The Cookstoves Framework was presented, and these answers provided, as at 7 February 2023. The answers do not necessarily reflect the current positions taken by the Cookstoves Framework, which may have been updated following further internal review. Please reach out to your usual Sylvera contact, or to frameworks@sylvera.io, if you would like to discuss further.

Attendance at a Framework Review Committee meeting does not constitute an endorsement of Sylvera nor any Framework.

Framework Review Committee:

Improved Cookstoves Consultation

Attendees: Agscarbon, CBL Markets, Chevron, Climate Impact Exchange, Climate Impact Partners, ClimatePartner GmbH, Ecologi, ENGIE, Equinor, EY, Freepoint Commodities, Genzeo, Gold Standard, Hartree Partners, JPMorgan, Koko Networks, Macquarie Group, Platform Partners Asset Management, Shell, South Pole, TERI, Universidad Nacional Autonoma de Mexico, Verra, Volkswagen, Woodside Energy.

General

Question 1

It is great that this public webinar exists, but will Sylvera be taking and making comments public in a written format for others to process and digest?

Answer

We will publish a recording of the full Framework Review Committee session, alongside written responses to all questions raised 14 days after the consultation both during the consultation and the offline comment period.
The Framework Review Committee exposes our draft frameworks to a group of stakeholders in order to gather feedback from experts across the voluntary carbon markets. We will use the feedback received to finalise the framework with an internal Framework Approval Committee. The scoring matrices are then tested against a primary batch of projects and will be published in full. Once all of these steps have been completed, we will apply the framework to produce project ratings.

Question 2

Why are clean cookstoves not included in the framework?

Answer

Clean cookstoves have their own unique attributes: fuel options, transportation logistics, maintenance requirements and so on. Just as important, each culture has its own cooking tradition so there is more risk of a lower uptake.
Clean cookstoves and improved cookstoves face different additionality questions:
ICS have the risk of not reaching sufficient levels of reducitons and a lower financial barrier. On the other hand they have a higher chance of uptake and usage. In terms of the rating methodology, it's simpler to compare traditional biomass stoves and improved biomass stoves as the only variable is the level of efficiency (simplified explanation).
Clean cookstoves are likely additional in terms of technical efficiency and financial additionality, but there is a high risk of low uptake because of the meaningful change. There are other supply chain risks of building the infrastructure and supplying alternative types of fuel that reduce the level of additionality. Additional complexity in comparing the baseline scenario and project scenario.

Question 3

How do you take into account the variation in requirements and assessments of different kinds of VCM credits issued by various standards?

Answer

Our frameworks are agnostic to the methodologies. If a project is of high quality then it will be represented in the framework. We don't rate the methodologies, but the projects themselves.

Question 4

How many projects are you envisioning to apply this framwork to, and where are they?

Answer

We are aiming to rate all the Improved Cookstoves projects registered on Gold Standard and Verra. The majority of them are located in Sub-Saharan Africa, South Asia, and Latin America.
We have identified a list of initial projects that will be launched first. These are a

diverse group of projects, covering different regions and sizes, providing a decent representation of the market.

Question 5

How do you plan to assess and incentivize good quality cookstove projects through the scoring system?

Answer

The more information projects provide, the more confidence we have in their level of issuance and therefore the higher the rating. Here are some examples of key drivers of a good quality project:
Geo-specific data instead of a general regions, financial transparency, large size and high frequency of samples, physical usage surveys instead of phone surveys, field performance tests instead of laboratory performance tests.
In addition, we are looking at external factors that have an impact on the forest carbon stocks being saved by the project. We assess the level of permanence by looking at climate and human risks to forests in the project region, the baseline types of fuels that determine the level of emission factors, and the fraction of non-renewable biomass in the project region.

Question 6

Are the sub-components equally weighted or do some have greater weighting than others?

Answer

The sub-components are not equally weighted. The weighting will be finalised towards the end of the development phase of the framework after calibrating the scores.

Question 7

- **Is Sylvera's cookstove rating approach similar to competitors? What is unique about Sylvera's rating approach to cookstoves?**
- **To what degree is your rating dependent on the already existing data**

derived from what is submitted by the VVBs and Standards?
Answer What's unique about Sylvera's rating approach is that We are using a variety of sources to generate our ratings: we utilize OECD economic indicators and policy and regulatory datasets to account for the level of financial additionality and common practice. We analyze WHO cooking fuel data to assess the baseline emission claims and GIS data to estimate the risk of over-crediting. We also run a climatic risk model to assess the level of permanence of the biomass carbon stock that is being saved as a result of the project activity. This ensemble of methods allows us to rate the project's performance from many different angles.

