

CORSIA Eligible Emissions Unit Programme Change Notification Form

Version 2.0; Effective from 10 January 2022

PART A: ABOUT THIS FORM

Once an emissions unit programme is approved by the ICAO Council as eligible to supply CORSIA Eligible Emissions Units, the programme commits to notify the ICAO Secretariat of any “material changes” to its “Scope of Eligibility”, *including any unilateral decision to revoke or invalidate a class of CORSIA- eligible emission units within the programme’s Scope of Eligibility*, for further review¹ by the Technical Advisory Body (TAB) that advises the ICAO Council on the eligibility of emissions units for use in CORSIA.

*TAB Procedures*² defines a “Material Change” as an update to a programme’s *Scope of Eligibility* that would alter the programme’s response(s) to any questions in its application form and further inquiries from the TAB over the course of the programme’s assessment, including programme-initiated unit invalidation and/or revocation. (paragraph 7.3.).

TAB Procedures defines a CORSIA Eligible Emissions Unit Programme’s *Scope of Eligibility* as “the extent and limits of a programme’s eligibility, which is defined, assessed, and granted on the basis of the programme-level governance structures, measures or mechanisms, and procedures that programmes have in place at the time of their initial submission of application materials to the ICAO Secretariat; and any updates to these procedures that are communicated to TAB during the course of its assessment; and as defined in the general or programme-specific eligibility parameters set out in TAB’s recommendations” (paragraph 4.5).

Annually, TAB will indicate deadlines for programmes to notify ICAO of any such material changes. These notifications should be submitted by the next deadline after the material change has occurred; the upcoming deadlines are indicated in the version of the *TAB Work Programme and Timeline* document that is currently effective. This document is available on the CORSIA website³.

Material changes should be disclosed using this form. TAB will then consider the need for any further review, in line with *TAB Procedures*. If TAB identifies that the change is indeed material and should be further assessed, it will invite public comments on the consistency of the proposed revision with the Emissions Unit Criteria (EUC) and *Guidelines for Criteria Interpretation*. The ICAO Secretariat will inform the programme of TAB’s decision to more deeply assess the programme’s modification, or its confirmation that the modification is consistent with the CORSIA EUC. The programme will also be informed of the date by which the review will be completed. The length of the review should be determined by the severity and scale of the material change.

PART B: PROGRAM CHANGE NOTIFICATION(S)

¹ Any unilateral programme-initiated invalidation and/or revocation of a class of CORSIA-eligible emissions units is considered to be a “material change” to the CORSIA-eligible programme’s *Scope of Eligibility*. Such units are regarded as immediately ineligible for use for CORSIA purposes in light of absence of assurance that it will administer the units consistent with its *Terms of Eligibility*. The units will be reflected as exclusions from the programme’s *Scope of Eligibility* in the ICAO Document “CORSIA Eligible Emissions Units” upon Council’s confirmation of the update. Once a programme notifies ICAO that it wishes to exclude a class of units from its eligibility scope, and in order to provide the most accurate and timely information available prior to Council’s confirmation of the update, the ICAO Document “CORSIA Eligible Emissions Units” will identify in a footnote that the programme requested a change to its *Scope of Eligibility* to exclude certain units subject to a decision by the ICAO Council and, if possible, clearly specify the affected class of units. The programme’s *Scope of Eligibility* that is deemed valid by the ICAO Council will be reflected in the ICAO Document titled “CORSIA Eligible Emissions Units” in a timely manner

² In *TAB Procedures*, paragraphs 4.5, 7.3 and 8.2 – 8.6 in particular pertain to the *Scope of Eligibility* and notification and assessment of material changes.

³ The *TAB Work Programme and Timeline* and *TAB Procedures* documents are available here: <https://www.icao.int/CORSIA/ICAO-corsia-tab>

The Programme is requested to provide the following information regarding any modification(s) to the programme’s *Scope of Eligibility* that could constitute a “material change” as described above. Report each change separately by duplicating (copying and pasting) the table below as needed.

Programme name: Climate Action Reserve Program

CHANGE 1: New Protocols and New Versions of Existing Protocols

a. Description of the change (e.g., the addition, modification, deletion undertaken):

Overview:

The Reserve continues to operate a dynamic program, with regular updates to our program requirements, the addition of new protocols, and revisions to existing protocols.

Since the last assessment of our program for the 2024-26 compliance period and the Material Change notification form submitted by the Reserve in 2023 by which we submitted a few additional protocols for assessment, the Reserve has added several new protocols and updated existing protocols to newer versions.

Sections 1 and 2 below set out, respectively, the new protocols added and the updated versions of existing protocols since that time, for TAB’s consideration. For reference, the Reserve has also submitted the entire suite of active protocols in the 2026 application form for the 2027–2029 compliance period, referenced in response to Part 3, Question 1 in the application form. These protocols have also been submitted via Appendix B of the application form (attached with this submission as Attachment #1).

