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# Summary

## Summary observations and scoring

|  |  |
| --- | --- |
| Criteria | Summary of Assessment |
| F1: Project ERC value |  |  |
| F2: Additional value enabled by project |  |  |
| Q1: MRV infrastructure |  |  |
| Q2: Marketing, sales and pricing |  |  |
| Q3: Project governance and structure |  |  |
| C1: Carbon integrity |  |  |
| C2: Environmental risk management |  |  |
| C3: Social risk management and benefits |  |  |
| S2: Socioeconomic value |  |  |

**Assessment guideposts**

* Best practice/alignment with the market
* Good practice/alignment with the market
* Some opportunities for improvement to better align with market expectations
* Significant opportunities for improvement to align with market expectations, and/or measures to be developed

## Action points recommended for the project proponents

# Project Assessment Deep Dives

## Project ERC value

|  |  |
| --- | --- |
| NPVs | Description of scenarios |
| NPV0 (Total) = [No.]NPV0 (ERC) = [No.]NPV0 (Non-ERC) = [No.]NPV0 (Users) = [No.] | [Description of base NPV assumptions] |
| Scenario 1: [Description of scenario] |
| NPV1 (Total) = [No.]NPV1 (ERC) = [No.]NPV1 (Non-ERC) = [No.]NPV1 (Users) = [No.] | [Description of scenario 1 factors] |
| Scenario 2: [Description of scenario] |
| NPV2 (Total) = [No.]NPV2 (ERC) = [No.]NPV2 (Non-ERC) = [No.]NPV2 (Users) = [No.] | [Description of scenario 2 factors] |
| Scenario 3: [Description of scenario] |
| NPV3 (Total) = [No.]NPV3 (ERC) = [No.]NPV3 (Non-ERC) = [No.]NPV3 (Users) = [No.] | [Description of scenario 3 factors] |
| Total NPV | [Rationale] |
| ERC Value | [Rationale] |
| Additional Value | [Rationale] |

**Figure 1: Summary of NPVs**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Scenarios | Base | 1: [Scenario 1] | 2: [Scenario 2]  | 3: [Scenario 3] |
| **NPV (Total)** |  |  |  |  |
| **NPV (ERC)** |  |  |  |  |
| **NPV (Non-ERC)** |  |  |  |  |
| **NPV (Users)** |  |  |  |  |

## MRV infrastructure

|  |  |  |
| --- | --- | --- |
| Subcomponent | Rating | Rationale |
| Project management |  | [Rationale for project management rating] |
| Methodologies |  | [Rationale for Methodologies rating] |
| Data availability and data collection systems |  | [Rationale for Data availability and data collection systems rating] |
| Capacities and technical skills |  | [Rationale for Capacities and technical skills rating] |
| Tools and instruments |  | [Rationale for Tools and instruments rating] |

*Supporting graphics on subcomponent*

[Description of graphic]

[Insert graphic]

## Marketing, sales and pricing

|  |  |  |
| --- | --- | --- |
| Subcomponent | Rating | Rationale |
| Marketing: completeness and transparency of information |  | [Rationale for Marketing: completeness and transparency of information rating] |
| Marketing: storytelling and impact |  | [Rationale for Marketing: storytelling and impact rating] |
| Marketing: visuals |  | [Rationale for Marketing: visuals rating] |
| Sales |  | [Rationale for Sales rating] |
| Pricing |  | [Rationale for Pricing rating] |

[If available] *Marketing materials*

[Description of graphic]

[Insert graphic]

*[If available] Description of seller and capabilities*

[Description of seller and capabilities]

[Insert graphic of marketing, sales and pricing capabilities]

## Project governance and structure

|  |  |  |
| --- | --- | --- |
| Subcomponent | Rating | Rationale |
| MRV capabilities |  | [Rationale for MRV capabilities rating] |
| Implementation capabilities |  | [Rationale for Implementation capabilities rating] |
| Local knowledge and engagement |  | [Rationale for Local knowledge and engagement rating] |
| Counterparty risk |  | [Rationale for Counterparty risk rating] |

*Organisation structure and roles*

[Description of graphic]

[Insert graphic]

*Description of project proponents and participants*

e.g. Example of table for list of project proponents and participants and attributes to include and extract from project documents

|  |  |
| --- | --- |
| Organisation/entity name |  |
| Type of organisation |  |
| Contact person |  |
| Address |  |
| Profile/background |  |
| Project role |  |

## Carbon integrity

|  |  |  |
| --- | --- | --- |
| Subcomponent | Rating | Rationale |
| Additionality |  | [Rationale for Additionality rating] |
| Measurability |  | [Rationale for Measurability rating] |
| Permanence |  | [Rationale for Permanence rating] |

## Environmental risk management

|  |  |  |
| --- | --- | --- |
| Subcomponent | Rating | Rationale |
| Air, water and land quality |  | [Rationale for Air, water and land quality rating] |
| Biodiversity and ecosystems |  | [Rationale for Biodiversity and ecosystems rating] |
| Use of resources |  | [Rationale for Use of resources rating] |

## Social risk management and benefits

|  |  |  |
| --- | --- | --- |
| Subcomponent | Rating | Rationale |
| Respect for human rights |  | [Rationale for Respect for human rights rating] |
| Inclusiveness and equality |  | [Rationale for Inclusiveness and equality rating] |
| Benefit Sharing |  | [Rationale for Benefit Sharing rating] |
| Do No Harm |  | [Rationale for Do No Harm rating] |
| Transparency and accountability |  | [Rationale for Transparency and accountability rating] |
| Continuous engagement and redress mechanism |  | [Rationale for Continuous engagement and redress mechanism rating] |

*Supporting graphics on subcomponent*

[Description of graphic]

