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If you should require any further information then please do not hesitate to contact us. We will be pleased to help you.

Please contact us via mail to [info.tncert@tuev-nord.de](mailto:info.tncert@tuev-nord.de) or by telephone 0800 245 74 57 (Free-phone from within Germany) or +49 511 9986-1222 from abroad.

TÜV NORD CERT GmbH  
Am TÜV 1  
45307 Essen  
Germany

[www.tuev-nord-cert.com](http://www.tuev-nord-cert.com)

According to the Gold Standard for the Global Goals requirements, the Voluntary/Component project activities of a programme of activity must undergo a verification by a Validation and Verification Body (VVB). TÜV NORD CERT GmbH is an accredited VVB for verification of a programme of activity under Sectoral Scopes 1 – 16 with additional competence based on project specific knowledge, training and experience.

## **1. GENERAL SCOPE OF WORK**

The verification will be performed based on the validated programme of activity design document, the Voluntary/Component project activities design document(s), including the approved baseline & monitoring methodology, the baseline study, the monitoring plan, the validation report, the monitored emissions and emission reduction of GHGs during specified time period against the Gold Standard for Global Goals (GS4GG) Requirements including the applicable Principles & Requirements, the Programme of Activity (PoA) Requirements, Product Requirements, the Gold Standard Safeguarding Principles and associated interpretations and host country requirements.

The verification is based on the information made available to TÜV NORD CERT GmbH and on the contract conditions. TÜV NORD CERT GmbH cannot be held liable by any entity for making its verification opinion based on any false or misleading information supplied to it during the course of verification.

TÜV NORD CERT GmbH employs a risk-based approach in the verification, focusing on the identification of significant risks for project implementation and the generation of verified emission reductions (VERs).

The verification is not meant to provide any consulting to the client. However, stated requests for forward actions and/or corrective actions may provide input for improvement of the monitoring system.

The verification will follow the procedures of TÜV NORD CERT GmbH's JI/CDM Certification Programme (JI/CDM CP) Quality manual and the applicable Gold Standard for the Global Goals requirements.

The verification will be carried out as follows:

- Verification of the actual monitoring & reporting systems and procedures to be in compliance with the monitoring systems and procedures described in the monitoring plan as a part of design certified PoA DD and VPA/CPA DD(s).
- Submission of Verification Report to the client

This Offer does not entail an assessment regarding Post-Registration Changes of the programme of activity or Voluntary/Component project activities. Additional requirements to be checked with regard to Post-Registration Changes of the programme of activity and/or any Voluntary/Component project activities may be charged additionally upon mutual agreement.

## **2. PERFORMANCE CERTIFICATION PROCESS**

The Verification and Performance Review of the GS programme of activity / Voluntary/Component project activities shall follow the sequence of steps presented below.

## **2.1. Desk Review**

In order to start related work, the client has to provide the TÜV NORD CERT GmbH with a copy of the latest version of the monitoring report.

At least the following documents shall also be reviewed off-site in this step:

- the last revision of the PoA DD and VPA/CPA DD(s) and attached documents, including the most recent monitoring and reporting plan,
- the last revision of the monitoring report, including all SDG impacts and products, which covers also the claimed emission reductions for the PoA,
- the last revision of the validation report and/or the last revision of the initial or previous verification report.

## **2.2. On-site visit**

TÜV NORD CERT GmbH will perform an on-site visit to individual VPA/CPAs in line with the GS4GG requirements, as part of the verification. During this on-site visit, the PoA and VPA/CPAs implementation will be cross-checked against the design documentation.

TÜV NORD CERT GmbH shall prepare the site visit by:

- determining to which extent the VPA/CPAs under the design certified PoA will be visited on-site (on the basis of a statistical analysis considering the nature of the PoA)
- carrying out a strategic analysis considering all relevant information sources
- organising the logistical aspects of the visit, including the agenda and whom to interview.