Section 1: New protocols

Protocols	Active Version	Date Issued	Development Status
Guatemala Forest	1.0	January 24, 2024	Approved
Panama Forest	1.0	January 24, 2024	Approved
U.S. and Canada Biochar	1.0	March 19, 2024	Approved; undergoing update to V1.1
Argentina Landfill	1.0	June 4, 2025	Approved
Argentina Livestock	1.0	October 2, 2024	Approved
Dominican Republic Livestock	1.0	October 4, 2023	Approved
China Adipic Acid Production	1.0	October 4, 2023	Approved
U.S. Low Carbon Cement	1.0	October 4, 2023	Approved

Section 2: Updated version of existing protocols

1. Mexico Forest

Active Version	Date Issued	Development Status
3.0	October 5, 2022	Approved; undergoing update to V3.1

Mexico Forest Version 3.0 is a combined PDF that includes both the errata and the protocol with errata arranged first:

https://climateactionreserve.org/wp-content/uploads/2025/09/Mexico-Forest-Protocol-V3.0_ENG_Errata-and-Clarifications-September-2025-1.pdf

Summary of Changes from V2.0 to 3.0:

https://climateactionreserve.org/wp-content/uploads/2022/10/Mexico_Forest_Protocol_Summary_of_Changes_from_V2.0_to_V3.0.pdf

Protocol page on Reserve's website:

<https://climateactionreserve.org/how/protocols/ncs/mexico-forest/>

2. U.S. Forest

Active Version	Date Issued	Development Status
5.1	July 20, 2023	Approved

Current Protocol Version 5.1:

https://climateactionreserve.org/wp-content/uploads/2023/07/Final_Forest_Protocol_V5.1_7.14.2023.pdf

Summary of changes from V5.0 to V5.1:

https://climateactionreserve.org/wp-content/uploads/2023/07/Summary_of_Changes_USFP_V5.0_to_V5.1.pdf

Protocol webpage on Reserve's website:

<https://climateactionreserve.org/how/protocols/ncs/forest/>

3. U.S. Soil Enrichment

Active Version	Date Issued	Development Status
1.1	May 31, 2022	Approved; undergoing update to V2.0

U.S. Soil Enrichment Protocol Version 1.1:

<https://climateactionreserve.org/wp-content/uploads/2025/10/Soil-Enrichment-Protocol-V-1.1-Package-CCP-Oct-30-2025.pdf>

Summary of Changes from V1.0 to V1.1:

https://climateactionreserve.org/wp-content/uploads/2022/06/Soil_Enrichment_Protocol_Summary_of_Changes_V1.0_to_V1.1.pdf

Protocol webpage on Reserve's website:

<https://climateactionreserve.org/how/protocols/ncs/soil-enrichment/>

4. Mexico Landfill

Active Version	Date Issued	Development Status
2.0	October 5, 2022	Approved

Mexico Landfill Protocol V2.0 is a combined PDF that includes both errata and the protocol:

https://climateactionreserve.org/wp-content/uploads/2023/10/Combined_Mexico_Landfill_Protocol_V2.0_English-1.pdf

Summary of Changes from V1.0 to V2.0:

https://climateactionreserve.org/wp-content/uploads/2022/10/Summary_of_Changes_Mexico_Landfill_Protocol_2.0_English.pdf

Protocol webpage on Reserve's website:

<https://climateactionreserve.org/how/protocols/waste/mexico-landfill/>

5. U.S. Landfill

Active Version	Date Issued	Development Status
6.0	June 8, 2022	Approved

U.S. Landfill Protocol V6.0 is a combined PDF with errata and the protocol:

[https://climateactionreserve.org/wp-content/uploads/2024/06/U.S. Landfill Protocol V6.0 Combined 04132023-1.pdf](https://climateactionreserve.org/wp-content/uploads/2024/06/U.S._Landfill_Protocol_V6.0_Combined_04132023-1.pdf)

Summary of Changes from V5.0 to V6.0:

[https://climateactionreserve.org/wp-content/uploads/2022/10/U.S. Landfill Protocol V6.0 Summary of Changes.pdf](https://climateactionreserve.org/wp-content/uploads/2022/10/U.S._Landfill_Protocol_V6.0_Summary_of_Changes.pdf)

Protocol webpage on Reserve's website:

<https://climateactionreserve.org/how/protocols/waste/us-landfill/>

6. U.S. Nitric Acid Production

Active Version	Date Issued	Development Status
3.0	August 7, 2025	Approved

U.S. Nitric Acid Production Protocol V3.0:

<https://climateactionreserve.org/wp-content/uploads/2025/08/US-Nitric-Acid-Production-Protocol-V3.0.pdf>

Summary of changes from V2.2 to V3.0:

