



DEVIATION REQUEST FORM

PUBLICATION DATE **11.04.2021**

Version **5.0**

A. To be completed by Gold Standard

1 | Decision

1.1 | Date – 15/05/2024

1.2 | Decision

Based on the prevalence of projects operating under similar conditions and the need to maintain consistency in enforcing standards, the request is not approved. While acknowledging the genuine challenges outlined by the project, it is imperative to uphold the integrity of monitoring and verification processes under GS4GG by ensuring adherence to established requirements.

The project developer is encouraged to explore alternative strategies and technologies to improve data collection efficiency.

1.3 | Is this decision applicable to other project activities under similar circumstances?

No

- B. To be completed by the Project Developer/Coordinating and Managing Entity and/or VVB requesting deviation (Submit deviation request form in Microsoft Word format)**

2 | Background information

Deviation Reference Number	DEV_703	
Date of decision		
Precedent (YES/NO)	No	
Precedent details	NA	
Date of submission	19/04/2024	
Project/PoA/VPA	Project	ID – GSXXXX
	<input checked="" type="checkbox"/> PoA	ID – GS11189
	<input checked="" type="checkbox"/> VPA	ID – GS11306
Project/PoA/VPA title	VPA Title: Improved Cookstove and Safe Water Programme – Nigeria – VPA 48	
Date of listing	30/07/2021	
GS Standard version applicable	GS4GG	
Date of transition to GS4GG (if applicable)	NA	
Date of transition to Gold Standard from another standard (e.g. CDM) (if applicable)	NA	
Date of design certification/inclusion (if applicable)	02/02/2022	
Location of project/PoA/VPA	Nigeria	
Scale of the project/PoA/VPA	<input type="checkbox"/> Microscale <input type="checkbox"/> Small scale <input checked="" type="checkbox"/> Large scale	
Gold Standard Impact Registry link of the project/PoA/VPA	https://registry.goldstandard.org/projects/details/3177	
Status of the project/PoA/VPA	<input type="checkbox"/> New <input type="checkbox"/> Listed <input checked="" type="checkbox"/> Certified design <input type="checkbox"/> Certified project	
Title/subject of deviation	Compliance to provide systematic records of end-user sales	
Specify applicable rule/requirements/methodology, with exact paragraph reference and version number	REQUIREMENTS FOR MAINTAINING THE TOTAL SALES RECORDS UNDER TPDDTEC METHODOLOGY, version 1.0, paragraph 1.1.4 and 2.1.1.	
Specify the monitoring period for which the request is valid (if applicable)	Start date 01/11/2021 End date: Not Applicable	
Submitted by	Contact person name: Mark C. Turgesen Email ID: mturgesen@impactcarbon.org	
	Organisation: Impact Carbon	
	Project participant: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	

<p>Validation and Verification body (VVB opinion shall be included, where required by the applicable rules/requirements or request is submitted by the VVB).</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/></p> <p>If yes; VVB name:</p> <p>VVB Staff name(s):</p>
<p>Any previous deviations approved for the same project activity/PoA/VPA(s)?</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/></p> <ul style="list-style-type: none"> • DEV_500 • DEV_520

3 | Deviation detail

3.1 | Description of the deviation:

3.1.1 | Deviation detail (to be completed by Project developer):

As per para 5.b on page 6 of “Technologies and Practices to Displace Decentralized Thermal Energy Consumption”, version 3.1, dated 25/8/2017, it is stipulated that “*Systematic records of volumes and weights transacted by distributors and retailers must be collected and monitoring conducted of end-user sales.*”

Further, section 3.0, para 1.A and footnote 31 allow for provision of not needing to collect end-user information for each end-user in the case of portable stoves, especially those being distributed via the market stalls or shops where the retailer cannot reasonably be expected to collect customers’ names and addresses during busy times.

Accordingly, as per the registered VPA-DD (GS11306) ‘GS VPA-DD 11306 Nigeria VPA-48 v 7.0 30082023’ on page 6 footnote 6, and page 15, footnote 10, Impact Carbon is tasked with collecting beneficiary details that will not be less than 10 times the survey and field test sample size. The document states: *It may not be possible to collect beneficiary details for all WPS distributed under a VPA. However, the beneficiary details should be collected for as many beneficiaries as commensurate with representative sampling, i.e. it should not be less than 10 times the survey and field test sample size.*

However, the “REQUIREMENTS FOR MAINTAINING THE TOTAL SALES RECORDS UNDER TPDDTEC METHODOLOGY”, version 1.0 dated 11/07/2023, mandates 100% end-user data collection by July 01, 2024, as per para 1.1.4, stated below:

This rule clarification applies to projects registered with the previous version of TPDDTEC and are pending renewal of their crediting period following the latest version of TPDDTEC (version 4.0 onward)

This deviation request is to permit Impact Carbon to continue with a modified approach of end-user information data collection that represents better than footnote 31 of TPDDTEC v 3.1 but exempts from collecting end-user information for each end-user.

