

Global Artisan C-Sink - Clarification: Implementation Partner

Preamble

Global Artisan C-Sink projects have grown exponentially over the past few years. Carbon Standards International (CSI) recognizes the importance of Implementing Partners in supporting daily ground operations. However, engaging Implementing Partners in a project also poses unique challenges and risks if not governed properly.

This document defines the requirements for engaging and managing Implementing Partners under a Global Artisan C-Sink project. While Implementing Partners support the execution of on-the-ground activities, overall project governance, carbon accounting, MRV, and liability remain with the Artisan C-Sink Manager.

Aim of the document

The aim of this document is to define the minimum requirements for Implementing Partner engagement and oversight, ensuring accountability, and traceability.

1. Definition of Implementation Partner

Under the Global Artisan C-Sink Standard Version 2.1A, an Implementation Partner includes subcontractors and subsidiary companies with a full legal entity in the country of implementation. This also serves as safeguards to ensure that taxes are paid locally and that labor and working-condition requirements are properly applied. All activities performed by the Implementation Partner shall be implemented strictly in accordance with the approved Project Design Document (PDD). The Implementing Partner operates under the authority, instruction, and supervision of the Artisan C-Sink Manager.

- A subsidiary company is a legally separate entity that is directly or indirectly controlled by its parent company (e.g., through majority ownership or voting rights). The parent company remains the contracting party with CSI. Example: A parent company headquartered in Germany with a legally registered subsidiary in the country where the project is implemented.
- A subcontractor is an independent third-party company engaged under contract to perform specific operational activities, such as managing Artisan Biochar Producers, conducting restoration activities, implementing methane compensation activities (e.g., tree planting), or other project-related tasks (Figure 1).

Artisan Biochar Producers such as Artisan Pro, C-Sink Farmer (C-Sink Network), C-Sink Village, dMRV providers, Biochar processors, System provider and Biochar Trader are not considered an Implementing Partner. Artisan Biochar Producers are responsible for tasks in relation to biochar production. They do not assume the role of an Implementing Partner, do not manage other producers, and do not hold responsibility for project governance, which remain with the Artisan C-Sink Manager and, where applicable, the Implementing Partner.

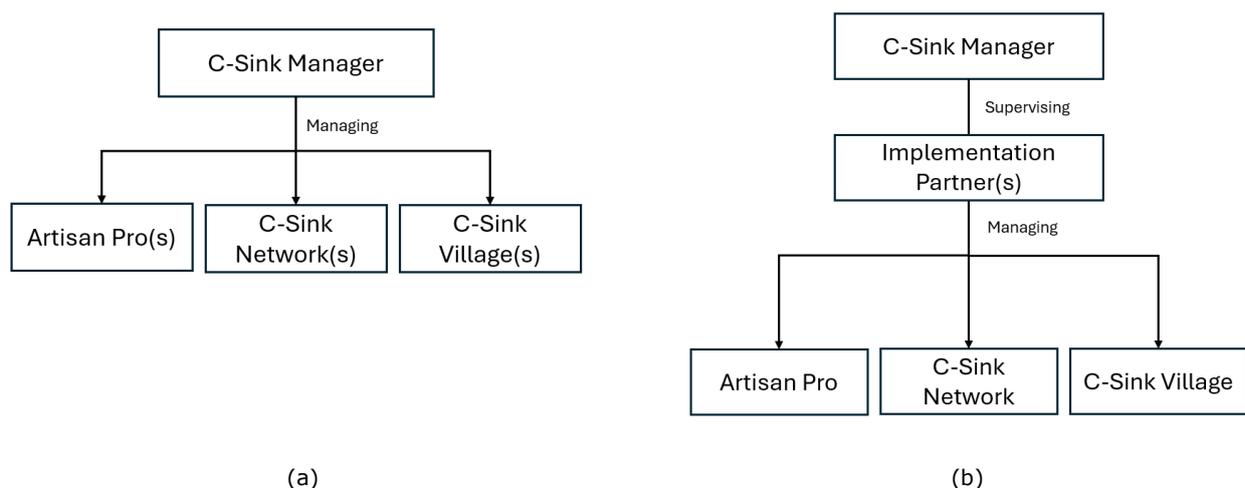


Fig 1. Global Artisan C-Sink standard project setup, (a) Classic project setup where Artisan C-Sink Manager manage Artisan Biochar Producers directly, and (b) Project setup where Implementation Partner is involved.

2. Governance by Artisan C-Sink Manager

1. Although the operational work may fall under the scope of the Implementation Partner, all of the activities must be strictly supervised by the C-Sink Manager and remain under the

full responsibility of the C-Sink Manager. C-Sink Manager is responsible for ensuring that the PDD of Global Artisan C-Sink Standard and, in particular, correct C-Sink reporting are complied with.

2. Violations are attributed to the C-Sink Manager and must be remedied by them.
3. In the event that carbon credits generated under the responsibility of an Implementation Partner are found to be non-compliant, or issued based on inaccurate data, C-Sink Manager shall take corrective action that is regulated on their Sanction Catalogue. Such action may include revocation, cancellation, or replacement of the affected credit. C-Sink Manager remains fully liable for the integrity of all credits issued under the project.
4. Project overview, carbon accounting, trading, dMRV, communication with Carbon Standards International and Validation and Verification body, compliance responsibility remain with the C-Sink Manager.

3. Rule for Activation and Deactivation of Implementation Partners

These are the rules for activating and deactivating Implementation Partners:

1. The activation or deactivation of an Implementation Partner shall be notified to the Validation and Verification Body (VVB) prior to implementation.
2. Onboarding new Implementation Partners can be done during the endorsement for new Artisan C-Sink Manager.
3. VVB reserves the right to assess Implementation Partner activities as part of project validation or verification.

4. Required Documentation for Engaging with Implementation Partner

To involve Implementation Partner, the following documents shall be prepared. These documents are subject to validation and verification by VVB.

1. Partner Due Diligence
The Artisan C-Sink Manager shall prepare a due diligence document for each Implementing Partner, including:
 - a. Proof of legal entity
 - b. Conflict of interest declaration
 - c. Sample of contract
 - d. Signed self-declaration on Labor Right and Working Conditions that covers at least the aspects provided in this document. (Alternative template may be provided by the VVB)
2. Internal Audit Plan
A brief Internal Audit Plan shall be provided, describing:
 - a. The frequency of audits conducted by the Artisan C-Sink Manager
 - b. Template of Internal Audit Plan
 - c. Random site visit policy
 - d. Sanction catalogue

Any major sanction imposed on an Implementation Partner shall be reported by C-Sink Manager to VVB and CSI without undue delay.

3. Task Description of the Implementation Partner*)
A clear description of the tasks, responsibilities, and limitations of the Implementation Partner, aligned with the approved PDD.
4. Allocation of Artisan Pros (if applicable)
A list indicating which Artisan Pros fall under each Implementing Partner. Artisan Pros may be transferred between Implementing Partners within the same Artisan C-Sink Manager, subject to notification to VVB.
5. Proof of Training
6. List of workers, including National ID numbers
7. Reason of deactivation **)

*) *The Task Description of the Implementation Partner shall be submitted to CSI during the Endorsement Phase as part of Annex to PDD Section 1.2.*

**) *If applicable*

5. Impartiality and Conflict of Interest

The Implementation Partner shall act in a transparent and impartial manner in performing operational activities under the project. Any potential conflict of interest that may influence data accuracy, reporting, or compliance with the Global Artisan C-Sink Standard must be disclosed to the Artisan C-Sink Manager.

Whistleblowers may submit reports confidentially and anonymously through email: compliance@carbon-standards.com.