RESTART ENERGY DEMOCRACY CARBON STANDARD
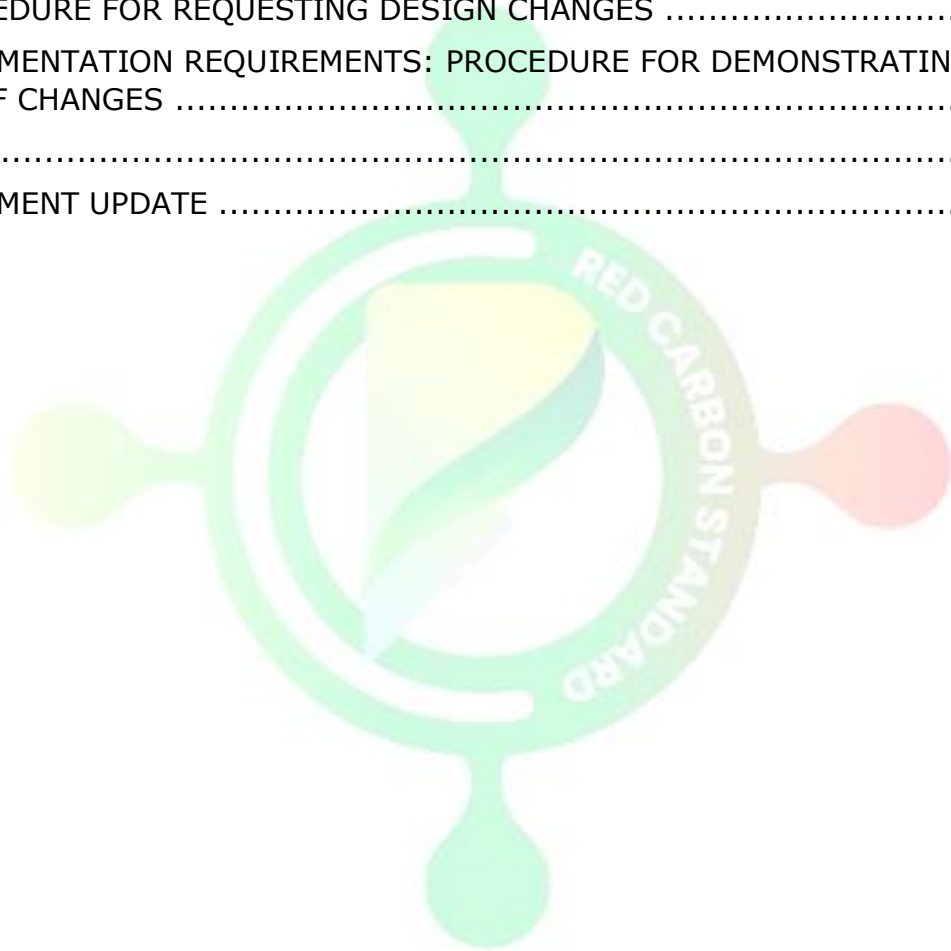
Design Changes Document

Date: 30th of May 2024

Version 1.0

ABOUT US

RED Carbon Standard stands for Restart Energy Democracy Carbon Standard and is an independent governance body for the voluntary carbon market, first of this kind, from Romania. Our carbon standard aims at empowering people and giving value to their sustainable work helping to mitigate the impact of climate change. In a world where global players take the lead over national governments, and governments would like to centralize the power in their hands, we promote decentralization by being part of communities, people, and local project developers, and provide them with value capture in the form of tokenized carbon credits.

We certify green projects such as renewables, agriculture, forestry, energy efficiency, hydrogen, enabling them to get tokenized carbon credits and sell these carbon units worldwide on the RED Platform Application, using blockchain technology, thus actively contributing to the attainment of net-zero carbon emissions.

CORE VALUES

At RED, our core beliefs center on the acknowledgment of God as the Creator of the Universe, Earth, and all life within it. We view ourselves as God's children, regardless of nationality, race, or gender, and understand that His love led to the sending of Jesus Christ to guide and save us.

With this understanding comes a profound responsibility to steward the Earth and its inhabitants, ensuring the preservation of nature, flora, and fauna. Drawing from the biblical narrative, we recognize humanity's creation in the image of God and our duty to maintain His creation for perpetuity.

