International Civil Aviation Organization (ICAO) Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)

***Re-application Form for Emissions Unit Programmes
seeking eligibility to supply units to
the CORSIA first phase (2024 – 2026 compliance period)***

(Version 1, February 2023)

SECTION I: ABOUT THE ASSESSMENT OF RE-APPLICATIONS

Background

ICAO Member States and the aviation industry are implementing the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). Together with other mitigation measures, CORSIA will help achieve international aviation's aspirational goal of carbon neutral growth from the year 2020.

Aeroplane operators will meet their offsetting requirements under CORSIA by purchasing and cancelling CORSIA eligible emissions units. The ICAO Council determines CORSIA eligible emissions units upon recommendations by its Technical Advisory Body (TAB) and consistent with the CORSIA Emissions Unit Eligibility Criteria (EUC).

In March 2019, the ICAO Council unanimously approved the ICAO Document *CORSIA Emissions Unit Eligibility Criteria* for use by TAB in undertaking its tasks[1]. TAB's assessment of emissions units programmes is undertaken annually[2]. The results of ICAO Council decisions that take account of these recommendations are contained in the ICAO Document *CORSIA Eligible Emissions Units*[3].

ICAO invites emissions unit programmes[4] to apply for the 2023 cycle of assessment by the TAB, to determine eligibility to supply CORSIA-Eligible Emissions Unit for the **2024-2026 compliance period** (first phase). Any programme that submitted its application(s) in previous assessment cycles and would like to re-apply for TAB assessment must fill out this Re-application form.

The assessment process involves collecting information from each programme through this programme Re-application form and supplementary materials and requested evidence. In undertaking this work, TAB may also ask programmes to provide specific examples or case studies illustrating how programme procedures or systems perform in practice. Through this assessment, the TAB will develop recommendations on the list of eligible emissions unit programmes (and potentially activity types and unit dates) for use under the CORSIA first phase, which will then be considered by the ICAO Council.

This form is accompanied by, and refers to, Appendix A "*Supplementary Information for Assessment of Emissions Unit Programmes*", containing the EUC and *Guidelines for Criteria Interpretation.* These EUC and Guidelines are

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[1] Available on the ICAO CORSIA website: https://www.icao.int/environmental-protection/CORSIA/Pages/CORSIA-Emissions-Units.aspx

[2] Recommendations from 2019 TAB assessment cycle: https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2019.aspx
Recommendations from 2020 TAB assessment cycle: https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2020.aspx
Recommendations from 2021 assessment cycle: https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2021.aspx
Recommendations from 2022 assessment cycle: https://www.icao.int/environmental-protection/CORSIA/Pages/TAB.aspx

[3] Available on the ICAO CORSIA website: https://www.icao.int/environmental-protection/CORSIA/Pages/CORSIA-Emissions-Units.aspx

[4] "Emissions Unit Programme", for the purposes of TAB's assessment, refers to an organization that administers standards and procedures for developing activities that generate offsets, and for verifying and "issuing" offsets created by those activities. For more information, please review the TAB FAQs on the ICAO CORSIA website: https://www.icao.int/environmental-protection/CORSIA/Pages/TAB.aspx

provided to inform programmes' completion of this Re-application form, in which they are cross-referenced by paragraph number.[5]

This form is also accompanied by Appendix B "*Programme Assessment Scope*", and Appendix C "*Programme Exclusions Scope*", which request all re-applicants to identify the programme elements[6] they wish to submit for, or exclude from, TAB's assessment.

CORSIA Eligible Emissions Units Programmes must also complete Appendix D of this Re-application form, "*Emissions Unit Programme Registry Attestation*" in line with the instructions contained that Appendix. Applicant organizations are strongly encouraged to submit this information by the deadline for submitting all other application materials for the current assessment cycle.

This form also requests *evidence of programme procedures or programme elements.* These evidentiary documents enable TAB to a) confirm that a given procedure or program element is *in place*, b) more fully comprehend the programme's summary responses, and c) archive the information as a reference for potential future assessments. Programme responses to this Re-application form will serve as the primary basis for the assessment. Such assessment may involve e.g. clarification questions, live interview(s) with TAB, and a completeness check of the application, as further requested.

Translation: As was done previously, if the programme documents and information are not published in English, the programme should <u>fully describe in English</u> (*rather than summarize*) this information in the fields provided in this form, and in response to any additional questions. Where this form requests *evidence of programme procedures*, programmes are <u>strongly encouraged</u> to provide these documents in English, to provide for accuracy and comprehension. Where this is not possible due to time constraints or document length, the programme may provide such documents in their original language <u>in a readily translatable format</u> (e.g., Microsoft Word). Those programmes that need to translate documents prior to submission may contact the ICAO Secretariat regarding accommodation.

Disclaimer: The information contained in the Re-application form, and any supporting evidence or clarification provided by the programme including information designated as "business confidential" by the programme, will be provided to the members of the TAB to properly assess the programme and make recommendations to the ICAO Council. The application and such other evidence or clarification will be made publicly available on the ICAO CORSIA website for the public to provide comments, except for information which the applicant designates as "business confidential". The applicant shall bear all expenses related to the collection of information for the preparation of the application, preparation and submission of the application to the ICAO Secretariat and provision of any subsequent clarification sought by the Secretariat and/or the members of the TAB. Under no circumstances shall ICAO be responsible for the reimbursement of such or any other expenses borne by the applicant in this regard, or any loss or damages that the applicant may incur in relation to the assessment and outcome of this process.

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[5] For further information on how TAB interprets the EUC in light of the *Guidelines*, refer to the document Clarifications of TAB's Criteria Interpretations Contained in TAB Reports available on the ICAO TAB website: https://www.icao.int/environmental-protection/CORSIA/Documents/TAB/TAB%202022/Clarifications_TABs_Criteria_Interpretations.pdf

[6] At the "activity type" level (e.g., sector(s), sub-sector(s), and/or project "type(s)")

SECTION II: INSTRUCTIONS

Submission and contacts

A programme is invited to complete and submit the Re-application form, including accompanying evidence and with required appendices, through the ICAO CORSIA website no later than close of business on **24 March 2023**. Within seven business days of receiving this form, the Secretariat will notify the programme that its form was received.

If the programme has questions regarding the completion of this form, please contact ICAO Secretariat via email: officeenv@icao.int. Programmes will be informed, in a timely manner, of clarifications provided by ICAO to any other programme.

Form basis and cross-references

Questions in this form align with the questions included in the application for TAB's annual assessment, and are derived from the CORSIA emissions unit eligibility criteria (EUC) and any *Guidelines for Criteria Interpretation*. Each question includes the paragraph number for its corresponding criterion or guideline that can be found in **Appendix A** "*Supplementary Information for Assessment of Emissions Unit Programmes*".

Re-application Form completion

Any programme that submitted its application(s) in previous assessment cycles and would like to apply in 2023 for TAB assessment must fill out this Re-application form. (Programmes that have never applied for TAB assessment are invited to instead use the Application form, which is designed for first-time applicants.) The programme is expected to respond to all questions in this application form at the time of application submission. TAB cannot initiate its assessment in which this information is not provided in full as requested in this section. Failure to provide complete information may result in delays to the assessment process.

A "complete" response involves three components: 1) a written summary response, 2) supporting evidence, 3) planned programme revisions, and 4) updates and changes to programme procedures since the previous application/approval.

1) Written summary responses: The programme is encouraged to construct written summary responses in a manner that provides for general comprehension of the given programme procedure, independent of supporting evidence. TAB will confirm each response in the supplementary evidence provided by the programme. Please note that written summary responses should be provided in all cases—supporting evidence (described in *c)* below) should not be considered as an alternative to a complete summary response.

2) Supporting evidence: Most questions in this form request *evidence of programme procedures or programme elements.* Such evidence may be found in programme standards, requirements, or guidance documents; templates; programme website or registry contents; or in some cases, in specific methodologies. To help manage file size, the programme should limit supporting documentation to that which directly substantiates the programme's statements in this form.