Carbon

Question 8

What's stopping you from generating a carbon score?

Answer

In order to generate a carbon score, we need to take into account the levels of forest degradation and draw the connection between deforestation and degradation and cookstoves activities. We are currently developing the capability to assess degradation, which will be reflected in the carbon score in the future.

Question 9

- **Apart from observing reduced deforestation, are there any other methods to independently check the ERs?**
- **For future carbon measurement, are you assuming the benefit is all avoided deforestation? Could forest stocks be measured instead?**

Answer

In the case of *improved* cookstoves, where both baseline and project technologies rely on woodfuel, observing the impact on nearby forests by comparing the baseline scenario to the project scenario is the most robust way of assessing the emission reductions.

In the future when we assess *clean* cookstoves, one aspect would be observing the reduced deforestation and the other aspect would be assessing the project emissions using the clean technology.

Additionality

Activities

Question 10

- How are you assessing Financial additionality? Are project developers expected to hand over financials? if yes, do you release these publicly?
- When calculating the IRR, do you take into account the risk profile of the country/region?

Answer

Our financial analysis is based on the information shared by the projects. If a project does not share financial information on the registry, we follow a developer engagement process and request the missing data. If it isn't available, we give more weight to the other sub-components; Policy and Regulation and Common Practice. We do not share the project's financials and the process follows a non-disclosure agreement.
Our framework assesses financial drivers such as country risk profile and policy and regulatory schemes over time.

Question 11

How do you define similar types of projects in the region as part of the Common Practice analysis?

Answer

In Common Practice, we look for any type of activities intended to encourage improved cookstoves and replace traditional cooking methods in the country/region.
We check if the project was operating before the crediting period which is a signal of common practice. We also look for other cookstove distribution schemes that are not trading in the VCM as a signal of no financial additionality. In addition, if multiple projects are operating in the same region, it's a signal of Common Practice so we take into account the timing of the project in question in relation to other projects in the region.

Over-crediting risk

Question 12

- **Emissions reduction may be short lived. Would you consider a measure of durability correlated with warranties of the improved cookstoves or the expected lifespan of improved cookstoves?**
- **Can you give an example of short-lived emissions reductions?**

Answer

We consider the operational longevity of cookstoves. Activities taken by the project such as warranties or other steps to ensure the contentious usage of improved cookstoves over time, will be considered positively in the assessment.
Examples of a short-lived emission reductions:

1. Internal risk: short lifespan, no long-term solutions beyond the lifespan (such as repair training, maintenance facilities, warranties).
2. External risk: even if improved cookstoves avoid emissions from biomass burned as fuel, these gains could be short-lived if the biomass later burns down in a fire, or damaged by windstorms, draughts, floods, pests or human activities.

Question 13

- **Will you consider that most cookstove projects will have stacking?**
- **Stove stacking is a household choice and project developers can't force users to fully give up baseline stove. Isn't Stacking addressed by adjusting emission reductions?**

Answer

Stove stacking is indeed a common phenomenon. For the purpose of ratings, we are scoring three elements:
Reporting: we check whether the project accounts for stove stacking and applies a discount rate when calculating emission reductions. It is a red flag when projects report zero stove stacking, as it's unlikely.
Monitoring: projects are required to monitor the rate of stove stacking by sampling households on an ongoing basis. We check the volume and frequency of the samples in relation to the project size.
Minimising: projects should also take actions to minimise and disincentivise

stacking. A positive indicator is when projects ask users to turn in their old stoves, provide a proof that they have been discarded, or provide training tools to explain the benefits of improved cookstoves and the harms of traditional cookstoves.

Question 14

How is the variability of biomass savings accounted for in the ratings framework?

Answer

We inspect the project's reported parameters and standardise them to a comparable unit of measurement. For example:
Some projects calculate fuel savings per stove, while others calculate the savings per person according to the number of members per household.
Some projects calculate the baseline fuel consumption by considering biomass and fossil fuels, and others are only considering biomass fuel.
Some projects calculate the project fuel consumption by considering usage only, and others are considering usage, transportation and manufacturing.

Permanence

Question 15

Which permanence approach are you going to take?

Answer

We think that improved cookstoves are linked to reduced deforestation and therefore the risk of non-permanence should be assessed.
ICS emission reductions are based on enhancing forest carbon reservoirs, which are susceptible to risks such as fire, disease, drought, storms, and human-caused depletion.

Co-benefits

Question 16 **Will Sylvera adjust the Health Cobenefit rating based on the WHO guidelines for different fuel sources?**
Answer The Co-benefits model follows the same logic on all frameworks for consistency. We will consider adjusting the model and using the WHO cooking fuel data in the ICS framework.