Life, as we see it, is a divine blessing, and we find evidence of God's wisdom and order in the scientific exploration of the universe. Our values, rooted in love, patience, humility, compassion, and happiness, guide our actions towards the preservation of life's principles.

Aligned with the United Nations Sustainable Development Goals (SDGs), we actively pursue these principles, integrating environmental protection with social and economic considerations. While we acknowledge the widespread impact of climate change, we focus on addressing what is within our power to influence, leveraging technology responsibly without succumbing to its control. We humbly accept our limitations, understanding that we cannot alter the Earth's course or single-handedly save the world.

Our aim is to provide future generations with a thriving home by aligning environmental protection with the timeless principles of life and continuity. We view sustainability not merely as a scientific concept but as a holistic approach that integrates ethical, social, and environmental considerations, in line with the objectives outlined in the SDGs.

DEFINITIONS

Definitions as set out in the **Terms and Definitions Guide RED Carbon Standard**, ISO 14064-2, ISO 14064-3, and ISO 14065 and shall apply to all RED Carbon Standard documentation.

ABBREVIATIONS

AFOLU	Afforestation, Forestry, and Other Land-use
CA	Corresponding Adjustments
CARs	Corrective Action Requests
CC	Carbon Credits
CDM	Clean Development Mechanism
CLs	Clarification Requests
CO_2	Carbon dioxide
CO_2e	Carbon dioxide equivalent
FR	Franchise
GHG	Greenhouse Gas
IA	Initial Assessment
IRR	Internal Rate of Return
ISO	International Organization for Standardization
ITMOs	Internationally Transferred Mitigation Outcomes
IVVB	Independent Validation and Verification Body
NDC	Nationally Determined Contributions
NPV	Net Present Value
PD	Project Developer
PDD	Project Design Document
QA/QC	Quality Assurance and Quality Control
SDG	Sustainable Development Goals
SFDR	Sustainable Finance Disclosure Regulation

1. INTRODUCTION

Design Changes Document details the requirements and approval processes for project developers who wish to make permanent modifications to the implementation, operation, or monitoring of a certified project activity. The document serves as a guideline for ensuring that any modifications comply with the RED Carbon Standards requirements and are properly validated and verified by an IVVB.

The purpose of this document is to provide a structured process for requesting and approving changes to project activities, ensuring that all modifications maintain compliance with the RED Carbon Standard. Additionally, it aims to facilitate communication between project developers, IVVBs, and the RED Carbon Standard, while ensuring transparency and thorough documentation of all changes.

This document applies to all project developers involved in certified project activities seeking to implement permanent changes that may impact the project's compliance with the RED Carbon Standard.

2. PROCEDURE FOR REQUESTING DESIGN CHANGES

Before submitting the request, the project developer should conduct an initial assessment to determine the potential impact of the proposed change on the project's compliance with the RED Carbon Standard.

The procedure for requesting design changes is described below:

1. Documentation of Proposed Changes:

The project developer must prepare a detailed documentation of the proposed changes, which includes:

- Description of the proposed change.

- Justification for the change.

- Impact assessment on the project's emissions reductions/removals potential.

- Revised PDD (in two versions, the original and the modified version, to highlight the changes)

2. Submission of Design Change Request:

The project developer must submit the design change request to the RED Carbon Standard via email at certification@redstandard.org. The submission should include:

- Completed design change request template.

- Detailed documentation of the proposed changes

- Any other supporting data or analysis.

3. Review by RED Carbon Standard:

Upon receiving the design change approval request, the RED Carbon Standard team performs a comprehensive check to verify that all required information and documentation have been provided. If any documents are missing or incomplete, the certification body will request the necessary documentation from the project developer to ensure that the submission is complete.

4. IVVB Evaluation:

Once all the documents have been submitted, an IVVB will be assigned to evaluate the proposed changes. The IVVB will review the design change request and supporting documentation, conduct an independent assessment of the impact on project compliance, and provide a recommendation to the RED Carbon Standard.

5. Approval or Rejection:

Based on the IVVB's evaluation, RED Carbon Standard will take the following actions:

- Approve the proposed changes if they are found to be compliant with the standard.

- Reject the proposed changes if they compromise the project's compliance.

- Request additional information or modifications if necessary.

