Carbon Standard

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Carbon Registry - India, ***Carving real impacts***

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ABBREVIATIONS

AFOLU: Agriculture, Forestry and Other Land Use

BEE: Bureau of Energy Efficiency

CDM: Clean Development Mechanism

CPA: Component Project Activity

CR-I: Carbon Registry-India

CS: Carbon Standard

DE: Delegate Entity

DPD: Detailed Project Document

EP: External Project

ER: Emissions Reduction

ESIA: Environment and Social Impact Assessment

FM: Forest Management

EPD: Environmental Product Declaration

ESC: Extended Stakeholder Consultation

GC: Governing Council

GHG: Greenhouse Gases

IMD: Independent Methodology Developer

IPP: Independent Project Proponent

IRR: Internal Rate of Return

IVVE: Independent Validation & Verification Expert

LCA: Life Cycle Assessment

LSC: Local Stakeholder Consultation

MAP: Methodology Approval Procedure

MBP: Minimum Buffer Percentage

MCU: Marketable Carbon Unit

MR: Monitoring Report

NCCF: Network for Certification and Conservation of Forests

PA: Project Activities

PAT: Perform, Achieve and Trade

PoA: Programme of Activities

PDC: Permanent Design Changes

PEFC: Programme for Endorsement for Forest Certification Standard

PRN: Project Reference Number

RAIR: Request for Approval for Initiation of Registration

RCP: Renewal of Crediting Period

REC: Renewable Energy Certificate

RET: Rare, Endangered and Threatened

RIP: Registration and Issuance Procedure

SCR: Stakeholder Consultation Report

SD: Sustainable Development

SI: International System of Units

VaR: Validation Report

VeR: Verification Report

VVB: Validation and Verification Body

VVS: Validation and Verification standard

1. Introduction

The Network for Certification and Conservation of Forests (NCCF) is a 'not for profit' organisation registered in India under Societies Registration Act, 1860. It is involved in developing globally aligned certification programmes and standards-based mechanisms in India. It is working towards developing national environment and sustainability-based standards in diverse areas of climate change, natural resource management and ecotourism, among others. In addition, NCCF is also engaged in policy advocacy and varied conservation activities across the country. Through development and application of its certification programmes and standards-based mechanisms, NCCF aims to promote adoption of healthier and sustainable: economically beneficial, environmentally responsible and socially appropriate, operational and management practices, in accordance with national policies, institutional frameworks and sustainability usage norms.

The development and functioning of the 'Carbon Registry-India' (the Registry) would help in achieving NCCF's aspirational goal of combating climate change and its impacts through utilisation of the ambition of the internal, and strength of global environmental markets. This initiative assumes more importance after India's adoption of ambitious Nationally Determined Contributions (NDCs) following COP 21 in 2015, and the inclusion of Article 6 in the Paris Agreement. The modalities and procedures of the Registry have been formulated to provide a congenial ecosystem for development, assessment and adoption of scientifically accepted environmentally and socially beneficial technologies, activities, measures and practices throughout the globe.

The CR-I Carbon Standard ("standard") establishes rules and requirements for design, development and inclusion of projects, new methodologies and tools, along with rules and requirements for operation and monitoring of registered projects, and other related activities permitted within the purview of the Registry. The foundational framework of this standard is based on the rules and requirements established in ISO 14064-2:2006, ISO 14064-3:2006 and ISO 14065:2013. Through formulation and enforcement of this standard, the Registry seeks to prescribe high quality benchmarks that each project, new methodology and tool shall need to fully adhere to for acceptance and inclusion with the Registry. Moreover, the rules and requirements established henceforth are formulated in a manner to allow flexibility in approach employed by its intended users, without compromising on the integrity, credibility and robustness of the Registry.

Through development, adoption and subsequent usage of the standard, the Registry shall ensure the following:

(i) promote design and development of eligible projects for registration and project-based methodologies and tools for approval and listing.
(ii) promote projects with significant sustainable development component.
(iii) promote implementation, operation and monitoring of projects for verification.
(iv) promote design, development and implementation of an organisation's GHG management system and related activities.
(v) augment organisational capacity to effectively monitor a project's performance and progress and resulting GHG emissions reduction and/or removals enhancement.

(vi) reinforce environmental integrity and uphold scientific rigor in quantification of GHG emissions reduction and/or removals enhancement.

(vii) enhance the credibility, consistency and transparency of implementation, monitoring and reporting, including GHG project emissions reduction and/or removals enhancement.

The standard document shall be updated on a regular basis and the intended users are advised to refer to the most current version of the document.

2. Normative References

The following documents have been referred to during design and formulation and are indispensable for the application of this standard document. For dated references, only the edition cited applies, while for undated references, the latest edition of the referenced document (including any amendments) applies.

- ISO 14064-2:2006, Specification with guidance at the project level for quantification, monitoring and reporting of greenhouse gas emission reductions or removal enhancements
- ISO 14064-3:2006, Specification with guidance for the validation and verification of Greenhouse Gas Assertions
- ISO 14065:2020, Greenhouse gases - Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition
- ISO 17029: Conformity assessment — General principles and requirements for validation and verification bodies
- CDM Project Standard for Project Activities (CDM-EB93-A04-STAN)
- CDM project standard for programme of activities (CDM-EB93-A07-STAN)
- CDM Standard: Sampling and surveys for CDM project activities and programme of activities

3. Terms and Definitions

The definitions of terms applicable under the Registry have been made available in the Glossary of Terms document. Apart from that, the following definitions apply to this standard document:

- "Shall": indicates requirements strictly to be followed in order to conform to the standard document.
- "Should": indicates that among several possibilities, one is recommended as particularly suitable, without mentioning or excluding others, or that a certain course of action is preferred but not necessarily required. A certification body can meet these requirements in an equivalent way provided this can be demonstrated and justified.
- "May": indicates a course of action permissible within the limits of the standard document.

4. Scope and Applicability

4.1 General Scope

4.1.1 The standard establishes the rules and requirements for design, development and inclusion of projects, new methodologies and tools, along with rules and requirements for operation and monitoring of registered projects, and other related activities permitted within the purview of the Registry.

4.1.2 The Registry allows design, development, and implementation, operation and monitoring of both Project Activities (PA) and Programme of Activities (PoA) {collectively known as projects, unless specified otherwise} as defined in Glossary of Terms.

4.2 Geographical Scope

4.2.1 Projects located within the Indian Territory, or anywhere across the globe, are eligible for registration and issuance with the Registry.

4.2.2 New methodologies and tools submitted by legal entities operating within the Indian Territory, or anywhere across the globe are eligible for approval with the Registry.

4.3 Greenhouse Gases

4.3.1 The Registry encompasses six types of Greenhouse Gases (GHGs), namely, Carbon Dioxide (CO_2), Methane (CH_4), Nitrous Oxide (N_2O), Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs) and Sulphur Hexafluoride (SF_6).

4.4 Exclusions

4.4.1 The scope of the Registry excludes the following types of projects:

(i) Hydropower projects, except micro-scale projects involving installation and operation of a run-of-the-river system. Scale of Hydropower projects is categorised based on the project scale as defined by the Registry (refer Subsection 9.5).
(ii) Those required to be undertaken in order to satisfy existing legal mandate(s).
(iii) Renewable Energy projects that have previously claimed and/or are currently claiming benefits from a national/regional/global level Renewable Energy Certification (REC) or similar scheme.
(iv) All industrial facilities, units, establishments (termed collectively as Designated Consumers), operating within the geographical boundary of India, that have adopted measures for ensuring energy efficiency under the Perform, Achieve and Trade (PAT) scheme regulated by the Bureau of Energy Efficiency (BEE).

(v) Transboundary project means when the project is being implemented across borders of two or more countries. For example, CR-I shall exclude project where renewable energy source is set up in Nepal and energy generated is being used in India.

(vi) Projects which include generation of electrical or thermal/mechanical energy using fossil fuels and/or improvement in their efficiency and/or emissions reduction using technological interventions and/or fuel switching from higher carbon emission fossil fuel to lower carbon emission fossil fuel. Projects including interventions such as improved efficiency cookstoves or any other improved efficiency measure from the end user(s) are not included in this criterion.

(vii) Projects pertaining to destruction of hydrofluorocarbon-23 (HFC -23) and/or its emissions reduction.

(viii) Grid connected renewable energy projects in countries/states/provinces/districts/cities/villages or any other defined area as per the political definition where grid connected renewables already contribute to more than 51% in the total energy mix.

(ix) Projects for whom it is evident that they have increased their GHG emissions without corresponding enhancement in the final output of products, services and with the sole objective of reducing the same to the original level or lower, through implementation of a project with the Registry.

4.5 Applicability

4.5.1 This standard is applicable for usage at the stages of:

(i) Design and development of a proposed project by an IPP, for validation and subsequent registration and implementation and monitoring of a registered project of the IPP(s), and for verification, certification and subsequent issuance of GHG emissions reduction and/or removals enhancement units (known as Marketable Carbon Units of MCUs) and other related process.

(ii) Design and development of a project-based methodology by an IMD for submission, approval and subsequent listing with the Registry.

(iii) Independent evaluation by an empaneled VVB, during validation, for determining the appropriateness of the project design and related elements or independent evaluation by an empaneled VVB, during verification, for determining the appropriateness of the implementation and monitoring of a project and resulting units of GHG emissions reduction and/or removals enhancement and other related process.

(iv) Independent evaluation by an empaneled VVB, during assessment, for determining the appropriateness of methodology and/or tool design and other related elements.

4.6 Sectoral Scopes

4.6.1 The Registry shall adhere to the sectoral scopes defined by UNFCCC's Clean Development Mechanism (CDM). The sectoral scopes are as follows:

(i) Energy Industries (renewable-/nonrenewable sources)
(ii) Energy distribution
(iii) Energy demand
(iv) Manufacturing industries
(v) Chemical industries
(vi) Construction
(vii) Transport
(viii) Mining/Mineral
(ix) Metal production
(x) Fugitive emissions from fuels (solid, oil, gas)
(xi) Fugitive emissions from production and consumption of halocarbons and Sulphur hexafluoride
(xii) Solvent Use
(xiii) Waste handling and disposal
(xiv) Afforestation and reforestation
(xv) Agriculture
(xvi) Carbon Capture and Storage

4.6.2 Sectoral scope of Afforestation and Reforestation shall also include project types such as Improved Forest Management, Grassland Management, mangrove Solvent use plantations, among others.

4.6.3 The Registry shall accept projects being developed using CDM methodologies, except for the methodologies which shall be excluded due to scope exclusions (refer subsection 4.4).

4.6.4 All proposed projects, new methodologies and tools shall fall within one or more sectoral scope(s) identified above.

5. Entry into Force

The standard document shall enter into force on the date of publication of the final document and shall be subject to revision every two years or as deemed appropriate by the NCCF. No earlier version(s) of this standard document exist(s).

6. Language

English shall be the language of operation of the Registry. All regulatory documents under the Registry, as applicable, shall be in English. If required, the documents may be translated into other languages by NCCF only.

However, interpretation of the English version shall hold precedence over other all language versions.

7. GHG Accounting Principles

The Registry shall adhere to the GHG accounting principles established in the standard ISO 14064-2:2006 Greenhouse Gases - Part 2: Specification with guidance at the project level for quantification, monitoring and reporting of greenhouse gas emission reduction and/or removals enhancement. The principles are:

(i) **Relevance:** Select the GHG sources, GHG sinks, GHG reservoirs, data and methodologies appropriate to the needs of the intended user.

(ii) **Completeness:** Include all relevant GHG emissions and removals. Include all relevant information to support criteria and procedures.

(iii) **Consistency:** Enable meaningful comparisons in GHG-related information.

(iv) **Accuracy:** Reduce bias and uncertainties as far as is practical.

(v) **Transparency:** Disclose sufficient and appropriate GHG-related information to allow intended users to make decisions with reasonable confidence.