[https://climateactionreserve.org/wp-content/uploads/2025/08/U.S. NAP Protocol V3.0 Summary of Changes.pdf](https://climateactionreserve.org/wp-content/uploads/2025/08/U.S._NAP_Protocol_V3.0_Summary_of_Changes.pdf)

Protocol webpage on Reserve's website:

<https://climateactionreserve.org/how/protocols/industrial/nitric-acid-production/>

b. Rationale for the change:

The Reserve continues to operate a dynamic program, with regular updates to our program requirements, the addition of new protocols, and revisions to existing protocols. The Reserve initiates a protocol review process every 3 years from protocol adoption to reassess appropriateness of the protocol eligibility requirements and quantification approach. In the event that a protocol revision is necessary, the Reserve will follow the protocol development process as described in Section 4.4 Revisions to Protocols of the Reserve Program Manual. For each protocol update, a summary of changes from the prior version is further provided above.

c. Where the change is reflected in the Programme's documentation or other resource(s)⁴:

All of the above protocols are available on the Reserve's website at the following link:

<https://climateactionreserve.org/how/protocols/>

We have also added hyperlinks to the protocol webpages, as well as a summary of changes

⁴ If documents or resources evidencing the change are not publicly available, please include this information in an attachment to this form and clearly identify any business-confidential information.

published on our website in Sections 1 and 2 above.

d. Information originally submitted to and assessed by TAB that would be altered as a result of this change (copy and paste in the field below); including any and all relevant descriptions or explanations provided by the Programme in its Application Form and accompanying materials and/or in response to any further inquiries from TAB during the course of the assessment(s) that informed TAB recommendations on the Programme's current eligibility:

The new protocols and the updated versions of existing protocols do not alter originally submitted information to TAB. In case of updated versions of existing protocols, the previous versions remain active since listed or registered projects using those versions can continue to use them until the length of their crediting period. New projects will be eligible to submit their projects only under the newest version.

e. How the information in "d." would be revised and submitted to any future (re-)assessment process, by updating the information in "d." to reflect any / all modifications to the Programme's original information that result from the change:

Protocols that are currently undergoing further updates would be notified to TAB via the material change submission subsequent to the change being effective.

CHANGE 2: Updates to Labeling Requirements

a. Description of the change (e.g., the addition, modification, deletion undertaken):

Overview:

The Reserve Offset Program Manual provides processes and requirements to avoid double claiming under the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) (refer to Section 2.11.2, Avoiding Double Claiming Under CORSIA). The Reserve has implemented these processes and requirements to ensure that all Reserve credits that are CORSIA Eligible Emissions Units are appropriately accounted for in line with international guidance and requirements. The Reserve published a memo on April 24th, 2026 to provide an update to the labeling processes for credits eligible under CORSIA. The memo clarifies the following:

Application of Credit Labels

Credits will be labeled as CORSIA "Eligible" if they meet the scope of eligibility set out in ICAO's most recent list of CORSIA Eligible Emissions Units, except for the criterion requiring that corresponding adjustments have already been applied and fully reflected in the host country's biennial transparency report (BTR). This will allow immediate visibility into the full set of potential credits, even when corresponding adjustments (CAs) and host country letters are still pending, which can otherwise take time to complete.

Credits will be labeled as CORSIA "Eligible-Authorized" once a Host Country Letter of Authorization is available, and the Attestation of Compliance with Double-Claiming Requirements or insurance, has been submitted to the Reserve.

Credits will be labeled as CORSIA "Eligible-Adjusted" once the host country has applied a corresponding adjustment. At this stage, the risk of double claiming is removed, as the adjustment has been fully accounted for.

The Reserve will update the labels of credits in the registry and make this information publicly available by May 30, 2026.

Removal of Credit Labels

Credits labeled with CORSIA eligibility, as described above, will retain that designation once applied. Such labels may not be removed or altered except through the Reserve’s reconciliation procedures. This approach ensures transparency and avoids issues of double claiming associated with changes to eligibility status.

The process by which the Reserve applies and labels credits will remain largely unchanged, with the exception of submission of the required forms. The Reserve will now require the Attestation of Compliance with Double-Claiming Requirements and the Request for CRTs to be Designated as CORSIA-Eligible form (now called the Request for CRTs to be Designated as CORSIA Eligible–Authorized Form) at the time a Host Country Letter of Authorization is submitted. Refer to Figure 1 in the published memo for the complete process, including the updated credit labeling.

Moreover, the memo clarifies that to insure against the risk of double claiming of credits arising from the possibility that corresponding adjustments are not made, the Reserve will allow the use of insurance mechanisms. The Reserve is currently developing a standardized framework to define the requirements for such mechanisms. A forthcoming memo will outline all associated requirements.

Finally, the Reserve previously updated the registry to ensure that the CORSIA eligible compliance period is clearly reflected. The Reserve is undertaking a near-term enhancement to specify the compliance period of the retirement party and provide this report as a standardized output available publicly in the registry for download.

