services Private Limited
Assessment Criteria	VCS <i>Standard, v4.1</i> , VMR0006
Date of First Issue	16 February 2022
Date of Final Issue	24 February 2022

Summary:

An accuracy review of the ONIL Stoves –Guatemala – Uspantán 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 one assessment finding and one minor finding, detailed below. The project proponent is hereby required to respond to the assessment findings presented in Section 1. The 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 FINDING

Finding 1

The ERRs achieved during this monitoring period are twice the estimated ex-ante ERRs in the registered project description.

The project proponent has not assessed this in the monitoring report nor has the VVB in the verification report.

The project proponent is requested to explain why there is such a difference between the ERRs achieved during this monitoring period and estimated ex-ante ERRs in the registered project description, under Section 5.4 of the monitoring report. The VVB is requested to do this in the validation report and also assess the likely impact of this difference on the additionality of the project.

PP Response:

Estimated ex-ante ERs at the time of registration of CPA under CDM were calculated by applying the formulae of methodology AMS II.G. However, during last verification PP requested the project description deviation to switch the applied methodology from AMS II.G to VCS methodology VMR0006 and got approval on 06 September 2021 for change in methodology. Under ex-ante ERs calculation, methodology default value of “Emission factor for the substitution of non-renewable biomass by similar consumers $EF_{\text{projected_fossilfuel}}$ ” was applied as 81.6 tCO₂/TJ and efficiency of project stove was considered as 24% as per manufacturer’s specification available at that time. Under the current methodology VMR0006, sum of “CO₂ emission factor for the use of wood fuel in baseline scenario $EF_{\text{wf,CO2}}$ (IPCC default value 112 tCO₂/TJ) and “Non-CO₂ emission factor for the use of wood fuel in baseline scenario $EF_{\text{wf,non CO2}}$ (IPCC default value 26.23 tCO₂/TJ) which adds up to 138.23 tCO₂/TJ has been applied to calculate the actual emission reduction. Further the actual efficiency of project stove has been revised as per WBTs carried out for each vintage of the stove included within the monitoring period. (reason for the difference in efficiency has already been described and validated during last verification). Therefore, actual achieved ERs are higher than the estimated ex-ante values. Description for the difference in estimated and actual achieved ERs has been incorporated under section 5.4 of the revised MR.

Additionality for the project activity was demonstrated at the time of registration of PoA under CDM as per paragraph 2(c) of Annex 27 of the 68th meeting of the CDM Executive Board, GUIDELINES ON THE DEMONSTRATION OF ADDITIONALITY OF SMALL-SCALE PROJECT ACTIVITIES (version 9) – “*projects are considered additional if project activities are solely comprised of isolated units where the users of the technology/measure are households or communities or Small and Medium Enterprises (SMEs) and where the size of each unit is no larger than 5% of the small-scale thresholds*”.

At the time of transition from CDM to VCS, re-assessment of additionality was not required hence the same criteria has been used for VCS project also. Therefore, difference in ERs does not impact the additionality of the project activity.

VVB Response:

Verification Team (VT) has cross-checked with the registered CPA-DD for project activity “CPA 8480-P1-0001-CP1 : ONIL Stoves –Guatemala – Uspantán”

https://cdm.unfccc.int/ProgrammeOfActivities/cpa_db/Q158GU3XA9MFE0H2Z60I4JTNDL7WRP/view

It is evident that estimated ex-ante ERs were calculated by applying the formulae of methodology AMS II.G.

VT has also cross-checked with the monitoring report of previous verification approved on 06/09/202.

<https://registry.VERRA.org/app/projectDetail/VCS/1721>. So, it is found and evident that PP has applied deviation for applying methodology VMR0006 from AMS II.G. Further, the values of $EF_{\text{projected_fossilfuel}}$ and with the current values with respect to VMR0006 such as $EF_{\text{wf,CO2}}$ (IPCC default value 112 tCO₂/TJ) and

$EF_{wf,non\ CO_2}$ (IPCC default value 26.23 tCO₂/TJ) which are the key parameters for the change in emission reduction calculation. They are found to be appropriate and correct as per the applied methodology. Further, it is also found out that efficiency of the project stove has been improved due to improvement in design which was verified during last verification. For the current monitoring period, PP has applied WBT for estimation of the efficiency for each vintage. The WBT calculation spreadsheet and data records were submitted to the verification team and the same were verified and found inline with the results provided. Hence, the change in ER is appropriate and valid.

Since the project has transferred in VCS from CDM, additionality will remain valid and appropriate. Hence, difference in ERs does not impact the additionality of the project activity.

Verra Response:

The project proponent has clarified that the project transferred from CDM to VCS and changed the methodology for calculating ERRs. The ex-ante ERRs were calculated following AMS II G, with a different EF which is lower than the default IPCC EF used under the VMR0006. And this explains the observed difference in ERRs. Since the project has transferred in VCS from CDM, additionality will remain valid and appropriate. Hence, difference in ERs does not impact the additionality of the project activity. Section 5.4 of the monitoring report has been revised to include this information. This information has been assessed and confirmed by the VVB. This finding is now closed, and no further response is required.

2. MINOR FINDINGS

- There seems to be some text missing under Section 2.3 of the verification report.

3. ASSESSMENT CONCLUSION

On 16 February 2022, Verra completed an accuracy review and sent to project review report with one assessment finding and one minor finding to HELPS International Incorporated, C-Quest Capital LLC, and Earthood Services Private Limited.

On 24 February 2022, Verra closed all findings, and no further response is required.