(vi) **Conservativeness:** Use conservative assumptions, values and procedures to ensure that GHG emissions reduction and/ or removals enhancement are not over-estimated.

8. Risk of Non-Permanence and Mitigation Measures

A critical requirement of the Registry is that the net GHG removals enhancement generated by a project be permanent in nature. Permanence (as it is termed) of net GHG removals enhancement (or net avoided emissions) is an essential aspect of environmental integrity and carbon mitigation projects. The issue of permanence is particularly relevant to AFOLU projects. As far as AFOLU projects are concerned, *Permanence refers to the longevity of the net GHG removal enhancement and the long-term stability of the aggregate carbon stock*. The net GHG removals corresponding to AFOLU projects might not be permanent and may result in release of GHG back into the atmosphere (GHG reversal) upon materialisation of potential risk(s) (like extreme weather events, fires, insect infestation, political instability, etc.).

Based on their source, the GHG reversals can be classified into two distinct classes, *i.e.*, anthropogenic (or man-made) and natural, also known as intentional and unintentional GHG reversals respectively. Thus, it is essential for IPP(s) to determine the

risk of non-permanence, both from anthropogenic and natural causes and adopt an appropriate approach to GHG reversals.

IPP(s) intending to register AFOLU projects aimed at net GHG removals enhancement shall perform an evaluation of the aggregate risk (based on accumulation of all types of identified risks, relevant to the proposed project) of non-permanence for the proposed AFOLU project by using this tool, *i.e.,* the CR-I Tool for Determination of GHG Reversal Risks and Buffer Pool Contribution Based on the tool, the IPP(s) shall quantify the risk percentage of the proposed project, termed as the Minimum Buffer Percentage (MBP), which shall be the amount of carbon units (MCUs) that must be deposited in the CR-I Buffer Pool Account to offset the risk of GHG reversals.

NCCF shall be responsible for managing and executing operational control over the CR-I Buffer Pool Account.

PART A: PROJECTS

9. Design and Development of Proposed Projects

This section prescribes rules and requirements for proposed projects needing design and development and further seeking registration.

The rules and requirements have been set out to ensure that all proposed projects conform to a standardised method during design and development and, registered projects conform to a standardised method during implementation, operation and monitoring, as applicable. In addition, through cultivation of best science-based practices on environmental and social measures, the projects and the resulting GHG emissions reduction and/or removals enhancement would be acknowledged as satisfying the highest standard with due compliance with established principles of the Registry.

9.1 Overarching Rules and Requirements

9.1.1 All proposed projects shall completely adhere to rules and requirements, as applicable, prescribed in Section 9.

9.1.2 The IPP(s) shall provide all necessary data, information and documentation to demonstrate compliance of the proposed projects with prescribed rules and requirements, as applicable.

9.1.3 All proposed projects shall only apply methodology(ies) approved by the Registry. The list of approved methodologies is provided on the Registry website. The Registry shall permit design and development of projects based on CDM methodologies and tools (as per the scope of the Registry) and any methodology/tool approved and listed by the Registry.

9.1.4 All proposed projects shall completely adhere to all rules and requirements, as applicable, prescribed in respect of the applied methodology(ies) and referenced tools and/or modules.

9.1.5 For the purpose of registration of proposed projects, the IPP(s) shall prepare a Detailed Project Document (DPD) using a valid version of the DPD template, and Stakeholder Consultation Report (SCR) using valid version of the SCR template available on the Registry website and submit it for validation by an empaneled VVB.

9.1.6 While preparing the DPD and SCR, the IPP(s) shall completely adhere to the document preparation instructions provided in the corresponding templates and shall further comply with the rules and requirements, as applicable, prescribed in Section 9.

9.1.7 For the purposes of demonstration of additionality and/or quantification of the GHG emissions reduction and/or removals enhancement, the IPP(s) shall use the Global Warming Potential values prescribed in the IPCC's Fourth Assessment Report.

9.2 Introductory details

9.2.1 The IPP(s) shall provide the following information on the cover page of the DPD:

(i) The complete title of the proposed project;
(ii) The complete title and version number of the applied methodology(ies) and the relevant sectoral scopes;
(iii) The physical/geographical location of the proposed project;
(iv) Scale of the project;
(v) Names of all the IPP(s) associated with the project;
(vi) Delegate Entity (DE) appointed by IPP(s);
(vii) Project crediting period details including the type, start and end dates and the duration;
(viii) Project start date;
(ix) Estimated amount of net GHG emissions reduction/net removals enhancement achieved during the monitoring period;
(x) SD Impact factor of the proposed project;
(xi) GHG Reversal Risk percentage and Minimum Buffer Contribution, if applicable;
(xii) Type of External Project, if applicable;

9.3 Project Ownership

9.3.1 The DPD shall specify the IPPs that have been assigned Project Ownership. The definition of the term 'Project Ownership' has been provided in the Glossary of Terms.

9.3.2 The IPP(s) shall provide appropriate supporting documentation as evidence establishing Project Ownership.

9.3.3 IPP(s) shall appoint Delegate Entity (DE), *i.e.*, one of the IPPs or an external entity such as a consultant. For clarity, IPP(s) may refer to definition of DE in Glossary of Terms. DE shall be responsible for the following (with or without the help of other IPPs)

(i) Overall coordination and management of project including but not limited to stakeholder consultations, ESIA, onsite project activities, management of resources (financial, human and capital), monitoring of project, furnishing of project related documents *etc,*.
(ii) Overall communication and coordination with VVB regarding corresponding validation and verification activities.
(iii) Overall communication and coordination with NCCF related project and standard related queries.
(iv) Overall coordination among the IPPs
(v) Establishing eligibility criteria for and process of inclusion of CPA to a PoA
(vi) Any other activity required by the project or as required and/or mutually agreed between the IPPs, project implementation partners and DE.

9.3.4 Project shall be proposed and registered from account of the DE.

9.3.5 IPPs shall submit a signed agreement between the IPPs and the DE. In case of change of DE, IPPs shall inform the change of DE and the new signed contract *via* email to cri.projects@nccf.in and carbon.registry@nccf.in with the email subject as 'change of DE' followed by complete name of project and its unique Project Reference Number (PRN).

9.4 Description of the Project

9.4.1 The IPP(s) shall provide a reasonably-detailed description of the proposed project to facilitate comprehension of its overall scope, nature and implementation of the GHG emissions reduction and/or removals enhancement activities.

9.4.2 For the purpose of describing a proposed project, the IPPs(s) shall provide information on the following elements:

(i) The complete title of the proposed project;
(ii) The complete title and version number of the applied methodology(ies) and the relevant sectoral scopes;
(iii) The physical/geographical location of the proposed project;
(iv) Measures, technologies, equipment used by the proposed project and their comparison with measures, technologies, equipment being used in the scenario antecedent to the proposed project;
(v) The appropriate means through which the proposed project aims to achieve GHG emissions reduction and/or removals enhancement;
(vi) A summary of the relevant baseline scenario, as established using appropriate means prescribed in section 9.11 of this standard.

(vii) Estimated annual average GHG emissions reduction and/or removal enhancement resulting from the proposed project.

9.4.3 The DE shall explicitly disclose if the proposed project is seeking registration, registered and/or implementing and operating under other GHG programmes. IPP(s) shall transparently identify if the proposed project is classified as an External Project (EP) as per the Section 11 of the standard.

9.4.4 In case of Programme of Activities (PoA), project description shall be corresponding to generic Component Project Activity (CPA) included in PoA.

AFOLU Projects

9.4.5 In addition to the above, the description of a proposed AFOLU project shall include information on the following elements:

(i) Confirmation of ownership of the land where the proposed project is planned to be implemented, through legal title(s), current land tenure and rights;
(ii) Prevailing environmental conditions of the area of the project, encompassing climate, hydrology, soil types and ecosystems;
(iii) Existence of rare, endangered and threatened (RET)[1] species potentially affected by the proposed project, along with their habitats;
(iv) Species and varieties of flora chosen for the proposed project;
(v) GHG reversal risk and the Minimum Buffer Percentage (MBP) based on the rules, requirements and procedures established in CR-I Tool for Determination of GHG Reversal Risks and Buffer Pool Contribution.

Programme of Activities (PoA)

9.4.6 In addition to the above, the description of a proposed PoA shall include information on the following elements:

(i) Plan of implementation of the proposed PoA within the defined geographic area including the Component Project Activities (CPAs) currently being implemented and CPAs planned for inclusion at later stages. IPP(s) shall mention the geographic location/area of all the CPAs of PoA;

(ii) Eligibility criteria set, and process established by DE of inclusion of CPA in the proposed PoA.

[1] Defined as per IUCN Red list available at: https://www.iucnredlist.org/

9.5 Project Scale

9.5.1 All proposed projects have been classified into three sub-categories based on the estimated net GHG emissions reduction capacity:

(i) **Micro-Scale:** projects with estimated net GHG emissions reduction[2] less than or equal to 10,000 tCO_2eq per year.

(ii) **Small-Scale:** projects with estimated net GHG emissions reduction greater than 10,000 tCO_2eq per year but less than or equal to 60,000 tCO_2eq per year.

(iii) **Large-Scale:** projects with estimated net GHG emissions reduction greater than 60,000 tCO_2eq per year.

9.5.2 All the CPAs of the proposed/registered PoA shall be of the same scale, *i.e.*, all CPAs shall be either be micro-scale or small-scale or large-scale.

9.6 Project Boundary

9.6.1 The IPP(s) shall provide a description of the project boundary comprising the physical delineation and/or geographical area (including geographical limits for PoA such as city, state, region, country, etc) of the project and the specification of GHGs and sources under the control of the IPPs that are significant and reasonably attributable to the project. The IPP(s) shall also provide evidence of adherence to the applied methodology(ies) and relevant tools.

9.6.2 The IPP(s) shall provide a complete description of the physical/geographical boundary of the proposed project by specifying the broad geographical coordinates of facilities, units, establishments, location(s) of measures, technologies, equipment and prospective end users, as applicable. All CPAs included or planned to be included shall be within the defined geographical boundary.

9.6.3 The IPP(s) shall identify and describe all source(s), sink(s), reservoir(s) and types of GHGs in accordance with the applied methodologies and relevant tools.

9.6.4 The IPP(s) shall quantify GHG emissions and/or removals separately for each relevant source, sink, reservoir and types of GHGs, as specified in the applied methodology(ies), and in conformance with the established project and baseline scenario.

[2] Net GHG emissions reduction = GHG emissions reduction + GHG removal enhancements – (Project emissions + leakage)

9.6.5 The IPP(s) shall reasonably justify exclusion, if any, from applicability and regular monitoring, of any source(s), sink(s), reservoirs(s) and types of GHGs, as established in the applied methodology(ies).

AFOLU projects:

9.6.6 For proposed AFOLU projects, the project boundary shall encompass a description of the following elements:

(i) Physical/geographical boundary, of the entire project area along with unique identification of each distinct segment of land comprising the proposed project, as applicable.
(ii) Confirmation of ownership of the land on which the proposed project is to be implemented.

9.6.7 The IPP(s) shall reasonably demonstrate control over the entire project area, as determined in section 9.6.6 above. In order to do so, the IPP(s) shall justify, through provision of appropriate evidence(s), their legal right to implement the project in the designated area.

9.7 Local Stakeholder Consultation

9.7.1 The IPP(s) shall identify and engage relevant stakeholders that are directly or indirectly being affected by the installation, operation and monitoring of the proposed project. For PoA, IPP(s) shall conduct stakeholder consultation at the PoA level, which shall also include the CPAs proposed during registration and planned for future inclusions.

9.7.2 If required, the IPP(s) shall refer to the definition of Stakeholder provided in the Glossary of Terms document.

9.7.3 The IPP(s) shall prepare a Stakeholder Consultation Report (SCR) using a valid version of the SCR template available on the Registry website and submit it, along with the DPD, for validation by an empaneled VVB.

