

Unofficial Translation*

**Announcement of the Board of Directors of
Thailand Greenhouse Gas Management Organization
re: buffer credit management and risk assessment of carbon loss from forestry and
agricultural projects under Premium T-VER Program, B.E. 2566 (2023)**

Whereas it is expedient to prescribe rules, procedures, and conditions regarding deposition of buffer credits, withdrawal of buffer credits, compensation for reversal, and monitoring and assessment of risk of carbon loss from non-permanence from forestry and agricultural projects under Premium Thailand Voluntary Emission Reduction (Premium T-VER) Program.

By the virtue of the provisions of sections 20 (2) and 45/2 of the Royal Decree Establishing the Thailand Greenhouse Gas Management Organization (Public Organization), B.E. 2550 (2007), as amended by the Royal Decree Establishing the Thailand Greenhouse Gas Management Organization (Public Organization) (No. 2), B.E. 2562 (2019) and clause 33 of the Regulation of the Board of Directors of Thailand Greenhouse Gas Management Organization re: rules, procedures and conditions for considering Thailand Voluntary Emission Reduction (T-VER) projects, B.E. 2566 (2023) and the decision made at the 13/2022 meeting of the Board of Directors of Thailand Greenhouse Gas Management Organization on 27 December 2022, hereby issues the announcement as follows:

Clause 1 This announcement is called “Announcement of the Board of Directors of Thailand Greenhouse Gas Management Organization (Public Organization) re: buffer credit management and risk assessment of carbon loss from forestry and agricultural projects under Premium T-VER Program, B.E. 2566 (2023)”

* Translation by the Legal Affairs Unit, Thailand Greenhouse Gas Management Organization (Public Organization)
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Clause 2 This announcement will come into force from the day following the date of its announcement.

Clause 3 The Announcement of the Board of Directors of Thailand Greenhouse Gas Management Organization re: buffer credit management and risk assessment of carbon loss from forestry and agricultural projects under T-VER Program (Premium), B.E. 2566 (2023) shall be repealed.

Clause 4 In this announcement

“ Buffer credits” means the amounts of greenhouse gases from the project, which are issued in accordance with the Regulation of the Board of Directors of Thailand Greenhouse Gas Management Organization re: rules, procedures and conditions for considering Thailand Voluntary Emission Reduction (T-VER) projects, B.E. 2566 (2023), from which the Organization deducts and records in the registry system of the Organization with the objective to serve as a security against risk of non-permanence from the implementation of Premium T-VER projects under Clauses 6 (13), with the exception of methane and/or nitrous oxide reduction activities from agriculture referred to in the Regulation of the Board of Directors of Thailand Greenhouse Gas Management Organization re: rules, procedures and conditions for considering Thailand Voluntary Emission Reduction (T-VER) projects, B.E. 2566 (2023) in accordance with the rules and guidelines prescribed by the Board of Directors

Clause 5 Any project participant who intends to submit request for credits issuance from Premium T-VER projects under the type referred to in Clauses 6 (13) , with the exception of methane and/or nitrous oxide reduction activities from agriculture, of the Regulation of the Board of Directors of Thailand Greenhouse Gas Management Organization re: rules, procedures and conditions for considering Thailand Voluntary Emission Reduction (T-VER) projects, B. E. 2566 (2023) , the Organization shall propose to the Board of Directors to deposit buffer credits which shall be deducted at twenty (20) percent of carbon credits issued from the net changes of the project’s carbon stocks. Buffer credits shall be deposited into the pooled buffer account of the Organization’s carbon credit registry system.

Clause 6 The project participant shall prepare and submit a Non-Permanence Risk Report that was verified by the validation and verification body for voluntary projects (VVB) in the form prescribed by the Organization and related documents. The first Non-Permanence Risk Report shall be submitted within five years after the project start date. The subsequent Non-Permanence Risk Report shall be submitted every five years throughout the project crediting period for the purpose of considering release, cancellation, or holding of buffer credits.

The project participant may submit a Non-Permanence Risk Report together with the request for credits issuance.

The project participant who fails to submit the Non-Permanence Risk Report in accordance with paragraph one shall not be entitled to request for withdrawal of buffer credits of the project participant from the pooled buffer account.

Clause 7 In case where any project participant does not submit the Non-Permanence Risk Report within the specified period under Clause 6, the Organization shall notify the project

participant in writing to submit the Non-Permanence Risk Report within ninety (90) days from the date of submission deadline referred to in Clause 6 or from the date of receipt of notice from the Organization. In case where the project participant does not submit the Non-Permanence Risk Report as notified, the Organization shall propose to the Board of Directors to consider cancelling buffer credits of the project participant at the rate of fifty (50) percent from the pooled buffer account.