Project Offset Credits Issued														
Project Developer	Project Owner	Project Type	Reduction/Removal	Reversible/Non-Reversible	Protocol and Version	ARB Eligible	WA EDO Eligible	Eligible for CORSIA 2021-2023 Compliance Period	Eligible for CORSIA 2024-2026 Compliance Period	Corresponding Adjustment	ICVCM CQP Eligible	Crediting Period	Vintage	Total Offset Credits Issued
Keyrock Environment,LLC	Keyrock Environment,LLC	Mine Methane Capture - ARB Compliance	Reduction		Mine Methane Capture - ARB Compliance - ARB Compliance Offset Protocol Mine Methane Capture, April 25, 2014	Yes	No	N/A	N/A	No	N/A	2026		9168
Keyrock Environment,LLC	Keyrock Environment,LLC	Mine Methane Capture - ARB Compliance	Reduction		Mine Methane Capture - ARB Compliance - ARB Compliance Offset Protocol Mine Methane Capture, April 25, 2014	Yes	No	N/A	N/A	No	N/A	2026		70202

Below is a screenshot of the current fields presented for cancelled credits and attached is the downloadable form- Attachment #2 and #3- (see the icons in the last screenshot to enable forms to be downloaded as a csv or pdf file).

Retired Offset Credits																	
Vintage	Offset Credit Serial Numbers	Quantity of Offset Credits	Status Effective	Project ID	Project Name	Project Type	Reduction/Removal	Reversible/Non-Reversible	Protocol and Version	Project Site Location	Project Site State	Project Site Country	Activity Area Type	Additional Certification(s)	Eligible for CORSIA 2021-2023 Compliance Period	Eligible for CORSIA 2024-2026 Compliance Period	Corresponding Adjustment
2025	CAR-1-US-1335-31-983-#3-2025-9026-1 to 5000	5,000	10/27/2025	CAR1335	Coffeyville NAP2	Nitric Acid N2O-Tertiary Catalyst	Reduction		Nitric Acid N2O-Tertiary Catalyst - Version 2.2	Coffeyville, Kansas	KANSAS	US					No

Eligible for CORSIA 2021-2023 Compliance Period	Eligible for CORSIA 2024-2026 Compliance Period	Corresponding Adjustment	ICVCM CQP Eligible	Account Holder	Retirement Reason	Retirement Reason Details
		No		ClimateCo Corp MCK NAP2, LLC	On Behalf of Third Party	Retired on behalf of Kinaxis Inc. F2024 period Maintain 2026

b. Rationale for the change:

The Reserve has updated the naming of credit labels to provide greater transparency regarding the status of the credits and ensure that all Reserve credits that are CORSIA Eligible Emissions Units are appropriately accounted for in line with international guidance and requirements.

In addition, these changes were made in response to the TAB’s prior clarifications made during the

August 2024 TAB Assessments and Recommendations on Applications and Procedural Updates:

4.3.2.6 a) At the earliest opportunity, update, or finalize updates to, the programme registry to enhance consistency with all requirements in the Emissions Unit Programme Registry Attestation, Part B, Paragraph 7.10, including for the registry to record cancellation information required in the CORSIA SARPs Appendix 5, Table A5-7, through discrete, standardized fields in a downloadable format;

b) Update the programme registry functionality to transparently identify the relevant CORSIA compliance period(s) for which units are CORSIA-eligible;

4.3.2.14 d) Establish a mechanism for Climate Action Reserve, and/or the proponents of the activities it supports, to mitigate their operational risks associated with the implementation of the guideline Reconciliation of double-claimed mitigation, in order to provide reasonable assurance that they have the capability to deliver on their commitments,

e) Update the programme’s procedures to ensure that a CORSIA eligibility label for the 2024-2026 compliance period is applied to all units issued by Climate Action Reserve within the Scope of Eligibility set out in Section II of the ICAO document titled “CORSIA Eligible Emissions Units”, and that no such label can be removed within the same compliance period without triggering the Reserve’s Reconciliation procedures.

c. Where the change is reflected in the Programme’s documentation or other resource(s)⁵:

The change was published as a Policy memorandum on the Reserve website located here: <https://climateactionreserve.org/wp-content/uploads/2026/04/CORSIA-Elig-Update-Policy-Memo-4.23.26.pdf>

In addition, new forms that correspond to the updated labeling requirements were published on the Reserve website here: <https://climateactionreserve.org/how/program-resources/forms/>

<https://climateactionreserve.org/wp-content/uploads/2026/04/Request-for-CORSIA-Eligible-Auth-Designation-v3.docx>

<https://climateactionreserve.org/wp-content/uploads/2026/04/Attestation-of-Compliance-Double-Counting-Reqs-v3.docx>