9.7.4 While preparing the SCR, the IPP(s) shall completely adhere to the document preparation instructions provided in the template and shall further comply with the rules and requirements, as applicable, prescribed in Section 9.7.

9.7.5 The IPP(s) shall undertake the following activities that constitute the Local Stakeholder Consultation process:

(i) **Stakeholder Mapping:** Using a scientifically recognised approach[3], the IPP(s) shall identify and categorise all stakeholders relevant to the proposed project. At the very least, the IPP(s) shall map, for participation in the consultation meeting, stakeholders from the following categories:

(a) Local People inhabiting the areas affected by the project, and/or their representatives.
(b) Local people inhabiting the areas affected by the project and belonging to economically and socially disadvantaged communities, and/or their representatives.
(c) Representatives of local/regional/national authorities and policy makers.
(d) Local Non-Governmental Organisations (NGOs) working on topics relevant to the project.
(e) Large businesses/businesses operating in the areas affected by the proposed project.

(ii) **Stakeholder Invitation:** The IPP(s) shall, through appropriate means, contact and invite all relevant stakeholders identified and categorised during the mapping exercise. IPP(s) shall also inform the invited stakeholders about their role in project implementation.

(iii) **Stakeholder Consultation Meeting:** The IPP(s) shall organise a minimum of one physical stakeholder consultation meeting comprising all relevant stakeholders. At the very least, in the meeting, the IPP(s) shall perform the following activities:

(a) Providing a brief description of the proposed project, including, but not limited to, information on its key implementers, details of exact location and scope, project design and working, measures for GHG emissions reduction and/or removals enhancement and sustainable development benefits, as applicable.
(b) Sensitising the stakeholders regarding all the possible direct and indirect positive and negative outcomes due to the installation, implementation, operation and monitoring of the proposed project.
(c) Inviting the participants to submit their suggestions/comments/feedback, through appropriate means, and further providing responses to them on each submission.

(iv) **Documentation:** During the consultation meeting, the IPP(s) shall write down the Minutes of Meeting, record all suggestions/comments/feedback and their responses thereto, and further record stakeholders' submissions and IPP(s) responses in the SCR, where required.

(v) **Incorporation of comments and suggestions:** DE shall assess and, if appropriate, incorporate all relevant suggestions/comments/feedback received during the

[3] Scientifically recognised approach may be defined (here) as a method or a process used by the IPP which is based on a hypothesis backed by mathematical and experimental findings.

consultation meeting. The same shall be provided, in a recognised format, to the VVB during validation.

9.7.6. If the project design undergoes significant changes since the last stakeholder consultation meeting, the IPP(s) shall organize a new consultation meeting following the rules and requirements prescribed in sub-Section 9.7.5.

9.8 Project Start Date

9.8.1. The IPP(s) shall provide the start date of the project and for clarity may also refer to the definition of Project Start Date provided in the Glossary of Terms document.

9.8.2. For non-AFOLU projects, DE shall complete the validation of the project within three years of the project start date. For projects applying a new CRI methodology, where validation of methodology has taken two years after the project start date, the project validation process may be completed within four years from the project start date.

9.8.3. For AFOLU projects, DE shall submit the project for listing within five (05) years of start date of project and the process of validation shall be completed within six (06) years of the project start date.

9.9 Project Crediting Period

9.9.1 The IPP(s) shall unequivocally specify both, the type and duration of the crediting period, for the proposed project in accordance with the following requirements:

(i) **Fixed-type crediting period** having a single duration of up to 10 years;

(ii) **Renewable-type crediting period** having a total length of up to 21 years and comprising of three distinct crediting periods of no more than 7 years each, thereby allowing renewal twice.

9.9.2 If required, the IPP(s) may refer to the definition of Project Crediting Period provided in the Glossary of Terms document.

9.9.3 The duration of the crediting period shall include determination of singular start and end dates, in DD/MM/YYYY format, with the start date falling on or after the date of registration of the proposed project.

9.9.4 Any project, registered under this or any other GHG programme, shall not be eligible for re-registration/renewable of crediting period/issuance after expiration of its total crediting period duration.

9.9.5 The IPP(s) may apply for the renewal of crediting period of a registered project by adhering to the rules and requirements prescribed in Section 12.

AFOLU projects:

9.9.6 For proposed AFOLU projects, the IPP(s) shall unequivocally specify both, the type and duration of the crediting period, for the proposed project in accordance with the following requirements:

(i) **Fixed-type crediting period** having a single duration of up to 30 years;

(ii) **Renewable-type crediting period** having a total length of up to 60 years and comprising of three distinct crediting periods of no more than 20 years each, thereby allowing renewal twice.

9.10 Application of Approved Methodology(ies)

9.10.1 The IPP(s) shall identify and apply the Registry approved methodology or set of methodologies and associated tool/modules and further ensure that the proposed project completely adheres to all rules and requirements, as applicable, prescribed therein. The Registry also allows IPP(s) to use CDM methodologies and tools for design and development of project, except that are excluded based on the scope exclusion as mentioned in subsection 4.4.1. IPP(s) may use guidance on allowed CDM Methodologies available on the Registry website.

9.10.2 IPP(s) shall indicate the reference number, complete title and version number of the methodology and supporting tools used by the proposed project.

9.10.3 The IPP(s) shall, through appropriate means, adequately demonstrate applicability of the selected methodology or set of methodologies and supporting tools to the proposed project by fulfilling all the applicability conditions, as applicable, described therein.

Deviations from Applied Methodology(ies):

9.10.4 The Registry allows project-specific deviations from the rules, requirements and procedures prescribed in the applied methodology(ies) limited to the following elements:

(i) Data and parameters fixed ex-ante
(ii) Data and parameters monitored
(iii) Monitoring Strategy

9.10.5 Proposed deviation(s) from rules, requirements and procedures pertaining to methodological elements other than the ones identified in section 9.10.4 above shall not be permitted under the Registry.

9.10.6 The IPP(s) shall demonstrate, through appropriate evidence(s), that the proposed deviations do not adversely impact the conservativeness of the quantification of GHG emissions reduction and/or removals enhancement ensured by the replaced rules, requirements and procedures, as applicable.

9.10.7 For the purpose of seeking approval of proposed deviation(s) from the applied methodology(ies), the IPP(s) shall prepare a Methodology Deviation Form (MDF) and submit using the online interface to NCCF.

9.10.8 The Registry accepts submission of proposed deviation(s) for their approval and adoption, if applicable, both during the validation or verification process.

9.10.9 Approval of proposed deviation(s), provided on project-specific basis, shall be a one-time occurrence and shall not be considered as a precedent to IPP(s) submitting deviation(s) subsequently.

9.10.10 Deviation(s) from the applied methodology(ies) shall not be considered and/or submitted as revisions in the applied methodology(ies) by the IPP(s).

9.11 Determination of Baseline Scenario

9.11.1 The IPP(s) shall determine and define the appropriate baseline scenario, corresponding to the proposed project, based on the rules, requirements and procedures prescribed in the standard and the applied methodology(ies) and/or supporting tools.

9.11.2 The IPP(s) may refer to the definition of Baseline Scenario provided in the Glossary of Terms document.

9.11.3 In determining and defining the baseline scenario, the IPP(s) shall describe all applied and used measure(s), technology(ies), equipment, and nature and level of services offered by both the proposed project and the established baseline scenario, including a clear comparison between the two. The IPP(s) shall further take into consideration all appropriate regional, national, sectoral policies, regulations and conditions to determine the baseline scenario.

9.11.4 The IPP(s) shall ensure that all values, assumptions and methods applied for determining and defining the baseline scenario are conservative and thus do not result in overestimation of the baseline GHG emissions, or underestimation of the baseline removals resulting in overestimation of ensuing GHG emissions reduction and/or removals enhancement due to implementation of the project.

AFOLU projects:

9.11.5 For proposed AFOLU projects, the IPP(s) shall determine and define the appropriate baseline scenario, corresponding to the proposed project, based on the rules, requirements and procedures prescribed in the applied methodology(ies) and/or supporting tools or based on globally recognized GHG inventory protocols, such as the **IPCC 2019 Guidelines for National GHG Inventories.**

9.11.6 In determining and defining the baseline scenario, the IPP(s) shall consider pre-existing and current environmental and land management procedures and practices and shall further ensure that the established baseline scenario uses procedures and practices commensurate with existing standards within the region.

Programme of Activities

9.11.7 IPP shall determine and define appropriate baseline scenario, corresponding generic CPA included in PoA. Baseline determination shall be based on the rules, requirements and procedures prescribed in the standard and applied methodologies and/or supporting tools.

9.11.8 IPP shall justify the baseline scenario for each CPA included during the validation and for each CPA proposed at later stages. In a scenario where baseline scenario of generic CPA is not applicable and/or appropriate for a specific CPA, IPP shall determine the baseline scenario as per the rules, requirements and procedures of CS and applied methodology(ies) and/or tool.

9.12 Demonstration of Additionality

9.12.1 The IPP(s) shall demonstrate that the proposed project is additional by utilizing the rules, requirements and procedures prescribed in the standard and the applied methodology(ies) and supporting tools.

9.12.2 The IPP(s) shall, for demonstration of additionality of a proposed project, adopt and adhere to the rules, requirements and procedures prescribed in the relevant Methodological tools and guidelines, as applicable, and established in the CR-I registry and/or CDM of the UNFCCC.

9.12.3 The IPP(s) may refer to the definition of Additional/Additionality provided in the Glossary of Terms document.

9.12.4 All proposed micro-scale projects shall be auto-additional irrespective of the sectoral scope(s), methodology(ies) applied or geographical location. IPP(s) need not demonstrate additionality in the DPD. However, IPP(s) shall refer to the appropriate sections of the Carbon Standard in the DPD as a justification for auto-additionality of the proposed project.

9.12.5 All proposed small-scale projects located within the physical/geographical boundary of States and Union Territories (UTs) of the Indian Territory would be auto-additional if; SDG Index Scores of States and UTs is less than the national average as per the latest SDG index scores published by Niti Aayog available at the time of validation of project. IPP(s) shall cite the latest version of the applicable report, document, etc., in the DPD.

9.12.6 All proposed small-scale located within the physical/geographical boundary of countries, other than India, would be auto-additional if; national average SDG index scores of those countries are less than the national average SDG index score of India as per the latest SDG index scores published by Sustainable Development Solution Network (SDSN) available at the time of validation of project. IPP(s) shall cite the latest version of the report, document, etc., in the DPD.

9.13 Estimation of GHG emissions reduction and/or removals enhancement.

9.13.1 For proposed non-AFOLU projects, the IPP(s) shall provide reasonable estimates of the average annual and aggregate GHG emissions reduction to be generated by the proposed project within the specified crediting period, by adhering to the rules, requirements and procedures prescribed for the applied methodologies and supporting tools.

9.13.2 The IPP(s) shall explain each methodological step in the procedure used for the estimation of baseline, of project GHG emissions and leakage emissions, and of the GHG emissions reduction to be generated by the proposed project.

9.13.3 The IPP(s) shall ensure that GHG emissions shall be estimated considering each GHG source, sink, reservoir applicable to the baseline scenario, project scenario, and leakage.

9.13.4 The IPP(s) shall, through appropriate means, substantiate the adoption of a specific scenario, case, option, default value when applied methodology(ies) contains such alternatives.

9.13.5 The IPP(s) shall indicate all relevant parameters, coefficients, variables, required and subsequently used for the calculation of baseline GHG emissions, project GHG emissions and leakage, whose values are known prior to the registration, and remain fixed throughout the crediting period are not monitored.

9.13.6 When a sampling approach for ex-ante determination of value of a specific parameter, coefficient, variable, the sampling strategy devised and used shall be in adherence to the rules and requirements prescribed in the current version of the "Standard: Sampling and surveys for CDM project activities and programmes of activities" and the applied methodology(ies).