Regarding such requests for evidence, programmes are expected to substantiate their responses in any of

these ways (**in order of preference**):

a) web links to supporting documentation included along with the written summary response to each given question; with instructions for finding the relevant information within the linked source (i.e. identifying the specific text, paragraph(s), or section(s) where TAB can find evidence of the programme procedure(s) in question);

b) copying/pasting information directly into this form (no character limits) along with the written summary response;

c) attaching supporting documentation to this form at the time of submission, with instructions for finding the relevant information within the attached document(s);

EXAMPLE of preferred approach to providing supporting evidence that could meet expectations for complete responses to a question:

"The Programme ensures its consistency with this requirement by requiring / undertaking / etc. the following:

[Paragraph(s) introducing and summarizing specific programme procedures relevant to question]

The full contents of these procedures can be found in [Document title, page X, Section X, paragraphs X-X]. This document is publicly available at this weblink: [weblink]."

3) Planned programme revisions: Where the programme has any plans to revise the programme (e.g., its policies, procedures, measures, tracking systems, governance or legal arrangements), including to enhance consistency with a given criterion or guideline, please provide the following information in response to any and all relevant form question(s):

a) Proposed revision(s);
b) Process and proposed timeline to develop and implement the proposed revision(s);
c) Process and timeline for external communication and implementation of the revision(s).

4) Updates and changes to programme procedures since the previous application/approval: Each question in this form provides discrete fields for the programme to include, and clearly distinguish between, two key pieces of information:

(**1**) the information provided by the programme in its previous application—which includes all written clarifications and explanations shared with TAB over the course of the programme's previous assessment;

and

(**2**) new information describing any and all procedural changes and updates that programmes introduced *between the dates of* (**a**) their previous application or approval by ICAO Council and (**b**) **24 March 2023**. Here, Programmes are requested to summarize and provide evidence of any and all changes, including those that were previously submitted for TAB's review as potential material changes.

Scope of re-application

The programme may elect to submit for TAB assessment all, *or only a subset,* of the activities supported by the programme. The programme is requested to identify, in the following Appendices, the activities that it wishes to submit for, or exclude from, TAB's assessment.

For programmes already eligible to supply emission units for the pilot phase, the programme may elect to revise the scope of activities supported by the programme and assessed by TAB, as compared to its current scope of eligibility. In such a case, the programme is requested to clearly identify, in the following Appendices, the additional activities that it wishes to submit for, or exclude from, TAB's assessment.

In **Appendix B** "*Programme Assessment Scope*", the programme should clearly identify, at the "activity type" level (e.g., sector(s), sub-sector(s), and/or programme/project "type(s)"), elements that were included in the previous application and were previously assessed by TAB and if applicable, **currently eligible under the *Scope of Eligibility*[7], and additional elements that the programme is submitting for TAB's assessment**; as well as the specific methodologies, protocols, and/or framework(s) associated with these programme elements; which *are* described in this form.

In **Appendix C** "*Programme Exclusions Scope*", the programme should clearly identify, at the "activity type" level (e.g., sector(s), sub-sector(s), and/or programme/project "type(s)"), any elements that were excluded from TAB's previous assessments or are **currently outside of programme's *Scope of Eligibility*, and additional elements that the programme wishes to exclude from TAB's assessment**; as well as the specific methodologies, protocols, and/or framework(s) associated with these programme elements.

In **Appendix D** "*Emissions Unit Programme Registry Attestation*", the programme should complete and submit the information outlined in the instructions below, based on the status of its *Registry Attestation*:

- Programme **has not** previously completed and submitted a *Registry Attestation*: Refer to the instructions for completing the attached *Emissions Unit Programme Registry Attestation*, including the signature page and accompanying information form (Appendix D). Provide the completed materials along with this application form.

- Programme **has** previously completed and submitted a *Registry Attestation*: Respond only to Question 7.3 in the *Emissions Unit Programme Registry Attestation* form (Appendix D). ICAO will append this response to the programme's most recent *Registry Attestation* on file.

  o NOTE: These Programmes **are not** required to re-submit the *Registry Attestation*'s signature page or any other information in Questions 7.1, 7.2, 7.4–7.11 of Appendix D, but may use this opportunity to inform ICAO of any needed updates.

Treatment of EUC-relevant programme procedures at the methodology level
Programmes that identify with the following explanations are encouraged to summarize and provide evidence of

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[7] As defined in the latest *ICAO Document "CORSIA-Eligible Emissions Units"*, available via
https://www.icao.int/environmental-protection/CORSIA/Pages/CORSIA-Emissions-Units.aspx

both their overarching *programme-level* procedure(s) and *methodology-level* procedure(s) wherever relevant:
The CORSIA EUC and TAB assessments typically apply to *programme-level* procedures rather than to individual methodologies or projects. Most programmes' overarching guidance documents contain a mix of *general/guiding* requirements and *technical* ones. However, some programmes set out general requirements in overarching guidance documents, while reflecting key technical procedures in programme methodologies[8]. **Such methodologies may be relevant to TAB's assessment**. This could be the case where, e.g., the methodologies are developed directly by the programme (staff or contractors); the programme must refer to a methodology's requirements when describing its alignment with the EUC; the programme's general requirements alone are too high-level/non-specific for TAB to assess them as stand-alone procedures.

> EXAMPLE: Programme A's project standard contains its *programme-level* general requirements. The standard requires all activities to pass a programme-approved additionality test. However, Programme A sets out a unique list of approved tests in each of its methodologies—rather than providing a single list or menu in its programme-level standard. These lists vary across different activity types or category(ies). Thus, TAB may ultimately need to assess Programme A's programme- *and* methodology-level requirements in order to confirm its use of the specific additionality tests called for under the *Must be Additional* criterion.

"Linked" certification schemes
This application form should be completed and submitted exclusively on behalf of the programme that is described in Part I of this form.

Some programmes may supplement their standards by collaborating with other schemes that certify, e.g., the social or ecological "co-benefits" of mitigation. The programme can reflect a linked scheme's procedures in responses to this form, where this is seen as enhancing—i.e. going "above and beyond"—the programme's own procedures.

For example, the programme may describe how a linked scheme audits sustainable development outcomes; but is not expected to report the linked scheme's board members or staff persons.

Programmes should clearly identify any information provided in this form that pertains to a linked certification scheme and/or only applies when a linked certification scheme is used.

Disclosure of programme application forms and public comments
Applications, including information submitted in Appendices B, C, as well as other information submitted by applicants will be publicly available on the ICAO CORSIA website, except for materials which the applicants designate as business confidential.

The public will be invited to submit comments on the information submitted, including regarding consistency with the emissions unit criteria (EUC), through the ICAO CORSIA website, for consideration by the TAB in its assessment.

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[8] Note that any applicant may use different terminology. For example, a programme may refer to a "methodology" as a protocol or framework.

SECTION III: RE-APPLICATION FORM

PART 1: General information

A. Programme Information

Programme name: SOCIALCARBON Standard

Administering Organization[9]: Social Carbon Foundation

Official mailing address: 128 City Road, London, United Kingdom, EC1V 2NX

Telephone #:   +55 11 99237-2045

Official web address: www.socialcarbon.org

B. Programme Administrator Information

Full name and title: Dr Divaldo Rezende

Employer / Company (*if not programme*): Social Carbon Foundation

E-mail address: divaldo.rezende@socialcarbon.org   Telephone #: +55 11 99237-2045

C. Programme Representative Information (if different from Programme Administrator)

Full name and title: Dr Divaldo Rezende

Employer / Company (*if not programme*): Social Carbon Foundation

E-mail address: divaldo.rezende@socialcarbon.org   Telephone #: +55 11 99237-2045

D. Programme Senior Staff / Leadership (e.g., President / CEO, board members)

List the names and titles of programme's senior staff / leadership, including board members:
Dr Divaldo Rezende – Chairman
Dr Amadeu Soares – Trustee
Diane Duncan – Trustee
Michael Davies – CEO

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[9] Name of the business, government agency, organization, or other entity that administers the Emissions Unit Programme, *if different from "Programme Name"*.