Document	Description	Account Phase	Privilege
Attestation of Compliance with Double-Claiming Requirements (English Spanish)	This form is required when requesting designation of CRTs as CORSIA Eligible-Authorized.	General	Public
Host Country Letter of Authorization Template (English Spanish)	A template for the Host Country Letter of Authorization when a Project Developer requests designation of CRTs as CORSIA Eligible-Authorized.	General	Public
Request for CRTs to be Designated as CORSIA Eligible-Authorized Form (English Spanish)	This form is required to request designation of CRTs as CORSIA Eligible-Authorized.	General	Public

⁵ If documents or resources evidencing the change are not publicly available, please include this information in an attachment to this form and clearly identify any business-confidential information.

d. Information originally submitted to and assessed by TAB that would be altered as a result of this change (copy and paste in the field below); including any and all relevant descriptions or explanations provided by the Programme in its Application Form and accompanying materials and/or in response to any further inquiries from TAB during the course of the assessment(s) that informed TAB recommendations on the Programme's current eligibility:

As part of the 2024 Material Change Notification, the Reserve included the update below as related to double claiming.

CHANGE 1: Procedures to prevent double-claiming: Require all CORSIA eligible credits to meet EUC Guidelines.

The Reserve has added the following language into the following sections of the revised Reserve Offset Program Manual (Version 9.2)(underlined text refer to added language):

Section 2.11.2 Avoiding Double Claiming Under CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation)

Process to Avoiding Double Claiming Under CORSIA

When a Project Developer wishes for their credits to be deemed CORSIA-eligible, the following steps must be taken by the Project Developer and the Reserve. *This pertains to CRTs (regardless of sector, GHG, project activity type or jurisdiction) from reporting periods January 1, 2021, and later. The process requires that all credits deemed CORSIA-eligible are appropriately accounted for in line with international guidance and requirements, specifically the requirement that corresponding adjustments are made by host countries consistent with Article 6.2 Guidance under the Paris Agreement (for the purposes of avoiding double-claiming):*

Step 5 of Process to Avoid Double Claiming Under CORSIA:

The Reserve and the Project Developer determine whether there is a need for corresponding adjustments (per rules under the Paris Agreement). *Corresponding adjustments are required for CRTs (regardless of sector, GHG, project activity type or jurisdiction) from reporting periods January 1, 2021, and later for use in CORSIA.*

3.11.5.1 CORSIA Emissions Unit Eligibility

CORSIA Eligible Emissions Units are identified by ICAO in their "CORSIA Eligible Emissions Units" document which is periodically updated. For CRTs from reporting period January 1, 2021, and later to be eligible, the CRTs must meet the "CORSIA Emissions Unit Eligibility Criteria". This is applicable to all credits regardless of sector, GHG, project activity type or jurisdiction. This criterion requires that a corresponding adjustment must be made by the host country per Article 6.2 Guidance of the Paris Agreement. As such, the Reserve requires that a corresponding adjustment be made for credits to be deemed CORSIA-eligible. Refer to Section 2.11.1, Avoiding Double-Claiming Under CORSIA, for additional information.

CHANGE 4: Procedures to prevent double-claiming: Evidence provided to demonstrate how project proponents legally commit to replace double-claimed credits.

The Reserve will require projects to legally attest to compensating for credits for which a host country does not make a corresponding adjustment, or if the Reserve cannot verify that the corresponding adjustment has been done. This requirement is reflected in the revised Section 2.11.2.2 Compensating for Double Claimed Credits and revised Section 2.11.2 Avoiding Double Claiming Under CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation) in the Reserve Offset Program Manual, Version 9.2 (available on the Reserve's website:

<https://www.climateactionreserve.org/how/program-resources/program-manual/>). To legally attest to this requirement, the Project Developer will complete the Attestation of Compliance with Double Counting Requirements (provided as an Attachment 8 Attestation of Compliance Double

Claiming Reqs and also available on the Reserve’s website here: <https://www.climateactionreserve.org/how/program-resources/forms/>). Additionally, the Reserve will require a Request to Designate CRTs as CORSIA Eligible form (provided as Attachment 9_Request for CORSIA-Eligible Designation) as part of its process. This form also provides notice to the Project Developer that they are seeking CORSIA eligibility designation voluntarily and that they are responsible for compensating for double claimed credits.

e. How the information in “d.” would be revised and submitted to any future (re-)assessment process, by updating the information in “d.” to reflect any / all modifications to the Programme’s original information that result from the change:

It would not be necessary to resubmit the information provided in “d” as the revised information is provided in the published Policy Memorandum and supersedes the previously submitted version. However, the Reserve will incorporate the Policy Memorandum into an update to the Reserve’s Program Manual, and as stated in the Policy Memorandum, the Reserve will update the labels of credits in the registry and make this information publicly available by May 30, 2026.