AFOLU projects:

9.13.7 For proposed AFOLU projects, the IPP(s) shall adhere to the following two paragraphs (paragraphs 9.13.8 and 9.13.9) in lieu of paragraphs 9.13.1 and 9.13.3 above.

9.13.8 The IPP(s) shall provide reasonable estimates of the average annual and aggregate net GHG removals enhancement or net GHG emissions reduction, as applicable resulting from the proposed project within the specified crediting period, by adhering to the rules, requirements and procedures prescribed in the applied methodologies and supporting tools.

9.13.9 The IPP(s) shall ensure that GHG emissions reduction and/or removals enhancement shall be estimated considering each GHG source, sink, reservoir applicable to the baseline scenario, project scenario and the leakage.

9.13.10 The IPP(s) shall adhere to rules, requirements and procedures prescribed for internationally recognized sources for determination of GHG emissions and/or removals in respect of the five main carbon pools or reservoirs in forests: above-ground biomass, below-ground biomass, dead wood, litter and soil organic carbon.

9.13.11 The IPP(s) shall, by adhering to the rules, requirements and procedures of the

CR-I Tool for Determination of GHG Reversal Risk and Buffer Contribution, determine the risk (categories and types) and Minimum Buffer Percentage (MBP) associated with the project.

9.14 Monitoring Approach

9.14.1 The IPP(s) shall design and describe an approach for monitoring of the proposed project by adhering to the relevant rules, requirements and procedures prescribed in the applied methodology(ies).

9.14.2 The Monitoring Approach shall be composed of the following two elements:

(i) Data and parameters to be monitored
(ii) Monitoring Strategy

9.14.3 For all data and parameters to be monitored, the IPP(s), in adherence to the rules, requirements and procedures prescribed in the applied methodology(ies), shall:

(i) Indicate all relevant parameters, coefficients, variables, required for the calculation of baseline GHG emissions and/or removals, project GHG emissions, GHG emissions reduction and/or removals enhancement, and leakage, whose values are to be monitored as per the rules, requirements and procedures prescribed for the applied methodology(ies).

(ii) Describe the procedures to be applied for:
   (a) Ensuring Quality Assurance/Quality Control (QA/QC);
   (b) Determining the levels of uncertainty and the corresponding levels of accuracy in the methods, measures, equipment instruments used during monitoring activities.
   (c) Indicating and maintaining the calibration requirements of instruments and equipment, used during monitoring activities.

9.14.4 For establishing the Monitoring Strategy, the IPP(s) shall design and describe a dedicated GHG management system for collection, collation, storage and analysis of all relevant data and parameters required for calculation of baseline GHG emissions and/or removals, project GHG emissions, GHG emissions reduction and/or removals enhancement and leakage. The GHG management system shall also:

(i) Provide an organizational and management framework including the roles and responsibilities of all entities and personnel, including the DE involved in executing the Monitoring Strategy.
(ii) Ensure that all monitored data is preserved for a period of at least five years after expiration of the final crediting period or the most recent issuance of MCUs, whichever occurs later;

9.14.5 IPP(s)shall describe the monitoring approach for contribution to SD as per rules, requirements and procedures prescribed in the CR-I Tool for Determination of Contribution of Project Towards Sustainable Development.

9.14.6 If applicable, IPP(s) shall describe the monitoring approach for applicable GHG reversal determined as per the rules, requirements and procedures prescribed in CR-I Tool for Determination of GHG Reversal Risks and Buffer Contribution.

9.15 Environmental, Economic and Social Safeguards

9.15.1 IPP(s) shall ensure that proposed project does not negatively impact the environment and the communities directly or indirectly during its design, development, implementation, operation and monitoring. IPP(s) shall employ appropriate safeguards mechanism to identify, prevent and mitigate any negative impacts of the project. It is based on the principle that proposed project shall do '**no net harm**' at any stage of its design, development, implementation, operation and monitoring.

9.15.2 IPP(s) shall ensure the integrity of environmental, economic and social aspects by ensuring following safeguards:

(i) **Land and Biodiversity:** IPP(s) shall ensure that proposed project does no harm to overall land and soil quality, biodiversity, especially Rare, Endangered and Threatened (RET) species [4] and shall not cause or aggravate ecological imbalance.

(ii) **Water:** IPP(s) shall ensure that proposed project does not deteriorate directly or indirectly the quality and quantity of water and related infrastructure, as applicable to the communities in the context of the proposed project.

[4] Threatened species: an umbrella term used for any species categories as critically endangered, endangered or vulnerable by the IUCN Red List of threatened list. https://www.iucnredlist.org/

[5] 30 Human Rights are declared by United Nations. Available at - https://www.un.org/en/universal-declaration-human-rights/

Working Opportunities and Conditions: IPP(s) shall ensure that personnel involved during any stage of the proposed project are provided with fair working conditions including adequate compensation. IPP(s) shall also ensure adherence to all national, regional and local labour laws.

(iii) **Community and Human Rights:** IPP(s) shall ensure the rights of communities are not negatively altered, including access resources to communities, especially *w.r.t* socially, economically, marginalized and tribal communities. IPP(s) shall also ensure that proposed project does not impact the Human Rights as declared by the United Nations[5], as appropriate. IPP(s) should prefer that people/communities are not displaced due to proposed project and if people/communities are displaced, appropriate resettlement (both physical and economic) shall be ensured.

(iv) **Gender Equality:** IPP(s) shall ensure that proposed project does not lead to inequality in allocation of resources, opportunities, *etc.,* based on gender, race, caste, colour, ethnicity and sexual orientation. IPP(s) shall also ensure that proposed project does not create social barriers and also does not endorse social malpractice through proposed activities of, or individuals involved in the project.

(v) **Religion, Culture, Tradition and Heritage:** IPP(s) shall ensure that proposed project does not hurt the religious and cultural beliefs and does no harm to places, sites, buildings, monuments, statues deemed important from religious, cultural, traditional, heritage, local, or national perspective.

9.15.3 The IPP(s) shall conduct a detailed and exhaustive Environmental and Social Impact Assessment (ESIA) by adhering to the relevant national/regional policies, rules, regulations, requirements and procedures to demonstrate the conformance of the principle of 'no net harm' as prescribed in Sub-section 9.15.2. In case of non-availability of national or sub-national rules, requirements and procedures for conducting ESIA, the IPP(s) shall adopt and strictly adhere to internationally recognized and accepted guidelines.

9.15.4 IPP(s) shall elaborate adequately in appropriate section of SCR, the conformance of the proposed project to environmental, economic and social safeguards as established in Section 9.15.2 of the standard. The IPP(s) shall, through citation of relevant reference documents, provide a summary of the ESIA conducted in the appropriate section of the SCR. All reference documents shall be made available to the VVB(s) at the time of validation.

9.15.5 Proposed micro-scale projects are required to conduct a Preliminary Study and not an exhaustive ESIA of their potentially negative environmental and social impacts using a scientifically recognized approach and include a summary of the study in the appropriate section of SCR. In the event, when based on the Preliminary Study, it is determined that the negative environmental and social impacts associated with the proposed project are

considerable, the IPP(s) in such case shall have to conduct a detailed ESIA. Micro-scale project shall be exempted from reporting safeguard mechanism in every Monitoring Report.

9.15.6 IPP(s) shall provide brief update on environmental, economic and social safeguards with every monitoring report, in appropriate section of the MR.

AFOLU Projects

9.15.7 Proposed projects under the sectoral scope of Afforestation/Reforestation and proposed within the Indian Territory may demonstrate the conformance to the requirements of safeguard mechanism and ESIA by opting for NCCF recognized standards as per the rules and requirements prescribed in Sub-section 9.17. IPP shall cite the appropriate sections of yearly NCCF recognized standards audit report(s) in the appropriate sections of the SCR and/MR, as applicable.

9.16 Contribution towards Sustainable Development

9.16.1 The IPP(s) shall clearly determine a proposed project's contribution to Sustainable Development (SD) by adhering to the rules, requirements and procedures prescribed in the CR-I Tool for Determination of Contribution of Projects towards Sustainable Development. The IPP(s) shall further include a description of the SD contribution in the appropriate section of the DPD.

9.16.2 Projects falling under the sectoral scope of Afforestation/Reforestation proposed within the Indian Territory may account for sustainable development benefit(s) achieved, and audited under NCCF recognized standards. IPP shall cite the appropriate sections of the NCCF recognized standards audit report(s) in the appropriate section of DPD.

9.17 NCCF Recognized Programs under AFLOU

9.17.1 For Land Use and Forestry Projects under the sectoral scope of Afforestation/Reforestation of the Registry, such as Afforestation, Reforestation, Forest Restoration, Improved Forest Management (IFM), etc., the IPP(s) should use NCCF recognized Standards to promote sustainable and responsible management of the forested area, thus leading to practices which are economically viable, environmentally responsible and socially beneficial.

9.17.2 If certified under NCCF recognized Standards, IPP(s) shall maintain the certificate for the complete crediting period. IPP(s) is not required to submit the copies of certificate and/or audit report with the proposed project.

9.17.3 If the proposed project is certified under the NCCF recognized Standards, IPP(s) shall be exempted from conducting separate ESIA as prescribed in Sub-section 9.15 of the standard provided, the certification is valid and maintained throughout the crediting period of the project. However, IPP(s) shall be required to cite the relevant sections of the NCCF recognized standards audit report in the DPD and shall not submit the same during validation and verification of the proposed project.

9.17.4 Mitigation of risks in the relevant Risk Categories and Risk Types defined as per the CR-I Tool for Determination of GHG Reversal Risk and Buffer Contribution may also be addressed if proposed project is certified under NCCF recognized Standards provided, the certification is valid and maintained throughout the crediting period. However, IPP(s) shall be required to cite the relevant sections of NCCF recognized standards audit report(s) and submit it during validation and verification of the proposed project. Example, NCCF – PEFC FM requires preparation of, *inter alia*, a fire management plan which includes practices to prevent forest fires and exercise control measures in case of occurrence of forest fires. This may reduce the score of Risk Type fire in the Risk Category of natural risks.

9.17.5 IPP(s) having the NCCF recognized Standards for the proposed project, may also incorporate the contribution of project towards sustainable development as per the CR-I Tool for Determination of Contribution of Project Towards Sustainable Development provided, the certification is valid and maintained for the entire crediting period. IPP(s) shall be required to cite the relevant sections of NCCF recognized standards audit report and submit the same during validation and verification of the proposed project. Example, if local communities are involved in activities of FM and/or project implementation, operation and monitoring with gainful employment, it may be reported as a contribution to sustainable development under the applicable SDG.

9.18 Validation of the proposed project

9.18.1 For conducting validation of the proposed project, the IPP(s) shall appoint a VVB or IVVE* empaneled with the Registry for performing validation in the relevant sectoral scope(s) and the applied methodology(ies). The IPP(s) shall enter into a legal contract with VVB/IVVE for the purpose of validation of proposed project.

9.18.2 The IPP(s) shall submit to the appointed VVB the completed DPD, along with the SCR and all supporting documents, required for Extended Stakeholder Consultation and conducting validation of the proposed project, which entail independent assessment and evaluation of the project design against the rules, requirements and procedures of this standard, the Validation and Verification Standard and other relevant rules, requirements and procedures, not part of the Carbon Standard.

* *IVVE shall use only for micro scale projects.*

9.18.3 Any information, data, values provided in the DPD, and other supporting documents, deemed to be confidential, proprietary and/or commercially sensitive by the IPP(s) shall be treated as such by all entities under the Registry. However, information, data, values relating to the critical elements of the proposed project such as demonstration of applicability of the applied methodology(ies), determination of baseline scenario, demonstration of additionality and estimation of GHG emissions reduction and/or removals enhancement shall not be deemed confidential, proprietary and/or commercially sensitive.

9.18.4 IPP(s) shall completely adhere to the procedure for registration of project as prescribed in Registration and Issuance Procedure (RIP) for validation and further registration of proposed project.