Julia Batista – Operations
Diana Lins - Operations

Provide an organization chart (in the space below or as an attachment) that illustrates, or otherwise describes, the functional relationship a) between the individuals listed in D; and b) between those individuals and programme staff / employees; and c) the functions of each organizational unit and interlinkages with other units.
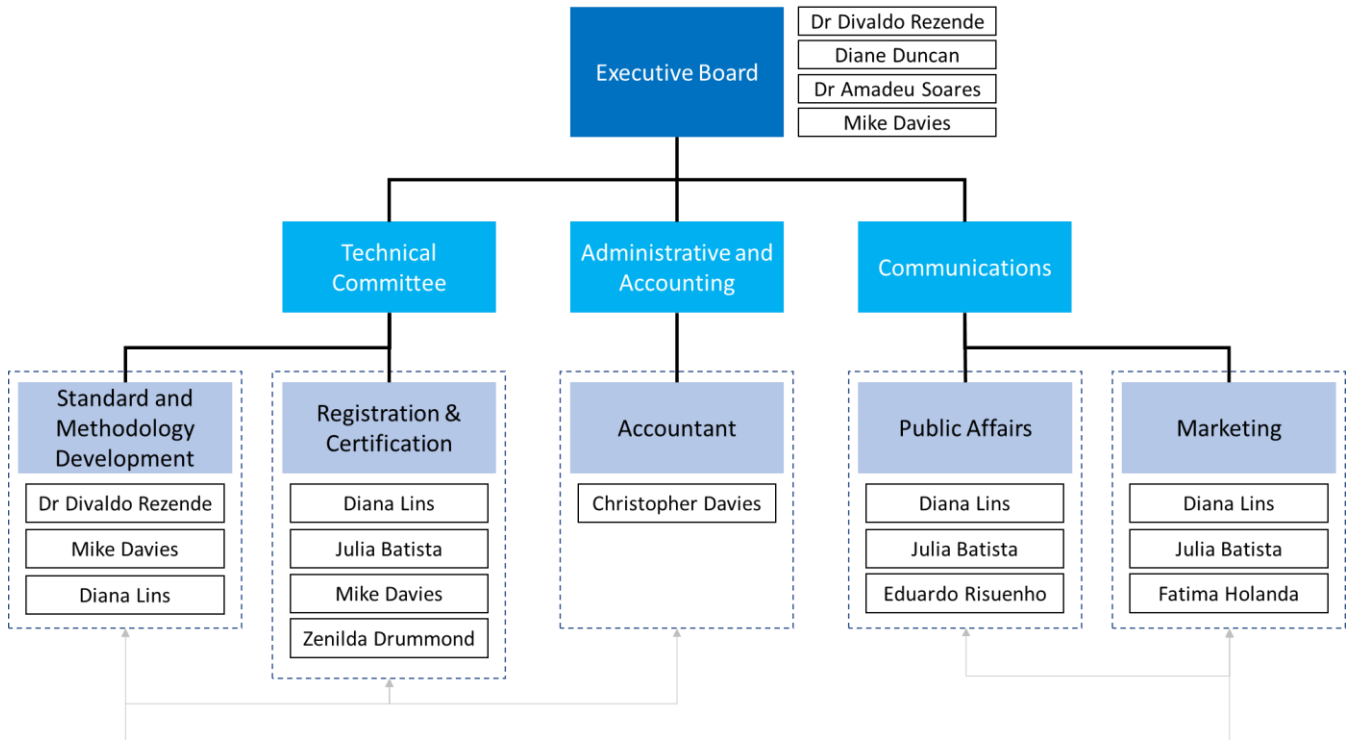
The Social Carbon Foundation has an organizational structure designed for flexibility and scalability. Counting on the excellence of those who make up the team, the overall performance of the organisation includes programming, execution, analysis, and evaluation, generating confidence, and seeking continued success. Social Carbon Foundation's corporate body is composed of:

Executive Board: The Executive Board is in charge of the strategic orientation of the company and the control of the effectiveness of the governance practices. The Board is made up of several directors that have industry leading experience in the carbon markets, climate change and biology. Each director has the ability to make independent judgments on matters within their competence. The Executive Board is also responsible for overseeing the information process and communications, and has the power to propose the creation of specialized committees to support the development or review of new methodologies and the growth of the SOCIALCARBON Standard. When committees are proposed and constituted, the Board will clearly define the composition, functions, and procedures related to the development of their tasks.

The Executive Board should support direction, and related committees, in making decisions about the development of the SOCIALCARBON Standard, including the design, and development or approval of new methodologies for quantifying GHG reductions or removals. Based on accurate and timely information, the Board of Directors shall carry out periodic evaluations, both of their results and the company's performance, and estimate whether the team has the relevant knowledge and skills.

Mike Davies is the current CEO and is responsible for managing, administering and legally represents the Social Carbon Foundation before third parties. He acts as the key link between the Board of Directors and operational team.

Technical Committee: The Technical Committee (which actively brings in Subject Matter Experts when required) is responsible for identifying, and assess the opportunity for new methodologies that have GHG mitigation potential, whilst also reviewing methodologies developed by 3rd parties that have submitted applications for approval under the SOCIALCARBON Standard. In some circumstances the committee, along with relevant 3rd parties that are subject matter experts in the topic of concern, may co-develop new methodologies to be approved under the SOCIALCARBON Standard. Within this scope, this Committee is responsible for:

- Developing and providing guidelines for methodology development under the SOCIALCARBON Standard
- Reviewing and approving new methodologies submitted for approval under the SOCIALCARBON Standard
- Support the improvement of the SOCIALCARBON Standard and the rules and procedures
- Support the technical development of methodologies for the quantification of GHG reductions or removals within the sectors and project types eligible under the SOCIALCARBON Standard
- Periodically review Validation and Verification Bodies (VVBs) to ensure both the requirements established for the SOCIALCARBON Standard and the rules defined in sectoral, national, or international standards are met.

Administrative and Accounting: This function is responsible for managing the human and financial resources of the Social Carbon Foundation. It is in charge of planning and supervision of issues related to financial planning, administrative record-keeping, invoicing, staff relations, and company logistics.
It is also in charge of accounting management and tax management and settlement. Among its functions are keeping a record and control of the documentation related to that purpose, applying everything required by the company in tax matters.

Communications: The role of the communications area is to lead the communications activities of the SOCIALCARBON Standard, both internally and externally. In fulfilling its function, the communications area establishes the content and means of communication, ensuring coherence and consistency with its communication objectives and codes. Likewise, it considers the particularities of the intended users and interested parties.

PART 3: Emissions Unit Programme Design Elements

Note—where "evidence" is requested throughout *Part 3* and *Part 4*, the programme is expected to provide web links to documentation and to identify the specific text, paragraph(s), or section(s) where TAB can find evidence of the programme procedure(s) in question. If that is not possible, then the programme may provide evidence of programme procedures directly in the text boxes provided (by copying/pasting the relevant provisions) and/or by attached supporting documentation, as recommended in "SECTION II: INSTRUCTIONS—*Form Completion: Supporting Evidence*".

Note—"*Paragraph X.X*" in this form refers to corresponding paragraph(s) in <u>Appendix A</u>
"*<u>Supplementary Information for Assessment of Emissions Unit Programmes</u>*".

Note—Where the programme has any plans to revise the programme (e.g., its policies, procedures, measures, tracking systems, governance or legal arrangements), including to enhance consistency with a given criterion or guideline, provide the following information in response to any and all relevant form question(s):

- Proposed revision(s);
- Process and proposed timeline to develop and implement the proposed revision(s);
- Process and timeline for external communication and implementation of the revision(s).