Approval or rejection of the design change request may occur immediately after the necessary documentation is submitted or after multiple review rounds. If the request is rejected, no issuance will proceed unless the original design is reinstated or a new, acceptable design change is submitted. If the request is approved, the revised project documentation will apply to all future issuances.

The project developer will be notified of the decision. If approved, the project documentation will be updated to reflect the changes.

6. The Implementation of the Modifications:

Following approval, the project developer can proceed with implementing the approved changes and the PDD must be updated to include the new modifications made to the project.

3. DOCUMENTATION REQUIREMENTS: PROCEDURE FOR DEMONSTRATING THE IMPACT OF CHANGES

The project developer must follow a detailed procedure to demonstrate how the proposed changes will impact various aspects of the project. The procedure should include the following components:

1. Permanence of the Project

The project developer must assess the impact of the changes on the permanence of the project. This includes:

- Evaluating the long-term sustainability of the project with the proposed changes.
- Identifying any risks to permanence and outlining mitigation measures.
- Providing evidence that the project will continue to deliver carbon benefits over its intended lifespan.

2. Compliance with Laws, Statutes, or Other Regulatory Frameworks

The project developer must ensure that the proposed changes comply with all relevant laws, statutes, and regulatory frameworks. This includes:

- Identifying applicable legal and regulatory requirements.
- Providing evidence of compliance, such as permits or approvals.
- Highlighting any changes to the regulatory landscape and their implications for the project.

3. Additionality of the Project

The project developer must provide an analysis showing how the proposed changes affect the additionality of the project. This includes:

- A comparison of the baseline scenario before and after the changes.
- Evidence that the project still requires carbon credits to be financially viable.
- If the proposed or actual changes affect the additionality of the certified project activity, the impact on additionality must be demonstrated using all original input data.
- Changes may affect the validity of the investment analysis or barrier analysis conducted during the initial project design certification, potentially impacting the project's additionality.

4. Applicability of the Methodology

The project developer must evaluate whether the proposed changes affect the applicability of the current methodology. This includes:

- Confirming that the methodology remains suitable for the revised project.
- Providing a detailed analysis of how the changes align with the criteria and requirements of the methodology.
- Providing a detailed analysis of how the changes align with the criteria and requirements of the methodology.

If the project developer cannot demonstrate compliance with the requirements of the applied methodologies, he must use other methodologies that are applicable to the project activity and demonstrate compliance with the requirements of the new applied methodologies.

5. Scale of the Project Activity

The project developer must quantify the impact of the changes on the scale of the project activity, specifically the number of emissions reduced or removed. This includes:

- Revising the emission reduction or removal calculations.
- Providing updated projections and supporting data.
- Demonstrating that the project's scale remains within the acceptable range defined by the RED Carbon Standard.

Project developers must assess the impact of design changes on the project's scale according to carbon standard requirements. If the project's scale exceeds the upper threshold defined for the applicable activity, the specific requirements will no longer apply. Consequently, the project developer must revise the project documentation accordingly.

6. Sustainable Development Goals

The project developer must assess and document the impact of the changes on the SDGs. This includes:

- Identifying which SDGs are affected by the changes.
- Describing how the changes contribute to or detract from the achievement of these goals.
- Describing how the changes contribute to or detract from the achievement of these goals.

7. Stakeholder Consultation

The project developer must determine whether a stakeholder consultation is necessary for the proposed changes. If determined to be necessary, the project

developer must conduct a stakeholder consultation process to gather feedback on the proposed changes. This includes:

- Documenting the stakeholder engagement process.
- Summarizing the feedback received from stakeholders.
- Explaining how the feedback has been addressed or incorporated into the project design.

By following this procedure, the project developer can ensure that the proposed changes are thoroughly evaluated and documented, demonstrating their impact on the project's overall integrity and compliance with the RED Carbon Standard.

4. FEES

Please note that fees for processing design change requests will be incurred. The fees may vary depending on several factors, including the nature, scope, and complexity of the requested changes. Additional factors that may influence the fees include the level of validation and verification required by the IVVB and the potential impact on the project's compliance with the RED Carbon Standard.

5. DOCUMENT UPDATE

Version	Date	Comments or additional information
1	30.05.2024	Initial version of the document.