10. Clustering of Individual Proposed Projects

10.1. IPP(s) may combine several proposed micro-scale or small-scale projects into a Project Cluster (PC) by adhering to the rules and requirements prescribed in the Guidelines for Clustering of Individual projects.

10.2. The rules and requirements for clustering of individual proposed projects, prescribed in the above-mentioned guidelines are additional to the rules and requirements set out in this standard document and any other regulatory document, as applicable.

11. External Projects

11.1. General

11.1.1. The Registry allows registration of projects that are/were registered or are/were seeking registration with other voluntary or compliance based GHG programmes, are termed as External Project (EP) and are limited by the following classification:

(i) **Parallel Projects:** The two types of parallel projects aimed at GHG emissions reduction and/or removals enhancement are as follows:

a. projects that are already registered with any other similar GHG programme and seek simultaneous registration with the Registry.

b. projects which are proposed for registration with the Registry and have intent to seek simultaneous registration with other similar GHG programmes.

(ii) **Converted Projects:** EPs that are/were registered with any other GHG programme aimed at GHG emissions reduction and/or removals enhancement seek conversion of project from other GHG programme to the Registry.

(iii) **Rejected Projects:** EPs that were rejected for registration due to their failure to comply with the rule(s), requirement(s), procedure(s), as applicable, of associated voluntary or compliance based GHG programmes.

(iv) **Withdrawn Projects:** EPs that were voluntarily withdrawn during the registration process from associated voluntary or compliance based GHG programmes.

11.1.2. All EPs seeking registration with the Registry shall belong to any one of the above-mentioned EP classifications.

11.1.3. For the purpose of seeking approval for initiation of registration process for a specific EP, the IPP(s) shall prepare a Request for Approval for Initiation of Registration (RAIR) through the online interface, and submit it to NCCF for evaluation.

11.1.4. IPP(s) shall be liable to pay additional fee for External Projects to NCCF as prescribed in CR-I fee schedule.

11.1.5. Only EPs approved by NCCF shall be eligible for initiation of registration process with the Registry.

11.2. Parallel Projects

11.2.1. All EPs classified as parallel projects shall completely adhere to rules and requirements of Sub-section 11.1 and 11.2 in addition to all other rules and requirements of CS and any other regulatory document, as applicable.

11.2.2. DE shall ensure definition of proposed parallel project has been appropriately chosen as per Sub-section 11.1.1 (i) of the standard and mentioned in the appropriate section of the DPD.

11.2.3. All parallel projects shall be considered as new projects and shall completely adhere to procedure established in RIP for registration of project.

11.2.4. IPP(s) shall only request issuance of MCUs for a monitoring period for which it has not requested issuance of carbon credits from other GHG programme. IPP(s) shall further not request issuance of carbon credits from other GHG programme if it has already initiated the process of issuance of MCUs from the Registry.

11.2.5. Failure to comply with Sub-section 11.2.4 shall lead to the following:

(i) Cancellation of issued MCUs of the applicable non-compliant monitoring period and;
(ii) Compensation by IPP(s) to NCCF equaling five times the MCUs issued in the non-compliant monitoring period. MCUs can be from any sectoral scope and;
(iii) Cash penalty ranging from INR 1,000,000 to INR 10,000,000 as decided on case-to-case basis by NCCF, or its authorized body.

11.2.6. If a parallel project is classified as per the definition in Sub-section 11.1.1 (i) a., IPP(s) shall provide evidence of registration with other GHG programme which shall include name of the programme/standard/Registry, reference number of registered project and if required, DPD, validation report or equivalent document.

11.2.7. For parallel projects classified as per the definition in Sub-section 11.1.1. (i) a, project completing more than 3 years of crediting period shall not be permitted for registration with the Registry and may apply as a converted project with the Registry. Crediting period lapsed, shall not be covered/compensated by the Registry

11.2.8. If a parallel project is classified as per the definition in Sub-section 11.1.1 (i) b, IPP(s) shall mention the GHG programmes/standards/registries in which the project is intended for registration and further issuance of carbon credits. IPP(s) shall further inform NCCF of approval and/or rejection of project in other GHG programmes/standards/registries through

an email at cri.projects@nccf.in and carbon.registry@nccf.in and update and submit the DPD to NCCF.

11.2.9. IPP(s) shall completely adhere to rules, requirements and procedures of CR-I Tool for Determination of Contribution of Project Towards Sustainable Development. Also, for AFOLU projects pertaining to GHG removals enhancement (or avoided emissions), IPP(s) shall assess the risk of GHG reversal for the entire crediting period as per the CR-I Tool for Determination of GHG Reversal Risk and Buffer Contribution.

11.3. Converted Projects

11.3.1. All EPs classified as converted projects shall completely adhere to the rules and requirements of Sub-sections 11.1 and 11.3 in addition to other rules and requirements of the CS and any other regulatory document, as applicable

11.3.2. The process of transfer to project from another GHG programme to the Registry shall be termed as conversion of the project and the project shall be known as a converted project.

11.3.3. IPP(s) shall establish that the project intended for conversion has been withdrawn, deregistered or cancelled, as applicable, with the existing GHG programme, Registry or any other programme, and also provide to this effect adequate and appropriate evidence to the Registry.

11.3.4. IPP(s) may suggest changes to original project design in order to comply with rules, requirements and procedures of the Registry. In such case, IPP(s) shall submit both track change and clean versions of DPD using a valid version of DPD template, available on the Registry website along with other documents as required.

11.3.5. IPP(s) shall select the crediting type and period as per the rules and requirements established in Sub-section 9.9 of the CS. However, the crediting period completed by the project in the earlier GHG programme shall be deducted from the total crediting period of the converted project. The Registry shall not re-issue MCUs for the monitoring period missed/completed by the project during registration with the earlier GHG programme. The project shall start its CR-I crediting period after the end of the monitoring period in the previous GHG programme.

11.3.6. IPP(s) shall completely adhere to rules, requirements and procedures of CR-I Tool for Determination of Contribution of Project Towards Sustainable Development. Also, for AFOLU projects pertaining to GHG removals enhancement, IPP shall assess the risk of GHG reversal for the entire crediting

period as per the CR-I Tool for Determination of GHG Reversal Risk and Buffer Contribution.

11.4. Rejected and Withdrawn Projects

11.4.1. All EPs classified as rejected projects or withdrawn projects seeking registration with the Registry shall be treated as proposed new project submissions and shall further strictly adhere to rules and requirements, as applicable, prescribed in standard and any other regulatory document, as applicable.

11.4.2. For EPs classified as Rejected Projects, the IPP(s) shall provide the following, when seeking approval for initiation of registration process:

(i) As applicable, a list of all other voluntary or compliance based GHG programmes under which the IPP(s) has currently and/or previously applied for registration;
(ii) Detailed reason(s) for the project's rejection from the voluntary or compliance based GHG programme(s), and
(iii) All project-specific documents that were submitted under voluntary or compliance-based GHG programme(s) before the project was rejected.

11.4.3. For EPs classified as Withdrawn Projects, the IPP(s) shall provide the following, when seeking approval for initiation of registration process:

(i) As applicable, a list of all other voluntary or compliance based GHG programmes under which the IPP has currently and/or previously applied for registration of the project;
(ii) Reason(s) justifying its withdrawal from the voluntary or compliance based GHG programme(s).

12. Permanent Design Changes

The following rules and requirements are applicable if the IPP(s), having reasonable grounds to do so, decide(s) to make Permanent Design Changes (PDC) after registration of a project or at the time of the verification.

12.1. Overarching Rules and Requirements

12.1.1. The IPP(s) shall ascertain and further record all permanent proposed and/or actual changes to the design of the registered project by adhering to the rules and requirements of Section 12.

12.1.2. To aid transparency, the IPP(s) shall record all proposed and/or actual changes in the revised DPD and SCR, using a valid version of the DPD and valid version of SCR template respectively, available on the Registry website, and submit both track-change and clean versions of the revised DPD, SCR and supporting documents, as required to the VVB for validation.

12.1.3. In addition, the IPP(s) shall include in the revised DPD, a summary of all proposed and/or actual changes, further provide valid grounds for these changes and any other supporting information to aid better understanding of the nature, scope and applicability of the changes.

12.1.4. Currently, the Registry only allows permanent changes to the design of a registered project and the IPP(s) shall provide an appraisal of the potential impacts of all permanent proposed and/or actual changes to the design of the registered project on the following key aspects:

(i) **Applicability of methodology(ies):** The IPP(s) shall, through provision of appropriate justification, demonstrate the effect of all proposed and/or actual design changes on the suitability of the applied methodology(ies). The IPP(s) shall demonstrate fulfillment of all relevant applicability conditions of the applied methodology(ies) provided in the registered DPD. For instances where applicability of applied methodology(ies) cannot be satisfactorily demonstrated, after incorporation of proposed and/or actual design changes, the IPP(s) shall make appropriate revisions in the modified DPD and the project would be liable for re-examination.

(ii) **Appropriateness of the established baseline scenario**: The IPP(s) shall, through provision of appropriate justification, demonstrate the effect of all proposed and/or actual design changes on the appropriateness of the established baseline scenario. The IPP(s) shall refer to the procedure for determination, and definition of the baseline scenario provided in the registered DPD. For instances where the appropriateness of the established baseline scenario cannot be satisfactorily demonstrated, after incorporation of proposed and/or actual design changes, the IPP(s) shall make adequate and appropriate revisions in the modified DPD and the project would be liable for reexamination.

(iii) **Project scale:** The IPPs shall, through provision of appropriate justification, demonstrate the effect of all proposed and/or actual design changes on the scale of the project. The IPP(s) shall refer to the categorization of project scale provided in Sub-section 9.5. For instance, where a previously registered project breaches its threshold, after incorporation of proposed and/or actual design changes, the related rules and requirements may no longer be applicable and the IPP(s) shall make appropriate revisions in the modified DPD.

(iv) **Demonstration of additionality:** IPPs shall, through provision of appropriate

justification, demonstrate the effect of all proposed and/or actual design changes on the credibility of the existing additionality status. For instance, where the explanation of additionality is no longer valid, after incorporation of proposed and/or actual design changes, the IPP(s) shall revise the approach used for demonstration of additionality by adhering to the rules, requirements and procedures prescribed in Sub-section 9.12.

(v) **Environment, Economic and Social Safeguards**: IPP(s) shall,
through provision of appropriate justification, demonstrate the effect of all proposed and/or actual design changes in the registered project on the environmental, economic and social safeguards. Any revision shall be demonstrated by adhering to rules, requirements and procedures prescribed in Sub-section 9.15 of the CS.

(vi) **Contribution towards sustainable development:** IPP(s) shall,
through provision of appropriate justification, demonstrate the effect of all proposed and/or actual design changes on the determination of the registered project's contribution towards sustainable development. For instances where the determination of contribution towards sustainable development is no longer valid, after incorporation of proposed and/or actual design changes, the IPP(s) shall revise contribution of the project with design changes towards sustainable development by adhering to the rules, requirements and procedures prescribed in Sub-section 9.16 and CR-I Tool for Determination of Contribution of Project towards Sustainable Development.

(vii) **GHG Reversal Risk and Buffer Contribution:** For AFOLU projects pertaining to GHG removals enhancement, IPP(s) shall, through provision of appropriate justification, demonstrate the effect of all proposed and/or actual design changes on the previously determined GHG reversal risks and subsequently the buffer contribution. For instance, where the already determined GHG reversal risks and buffer contribution is no longer valid, IPP(s) shall redo the determination of GHG reversal risk and buffer contribution by adhering to rules, requirements and procedures prescribed in CR-I Tool for Determination of GHG Reversal Risk and Buffer Contribution.

(viii) **Regulatory requirements:** IPP(s) shall, through provision of appropriate justification, demonstrate the effect of all proposed and/or actual design changes on the registered project's compliance with applicable legal, environmental and/or other regulatory requirements.
For instance, where compliance with the aforementioned regulatory requirements cannot be maintained any longer, after incorporation of proposed and/or actual design changes, the IPP(s) shall revise the approach used for demonstration of compliance with regulatory requirements and amend the DPD accordingly.