CHANGE 3: Clarifications Regarding Secondary Effects

a. Description of the change (e.g., the addition, modification, deletion undertaken):

Overview:

The Reserve Offset Program Manual sets out the Reserve’s program-level greenhouse gas (GHG) accounting guidelines and the approaches it uses to develop its protocols. The Reserve has developed a memo to provide clarity to the Reserve’s established approach for addressing secondary effects in its protocols to ensure that there are no unintended increases in emissions from implemented projects. These impacts are often referred to as “leakage”; under the Reserve’s program these emissions are referred to as secondary effects.

As indicated in the Program Manual, the Reserve includes in its protocols a comprehensive GHG assessment boundary that encompasses all significant emission sources and sinks (SSRs), regardless of their physical location. The Reserve considers whether changes resulting from project activities may alter the physical or operational boundaries of the project in a way that could result in an increase in emissions. When developing the GHG boundary, the Reserve also considers these potential sources of secondary effects, including those associated with existing baseline equipment. Consideration of this may result in protocol requirements that include:

- Continued operation of baseline equipment
- Relocation or re-use of baseline equipment
- Decommissioning or disposal of baseline equipment

Where such requirements are included in the protocol, the Reserve then evaluates whether the emissions associated with such actions should be accounted for to ensure that net project emissions reductions/removals are not over-credited. Where emissions are considered material, the emissions source will be included in the GHG boundary for the project and incorporated in the quantification of GHG emission reductions/removals. Emissions would be accounted for if they are material at any point in time, including at project initiation, within a particular reporting period, or over the length of the crediting period. The quantification of these emissions would be addressed accordingly. In cases where the requirements result in immaterial emissions, the Reserve may exclude them.

The quantification of included emissions incorporated either within the baseline quantification approach, or as a separate quantification of secondary effects, depending on the required status of the baseline equipment under the project scenario. In either case, the Reserve will develop a methodology to conservatively account for these emissions. Where feasible, direct measurement

will be used; where this is not practical or feasible, conservative estimation methods will be applied.

This process ensures that the Reserve appropriately identifies and accounts for secondary effects, including those associated with baseline equipment, during protocol development.

b. Rationale for the change:

While not communicating a change, this memo is intended to provide additional transparency on the existing approach taken to account for secondary effects in the protocol development process.

Additionally, this memo has been developed in response to TAB’s prior clarifications made during the August 2024 TAB Assessments and Recommendations on Applications and Procedural Updates:

4.3.2.14 (f) Update programme-level requirements and procedures relating to Leakage, including to ensure that, where an activity involves replacing equipment or other physical systems such that these comprise the activity’s baseline, the baseline equipment is demonstrably decommissioned, destroyed, or scrapped, or otherwise demonstrated to no longer be in use, and emissions from its disposal are discretely assessed, mitigated where possible, and deducted from the verified results of the activity; or where procedures enable the baseline equipment to potentially be re-sold or otherwise remain in use (including beyond the project boundary), equivalent procedures for assessment, mitigation, and accounting deductions should also apply to emissions resulting from its continued use.

c. Where the change is reflected in the Programme’s documentation or other resource(s)⁶:

The above-mentioned clarifications are reflected in the attached Policy Memo- “Clarification Regarding Secondary Effects” (Attachment #4) and shall be made publicly available on the Reserve’s website shortly.

d. Information originally submitted to and assessed by TAB that would be altered as a result of this change (copy and paste in the field below); including any and all relevant descriptions or explanations provided by the Programme in its Application Form and accompanying materials and/or in response to any further inquiries from TAB during the course of the assessment(s) that informed TAB recommendations on the Programme’s current eligibility:

As mentioned above, this policy memo does not constitute a change. The memo has been developed to provide clarity to the Reserve’s established approach for addressing secondary effects in its protocols to ensure that there are no unintended increases in emissions from implemented projects.

e. How the information in “d.” would be revised and submitted to any future (re-)assessment process, by updating the information in “d.” to reflect any / all modifications to the Programme’s original information that result from the change:

N/A

⁶ If documents or resources evidencing the change are not publicly available, please include this information in an attachment to this form and clearly identify any business-confidential information.

CHANGE 4: Clarification regarding Estimating Baseline Emissions

a. Description of the change (e.g., the addition, modification, deletion undertaken):

Overview:

The Reserve Offset Program Manual sets out the Reserve’s program-level greenhouse gas (GHG) accounting guidelines and the approaches it uses to develop its protocols. This memo provides clarity to the Reserve’s approach for estimating baseline emissions. As described in the Program Manual, the Reserve develops standardized baselines that are developed considering sector conditions and trends. The use of standardized baselines is intended to avoid project-specific analysis that may introduce subjectivity or bias and lead to over-crediting. This memo provides the programmatic approach taken during the protocol development process to develop the estimation of baseline emissions as indicated in Section 2.7 Estimating Baseline Emissions, of the Reserve’s Program Manual. The approach is designed to produce baseline emissions estimates that are conservative and below “business-as-usual” emissions levels.