Typical activities on-site include:

- Introduction meeting, explanation of objectives of the verification,
- Interviews with personnel of the CME and the VPA/CPAs Implementers (including data co-ordinators, process engineers and other key personnel at site),
- Review of performance records and collection of measurements,
- Check of monitoring equipment and observations of monitoring practices,
- Interviews with local stakeholders, as applicable,
- Specific testing and calculation checks to be done on high risk, material data sources and data management issues,
- Closing meeting including presentation of preliminary results

An on-site visit and assessment shall focus on the following key areas:

- PoA implementation and installation of the VPA/CPAs
- Information flows for generating, aggregating/collating and reporting the selected monitoring parameters
- Calculations and assumptions made in determining the GHG data

- Controls in place to prevent, or detect and correct any significant errors or omissions in the selected monitoring parameters reported

### **2.3. Reporting of Findings and Resolution of CARs & CLs**

With the help of a verification checklist, TÜV NORD CERT GmbH will formally communicate the client the findings in form of Corrective Action Requests (CARs), Clarification Requests (CL) and/or Forward Action Requests (FARs) in order to arrive at conclusions related to the claimed emission reductions. The term “Forward Action Request” shall be used in the verification report, when:

- the actual project monitoring and reporting requires attention for the next consecutive verification period, or
- an adjustment of the monitoring plan is recommended
- or based on any GS regulation.

In the context of FARs, risks have been identified, which may endanger the delivery of high quality VERs in the future, e.g. by deviations from standard procedures as defined by the monitoring plan.

As a consequence such aspects shall receive a special focus during the next consecutive verification.

A FAR may originate from lack of data sustaining claimed emission reductions.

It is the responsibility of the client to respond to the CARs, CLs and FARs reported by TÜV NORD CERT GmbH in a timely manner. The CARs and CLs stated in the draft verification report will have to be resolved by the client, if these are issued. The requests can be resolved or “closed out” by desk review or by another site visit as a special case. If this is not done in the final stages of the verification, it may cause the PoA to not receive Gold Standard Certified Project status, with the issuance of Gold Standard Certified Products or Impact Statements.

The number of VVB Assessments on the corrective actions for closure of CARs and CLs raised should be limited to two consecutive rounds. For further resolution the client and TÜV NORD CERT GmbH may enter into an amendment for additional man-days required.

### **2.4. Verification Report**

Following the completion of the verification assessment, the verification report shall give an overview of the verification process deployed by TÜV NORD CERT GmbH in order to arrive at the verification conclusions. All verification findings shall be clearly identified and justified. The verification report containing Lead Auditor’s recommendation will undergo a technical review by TÜV NORD CERT GmbH. After approval from technical review, the verification report shall be provided to the Project Participants and the Parties.

TÜV NORD CERT GmbH will certify in writing that the programme of activity has achieved the verified SDG impact and the amount of emission reductions that would not have occurred in the absence of the GS programme of activity in the specified time period.

TÜV NORD CERT GmbH will inform the project participants of its certification decision in writing. This will be done immediately upon completion of the verification process.

### **2.5. Technical review & Final Approval**

Before the submission of the final verification report, a technical review and final approval of the whole verification procedure will be carried out.

During the technical review process the verification opinion and the specific assessments as prepared by the verification team may have been confirmed or revised. Furthermore, reporting improvements might have been achieved.

The technical review follows an overall (esp. procedural) assessment of the complete verification carried out by a qualified auditor.

## **2.6. Submission to the client**

The positive conclusion of the performance review period of the programme of activity shall result in Gold Standard Certified Project status.

TÜV NORD CERT GmbH will submit the verification report to the client.

Further TÜV NORD CERT GmbH will respond to any OBs, FARs and CARs raised by Gold Standard during Performance Review as per §5.1.35 of the Principles & Requirements.

Resubmission in case of rejection

As per CDM Project Cycle Procedure for programme of activity a request for permission to resubmit requests for issuance for previously rejected requests for issuance may be submitted if the reason for rejection has been addressed.

## **3. SCHEDULE OF EVENTS**

TÜV NORD CERT GmbH is prepared to begin work on the verification of this GS programme of activity within 10 working days upon receipt of Client's valid acceptance of this offer and upon receipt of all necessary project-related documents.

Precondition for starting the verification as per the scope and procedures set out above is the submission of all necessary project-related documents such as but not limited to the MR and the emission reduction calculation, and all necessary documentation regarding GS requirements by the Client to TÜV NORD CERT GmbH. The Client shall submit all necessary project-related documents at least four (4) weeks before TÜV NORD CERT GmbH's (first) site visit. If the client fails to meet the aforementioned timeline or fails to submit any project-related documents that it should reasonably have submitted to TÜV NORD CERT GmbH, TÜV NORD CERT GmbH may, at its sole discretion, postpone its site visit(s).