12.1.5. The Registry also permits changes to the crediting period, *i.e.,* change from fixed crediting to renewal crediting period or *vice-versa*. However, this provision shall not be permitted in the following cases:

(i) Change from fixed to renewal crediting when, fixed-type crediting period has surpassed the limit for each crediting period allowed under the renewal-type.
(ii) Change from renewal to fixed when, renewal crediting period has surpassed the limit for crediting period allowed under the fixed-type.

12.2. Evaluation of Permanent Design Changes

12.2.1. For conducting validation of the proposed and/or actual design changes on the registered project, the IPP(s) shall appoint a VVB/IVVE empaneled with the Registry for performing validation in relevant sectoral scope(s) associated with the applied methodology(ies) and enter into a legal contract with the VVB/IVVE for the purpose.

12.2.2. The IPP(s) shall submit to the appointed VVB/IVVE the revised DPD and SCR, both in track-change and clean modes, along with all supporting documents, to enable the VVB to conduct evaluation of the proposed and/or actual design changes on the registered project.

12.2.3. IPP(s) shall completely adhere to procedures for PDC as prescribed in the Registration and Issuance Procedure (RIP) for validation of PDC.

13. Implementation, Operation and Monitoring

This Section prescribes rules and requirements for registered projects under implementation and monitoring and seeking issuance of MCUs under the Registry, generated through verified net GHG emissions reduction.

13.1. Overarching Rules and Requirements

13.1.1. The IPP(s) shall implement the registered project, including the implementation and operation of all its physical elements, by adhering to the description of the project design, and other relevant details, recorded in the registered DPD.

13.1.2. The IPP(s) shall perform the monitoring of the registered project, including monitoring of its GHG emissions reduction and/or removals enhancement, its contribution to SD and for GHG reversal risk and MBP specifically for AFOLU projects aimed at GHG removals enhancement, by adhering to the rules, requirements and procedures of the established Monitoring Approach recorded in the registered DPD, and of the applied methodology(ies). For description of Monitoring Approach, the IPP(s) may refer to Section 13.4.

13.1.3. The IPP(s) shall provide a detailed description of the implementation, operation and monitoring actions carried out, by preparing a Monitoring Report (MR) for a specific monitoring period, using a valid version of the MR template available on the Registry website.

13.1.4. While preparing the MR, the IPP(s) shall strictly adhere to the document preparation instructions provided in the template and comply with the rules and requirements, as applicable, prescribed in Section 13.

13.1.5. For the purposes of quantification of the GHG emissions reduction and/or removals enhancement, the IPP(s) shall use the Global Warming Potential values prescribed in the IPCC's Fourth Assessment Report.

13.2. Introductory Details

13.2.1. The IPP(s) shall provide the following information, by ensuring consistency with the information recorded in the registered DPD, on the cover page of the MR:

(i) Complete title of the registered project;
(ii) Complete title and version number of the applied methodology(ies) and relevant sectoral scope(s);
(iii) Physical/geographical location of the registered project;
(iv) Names of all the IPP(s) involved in the project;
(v) Delegate Entity
(vi) Project crediting period details including the type, start and end dates and the duration;
(vii) Date of registration of the project (in DD/MM/YYYY);
(viii) Monitoring period number and duration (DD/MM/YYYY to DD/MM/YYYY);
(ix) Actual amount of net GHG emissions reduction and/or net removals enhancement
achieved during the monitoring period.
(x) Estimated amount of GHG emissions reduction and/or removals enhancement, as per the calculations in the DPD, achieved during the same duration as the monitoring period.
(xi) Change in GHG Reversal Risk and Minimum Buffer Percentage, if applicable

13.3 Description of the Registered Project

13.3.1. The IPP(s) shall provide a summarized description of the design and the status of implementation and operation of the registered project by including information on the following elements:

(i) Measures, technologies, equipment employed in the registered project during implementation and operation.
(ii) The appropriate means through which the registered project, based on its design, implementation and operation, achieved GHG emissions reduction and/or removals enhancement;
(iii) Status of implementation and operation of all measures, technologies, equipment employed in respect of the registered project for every single constituting site, facility and area of land.
(iv) The important dates concerning implementation and operation of the registered project (for instance, start dates of construction, commissioning, operation and continued operation periods).
(v) Actual amount of GHG emissions reduction and/or removals enhancement achieved during the monitoring period.

13.3.2. In cases where a registered project involves phase-wise implementation and operation, the IPP(s) shall provide information on the progress of implementation of each phase.

13.4. Description of the Actual Monitoring Approach

13.4.1. IPP(s) shall describe the complete approach employed for carrying out monitoring of the registered project by providing information on the following two elements:

(i) Data and parameters monitored
(ii) Monitoring Strategy

13.4.2. The IPP(s) shall indicate and further provide relevant description of all data, parameters and other variables monitored for determination of baseline GHG emissions, project GHG emissions, GHG emissions reduction and/or removals enhancement and leakage, as per the rules, requirements and procedures of the registered Monitoring Approach and the applied methodology(ies).

13.4.3. The IPP(s) shall provide the following information for all data, parameters and other variables monitored:

(i) Monitored value, and appropriate units applied, as applicable;
(ii) Procedure(s) employed for measurement, calculation, estimation and its frequency, as applicable;
(iii) Equipment/instrument used for monitoring, its accuracy class and calibration details, as applicable;

(iv) External reference source(s);
(v) Relevant QA/QC procedures applied;
(vi) Any additional information, as applicable.

13.4.4. Where the IPP(s) chooses to employ a sampling approach for determination of value of any data, parameter, variable, the IPP(s) shall provide a description of the sampling plan and further demonstrate its adherence to the rules, requirements and procedures prescribed in the registered Monitoring Approach, applied methodology(ies) and the current version of the "Standard: Sampling and surveys for project activities and programmes of activities".

13.4.5. While describing the Monitoring Strategy, the IPP(s) shall provide information on the following elements:

(i) Procedures for collection, collation, storage and analysis of all relevant data and parameters required for calculation of baseline GHG emissions, project GHG emissions and leakage effects.
(ii) An organizational and management framework including the roles and responsibilities of all entities and personnel involved in executing the Monitoring Strategy.
(iii) A graphical representation of the GHG data collection and management displaying all locations of monitoring, as applicable.

13.5 Determination of Actual GHG Emissions Reduction and/or Removals Enhancement

13.5.1 The IPP(s) shall, by adhering to the rules, requirements and procedures specified in the registered DPD and the applied methodology(ies) and the supporting tool(s), describe the methodological steps for determination of the following quantities:

(i) Baseline GHG emissions and/or removals
(ii) Project GHG emissions
(iii) Leakage GHG emissions
(iv) Actual GHG emissions reduction and/or removals enhancement generated during the applicable Monitoring Period.

13.5.2 The IPP(s) shall provide a comparison between the actual GHG emissions reduction and/or removals enhancement achieved by the project during the monitoring period and the corresponding estimated GHG emissions reduction and/or removals enhancement (for the same period) indicated in the registered DPD.

13.5.3 If the actual GHG emissions reduction and/or removals enhancement achieved by the project during the monitoring period are greater than the estimated GHG emissions reduction and/or removals enhancement, the IPP(s) shall, using suitable means, provide an appropriate justification for the apparent escalation.

13.5.4 Where, for either a registered small-scale or micro-scale project, the actual GHG emissions reduction and/or removals enhancement achieved exceed the allowed threshold limits (as prescribed in Sub-Section 9.5), the actual GHG emissions reduction and/or removals enhancement achieved shall be capped at the applicable thresholds, and MCUs shall be issued accordingly.

13.6 Environment, Economic and Social Safeguards

13.6.1 Small-scale and large-scale projects shall provide a brief description in the appropriate section of the MR of continued conformance of the registered project to the environmental, economic and social safeguards.

13.6.2 The brief shall provide information on elements including but not limited to change of conditions which impacted the project and communities affected by the project, actions or improved actions undertaken to mitigate risks associated with new conditions, changes as per new ESIA regulations, as applicable.

13.6.3 For A/R projects opting for NCCF-PEFC FM certification, IPP(s) shall cite the appropriate sections of the audit report as an evidence of continued conformance of project with environmental, economic and social safeguards.

13.7 Monitoring of Actual contribution towards Sustainable Development

13.7.1 The IPP(s) shall monitor and document the registered project's actual contribution towards Sustainable Development (SD) by adhering to the SD Monitoring Plan included in the registered DPD.

13.8 Monitoring and Reporting of GHG Reversal

13.8.1 For AFOLU projects aimed at GHG removals enhancement (or avoided emissions), while adhering to rules, requirements and procedures of the standard and any other regulatory document, as applicable, IPP(s) shall describe the steps/actions taken to monitor the GHG reversals included in the registered DPD in the appropriate section of the MR.

13.8.2 IPP(s) shall report the actual GHG reversals by adhering to rules, requirements and procedures as prescribed in the CR-I Tool for Determination of GHG Reversal Risk and Buffer Contribution.

13.9 Verification of the Implemented Project

13.9.1 For conducting verification of the registered project, the IPP(s) shall appoint a VVB/IVVE empaneled with CR-I for performing verification in the relevant sectoral scope(s) associated with the applied methodology(ies) and enter into a legal contract with the same for the purpose.

13.9.2 The IPP(s) shall submit to the appointed VVB/IVVE the completed MR, along with all supporting documents, for conducting verification of the proposed project. The verification by the VVB/IVVE entails an independent assessment and evaluation of the implementation, operation and monitoring of the registered project against the rules and requirements set out in this standard, the Validation and Verification Standard and other relevant rules, requirements and procedures.

13.9.3 The IPP(s) shall maintain all relevant records, documentation and results related to the Monitoring Approach employed by the IPP(s) by adhering to the rules, requirements and procedures pertaining to records and document control prescribed in the registered DPD. Moreover, the IPP(s), as required, shall submit all records, documentation and results related to the Monitoring Approach to the VVB during the verification process.

13.10 Inclusion of Component Project Activity

13.10.1 IPP(s) may include more CPAs in the registered PoA. IPP(s) shall make the CPA as per the rules and requirements of this Subsection.

13.10.2 Planned CPA shall completely adhere to the following criteria for its evaluation for inclusion in the registered CPA:

(i) CPA is not proposed/registered as a project with the Registry or any other GHG programme;
(ii) Geographical boundary of the CPA is consistent with geographical boundary of the registered PoA;
(iii) Ownership of the CPA is already established in the registered PoA;
(iv) CPA adheres to description of project/generic CPA in the registered DPD;
(v) CPA adheres to the requirements of methodology or set of methodologies and associated tools and/or modules;

(vi) CPA shall employ the same technology/measures as described in the registered DPD;

(vii) CPA shall comply with the additionality and baseline criteria of the registered PoA.

13.10.3 CPA shall not have a separate unique PRN, and instead shall be represented by the PRN of the project.

13.10.4 CPAs may be approved for later date even if the start date of the CPA falls within the previous monitoring period. IPP(s) shall not be held liable for any issuance for the earlier monitoring period(s) before the inclusion of CPA in PoA.

13.10.5 Inclusion of CPA shall not be considered as Permanent Design Changes.

13.10.6 Total crediting period shall remain the same, *i.e.,* crediting of the project shall be counted from initial start of the project and individual CPA shall not have their individual crediting period. CPA shall be issued credits from the monitoring period when CPAs are registered, and till the end of PoA crediting period.

13.10.7 CPA proposed for inclusion shall be validated at any verification stage and shall be validated by the VVB appointed to perform the verification activities. IPP(s)/DE shall ensure that VVB is an empaneled VVB with the Registry for both validation and verification of the sectoral scope of PoA.

13.10.8 IPP(s) shall completely adhere to the rules, requirements and procedures as prescribed in RIP for inclusion of CPA in the registered PoA.