Question 3.1. Clear methodologies and protocols, and their development process

Provide *evidence*[10] that the programme's qualification and quantification methodologies and protocols are *in place* and *available for use*, including where the programme's existing methodologies and protocols are publicly disclosed. (*Paragraph 2.1*)

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Methodologies available for use under the SOCIALCARBON Standard can be publicly viewed on the SOCIALCARBON website.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Summarize the programme's process for developing further methodologies and protocols, including the timing and process for revision of existing methodologies. (*Paragraph 2.1*)

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[10] For this and subsequent "evidence" requests, evidence should be provided in the text box (e.g., web links to documentation), and/or in attachments, as recommended in "SECTION II: INSTRUCTIONS—*Form Completion*".

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and questions pertaining to this question:

The SOCIALCARBON Methodology Approval Process sets out the processes and procedures that must be followed in order to develop and approve new methodology elements (i.e., methodologies, modules and tools) and revisions to existing methodology elements under the SOCIALCARBON Standard.

New methodologies can be developed by the Social Carbon Foundation teams, however the majority of the time new methodology elements and revisions to existing methodology elements are developed by outside entities (i.e., methodology developers). The Social Carbon Foundation sets the requirements that methodologies must meet in order to be approved under the SOCIALCARBON Standard, and methodology developers must draft their methodologies in accordance with those requirements. The full set of SOCIALCARBON methodology requirements are set out in Section 2.2 of the SOCIALCARBON Methodology Approval Process.

There are two processes by which new methodology elements and methodology element revisions can be approved under the SOCIALCARBON Standard: the methodology approval process and the streamlined methodology approval process. The methodology approval process is applicable to new methodology elements and substantive methodology element revisions; the streamlined methodology approval process is applicable to minor methodology elements/revisions. These two approval processes are further described below:

Methodology Approval Process

The methodology approval process includes the evaluation and approval of a methodology concept by Social Carbon Foundation, a 30-day public comment period for the full draft methodology element, two independent assessments by properly accredited validation/verification bodies (VVBs), and final review and approval of the methodology by Social Carbon Foundation. Note that Social Carbon Foundation also reviews the methodology documentation prior to the public comment period and reviews the updated methodology documentation and assessment reports at the end of each VVB assessment. Specific procedures are set out in the sections of the SOCIALCARBON Methodology Approval Process identified below:

- The procedures and criteria by which Social Carbon Foundation evaluates methodology concepts are set out in Section 2.2 of the SOCIALCARBON Methodology Approval Process.

- The process by which methodologies are developed, submitted to Social Carbon Foundation, and posted for a 30-day public comment period are set out in Section 2.5 of the SOCIALCARBON Methodology Approval Process.

- The process for the first and second assessments of the methodology by independent VVBs is set out in Section 2.6 of the SOCIALCARBON Methodology Approval Process. Note that the VVBs must meet the eligibility criteria set out in Section 2.7 of the SOCIALCARBON Methodology Approval Process in order to conduct a methodology assessment.

- The process by which Social Carbon Foundation conducts a final review of the methodology and assessment reports, and approves a methodology under the SOCIALCARBON Standard, is set out in Section 2.7 of the SOCIALCARBON Methodology Approval Process.

Streamlined Methodology Approval Process

If a methodology has already been developed and verified by two VVBs and approved under another GHG Program, the methodology may be eligible for fast track approval under the SOCIALCARBON Standard, as set out in Section 2.10 of the SOCIALCARBON Methodology Approval Process. Social Carbon Foundation determines on a case-by-case basis whether the streamlined approval process is appropriate.

In order to ensure all methodologies approved under the SOCIALCARBON Standard continue to reflect best

practice and scientific consensus, Social Carbon Foundation may review any methodology at any time as set out in Section 2.11 of the [SOCIALCARBON Methodology Approval Process](#). The results of a review may determine that no further action is necessary, limited modifications are necessary, substantive revisions are required, or the methodology is fundamentally flawed. Where limited modifications or substantive revisions are required, Social Carbon Foundation will contact the methodology developer to update the methodology. Where it is determined the methodology is fundamentally flawed, the methodology will be withdrawn.

A minor methodology revision would include the addition of new applicability conditions, updated definitions or language in the document, or the addition of text to clarify any sections of the methodology.

Major revisions include significant changes in the methodology. This includes the quantification approach, validation and monitoring parameters, monitoring approach, and changes to the applicability conditions that would cause a significant impact to existing projects utilising the methodology.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Previous application Q/A

Q: SOCIAL CARBON's application states that: "the streamlined methodology approval process is applicable to minor methodology elements/revisions". a. Could you explain what is considered a "minor" methodology revision?

A: A minor methodology revision may include the addition of new applicability conditions, updated definitions or language in the document, or the addition of text to clarify any sections of the methodology.

Q: Do you have any criteria to classify any "major" revision, and if so, what is the process for dealing with major revisions? Do they repeat the full methodology approval process?

A: Major revisions include significant changes in the methodology. This includes the quantification approach, validation and monitoring parameters, monitoring approach, and changes to the applicability conditions that would cause a significant impact to existing projects utilising the methodology.

Provide *evidence of the public availability* of the programme's process for developing further methodologies and protocols. (*Paragraph 2.1*)

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

The SOCIALCARBON Standard's current processes for developing methodologies are available publicly on the SOCIALCARBON website in the [SOCIALCARBON Methodology Approval Process](#) document.

All methodologies, modules and tools approved under the SOCIALCARBON Standard are available publicly on the SOCIALCARBON website on the [methodologies](#) page. Additionally, note that a direct link to each methodology and module has been included within Appendix B: Programme Scope Information Request, submitted as a supplementary document to this application.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Previous application Q/A

Q: With respect to the cookstoves methodology (SCM0001), we understand that this is based on a CDM methodology. What is the rationale for prioritizing further innovations for this CDM methodology and not other CDM methodologies? What are the timelines for the development of this methodology?

A: SOCIALCARBON has a pipeline of new methodologies, some of which are also innovations for existing CDM methodologies. SCM0001 was developed following significant interest by community-focused projects that wanted to utilise SOCIALCARBON but were limited by the current CDM methodology. Regarding timelines, SOCIALCARBON prides itself in designing methodologies to the highest quality in a timely manner. Climate change is an emergency, we develop methodologies at the pace and with the scientific stringency needed to facilitate projects that can make an impact.

Q: With regard to the project-level REDD methodology, what are the timelines for the development of this methodology?

A: We are in talks with a methodology developer that already has a REDD+ methodology approved under another CORSIA-approved Standard Body. We are waiting on their confirmation that their methodology can be made available for use under SOCIALCARBON.

Q: In section 3.5.3 of the Methodology Requirements, finalized in January 2022, SOCIALCARBON uses a definition of regulatory surplus that draws from the CDM additionality tool (i.e., "systematically enforced") and a 2005 decision of the CDM executive board (i.e., E+/E-). The Article 6.4 modalities and procedures, adopted in December 2021, contains a simpler definition of regulatory additionality: "representing mitigation that exceeds any mitigation that is required by law or regulation". Why did SOCIALCARBON opt for the older CDM approach instead of the newer Art. 6.4 language?

A: The documentation was predominantly developed prior to December 2021. Following interactions with project developers, it was noted that the historical definition of additionality was well understood. However, if we receive feedback from project developers that this is no longer the case, SOCIALCARBON is open to updating its definition of regulatory additionality to align with the latest Article 6.4 language.

Q: In its response to Question C.1.a of the Initial Clarification Questions, SOCIALCARBON indicates that "SCM0001 was developed following significant interest by community-focused projects that wanted to utilize SOCIALCARBON but were limited by the current CDM methodology." Please explain the limitations and how SCM0001 lifts them. What types of projects/activities would be eligible under SCM0001 but not under the relevant CDM methodology?

A: SCM0001 aligns with the projects/activities eligible under the CDM methodology AMS-II.G, but permits large scale projects – projects that generate more than 60,000 tCO2e per year.

Q: With respect to the proposed methodology SCM0001 and the proposed REDD+ methodology, please indicate whether SOCIALCARBON expects to complete the methodology development process by the end of Q3 2022.