Clause 8 In case where the project participant does not submit the Non-Permanence Risk Report as specified in Clause 6 to the Organization within two consecutive reporting cycles or before the end of the project crediting period, the Organization shall notify the project participant in writing to submit the Non-Permanence Risk Report within ninety (90) days from the date of receipt of notice from the Organization. In case where the project participant does not submit the Non-Permanence Risk Report as notified, the Organization shall propose to the Board of Directors to consider canceling the total amount of buffer credits of the project participant from the pooled buffer account. The Organization shall be entitled to propose to the Board of Directors to consider revoking registration of the Premium T-VER project.

Clause 9 The project participant who intends to withdraw the buffer credits from the pooled buffer account shall submit a request to the Organization and submit the Non-Permanence Risk Report as per Clause 6. For this purpose, the risk assessment under the current Non-Permanence Risk Report must be similar or lower than the previous submission as verified by the validation and verification body for voluntary projects (VVB). The project participant shall be entitled to withdraw the buffer credits from the pooled buffer account at fifteen (15) percent of the total amount of buffer credits [associated with the project.]

The project participant shall be entitled to withdraw the buffer credits from the pooled buffer account at the first occasion at least five years after the first certification of carbon credits and shall be entitled to subsequent withdrawals of buffer credits every five years after the date of the previous request.

Clause 10 The organization shall propose to the Board of Directors to consider cancelling the buffer credits of the project participant when the net greenhouse gas emission reduction or removal of project is negative compared to the baseline as a result from loss events that are natural disasters, human-induced events, or other risk factors that cause loss of carbon credits from the project more than five percent of the net changes of the previous project's carbon stocks. The project participant shall inform the Organization within thirty (30) days of discovering the loss event. In case where the project participant does not inform the Organization within the specified period or after thirty (30) days from the date the incident is known by the Organization, the Organization shall be entitled to hold the total amount of the buffer credits in the pooled buffer account.

The project participant shall prepare a Loss Event Report and submit to the Organization within two years from the date of discovery of the loss event. The Loss Event Report shall include a conservative estimate of the loss of previously verified carbon credits due to losses in carbon stocks from the project, in the form prescribed by the Organization.

In case where the project participant does not submit the Loss Event Report within the specified period referred to in paragraph two, the project participant shall no longer be eligible to issue carbon credits from the Premium T-VER project and the Organization shall cancel the total amount of buffer credits from the pooled buffer account.

In case where the project participant submits the request for credits issuance within two years from the date of discovery of the loss event, the project participant shall assess the loss of carbon credits and present in the Monitoring Report verified by the validation and verification body for voluntary projects (VVB) for submission to the Organization without being required to submit the Loss Event Report.

In case where the Monitoring Report shows that the loss of carbon of the project from the event referred to in paragraph three is more than the amount of carbon credits which the project participant requests for credits issuance (negative), the Organization shall cancel buffer credits of the project participant. In case where the available buffer credits is not enough, the project participant shall compensate with carbon credits to the equivalent amount of loss of carbon from such loss event within thirty (30) days from the date of approval of the Board of Directors. The compensated carbon credits shall be Premium T-VER credits and the emission reductions shall not occurred more than five (5) years counting from the date the project participant is obligated to compensate carbon credits. In case where the project participant does not make compensation within the specified period, the Organization shall be entitled to cancel carbon credits from the account of the project participant in order to compensate for loss and propose to the Board of Directors to revoke registration of the Premium T-VER project.

Clause 11 The Organization is entitled to cancel the remaining buffer credits of the project participant in the pooled buffer account after the end of the project crediting period, with the exception where the project participant has renewed the crediting period in accordance with Clause 24 of the Regulation of the Board of Directors of Thailand Greenhouse Gas Management Organization re: rules, procedures and conditions for considering Thailand Voluntary Emission Reduction (T-VER) projects, (No. 2) B.E. 2566 (2023), in which the Organization shall maintain the remaining buffer credits of the project participant in the pooled buffer account.

Clause 12 In case where the registration of the project participant's Premium T-VER project is revoked as per the order of the Board of Directors under Clause 28 of the Regulation of the Board of Directors of Thailand Greenhouse Gas Management Organization re: rules, procedures and

conditions for considering Thailand Voluntary Emission Reduction (T-VER) projects, B.E. 2566 (2023), the project participant shall compensate carbon credits to the Organization within thirty (30) days from the date of receipt of notice from the Organization in the equivalent amount of carbon credits approved by the Board of Directors.

Clause 13 The Executive Director shall have charge and control of the execution of this Announcement.

In case of a problem regarding implementation of this Announcement, the Executive Director shall have power to interpret and decide under this regulation. The decision of the Executive Director shall be deemed final.

Announced on 15th August B.E. 2566

Mr. Wijarn Simachaya

Chairman of the Board of Directors of Thailand Greenhouse Gas
Management Organization