14. Renewal of Crediting Period

The following rules and requirements are applicable if the IPP(s) intend(s) to renew the crediting period in case when crediting period is chosen as renewal type for the DPD of the registered project.

14.1. Overarching Rules and Requirements

14.1.1 IPP(s) intending to renew the crediting period of their registered project shall adhere to the relevant procedure described in the Registration and Issuance Procedure (RIP) document.

14.1.2 The IPP(s) shall revise the project design by making appropriate changes pertaining to the new crediting period, applicability of the applied methodology(ies), established baseline scenario, estimated GHG emissions reduction and/or removals enhancement and the Monitoring Approach. The IPP(s) shall document these changes to produce a revised DPD by utilising the latest version of the DPD template available on the website.

14.1.3 While making the appropriate design changes, the following aspects need to be considered, as applicable:

(i) The IPP(s) shall indicate the revised crediting period by adhering to relevant rules and requirements.

(ii) The IPP(s) shall identify and further demonstrate conformity, through justification of fulfilment of each relevant applicability criteria, of the registered project with the latest or currently valid version(s) of the applied methodology(ies).

(iii) The IPP(s) shall re-evaluate the applicability of the established baseline and resulting GHG emissions or GHG net removals by referring to the newly applied methodology(ies) and ascertaining the effect of the existing national/regional scenarios, circumstances and policies.

(iv) The IPP(s) shall re-estimate the GHG emissions reduction and/or removals enhancement based on revisions in the methodological steps/procedure, values of applicable data, parameter(s), variable(s) among others, provided in the newly applied methodology(ies).

(v) The IPP(s) shall revise the Monitoring Approach in adherence to the revised rules, requirements and procedures prescribed in the newly applied methodology(ies).

(vi) IPP shall re-estimate the contribution of project towards sustainable development based on the latest rules, requirements and procedures of CR-I Tool for Determination of Contribution of Project towards Sustainable Development.

(vii) For AFOLU projects pertaining to GHG removals enhancement, IPP shall re-determine the GHG reversal risk and buffer contribution/MBP in adherence to latest rules, requirements and procedures of the CR-I Tool for Determination of GHG Reversal Risk and Buffer Contribution.

14.1.4 The IPP(s) are not required to re-demonstrate the additionality of the registered project, nor update the concerning sections of the revised DPD.

14.2 Validation of the Renewal of Crediting Period

14.2.1 The IPP(s) shall submit to the appointed VVB/IVVE the updated DPD and SCR, along with all supporting documents, for conducting validation of the renewal of registered project for the renewed crediting period. The validation entails an independent assessment and evaluation of the revisions in the project design, as applicable, against the rules and requirements set out in this standard, the Validation and Verification Standard and other relevant rules, requirements and procedures.

15. Voluntary Deregistration of a Project

15.1 The IPP(s) intending to de-register a registered project shall, at any time after registration of the project, submit a request for de-registration to the NCCF Governing Council by adhering to relevant procedure prescribed for the purpose in the Registration and Issuance Procedure.

15.2 A project that has been deregistered by the Governing Council, based on the rules, requirements and procedures referred to in Sub-section15.1, shall not be re-registered as a CR-I project

PART B: PROJECT METHODOLOGIES

16.Design and Development of Project-based Methodologies

This Section provides the design requirements of proposed new methodology and associated tool(s) seeking approval from the Registry. Each constituting element of a proposed new methodology shall completely adhere to all requirements and specifications described henceforth.

The design requirements have been introduced to ensure that all methodologies utilise a standardised format for their design and development thereby providing uniformity in the overall structure and quality of the proposed new methodologies.

16.1 Overarching Rules and Requirements

16.1.1 The design and development of methodologies shall be governed by the guiding principles of the Registry introduced in Section 5 of the Programme Guide.

16.1.2 The written text shall be explicit, concise and logically structured so that it is understandable and may further be conveniently used by prospective IPP(s) for being applied to proposed projects.

16.1.3 All methodologies and associated tool(s) seeking approval under the Registry, shall utilize the Methodology Document template and Tool Document template (respectively), strictly adhere to the document preparation instructions provided therein, and comply with the design requirements described in this Section.

16.1.4 The methodology shall be applicable to a broad range of project types and shall not be dependent on or refer to a specific project and/or its various elements like design(s), location(s), technology(ies), parameters(s) among others.

16.1.5 The methodology shall clearly mention the sources of uncertainty, including possible approach(es) for their estimation and subsequent treatments within the context of estimation of conservative GHG emissions reduction and/or removals enhancement.

16.1.6 The methodology may be developed in accordance with the principles of an Environmental Product Declaration (EPD), underpinned by a third party-verified Life Cycle Assessment (LCA) in line with relevant ISO 14044 standard. Linking methodologies to **EPDs**

(Environmental Product Declarations) and **approved LCA databases** ensures consistency, credibility, and harmonization with product-level sustainability reporting.

16.1.7 The Registry also allows for approval of single methodologies as well as methodologies developed using segmented approach with their entire framework is apportioned over multiple documents, *vis-à-vis*, a principle methodology document and individual supporting tools.

16.1.8 For such instances, the principle methodology document shall be formulated using the Methodology Document template and the supporting tool(s) using the Tool Document template. The principle methodology document shall clearly refer to and further explain how the supporting tool(s) are to be applied within the methodological framework.

16.1.9 In cases, where the methodology provides default factors for determination of an appropriate baseline scenario, demonstration of additionality and quantification of GHG emissions reduction and/or removals enhancement, it shall be ensured that the methods for data gathering, handling, storage and disclosure are appropriate and justified.

16.2 Specific Rules and Requirements

This Sub-section provides requirements and specifications for design of each individual element of a proposed new methodology.

16.2.1 Title of the Methodology

(i) The IMD shall provide unique and unequivocal title, date of completion and applicable version number of the proposed new methodology.

16.2.2 Introduction

All methodologies should include an Introduction section that provides a brief description of its two key characteristics:

(i) The typical project(s) category(ies) (for instance- construction and operation of a new power plant, unit and/or facility that uses renewable energy and supplies electricity to the grid or improved forest management practices in lands other than wetlands); and

(ii) The type of GHG mitigation action(s) (for instance- displacement of electricity generated from fossil fuels by electricity generated from renewable energy or GHG

removals enhancement by carbon sequestration in above-ground biomass and soil organic carbon due to improved management practices).

16.2.3 Scope, Applicability Conditions and Entry into Force

Scope

(i) The methodology should briefly describe the category of project(s) to which the methodology is applicable.

Applicability Conditions

(i) The methodology shall establish applicability conditions which are the specific criteria (for instance, types of technologies and fuels and their specifications, operating conditions, geographical constraints, compliance with legal requirements, etc.) that a proposed project is required to fulfil, as appropriate, to adequately demonstrate factual applicability of the methodology.

(ii) The applicability conditions shall be appropriate to the type of project and their related sector(s).

(iii) The applicability conditions should be written in a manner which is unequivocal, concise and logically structured to allow an IPP, VVB, IVVE and NCCF to ascertain the adequacy and appropriateness of the adoption and application of the methodology by a proposed project.

(iv) The applicability conditions shall not be an alternative for describing other elements of the methodology such as the procedures for determination of baseline, quantification of GHG emissions reduction or removals enhancement, monitoring methodology, etc.

(v) In the event, when it is evident that compliance with an applicability condition cannot be conveniently and adequately demonstrated by an IPP, and in turn cannot be suitably validated by an appointed VVB/IVVE, the methodology shall clearly explain how the applicability condition may be justifiably fulfilled, and how the fulfilment can be reported by an IPP.

(vi) Applicability conditions established in supporting tools used by the methodology shall also be part of the total applicability conditions and require the same treatment.

16.2.4 Entry into Force

(i) The IMD shall clearly state the expected future date (in DD/MM/YYYY format) on which the methodology would become effective for usage.
(ii) If the date is prior to the date of final approval of the proposed methodology[5], it shall be updated by NCCF as the effective date on which the methodology enters into force.

16.2.5 Normative References

(i) The IMD shall list the documents that were in whole or in part, referred to during the design and development of the methodology and are indispensable for its application.

16.2.6 Definitions

(i) The IMD shall provide the definitions of terms used in the Methodology Document that are not already provided in the Glossary of Terms

16.2.7 Project Boundary

(i) The project boundary is the physical delineation and/or geographical area of the project and the specification of GHG sources and sinks under the control of the IPP(s) that are significant and reasonably attributable to the project.

(ii) The methodology shall prescribe appropriate measures for determination of the project boundary by establishing the criteria and procedures for:

(a) Describing the physical delineation and/or geographical area of the project and

[5] In cases when the methodology evaluation process takes longer than expected the estimated future date of entry into force might pass and would need to be updated accordingly.

(b) Specifying the source(s), sink(s), reservoir(s) and types of anthropogenic GHG emissions under the control of the IPP(s) that are significant and reasonably attributable to the project.

(iii). In describing the physical delineation and/or geographical area of the project, the methodology shall include, as applicable, the spatial extent of the project, the physical locations of project site(s), process(es), facility(ies), equipment, end user(s) and regions that are significantly impacted by the project.

(iv) The methodology shall ascertain and provide the source(s), sink(s), reservoir(s) and types of anthropogenic GHG emissions, as applicable, for both baseline and project scenarios, based on following specifications:

(a) The methodology shall specify the criteria and procedures for determining all the source(s), sink(s), reservoir(s) and types of anthropogenic GHG emissions applicable to the established baseline scenario.
(b) The methodology shall specify the criteria and procedures for determining all the source(s), sink(s), reservoir(s) and types of anthropogenic GHG emissions that are controlled by the IPP, and attributable to the project either within the project boundary or outside the project boundary (leakage).

(v) The methodology shall also appropriately justify the inclusion/exclusion of a source(s), sink(s), reservoir(s) and types of anthropogenic GHG emissions for both baseline and project scenarios.

(vi) To ensure consistency, the information provided should allow a meaningful comparison between the source(s), sink(s), reservoir(s) and types of anthropogenic GHG emissions for the baseline and the project scenario.

16.2.8 Baseline Scenario

(i) The baseline scenario are circumstances that reasonably represent the anthropogenic GHG emissions by sources and removals by sinks of GHGs that would occur in the absence of the proposed project.

(ii) Each project seeking registration with the Registry shall unequivocally and justifiably establish a baseline scenario derived using an approved methodology.

(iii) The methodology shall contain provisions for determination of the baseline scenario on project-specific basis.

(iv) For establishing a baseline scenario, the methodology shall adopt an approach or combination thereof as provided in §48 of CDM Modalities and Procedures, adopt ISO 14044 to calculate baseline for product declarations. and mentioned below:

(a) Existing actual or historical GHG emissions, as applicable, or
(b) GHG emissions from a technology that represents an economically attractive course of action, considering barriers to investment, or
(c) The average GHG emissions of similar projects undertaken in the previous five years, in similar social, economic, environmental and technological circumstances, and whose performance is among top 20 per cent of their category, or
(d) Approved LCA value (calculated through LCA software like SimaPro, Sphera or Gabi, Open LCA) of same project or similar project undertaken in the previous five years.

(v) The approach or a combination of approaches for establishing a baseline scenario shall be unequivocal, justified and compatible with the underlying design framework and sources and sinks data/ information used in the proposed methodology.

16.2.9 Additionality

(i) Additionality refers to the condition where anthropogenic GHG emissions by sources are reduced below, or removals by sinks are increased above those that would have occurred in the absence of the registered project.

(ii) The methodology shall prescribe appropriate measures for IPPs to evaluate and demonstrate additionality of a project. This shall be done through any one of the following measures:

(a) Using an appropriate additionality tool/module, etc. created under an internationally/nationally recognized GHG programme by including an adequate reference in the Methodology Document.
(b) Formulating and introducing a new and elaborate procedure for evaluating and demonstrating additionality in the proposed Methodology Document.
(c) Formulating and introducing a new and elaborate procedure for evaluating and demonstrating additionality contained in a separate tool, approved under the methodology approval procedure and adequately referenced within the proposed Methodology Document.