A: SCM0001 is currently live and another methodology has been published focused on rice cultivation: SCM0002 https://www.socialcarbon.org/scm0002. This methodology is similar to SCM0001 in that it permits large scale project, but is fundamentally based on the CDM methodology "AMS-III.AU". The REDD+ methodology is still under development, with further considerations being applied towards reference areas and jurisdictional REDD+. As a result, this may be published later than Q3 2022.

In addition to the methodologies outlined above, an independently developed methodology for conservation activities in Brazil has been submitted and is currently being assessed by a VVB. Meanwhile, we have published a new ARR methodology for Spekboom Thicket (a native plant in South Africa) which is currently in public consultation. Both methodologies are focused exclusively on GHG removals.

Question 3.2. Scope considerations

Summarize the level at which activities are allowed under the programme (e.g., project based, programme of activities, jurisdiction-scale): (*Paragraph 2.2*)

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
As outlined in the SOCIALCARBON Standard v6.0, standalone projects and grouped project are allowed under the SOCIALCARBON Standard. No jurisdictional-scale programs are currently allowed under the program.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Summarize the eligibility criteria for each type of offset activity (e.g., which sectors, project types, and geographic locations are covered): (*Paragraph 2.2*)

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
SOCIALCARBON projects can be implemented worldwide provided they meet the eligibility requirements of both

the methodology used and eligibility criteria for the SOCIALCARBON Standard. We accept all AFOLU CDM Methodologies and small-scale CDM methodologies that meet our additionality eligibility criteria. This includes renewable energy, fuel switch and clean cookstoves. The scope of the SOCIALCARBON Standard excludes projects that can reasonably be assumed to have generated GHG emissions primarily for the purpose of their subsequent reduction, removal or destruction. The SOCIALCARBON Standard also excludes the following project activities under the circumstances indicated in the table below. HDI stands for Human Development Index.

Activity:	Regional HDI value equals or is above 0.70		Regional HDI value <0.70	
	Large Scale[1]	Small Scale[1]	Large Scale	Small Scale
Activities that reduce hydrofluorocarbon-23 (HFC-23) emissions	Excluded	Excluded	Excluded	Excluded
Grid-connected electricity generation using hydro power plants / units[2]	Excluded	Excluded	Excluded	
Grid-connected electricity generation using wind, geothermal, or solar power plants/units	Excluded	Excluded		
Utilization of recovered waste heat for, inter alia, combined cycle electricity generation and the provision of heat for residential, commercial or industrial use	Excluded	Excluded		
Generation of electricity and/or thermal energy using biomass. This does not include efficiency improvements in thermal applications (e.g., cook stoves).	Excluded	Excluded		
Generation of electricity and/or thermal energy using fossil fuels, including activities that involve switching from a higher carbon content fuel to a lower carbon content fuel	Excluded	Excluded		
Replacement of electric lighting with more energy efficient electric lighting, such as the replacement of incandescent electrical bulbs with CFLs or LEDs	Excluded			
Installation and/or replacement of electricity transmission lines	Excluded			

and/or energy efficient transformers				

A summary of eligible offset activities is outlined in Appendix B.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Provide *evidence* of the Programme information defining a) level at which activities are allowed under the Programme, and b) the eligibility criteria for each type of offset activity, including its availability to the public: (*Paragraph 2.2*)

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
The SOCIALCARBON Standard v6.0 is a publicly available document that outlines the level of activities allowed under the SOCIALCARBON Standard and the eligibility criteria for each type of offset activity.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Question 3.3. Offset credit issuance and retirement procedures

Are procedures in place defining how offset credits are… (*Paragraph 2.3*)	
a) issued?	☒ YES
b) retired / cancelled?	☒ YES
c) subject to discounting (*if any*)?	☒ NO

Are procedures in place defining… (*Paragraph 2.3*)	
d) the length of crediting period(s)?	☒ YES
e) whether crediting periods are renewable?	☒ YES

Provide evidence of the procedures referred to in a) through e) (if any, in the case of "c"), including their availability to the public:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
All of the relevant policies and procedures described below are publicly available.

a) Procedures for unit issuance and retirement/cancellation

- **Issuance**: The project proponent (of a SOCIALCARBON project, typically a private project developer) must provide the required issuance documentation to the BEF (see Section 3.4 of this application for further specification on how the SOCIALCARBON registry system operates, and the specific role of "BEFs") in order to initiate the unit issuance process. Issuance documentation includes, at a minimum, a monitoring report prepared by the proponent, a verification report produced by an accredited VVB, and representations signed by the proponent and the VVB representing, among other things, full and exclusive right to the emission reductions or removals by the proponent and the accuracy of information in the project.

  Issuance documentation is reviewed for completeness by the Social Carbon Foundation staff. The Social Carbon Foundation staff perform a more thorough technical "accuracy review" of the issuance documentation subsequent to the completeness reviews. Pending the positive conclusion of all relevant reviews of the issuance documentation and the proponent's payment of the relevant program fees, SCUs are issued into the registry account by the entity indicated by the proponent.

  SCU issuance procedures under the SOCIALCARBON Standard v6.0 are set out in Sections 3.2, 3.3, 3.4, 3.5, 3.6 and 5 of the SOCIALCARBON Registration and Issuance Process.

- **Retirement/Cancellation**: SCUs may be "retired" or "cancelled", each of which has a specific meaning under the SOCIALCARBON Standard. Whereas a retirement represents the final use of a SCU as an offset against an emission of a tonne of CO2 equivalent, a cancellation represents the removal of a SCU from circulation for purposes other than an offset, such as for the creation of an alternate unit under a different GHG crediting program. The SOCIALCARBON Standard Definitions document sets out further details on the definitions of these terms. The procedures for the retirement or cancellation of SCUs are set out in Section 3.6 of the SOCIALCARBON Registration and Issuance Process.

The SOCIALCARBON Registration and Issuance Process document sets out the procedures for unit issuance and retirement/cancellation under the SOCIALCARBON Standard. Units issued under the SOCIALCARBON Standard are referred to as SOCIACARBON Units (SCUs). The procedures for issuance and retirement/cancellation of SCUs are described below:

b) Procedures related to the duration and renewal of crediting periods
The procedures related to the duration and renewal of crediting periods (defined in the SOCIALCARBON Standard Definitions) for projects are set out in Section 3.8 of the SOCIALCARBON Standard v6.0. Under the SOCIALCARBON Standard, non-AFOLU projects have either a seven-year twice-renewable crediting period (for a maximum of 21 years) or a one ten-year fixed crediting period. This is chosen by the project proponent. AFOLU projects have crediting periods that can range between 20 and 100 years. In both instances (i.e., AFOLU and non-AFOLU), renewal of a project's crediting period requires a reassessment of the project's baseline scenario, demonstration of regulatory surplus and validation against the current version of the SOCIALCARBON Standard.

c) Procedures related to unit discounting
SCUs are not subject to any discounting with respect to their fungibility. SCU owners, programs, or other climate

change efforts that accept SCUs may apply a discount at their own discretion. This is explicitly stated in Section 3.5.4(f) of the [SOCIALCARBON Registration and Issuance Process](#).

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Previous Application Q/A

Q: Suppose that a retailer opens an account in the SOCIALCARON registry to transact credits on behalf of clients. What would happen if that retailer decides to buy and retire one credit, and then submit the same proof of retirement to two clients, in order to collect fees payments for the same credit from both of them? What actions would SOCIALCARON take? How is this scenario addressed in the SOCIALCARBON rules?

A: This activity is prohibited under the SOCIALCARBON rules and requirements. Each SCU is unique as per the SOCIALCARBON Standard Guide, page 16. There must be no double counting or claiming the environmental benefit regarding the GHG emission reductions or removals. SOCIALCARBON is currently creating a whistleblowing programme to help identify actors that violate the rules of our standard. If this activity was brought to our attention, we would first ask both clients to provide the retirement transaction ID they were supplied by the retailer. This would enable us to confirm whether they had double sold the credit. If proven correct, the retailer would have their registry account suspended, and legal action may be pursued against the retailer. This issue is challenging to address purely through the SOCIALCARBON rules, hence why a whistleblower programme is being designed to address this risk further.