As described in Section 2.7 of the Program Manual, the Reserve develops standardized baselines in its protocols, which requires the use of defined requirements for quantification of emissions that are used by all projects. Project-specific information may inform the baseline emissions calculations, but the determination of business-as-usual is defined at the protocol level. The Reserve develops its protocols through a structured protocol development process, engaging a technical expert workgroup to provide input and review of the protocol. This process described below incorporates consultation and review by the workgroup.

The process for developing baselines is as follows:

1. *Defining the baseline scenario:* The Reserve first defines what the business-as-usual scenario is by considering the economic, technological, regulatory, and policy trends in the project activity sector. A representative baseline scenario is selected that would be most reflective of the activity in the absence of the project.
2. *Establish baseline calculation approach:* The Reserve develops a quantification framework for how to estimate baseline emissions based on the defined “business as usual” scenario. The Reserve uses a variety of approaches, such as the use of performance benchmarks, historical data, modeling, and emission factor based. This may include non-traditional baseline approaches.
3. *Selection of data parameters:* Parameters are selected to ensure that the resulting emissions baseline is not over-estimated relative to the business-as-usual scenario. The Reserve decides the most appropriate values to be used based on what will reflect the business-as-usual scenario and are based on conservative assumptions. Each input is considered to determine the values that will avoid overestimation. These values differ from the project-specific activity data that are measured which typically represent quantities or scale of the project activity. These parameters typically do not need to be adjusted for conservativeness. Parameters are intended to reflect the business-as-usual scenario, such as emission factors, efficiencies, and performance benchmarks. These parameters are derived from peer-reviewed research and/or established literature, data selected from conservative confidence bounds, benchmark data, historical data sets of representative samples/conditions are used. The application of conservative values in this context ensures that baseline emission estimates are not consistently overstated, reducing the risk of upward bias in the baseline, and the potential for over-crediting.
4. *Check on the conservativeness of the protocol:* The Reserve checks the conservativeness of the baseline approach in the protocol by comparing selected parameters and outputs against datasets or other available sector performance data. This allows the Reserve to determine if the values selected reflect the sector context and are not inflated or underestimated.

The Reserve also assesses bias by considering each component of the quantification approach to determine whether it will result in an increase or decrease of baseline emissions relative to the

business-as-usual scenario. For example, a decision may be made to use a historical production dataset over a defined timeframe with the exclusion of outliers. In such cases, removing periods of unusually high production or other non-representative observations can prevent the upward inflation of baseline emissions because it illustrates typical operating conditions and removes extraordinary events.

Lastly, the Reserve conducts sensitivity analyses, by testing a range of possible data inputs and determining whether possible variations could result in baseline emissions that exceed the business as usual scenario. This ensures that the baseline approach is conservatively limited across a range of possible data and will remain representative of at or below the business as usual scenario.

5. *Assessing non-traditional baseline emission estimates approaches:* In cases where a non-traditional approach to estimating the baseline emissions is used, the Reserve will assess the approach to ensure that the business-as-usual scenario is accurately represented and the emission estimates are conservative. To do this, the Reserve will assess that any modeled or constructed baseline approaches can be corroborated against recognized and independent datasets (such as sector-specific emissions inventories). The Reserve will confirm that the values from the baseline approach fall realistically within real-world conditions for similar activities. This check ensures that non-traditional baseline estimation approaches are not inconsistent with sector performance or result in any upward bias in baseline emission estimates. Other provisions are implemented to ensure that parameters used are sufficiently limited and do not result in an unrealistic scenario, this includes applying appropriate statistical data treatment such as interval-based cutoff criteria or removal of outlier data.

Overall, the Reserve’s approach to estimate baseline emissions incorporates multiple controls to prevent an overestimation of emissions. The process collectively ensures that baseline emissions estimates remain consistent and below business-as-usual scenarios and do not introduce an inflation of estimates as compared to actual sector performance.

b. Rationale for the change:

While not a change, this memo is intended to provide clarity to the Reserve’s approach for estimating baseline emissions.

Additionally, this memo has been developed in response to TAB’s prior clarifications made during the August 2024 TAB Assessments and Recommendations on Applications and Procedural Updates:

4.3.2.6 c) “At the earliest opportunity, but no later than TAB’s re-assessment of programmes for eligibility toward the 2027-2029 compliance period, demonstrate that procedures provide for baselines that are set in a conservative way and below the business-as-usual emissions projections, noting that non-traditional methods for baseline-setting should deliver equivalent outcomes”.

c. Where the change is reflected in the Programme’s documentation or other resource(s)⁷:

The above-mentioned clarifications are reflected in the attached Policy Memo- “Approach to Estimating Baseline Emissions” (Attachment #5) and shall be made publicly available on the Reserve’s website shortly.