(iii) The methodology shall ensure consistency between the criteria and procedures for demonstration of additionality of a project and the determination of its baseline scenario.

(iv) The procedure for determination of additionality should be clear and methodical to allow an IPP to sufficiently demonstrate additionality of the proposed project.

16.2.10 Determination of GHG Emissions Reduction and/or Removals Enhancement

(i) The methodology shall establish appropriate criteria and procedures for determination of estimated and real GHG emissions reduction and/or removals enhancement due to the project.

(ii) In determination of estimated and real GHG emissions reduction and/or removals enhancement due to the project, the methodology shall provide algorithms and formulae for calculation of GHG emissions reduction and/or removals enhancement corresponding to source(s), sink(s), reservoir(s) and related GHGs, separately for the baseline and project scenarios, as well as project GHG emissions and leakage; or calculated approved value of LCA (EPD) shall be used for determining the GHG emission reduction/or removal enhancement due to project.

(iii) The methodology shall describe all the parameters, coefficients, variables used in the calculation of baseline GHG emissions and/or removals, project GHG emissions, GHG emissions reduction and/or removals enhancement and leakage effects.

(iv) The methodology may require, and refer to an appropriate tool, created under an internationally/nationally recognized GHG programme or approved under the Registry, for calculation of input parameters, coefficients, variables required for the calculation of baseline GHG emissions and/or removals, project GHG emissions, GHG emissions reduction and/or removals enhancement and leakage.

(v) The methodology shall ensure consistency between the established baseline scenario and the established criteria and procedures used for the determination of baseline GHG emissions and/or removals.

(vi) The methodology shall further ensure that:

(a) The algorithms and formulae established for the calculation of baseline GHG emissions are conservative and thus do not lead to overestimation of GHG emissions reduction and/or removals enhancement.

(b) The parameters, coefficients, variables are used consistently, where applicable, and employ an appropriate SI unit.

(c) The criteria and procedures used for the determination of estimated and real GHG emissions reduction and/or removals enhancement due to the project are clear, reasonably detailed and logically structured.

(d) Only approved value of LCA i.e. EPD shall be used for determination of estimated and real GHG emissions reduction and/or removals enhancement due to the project (For LCA based methodology).

16.2.11 Data and Parameters Fixed ex-ante

(i) The methodology shall identify and describe all parameters, coefficients, variables required for the calculation of baseline GHG emissions, project GHG emissions, GHG emissions reduction and/or removals enhancement and leakages that are not monitored and remain fixed throughout the crediting period.

(ii) The methodology shall provide particulars of each parameter, coefficient, variable fixed ex-ante by using the appropriate table provided in the Methodology Document template.

(iii) This Sub-section shall only include parameter(s), coefficient(s), variable(s) whose values are determined through measurements, sampling methods or by referring to external sources (like government data and reports, IPCC reports, proprietary data, commercial and scientific literature among others).

16.2.12 Monitoring Approach

(i) This Sub-section is further divided into two elements:

(a) Data and parameters monitored
(b) Monitoring Strategy

(ii) In the element (i)(a) of the Sub-section, the methodology shall:

(a) Identify and describe all parameter(s), coefficient(s), variable(s) required for the calculation of baseline GHG emissions and/or removals, project GHG emissions, GHG emissions reduction and/or removals enhancement and leakage whose values are to be determined through appropriate monitoring procedures, measurements, sampling methods or by referring to external sources.
(b) Provide particulars of each parameter, coefficient, variable to be monitored by using the appropriate table provided in the Methodology Document template.
(c) Exclude parameter(s), coefficient(s), variable(s) whose value(s) are determined using algorithms and formulae described within the methodology.

(iii) In the element (i) (b) of this Sub-section, the methodology shall:

(a) Prescribe criteria and procedures for establishing a suitable Monitoring Strategy to facilitate gathering and storing of all relevant data required for calculation of baseline GHG emissions and/or removals, project GHG emissions, GHG emissions reduction and/or removal enhancement and leakage.

(b) Prescribe criteria and procedures for managing data quality and monitoring frequency.

(c) Ensure that the criteria and procedures for establishing the Monitoring Strategy should represent good monitoring practices and be suitable for the type of projects applicable.

16.2.13 Methodology Compensation

(i) IMD shall be compensated for use of its Methodology/Tool by NCCF when it is used for design and development of projects as per the CR-I fee schedule. If two or more methodologies, or set of methodologies owned by different IMDs, are used in the same project, the compensation amount shall be equally divided amongst such IMDs.

(ii) IMD shall be bound by the procedure for compensation for Methodology as prescribed in the MAP.

16.2.14 Assessment of New Methodology/Tool

(i) IMD shall abide by the procedure for approval and listing of new Methodology/Tool as prescribed in the MAP. New Methodology/Tool shall be subjected to assessment by two VVBs*. VVBs shall be appointed as per the procedure prescribed in the MAP.

(ii) IMD shall submit to VVBs the required documentation and information such as complete Methodology document/Tool document and associated documents for conducting assessment of the proposed Methodology/Tool for independent and impartial assessment of the Methodology by both the VVBs as per the rules and requirements prescribed in the Validation and Verification Standard and any other relevant regulatory document of the Registry.

(iii) Any information, data, values provided in the documents and otherwise, deemed confidential, of proprietary nature, and/or commercially sensitive by the IMD, shall be treated as such by all the entities under the Registry. However, information, data, values, relating to the elements of Methodology/Tool such as applicability conditions, demonstration of additionality, monitoring strategy, baseline scenario, estimation of GHG emissions reduction and/or GHG removals enhancement among others shall not be deemed confidential, of proprietary nature and/or commercially sensitive.

(iv) IMD shall be liable to pay fees to NCCF as per the CR-I fee schedule and to VVBs as per the terms of contract and arrangement entered into by the two parties. NCCF shall not pay fee to the second VVB on behalf of IMD, and shall also not indulge in settlement of dues between IMD and VVBs.

LCA based methodology shall not be subject to assessment by the VVBs.

16.3 Pre-approved Methodology

16.3.1 Methodologies/Tools registered, approved, or listed in any other credible international, regional, domestic GHG programme or a scheme (other than CDM) aimed at quantification of net GHG emissions reduction may apply for approval and listing with the Registry.

16.3.2 IMD shall ensure that Methodology/Tool completely adheres to the rules and requirements for design and development of Methodology/Tool as prescribed in CS or any other relevant regulatory document of the Registry. IMD shall submit the latest approved and listed version of Methodology/Tool using Methodology document template/Tool document template and shall completely adhere to the document preparation instructions prescribed in the template.

16.3.3 Post approval and listing of Methodology/Tool, the same shall be subject to revisions as per the rules, requirements and procedure of the Registry.

16.3.4 IMD shall be compensated for the use of Methodology/Tool as per the CR-I fee schedule and IMD shall be bound by the rules, requirements and procedures as prescribed in MAP for receiving compensation related to usage of its Methodology/Tool.

16.4 Assessment of Pre-approved Methodology

16.4.1 Pre-approved Methodology/Tool submitted for approval and listing shall be evaluated by NCCF for its conformance of rules and requirements of the Registry. Pre-approved Methodology/Tool shall not be subjected to assessment by VVBs.

16.4.2 However, if pre-approved Methodology/Tool fails to clear the approval and listing requirements of the Registry, the IMD shall be bound by such decision and all other rules, requirements and procedures for the new

Methodology/Tool in this respect.

16.4.3 IMD shall abide by the rules, requirements and procedure prescribed in MAP for approval and listing of pre-approved methodology. IMD shall pay fee to NCCF as per the CR-I fee schedule.

16.5 Revision of Methodology

16.5.1 IMD should propose revision in one or all the elements of the approved and listed Methodology/Tool which shall be subject to revisions as per rules, requirements and procedures in this respect in the Registry. IMD shall propose changes to the approved and listed Methodology to:

(i) Incorporate new and/or similar projects
(ii) Incorporate new and improved industry standards and practices
(iii) Incorporate rules and requirements of latest version of the Registry standards and procedures of the Registry
(iv) Improve materiality, accuracy, adequacy and conservativeness of GHG emissions reduction and/or removals enhancement
(v) Improve baseline scenario and additionality conditions
(vi) Improve language to increase overall understanding and usability of the methodology.

16.5.2 All proposed revisions to the approved Methodology/Tool shall be in accordance with the criteria as mentioned in Sub-section 16.5 and further that revised sections/elements of the Methodology/Tool shall completely adhere to the design and development rules and requirements prescribed in Sub-sections 16.1 and 16.2 as applicable.

16.5.3 IMD may also propose editorial revisions, *i.e.,* changes in the language related to certain words, phrases, grammar, etc., which do not change the interpretation of the elements of Methodology/Tool, but instead bring more clarity to the specific elements of the Methodology/Tool.

16.5.4 IMD shall make appropriate and adequate changes in corresponding elements of the Methodology/Tool based on the revision proposed and effected in certain elements of the Methodology/Tool

16.5.5 In addition to the criteria for revision established in Sub-section 16.5 IMD shall ensure that complete Methodology/Tool adheres to the rules and requirements of CS for design and development of Methodology/Tool and any other relevant regulatory document, as applicable.

16.5.6 IMD shall use methodology revision template/tool revision template to seek revision of Methodology and/or Tool and shall completely adhere to document preparation instructions provided in the template in addition to rules and requirements mentioned in the standard. IMD shall prepare and submit both track change and clean version of the revision of Methodology/Tool documents.

16.5.7 Only the 'owner', *i.e.,* IMD which has proposed the methodology initially for approval and listing with the Registry shall propose revisions to the methodology. However, IPPs, VVBs, NCCF, other IMDs and other stakeholders may suggest revisions and changes to IMD in any or all elements of methodology and/or on the basis of Sub-section 16.5

16.5.8 IMD shall follow the methodology revision procedure described in MAP document.

16.5.9 Assessment of Revision

16.5.9.1 IMD shall completely adhere to the process described in the Methodology Approval Procedure (MAP) for approval of the proposed revision in Methodology/Tool. Proposed revision to Methodology/Tool shall be subject to assessment by VVB, except in case of Editorial Revision. IMD shall appoint the VVB which shall be empanelled with the Registry for assessment of Methodology/Tool in all sectoral scope(s) of the Methodology/Tool. IMD shall enter into a formal contract with the VVB and shall pay for the services as per the decided scope.

16.5.9.2 IMD shall submit to VVB the required documentation and information such as complete Methodology Revision document/Tool Revision document and other relevant documents for conducting assessment of the proposed revisions to Methodology/Tool for independent and impartial assessment by the appointed VVB as per the rules and requirements prescribed in Validation and Verification Standard and any other relevant regulatory document of the Registry.

16.5.9.3 Any information, data, values provided in the documents and otherwise, deemed confidential, of proprietary nature and/or commercially sensitive by the IMD, shall be treated as such by all the entities under the Registry.

However, information, data, values, relating to the elements of Methodology/Tool such as applicability conditions, demonstration of additionality, monitoring strategy, baseline scenario, estimation of GHG emissions reduction and/or GHG removals enhancement among others shall not be deemed confidential, of proprietary nature and/or commercially sensitive.

16.5.9.4 IMD shall be liable to pay fees to NCCF as per the CR-I fee schedule and to VVB as per the contract and arrangement entered into by the two parties. NCCF shall not indulge in settlement of dues between IMD and VVBs.

16.5.9.5 IMD shall completely adhere to the procedure prescribed for approval for editorial revision in MAP. Editorial revision shall not be subjected to assessment by VVB, and shall instead, be evaluated and approved by NCCF.

Document History

Version	Date	Description
Version 1.0	16.09.2021	Initial Publication.
Version 1.1	24.09.2025	Revised version