In addition, the SOCIALCARBON registry provider offers a marketplace that facilitates peer-to-peer transactions of carbon credits between registry account users, which if used by a client (retiree), eliminates the opportunity for double claiming.

Question 3.4 Identification and Tracking

Does the programme utilize an electronic registry or registries? (*Paragraph 2.4.2*)	⊠ YES

Provide web link(s) to the programme registry(ies) and indicate whether the registry is administered by the programme or outsourced to a third party (*Paragraph 2.4.2*):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Yes, the SOCIALCARBON Standard utilizes an electronic registry system provided by Biodiversity & Ecosystem Futures (BEF)

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Does the programme have procedures in place to ensure that the programme registry or registries…:	
a) have the capability to transparently identify emissions units that are deemed ICAO-eligible, in all account types ? (*Paragraph 2.4.3*)	☒ YES
b) identify, and facilitate tracking and transfer of, unit ownership/holding from issuance to cancellation/retirement? (*Paragraphs 2.4 (a) and (d) and 2.4.4*)	☒ YES
c) identify unit status, including retirement / cancellation, and issuance status? (*Paragraph 2.4.4*)	☒ YES
d) assign unique serial numbers to issued units? (*Paragraphs 2.4 (b) and 2.4.5*)	☒ YES
e) identify in serialization, or designate on a public platform, each unique unit's country and sector of origin, vintage, and original (and, if relevant, revised) project registration date? (*Paragraph 2.4.5*)	☒ YES
f) are secure (i.e. that robust security provisions are in place)? (*Paragraph 2.4 (c)*)	☒ YES

Summarize and provide evidence of the procedures referred to in a) through f), including the availability to the public of the procedures referred to in b), d), and f):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

a) Do the Program registries have the capability to designate the ICAO eligibility status of particular units?
Yes, the SOCIALCARBON Standard has the capability to designate the ICAO eligibility status of particular units, and this can be done in one of two ways.

SCUs can be labelled with "additional certifications" if they meet the requirements of the ICAO eligibility criteria. Another option to designate ICAO eligibility status of particular units would be to add to the SOCIALCARBON Registry a field that would enable users to select units eligible under CORSIA. This would be similar to the tick-boxes on the database that currently allow users to identify "Retired" and "Cancelled" SCUs, as indicated in the SCU section of the publicly available SOCIALCARBON Registry page. The Registry has the capability to apply additional certifications to both projects and individual units/issuances.

b) Do the Program registries identify and facilitate tracking and transfer of unit ownership/holding from issuance to cancellation/retirement?
Yes, the SOCIALCARBON Registry System identifies and facilitates the tracking and transfer of unit ownership/holding from issuance to cancellation/retirement.

All issuances, retirements and transactions are aligned with the SOCIALCARBON Standard v6.0 rules and requirements. All transaction events are executed by the registry account holder themselves, and automatically recorded on the BEF Blockchain to provide an immutable record of the event. Issuances require approval from a BEF before the transactional event can be executed.

The BEF Blockchain which records all issuances, unit ownership, retirements, transfers, cancellations automatically tracks and reconciles all issued SCUs in real time.

Additional publicly available information with respect to the tracking and transfer of unit ownership/holding from issuance to cancellation/retirement is available on the SOCIALCARBON Registry and SOCIALCARBON Unit (SCU) webpages.

c) Do the Program registries identify unit status, including retirement / cancellation, and issuance status?
Yes, the SOCIALCARBON Standard registries identify unit status, including retirement / cancellation, and issuance status.

All issuances, retirements and transactions are aligned with the SOCIALCARBON Standard v6.0 rules and requirements. All transaction events are executed by the registry account holder themselves, and automatically recorded on the BEF Blockchain to provide an immutable record of the event. Issuances require approval from a BEF before the transactional event can be executed.

The BEF Blockchain which records all issuances, unit ownership, retirements, transfers, cancellations automatically tracks and reconciliates all issued SCUs in real time.
As set out in Section 3.6 of the SOCIALCARBON Registration and Issuance Process, the SOCIALCARBON Registry displays the status of every SCU issued under the SOCIALCARBON Standard. SCUs may have a status of active, retired or cancelled. This is further evidenced by the following demonstration video:
https://youtu.be/zagIRUUF4NY

Every retirement / cancellation on the Registry is accompanied with a unique transaction ID on the Blockchain which can be used by the client to verify the claims stated by the retailer. The retailer will be able to provide this transaction ID to its clients to verify the uniqueness of their retirement / cancellation. The transaction ID can be input into the dedicated blockchain explorer tool created by BEF which enables the client to search for retirements / cancellations and see the specific details of their retirement / cancellation. In the event that a retailer sold the same SCU to two clients, they would both receive the same transaction ID for the retirement / cancellation on the Blockchain which would provide evidence of the retailer's inappropriate actions.

To prove a retirement / cancellation has occurred, the retailer would share the transaction ID of the specific retirement / cancellation. This is a unique ID that is associated with a specific retirement / cancellation. When this transaction ID is search for on the BEF Blockchain explorer, the specific details of the carbon credit retired / cancelled can be found.

d) Do the Program registries assign unique serial numbers to issued units?
Yes, the SOCIALCARBON registry assign unique serial numbers to issued units.

Specifically, Section 4 of the SOCIALCARBON Standard Guide and Section 3.5.4(g) of the SOCIALCARBON Registration and Issuance Process that SCU serial numbers are generated by the BEF Blockchain, which ensures the uniqueness of SCUs issued under the SOCIALCARBON Standard. Upon issuance of the units, a Serial Number (Transaction ID) for the event is produced by the BEF Blockchain providing a unique hash which can be used to trace the issuance on the BEF Blockchain. Each unit is its own token which is cryptographically recorded and unique on the BEF Blockchain. This eliminates the need for each individual unit to be assigned a serial number in a database as the Blockchain automatically tracks units and their ownership, without the risk of units being duplicated or replicated on the system.

The Registry system utilises a Proof of Authority consensus mechanism, which has extremely low energy consumption – less energy that running a small website. In addition, all nodes are operated from data centres that utilise 100% renewable energy.

e) Do the Program registries identify in serialization, or designate on a public platform, each unique unit's country and sector of origin, and vintage year?
Yes, the SOCIALCARBON Standard records the serial number of the issuance (which enables tracking of units), country and sector of origin, and vintage year for every unit issued. Specifically, the "Issuance details" pages of the SOCIALCARBON Registry outlines the above details for each unit issuance on the registry.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Previous Application Q/A
Q: Regarding serial numbers, we appreciate that blockchain technology applies serial numbers to events rather than to units. In this context, if a retailer were to sell the same SCU to two different clients (i.e. cancel/retire it on their behalf, without informing the other client): a. How would the clients be able to show that they were sold the same unit?

A: Every retirement/cancellation on the Registry is accompanied with a unique transaction ID on the Blockchain, which the client can use to verify the claims stated by the retailer. The retailer will be able to provide this transaction ID to its clients to verify their retirement / cancellation's uniqueness. The transaction ID can be input into the dedicated blockchain explorer tool created by BEF, enabling the client to search for retirements/cancellations and see their retirement/cancellation details. If a retailer sold the same SCU to two clients, they would both receive the same transaction ID for the retirement/cancellation on the Blockchain, which would provide evidence of the retailer's inappropriate actions.

Q: Does the retailer share the serial number of the issuance with the clients?

A: To prove a retirement/cancellation has occurred, the retailer would share the specific retirement/cancellation transaction ID. This unique ID is associated with a particular retirement/cancellation. When this transaction ID is searched for on the BEF Blockchain explorer, the specific details of the carbon credit retired/cancelled can be found.

Q: Blockchain technology has been criticized for its high energy consumption. Does SOCIALCARBON and/or BEF have any information on the expected emissions impacts of its registry system?