Please note the following in this regard:

It is appreciated that Gold Standard, by the rule update, increases the objectivity of assertions in the case of cookstove projects by serving two primary factors: ensure there are no over-reported stove sales, and ensure there is adequate end-user data for representative and statistically significant sampling for monitoring activities.

The subject project has a strong control to ensure zero over-reporting and perfect objectivity in total stove sales numbers in the project database. This includes systematic record keeping of every stove produced and sold to resellers. The project captures inventory in and out, ensuring every stove is serialized with no double counting or duplication. Thus, with the quality controls in place, any material error in reporting the number of stoves distributed in the project does not exist.

However, **requiring end-user data for every single stove sale is not the right /practical tool and inadvertently discriminates projects that serve large populations of potential customers, through indirect reseller sales channels.** Apart from the reason specified in footnote 31 of the TPDDTEC v 3.1, it is worth noting that many of these potential customers and resellers in Nigeria are typically the most disadvantaged due to illiteracy challenges. Requiring 100% end-user customer data also disproportionately hampers commercial stove sales activities and inadvertently favors NGO-style stove giveaway programs where NGOs have direct access to households rather than employing commercial sales through resellers, stores, and direct sales in markets and off the back of trucks. While as CME, we are committed to collecting a subset of end-user data, to ensure adequate and representative sampling frames for monitoring tasks, without excluding large and disadvantaged customer segments and reseller channels due to the inability to collect 100% end-user data.

There are unique challenges working with distributors and resellers for the collection of end-user sales. First and foremost, many reseller agents, especially in peri-urban and rural areas are illiterate. In Nigeria, the illiteracy rate is staggeringly high at 31% (source: <https://www.dataphyte.com/latest-reports/international-literacy-day-achieving-sdg-4-still-a-long-way-off-for-nigeria/>). Requesting end-user information from sales agents who are unable to read and write is unreasonable. While attempts to provide verbal instructions on filling out warranty cards are made, 100% compliance of gathering end-user sales records cannot be guaranteed through this channel. Working with a broad range of sales talent offers limited control towards achieving such a desired outcome.

We have offered financial incentives to manufacturers, distributors, resellers, and end-users, all to improve end-user follow-up data collection, and we have also offered improved stove warranty terms to end-users. Despite these efforts, collecting end-user data, especially through resale channels, still proves incredibly difficult: in 2023 follow-up data was secured for only 22% of end-users, and through resale channels specifically collection rates were only 5%.

Because of aforesaid, manufacturing partners will be forced to adjust their sales strategies to work less with resellers and try to sell directly to end-users. The manufacturing partner narrowing their engagement with resellers, shall result in loss of access to potential users in some peri-urban and rural areas who don't have / cannot have access to direct end-user sales channels. The requirement for collecting 100% end-user information has a profound negative impact on the sustainability of the project and is a significant deterrent towards the Global Goal under SDG 7 (providing access to basic energy service).

Compounding the absence of necessary skills to capture end-user data by a sub-set of resellers, there are other challenges:

- Hesitancy to share details: peri-urban and rural customers are unaccustomed to providing personal details when purchasing a kitchen product. Sales agents are faced with customer hesitancy and suspicion (unsure how their details will be used).
- Limited time at the point of sale: most marketplaces are chaotic and fast-moving. Requesting end-users to prolong their sales visit long enough for sales agents to get their details is not an easy ask. Most customers show discomfort in such requests, and some outright reject staying.

Even with incentives in place to motivate resellers and sales agents to capture end-user information, full compliance is not possible. While current incentives are providing better results, we cannot change the fact customers will have the final say on whether to share their details.

As a suggestion, the CME commits to increase the end-user data collection from 10 times the sample size (as per page 29-30 of TPDDTEC v 3.1) to 20 times the sample size, given it is not possible to achieve 100% end-user data collection in the project due to its distribution channel (a mix of direct and indirect sales).

3.1.2 | VVB opinion (to be completed by VVB, if applicable):

Not Applicable

3.2 | Assessment of the deviation:

3.2.1 | Deviation assessment (to be completed by Project developer):

Apart from deviation from the stated rule, the project complies with all other requirements of the monitoring methodology the principles of accuracy, completeness, and conservativeness.

3.2.2 | VVB opinion (to be completed by VVB, if applicable):

Not Applicable

3.3 | Impact of the deviation:

3.3.1 | Impact assessment (to be completed by Project developer):

No Impact envisaged.

3.3.2 | VVB opinion (to be completed by VVB, if applicable):

Not applicable

3.4 | Documents:

Not applicable

Version number	Release date	Description
5	11.04.2022	Additional information added: <ul style="list-style-type: none"> - date of listing, design certification, transition - standard version - specific reference to a requirement deviated from - any previous deviations/design changes approved Guidance on VVB opinion
4	14.01.2021	
3	16.07.2020	
2	03.05.2018	
1	01.07.2017	Initial adoption