TÜV NORD CERT GmbH will use reasonable efforts to forward the DVR including the CARs and CRs to the Client within four (4) weeks of its (final) site visit.

Upon the Client's submission of its response to CARs and CLs, TÜV NORD CERT GmbH will use reasonable efforts to finalise the FVR within three (3) weeks of TÜV NORD CERT GmbH's receipt of the final documents submitted by the Client.

## **4. TEAM COMPOSITION**

An experienced team will carry out the verification of the programme of activity.

The verification team will consist of experienced (lead) auditors and experts covering technical, methodological, environmental, host country and socio-economic competence as required.

The final team composition will be announced after conclusion of contract and in the course of the audit planning. The client has the right to reject any team member with sufficient justification. Related

Curriculum Vitae of the audit team will be provided upon request via [operations.carbon@tuev-nord.de](mailto:operations.carbon@tuev-nord.de).

## **5. RIGHTS AND RESPONSIBILITIES OF TÜV NORD CERT GMBH**

In addition to performing the service detailed in the offer TÜV NORD CERT GmbH shall:

Issue a verification report in line with scheme requirements which will state whether, in VVB's opinion, the programme of activity fulfils the requirements of the scheme.

Arrive at its opinion upon consideration of the following matters and reporting as to any aspect with which TÜV NORD CERT GmbH is not satisfied, namely whether:

- The actual monitoring systems and procedures are in compliance with the monitoring systems and procedures described in the monitoring plan as a part of the registered POA DD and VPA/CPA DD.
- the reported SDG impacts are accurate, complete, consistent, transparent and free of material error or omission
- the reported Greenhouse gas (GHG) emission reduction data are accurate, complete, consistent, transparent and free of material error or omission.

TÜV NORD CERT GmbH shall be entitled to interview attorneys, engineers, analysts, accountants, or other parties deemed by TÜV NORD CERT GmbH to have the qualifications necessary to assist in the performance of the service without any extra fees/charge payable on this account by the client. TÜV NORD CERT GmbH may select and engage such persons without the clients prior approval save that, should the client advise TÜV NORD CERT GmbH that a conflict of interest exists, TÜV NORD CERT GmbH will take all necessary measures to engage alternate advisors. TÜV NORD CERT GmbH may also consult with stakeholders to assist in the performance of the service. Stakeholders shall include the public, including individuals, groups or communities affected, or likely to be affected, by the activity in question.

TÜV NORD CERT GmbH shall perform the service in an efficient, prompt, skillful and careful manner in accordance with the current industry standards, practices and accredited procedures. In performing the service, TÜV NORD CERT GmbH shall observe and obey all applicable laws, regulations, rules and standards imposed by any government or other duly constituted authority having jurisdiction in the host country.

TÜV NORD CERT GmbH by accepting the offer neither automatically guarantees a positive verification opinion nor Gold Standard Certified Project status of the VPA/CPA.

TÜV NORD CERT GmbH has the right to subcontract members of the TÜV NORD JI/CDM Certification Program of other entities and external individuals.

## **6. RESPONSIBILITIES OF THE CLIENT**

The client is responsible for:

Preparing a Monitoring Report, emission reduction calculation and further project specific documents (if necessary) in compliance with the requirements set by the applied scheme. In case of changes to the scheme during execution of the service the client shall adapt the project documents to the new regulations.

Providing TÜV NORD CERT GmbH with

- the necessary and requested access to client books, records, information systems and facilities such that TÜV NORD CERT GmbH is able to verify the data and information in the Monitoring Report.
- all information, documentation, data or other material or taking all measures required by the scheme unless TÜV NORD CERT GmbH is expressly responsible for providing such measures. In case of deadlines set by GS concerning material to be provided or measures to be taken by the client, the client shall provide TÜV NORD CERT GmbH with material 3 working days before expiry of the deadline.

Complying with TÜV NORD CERT GmbH's requests to conduct interviews, meetings and/or discussions with client's employees and agents on any matters relating to the service, within such deadlines as TÜV NORD CERT GmbH shall establish.

All obligations of the client shall be performed according to the scheme in force when performing the obligations. In case of changes to the scheme affecting performances already rendered the client shall amend or render anew its performances accordingly.