A: The Registry system utilises a Proof of Authority consensus mechanism, which has extremely low energy consumption – less energy than running a small website. In addition, all nodes are operated from data centres that utilise 100% renewable energy.

Q: On page 43 of its application, SOCIALCARBON indicates that once an SCU is retired or cancelled, it is

permanently removed. Please cite the provision in the programme documentation where this is specified, or under which the "un-retirement" or "un-cancellation" of a unit is prohibited.

A: This is specified in the SOCIALCARBON definitions: Cancellation (page 6), Retirement (page 18).

List any/all international data exchange standards to which the programme's registry(ies) conform: (*Paragraph 2.4 (f)*)

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
All data is recorded on the BEF Platform which adheres to the UNFCCC Security Requirements set out in Sections 9.2.1 to 9.2.4 of the Data Exchange Standards for Registry Systems Under the Kyoto Protocol. These standards include database and application backup specifications, a disaster recovery plan, security plans and application logging documentation. A full summary of the security policies and standards can be found in the Appendix D Form.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Are policies and robust procedures in place to…	
a) prevent the programme registry administrators from having financial, commercial or fiduciary conflicts of interest in the governance or provision of registry services? (*Paragraph 2.4.6*)	☒ YES
b) ensure that, where such conflicts arise, they are appropriately declared, and addressed and isolated? (*Paragraph 2.4.6*)	☒ YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):
A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
Yes, the Social Carbon Foundation has sole responsibility for managing projects and units registered under the SOCIALCARBON Standard on the BEF Registry. As a result, The Social Carbon Foundation staff provide registry services directly to stakeholders using the Social Carbon Foundation Registry, utilising BEF's registry technology. Given that The Social Carbon Foundation will be managing the Social Carbon Foundation Registry itself, Social Carbon Foundation policies for the prevention of conflict of interest will apply, and thus policies will continue to be in place to prevent Social Carbon Foundation staff from having financial, commercial or fiduciary conflicts of interest in the governance or provision of registry services, and to address and isolate such conflicts, should they arise.

The SOCIALCARBON team operates the registry, BEF provides the technology. All registrations onto the BEF

platform are reviewed and assessed by BEF. BEF holds itself to the highest Anti-Money Laundering and Counter Terrorist Financing regulations, therefore conducts advanced due diligence on all users prior to gaining full access to the platform. As seen above, a project developer or market participant can submit a registration request on the platform. This is then reviewed by the BEF team. Provided the applicant has passed BEF's due diligence checks it will then be approved to login to its account. After which is can submit documents and projects for review by the SOCIALCARBON team.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Are provisions in place…	
a) ensuring the screening of requests for registry accounts? (*Paragraph 2.4.7*)	☒ YES
b) restricting the programme registry (or registries) accounts to registered businesses and individuals? (*Paragraph 2.4.7*)	☒ YES
c) ensuring the periodic audit or evaluation of registry compliance with security provisions? (*Paragraph 2.4.8*)	☒ YES

Summarize and provide evidence of the registry security provisions referred to in a) through c):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

a) Registry accountholders must pass strict know-your-customer background checks performed by BEF prior to opening an account. The due diligence policy and process applied are Attachment 1.

b) Yes, the SOCIALCARBON Registry System is limited to registered accountholders, which can be, incorporated businesses, non-profit organizations and other institutions that have applied for an account on the BEF Registry and have passed the Know-Your-Customer checks performed by the BEF team during the application process. Individuals may not open their own SOCIALCARBON registry accounts.

c) The SOCIALCARBON registry agreement require certain security controls and processes that meet the requirements set out in the UNFCCC Security Requirements (see Clause 8 of the Registry Agreement between BEF and the Social Carbon Foundation submitted as Attachment 2). The UNFCCC Security Requirements themselves include audits of database and application backup plans. Under the Social Carbon Foundation Registry Agreement, the Social Carbon Foundation has the right to review documentation pertaining to the registries' adherence to these security controls at any time (see Attachment 2).

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Q: The Registration and Issuance Process indicates that market participants are to open accounts on the BEF website. We cannot find a link on the BEF website to open such an account. Please explain how one would do so.

A: Any market participant can register an account. This is readily available on the website, as seen below. Users can only register and log in to their account via a desktop and not by mobile.

Q: The BEF Registry Service agreement appears to limit registry accounts to employees of SOCIALCARBON. We presume that this is because BEF provides the technology while SOCIALCARBON employees operate the actual registry. Either way, how does an individual project developer or market participant submit a request to open a registry account?

A: This is correct; the SOCIALCARBON team operates the registry, and BEF provides the technology. All registrations onto the BEF platform are reviewed and assessed by BEF. BEF holds itself to the highest Anti-Money Laundering and Counter-Terrorist Financing regulations; therefore, conducts advanced due diligence on all users before gaining full access to the platform. As seen above, a project developer or market participant can submit a registration request on the platform. The BEF team then reviews this. Provided the applicant has passed BEF's due diligence checks, it will be approved to log in to its account. After which, the user can submit documents and projects for review by the SOCIALCARBON team.

Q: Please explain the rationale for prohibiting private individuals from opening registry accounts. What if a private individual wanted to purchase an SCU? Would they need to go through a retailer?

A: BEF only operates as a B2B platform due to the significant additional compliance requirements when interacting with individuals. If a private individual wanted to purchase an SCU, they would need to go through a retailer. However, BEF has plans to enable private individuals to access the registry.

Question 3.5 <u>Legal nature and transfer of units</u>

Does the programme define and ensure the following:	
a) the underlying attributes of a unit? (Paragraph 2.5)	☒ YES
b) the underlying property aspects of a unit? (Paragraph 2.5)	☒ YES

Summarize and provide evidence of the processes, policies, and/or procedures referred to in a) and b), including their availability to the public:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
Yes, the SOCIALCARBON Standard defines and ensures the underlying attributes and property aspects of the units it issues.

Specifically, the underlying attributes of a SCU are defined by the principles in Section 3 of the SOCIALCARBON Standard Guide, which states that each SCU be real, measurable, permanent, additional, independently audited,

unique, transparent, and conservative. These principles are upheld through the SOCIALCARBON project certification process.

With respect to property aspects, the publicly available SOCIALCARBON Standard Definitions defines a SOCIALCARBON Unit (SCU) as "A unit issued by and held in the SOCIALCARBON registry representing the right of an accountholder in whose account the unit is recorded to claim the achievement of a GHG emission reduction or removal in an amount of one (1) metric tonne of CO_2 equivalent that has been verified by a validation/verification body in accordance with the SOCIALCARBON Standard rules." The definition goes on to state that "Recordation of a SCU in the account of the holder at the SOCIALCARBON registry is prima facie evidence of that holder's entitlement to that SCU".

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Question 3.6 <u>Validation and verification procedures</u>

Are standards, requirements, and procedures in place for… (*Paragraph 2.6*)	
a) the validation of activities?	☒ YES
b) the verification of emissions reductions?	☒ YES
c) the accreditation of validators?	☒ YES
d) the accreditation of verifiers?	☒ YES

Provide evidence of the standards, requirements, and procedures referred to in a) through d), including their availability to the public:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
a + b) Are standards, requirements, and procedures in place for validation and verification
Yes, the SOCIALCARBON Standard has standards and procedures in place for validation and verification processes. Specifically, the SOCIALCARBON rules for validation and verification processes are set out in Section 4 of the SOCIALCARBON Standard v6.0. These rules require all projects to undergo validation (i.e., an independent assessment by a VVB that determines whether the project complies with the SOCIALCARBON rules) and verification (i.e., a periodic ex-post independent assessment by a VVB of the GHG emission reductions and removals that have occurred as a result of the project during the monitoring period). Validation and verification activities must be carried out in conformance with ISO 14064-3 and ISO 14065. VVBs may only conduct validation/verification activities for project activities for which they have demonstrated competency as determined during their accreditation process.

c + d) **Are standards and procedures in place for validator and verifier accreditation?**

Yes, the SOCIALCARBON Standard has standards and procedures in place for validator and verifier accreditation. Specifically, the SOCIALCARBON rules for accreditation of validation/verification bodies are set out in Section 5 of the SOCIALCARBON Standard Guide. In particular, VVBs must be accredited via one of two pathways:
1. Accredited under ISO 14065 by an SOCIALCARBON-approved accreditation body that is a member of the International Accreditation Forum (IAF).
2. Accredited under a SOCIALCARBON-approved GHG Program. Currently organizations approved as Designated Operational Entities (DOEs) under the UNFCCC's Clean Development Mechanism are eligible. DOEs are accredited using the CDM Accreditation Standard which is based on ISO 14065.