[Insert graphic]

## Socioeconomic value

|  |  |  |
| --- | --- | --- |
| SDG | Indicator(s) | Project’s contribution |
| [e.g. 1-15] | [SDG indicator relevant to the project] | [Quantity and summary of project’s SDG contribution] |
|  |  |  |

|  |  |  |
| --- | --- | --- |
| Subcomponent | Rating | Rationale |
| Overall socioeconomic value |  | [Rationale for Overall socioeconomic value rating] |
| Socioeconomic value relative to similar projects |  | [Rationale for Socioeconomic value relative to similar projects rating] |

# Project Information

Table 2: Project Profile

|  |  |
| --- | --- |
| Project Name | [Project Title] |
| Project Location | [Project location; level of detail dependent on project] |
| Sectoral Scope | *[Can be found in PDD section]* |
| Project Type | [Can be found in PDD section] |
| Methodology | [Can be found in PDD section] |
| Contractual Status |   |
| Implementation Status |   |
| Context |   |
| Start Date | [DD MMM YYYY] |
| Crediting Period | [X Years (DD MMM YY to DD MMM YY)] |
| Standard | [e.g. Verified Carbon Standard, Gold Standard, or to be confirmed if still unsure] |
| ICROA-approved? |   |
| Credit Type |   |
| Project Description | [Description of project activity] |
|  |
|  |
|  |
| Project Proponent(s) and Participant(s) |  |
| Name of Entity | Role | Responsibilities/Level of engagement |  |
| [Full name of company] | [e.g. Project proponent] | [e.g. Responsible for implementation of project activities] |  |
| [Full name of company] | [e.g. Project developer] | [e.g. Responsible for the PDD development] |  |
| [Full name of company] | [e.g. Consultant] | [e.g. Responsible for conducting biodiversity assessment] |  |
| Background on Project Proponent(s) |  |
| [About the PP/PO and experience/capabilities in ERC project development/implementation] |  |
|  |
|  |
|  |
| Project Documents |  |
| Registry Link | [URL] |  |
| PDD/PIN | [URL] |  |
| Any other documents | [URL] |  |

# Appendices

## Introduction to the framework

The project assessment is a more detailed review into the project’s attributes and mechanisms relative to best practice. The assessment will focus on the following objectives and criteria to conduct a further evaluation of the priority projects identified.

|  |  |
| --- | --- |
| Objective | Criteria |
| Financial value (F): Assess and test project’s value maximization potential | F1. Project ERC value |
| F2. Additional value enabled by project |
| Quality execution (Q): Evaluate potential that target values can be secured in implementation | Q1. MRV infrastructure |
| Q2. Marketing, sales and pricing |
| Q3. Project governance & structure |
| Core principles (C): Assess risk of not meeting core principles based on technology type and mitigation measures | C1. Carbon integrity  |
| C2. Environmental risk management |
| C3. Social risk management and benefits |
| Strategic national alignment (S): Evaluate project’s contribution to the wider economy | S2. Socioeconomic value |

## Process to conducting assessments

For this exercise, the project’s closeness to best practice or alignment with market expectations is rated for each subcomponent, where the overall rating for the criterion will be based on an average of the project’s rating across all subcomponents.

Given that there are multiple subcomponents for each criterion, and that compliance for these will likely be in a spectrum, the guideposts provided in Chapter IV will describe the level at which projects are at “best practice” and the level at which they have “some opportunities for improvement”, beyond which the user of the Guidelines can use the following approach to assign the other ratings, as follows:

1. **Best practice or alignment with the market:** Project's documentation and/or evidence for the specific component points to all the attributes being met in whole to enable achievement of the overall objectives.

**Good practice or alignment with the market:** One or two key attributes of the best practice guidance may not be met, but the project as a whole has more attributes than in the ”some opportunities for improvement” level.

**Some opportunities for improvement to better align with market expectations:** The project’s attributes or measures more closely meets the guidance indicated at this level **OR** a significant proportion of its attributes do not meet the attributes that indicate alignment to best practice.

**Significant opportunities for improvement to align with market expectations**: Project does not meet the requirements for a few or a significant number of the attributes in the next level.

The Project Guidelines provides a reference of sources and suggested analysis for each assessable criteria. An overview of the sources of reference for each criteria is provided in Table 1.

Table 1: Sources of reference for each assessment criteria

|  |  |  |  |
| --- | --- | --- | --- |
| Criteria | PDD/PIN | Desktop research | Interviews |
| F1: Project ERC value |[ ] [x] [x]
| F2: Additional value enabled by project |[x] [x] [x]
| Q1: MRV infrastructure |[x] [x] [ ]
| Q2: Marketing, sales and pricing |[x] [x] [x]
| Q3: Project governance and structure |[x] [x] [x]
| C1: Carbon integrity |[x] [ ] [ ]
| C2: Environmental risk management |[x] [ ] [ ]
| C3: Social risk management and benefits |[x] [ ] [x]
| S2: Socioeconomic value |[x] [ ] [x]

## Limitations

The project assessment does not include a full due diligence of the project, including its transaction and business activity legality. This is to focus on the objectives of the assessment exercise to determine the preliminary viability of the shortlisted ERC projects from the initial profiling stage, across financial, legal, and technical dimensions.

In line with this, a technical review of the project’s carbon integrity is also not an aim of this exercise due to the subjective and complex nature of such a review that will require in-depth carbon accounting and methodology expertise, best conducted by authorized Validation and Verification Bodies. Instead, the assessment prioritizes a simplified approach that will enable the Government entity to understand a project’s ability to meet the carbon integrity expectations of the market within a shorter time-frame and leveraging a reasonable level of technical capabilities given the carbon market’s nascent nature.