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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.

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According to the Global Carbon Council (GCC) requirements, a project must undergo a verification by a Validation and Verification Body (VVB). TÜV NORD CERT GmbH (TÜV NORD CERT) is an accredited VVB for verification of projects 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 project design document (PDD) including the approved baseline & monitoring methodology, the baseline study, the monitoring plan, the validation report, the monitored emissions and emission reduction of Greenhouse Gas (GHGs) during specified time period against the GCC Requirements including the applicable Principles & Requirements, the Activity Requirements, Product Requirements, the GCC Safeguarding Principles and associated interpretations and host country requirements.

The verification is based on the information made available to TÜV NORD CERT from the client and on the agreement between TÜV NORD CERT and the client. TÜV NORD CERT 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 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.

The verification will follow the procedures of Climate Protection Projects of TÜV NORD CERT's Quality manual and the applicable GCC 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 the design certified PDD.
- Submission of Verification Report to the client

2. PERFORMANCE CERTIFICATION PROCESS

The Verification and Performance Review of the GCC project 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 with a copy of the latest version of the monitoring report and all other information requested by TÜV NORD CERT at least 4 weeks prior to the planned on-site visit.

Im minimum the following documents shall be made available for the desk review:

- the last revision of the registered PDD and attached documents, including the most recent monitoring and reporting plan,

- the last revision of the monitoring report, including all Sustainable Development Goals (SDG) impacts and products, which covers also the claimed emission reductions for the project, as well as a related GHG emission reduction calculation
- the last revision of the validation report and/or the last revision of the initial or previous verification report and any documents w.r.t. already conducted post registration changes.

2.2. On-site visit and follow-up interviews:

TÜV NORD CERT will perform an on-site visit of the project site, as applicable and required and in line with the GCC requirements, as part of the verification. During this on-site visit, the project implementation will be cross-checked against the project documentation.

TÜV NORD CERT shall prepare the site visit by:

- Determining to which extent the project activity will be visited on-site (on the basis of a statistical analysis considering the nature of the project activity)
- 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 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 project 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 may focus on the following key areas:

- Project installation as per PDD
- 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. Resolution of Clarification Requests (CLs), Corrective Action Requests (CARs) and Forwarding Action Requests (FARs) via Preliminary Findings List and Draft Verification Report (DVR)

In order to remedy any mistakes, problems or any other outstanding issues that need to be clarified for positive conclusion on the project design, TÜV NORD CERT will formally communicate the client the

findings in form of CARs, CL and/or FARs with the help of a verification checklist, in order to arrive at conclusions related to the claimed emission reductions/removals. In the event of issuance of CARs / CLs the client will have to “close” CARs and respond to CLs before the verification can be completed.

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

It is the responsibility of the client to respond to the CLs and CARs reported by TÜV NORD CERT in a timely manner. The CARs and CLs stated in the preliminary findings list will have to be resolved by the client, if these are issued. The requests may be assessed by desk review or by another site visit, if required. If findings cannot be solved, this may cause the project to not be recommended for issuance of corresponding emission reduction/removal units.

The number of assessments on the corrective actions for resolution of CARs and CLs raised is limited to two consecutive rounds as well as the number of onsite visits is limited to one. For further resolution, the client and TÜV NORD CERT may enter into an amendment for additional man-days required.

In addition to the preliminary findings list, the client will also receive a draft verification report, based on the initial desk review and on-site visit.

2.4. Final Verification Report:

Following the completion of the verification assessment, i.e. the closure of all findings communicated by TÜV NORD CERT, a verification report will be prepared.

2.5. Technical review & Final Approval:

Before the submission of the final verification report, an internal technical review and final approval of the whole verification process will be carried out by TÜV NORD CERT.

2.6. Submission to the client

TÜV NORD CERT will inform the project participants, the Parties of its verification decision in writing. This will be done as soon as possible upon completion of the verification process. TÜV NORD CERT will submit the verification report to the client.

3. SCHEDULE OF EVENTS

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 Monitoring Report and the emission reduction calculation, and all necessary documentation regarding GCC requirements by the Client to TÜV NORD CERT. The Client shall submit all necessary project-related documents at least four (4) weeks before TÜV NORD CERT'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, TÜV NORD CERT may, at its sole discretion, postpone its site visit(s). TÜV NORD CERT 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 will use reasonable efforts to finalise the FVR within three (3) weeks of TÜV NORD CERT's receipt of the final documents submitted by the Client.

TÜV NORD CERT will use reasonable efforts to conduct the Technical Review and Final Approval within six (6) weeks after finalisation of the FVR.

4. TEAM COMPOSITION

An experienced team will carry out the verification of the project.

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 the 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 vide

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5. RIGHTS AND RESPONSIBILITIES OF TÜV NORD CERT GMBH

TÜV NORD CERT shall be entitled to interview attorneys, engineers, analysts, accountants, or other parties deemed by TÜV NORD CERT 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 may select and engage such persons without the clients prior approval save that, should the client advise TÜV NORD CERT that a conflict of interest exists, TÜV NORD CERT will take all necessary measures to engage alternate advisors. TÜV NORD CERT 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 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 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 by accepting the offer neither automatically guarantees a positive verification opinion nor the GCC Certified Project status of the project.

TÜV NORD CERT has the right to subcontract services under this contract in whole or in part as applicable by the GCC requirements to other entities or 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 with

- the necessary and requested access to client books, records, information systems and facilities such that TÜV NORD CERT 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 is expressly responsible for providing such measures. In case of deadlines set by GCC concerning material to be provided or measures to be taken by the client, the client shall provide TÜV NORD CERT with material 3 working days before expiry of the deadline.
- 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.
- In case GCC Board is sending the project back for Ex-Post Work the client shall send the revised documents for resubmission to TÜV NORD CERT's audit team latest 30 business days before the submission deadline (60 business days). The final documents approved by the audit team shall be send to TÜV NORD CERT for technical review at least 10 business days prior to the submission deadline.
- Information on any health, safety and personal protection procedures or equipment required for conducting the onsite visit and inspection at least 10 business days prior to the onsite inspection.