d. Information originally submitted to and assessed by TAB that would be altered as a result of this change (copy and paste in the field below); including any and all relevant descriptions or explanations provided by the Programme in its Application Form and accompanying materials

⁷ If documents or resources evidencing the change are not publicly available, please include this information in an attachment to this form and clearly identify any business-confidential information.

and/or in response to any further inquiries from TAB during the course of the assessment(s) that informed TAB recommendations on the Programme's current eligibility:

As mentioned above, this policy memo does not constitute a change and has been developed to provide clarity on the Reserve's approach to estimating baseline emissions.

e. How the information in "d." would be revised and submitted to any future (re-)assessment process, by updating the information in "d." to reflect any / all modifications to the Programme's original information that result from the change:

N/A

CHANGE 5: New Modular Protocol Structure – Under Development

a. Description of the change (e.g., the addition, modification, deletion undertaken):

Overview:

Climate Action Reserve (the Reserve) is implementing a modular protocol structure, consisting of a common protocol, paired with jurisdictional modules. The Common Protocol entails the eligibility requirements and accounting guidelines applicable across jurisdictions, together with a Jurisdiction Module that includes jurisdiction-specific information and requirements as necessary. In some cases, there are Technical Guidance Modules that contain guidance for implementing the Common Protocol. This structure will improve the efficiency of protocol development, streamline protocol revisions and updates, and scalability across jurisdictions. Projects must report under a Common Protocol and the applicable Jurisdiction Module specific to the project's location.

The Reserve is seeking public comments on the proposed protocol structure, which is open until April 27, 2026.

Implementation and Transition:

The Reserve will develop new protocols in this structure, unless determined that a protocol must be a stand-alone protocol (current approach). Current active protocols will be revised to the new structure overtime. Existing projects (listed and registered) may continue reporting under the existing jurisdiction-specific protocol and new projects have a 30-day grace period from the date of adoption to submit under the previous version of the protocol. The Reserve will seek CCP approval for all protocol updates. However, revising current protocols to the modular protocol structure does not materially change the protocol requirements and primarily involves reformatting the information within the protocol.

Rationale for reporting to TAB at this stage:

While the modular protocol structure remains under development and is not yet in effect, we believe it is prudent to bring it to TAB's attention at this stage for the following reason: in our response to Part 3, Question 2 of the application — which asks programmes to summarise their process for developing further methodologies and protocols, including the timing and process for revision — we referenced the modular protocol structure as a planned and forthcoming change, and indicated that the new process would be published for public comment in March 2026. That public comment period has now been launched, and we wanted to ensure TAB has visibility of this development in that context.

b. Rationale for the change:

To date, the Reserve has structured its accounting guidelines into individual protocols for each jurisdiction for each project activity it credits. This current structure has resulted in duplication and challenges maintaining alignment across protocols for the same project activities. As the Reserve expands the geographic applicability of its protocols across project activities, there is a need to maintain consistency in accounting rules and monitoring, reporting and verification requirements, while maintaining jurisdiction-specific provisions. To achieve this, and to facilitate scalability of project activities across jurisdictions, the Reserve is implementing a modular protocol structure, consisting of a common protocol, paired with jurisdictional modules. Following the public comment period, the Reserve will consider stakeholder feedback and may revise the protocol structure approach and Program Manual language as appropriate, and release changes in an update to the Reserve's Program Manual.

c. Where the change is reflected in the Programme's documentation or other resource(s)⁸:

The Reserve published a memo on the modular protocol structure for Reserve protocols, including draft Reserve Program Manual language, for public comment. The memo is available on our website and linked herewith: https://climateactionreserve.org/wp-content/uploads/2026/04/Modular-Protocol-Framework-Memo_3.30.26rev.pdf

d. Information originally submitted to and assessed by TAB that would be altered as a result of this change (copy and paste in the field below); including any and all relevant descriptions or explanations provided by the Programme in its Application Form and accompanying materials and/or in response to any further inquiries from TAB during the course of the assessment(s) that informed TAB recommendations on the Programme's current eligibility:

The modular protocol structure is a new approach and has not been previously reported nor assessed by TAB.

As mentioned above, revising current protocols to the modular protocol structure does not materially change the protocol requirements and primarily involves reformatting the information within the protocol.

e. How the information in "d." would be revised and submitted to any future (re-)assessment process, by updating the information in "d." to reflect any / all modifications to the Programme's original information that result from the change:

Revising the current protocols to the modular protocol structure does not materially change the protocol requirements and primarily involves reformatting the information within the protocol.

The new protocols will be submitted for review as per the new modular structure, including Common Protocol and the Jurisdictional Module.

Once the public comment period has concluded and the Reserve has made associated changes in the Program Manual, these will be submitted for TAB's review via future material change submissions.

⁸ If documents or resources evidencing the change are not publicly available, please include this information in an attachment to this form and clearly identify any business-confidential information.