Once organizations have provided the Social Carbon Foundation with proof of accreditation to at least one sectoral scope for validation and/or verification from one of the accreditation bodies identified above, VVBs are invited to apply for approval with the SOCIALCARBON Standard, which includes signing an agreement with the Social Carbon Foundation and payment of an annual fee as set out in the SOCIALCARBON Standard Fee Schedule.

In addition to the above requirements, in order to be eligible to validate a project, a VVB must have completed at least five project validations under the relevant sectoral scope. Project validations can be under the SOCIALCARBON Standard or an approved GHG program and projects shall be registered under the applicable program.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
To improve clarity of the VVB accreditation requirement the wording was updated to the following in the SOCIALCARBON Standard Guide that:

"Validation/verification bodies are eligible to provide validation and verification services under the SOCIALCARBON Standard if they have signed the required agreement with Social
Carbon Foundation and are:
● Accredited under ISO 14065 by an accreditation body that is a member of the International Accreditation Forum"

SOCIALCARBON does not approved accreditation bodies – the accreditation body must be a member of the International Accreditation Forum.

Question 3.7 <u>Programme governance</u>

Does the programme publicly disclose who is responsible for the administration of the programme? (*Paragraph 2.7*)	⊠ YES
Does the programme publicly disclose how decisions are made? (*Paragraph 2.7*)	⊠ YES

Provide evidence that this information is available to the public:

A. Information contained in the programme's original application, including information submitted in response to

follow-up discussions and written questions pertaining to this topic:

The SOCIALCARBON website has a page called 'Governance' which publicly discloses who is responsible for the administration of the program. In addition, the Articles of Association, which are publicly visible on the SOCIALCARBON website disclose how decisions are made from a Governance perspective. Evidence can be found on the Articles of Association, page 6, clause 14 and also clauses 20, 21, 29, 31, 36, 38, 43, 46, 48, 57, 58 https://static1.squarespace.com/static/6161c89d030b89374bec0b70/t/620024a4b6fca156624ea1d0/1644176548525/Social+Carbon+-+Articles+of+Association.pdf

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Can the programme demonstrate that it has… (*Paragraph 2.7.2*)	
a) been continuously governed for at least the last two years?	☒ YES
b) been continuously operational for at least the last two years?	☒ YES
c) a plan for the long-term administration of multi-decadal programme elements?	☒ YES
d) a plan for possible responses to the dissolution of the programme in its current form?	☒ YES

Provide evidence of the activities, policies, and procedures referred to in a) through d):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

a + b) The SOCIALCARBON Standard has been operating for 15 years. Historically a co-benefits standard endorsed by IETA and used alongside VCS and Gold Standard projects, as of 2022 SOCIALCARBON has transitioned to a full standard. As of 2022 all methodologies available under the SOCIALCARBON Standard are CDM approved methodologies. The procedure for project developers or VVBs has not changed when compared to the old Standard, the only difference is the documentation format and governing body. We therefore believe SOCIALCARBON meets the requirements of being continuously governed and operational for at least 2 years, given the procedures and governance has not changed for 15 years.

c + d) The Social Carbon Foundation is bound by clause 58 in its Articles of Association, which states that "The members of the charity may at any time before, and in expectation of, its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the charity be applied or transferred in any of the following ways: (a) directly for the Objects; or (b) by transfer to any charity or charities for purposes similar to the Objects; or (c) to any charity or charities for use for particular purposes that fall within the Objects." Should the organization need to be dissolved, however, as the Articles of Association state, the directors of the charity may at any time before and in expectation of its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid".

The Social Carbon Foundation has been established to administrate the SOCIALCARBON Standard for long-term, multi-decadal timeframes. The operating model and fee structure has been developed to ensure that the Governance body has sufficient annual income for long term sustainable operations.

Should the SOCIALCARBON Standard ever contract significantly, we are confident that we could continue to operate it at a minimal level with fees from the SOCIALCARBON Standard itself, as well as other resources at our disposal, including the reserve and other unrestricted revenues. Therefore, while there is a risk the SOCIALCARBON Standard could shrink significantly, we believe that such an event would not necessarily cause the organization to dissolve, and that we could sustain a minimal level of SOCIALCARBON Standard activities with program fees and other resources.

Another important consideration is the fact that the assets created under the SOCIALCARBON Standard (i.e., SCUs) will have long-term value, suggesting that if the organization is ever dissolved, there would be some entity that would be interested in and able to manage the small amount of work needed to keep the platform open and operating at a minimal level. Specifically, existing projects using CDM methodologies could be transferred to another GHG crediting program, which are transferrable to several existing GHG programs, including VCS and Gold Standard.

B. Summary and accompanying evidence of any updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Are policies and robust procedures in place to…	
a) prevent the programme staff, board members, and management from having financial, commercial or fiduciary conflicts of interest in the governance or provision of programme services? (*Paragraph 2.7.3*)	☒ YES
b) ensure that, where such conflicts arise, they are appropriately declared, and addressed and isolated? (*Paragraph 2.7.3*)	☒ YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

a) All programme staff, board members and management must read and sign the Social Carbon Foundation's Conflict of Interest Policy to prevent financial, commercial or fiduciary conflicts of interest.
This policy is publicly available on the SOCIALCARBON website: https://www.socialcarbon.org/s/Social-Carbon-Conflict-of-Interest-Policy-Disclosure-Statement-Directors-Officers-2021-v11-sy2d.pdf

b) As per the Social Carbon Foundation Articles of Association, all board members / Directors / Trustees must disclose any conflicts of interest and remove themselves from meetings and decision making where that conflict may impact decision making.

Evidence of this can be found on page 12, clause 45 of the Articles of Association, which is publicly available on the SOCIALCARBON website:
https://static1.squarespace.com/static/6161c89d030b89374bec0b70/t/620024a4b6fca156624ea1d0/16441765 48525/Social+Carbon+-+Articles+of+Association.pdf

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

If the programme is not directly and currently administered by a public agency, can the programme demonstrate up-to-date professional liability insurance policy of at least USD$5M? (*Paragraph 2.7.4*)	☒ YES

Provide evidence of such coverage:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
Evidence has been attached

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Question 3.8 <u>Transparency and public participation provisions</u>

Does the programme publicly disclose… (*Paragraph 2.8*)	
a) what information is captured and made available to different stakeholders?	☒ YES
b) its local stakeholder consultation requirements (if applicable)?	☒ YES
c) its public comments provisions and requirements, and how they are considered (if applicable)?	☒ YES

Provide evidence of the public availability of items a) through c):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
a) Does the Program publicly disclose what information is captured and made available to different stakeholders?

Yes. Section 3 of the SOCIALCARBON Standard Guide requires that "There must be sufficient and appropriate public disclosure of GHG related information to allow intended users to make decisions with reasonable confidence." Accordingly, publicly disclosed information related to the SOCIALCARBON Standard's projects, SCUs and methodologies includes the following:

- **Project and SCU information**: The SOCIALCARBON Registry makes all project and SCU information publicly available, and it can be accessed via the BEF Website. In doing so, the SOCIALCARBON Registry tracks and makes publicly available information about every project, and SCU issued under the Standard, including but not limited to project documentation, location, methodology, unit vintages, serial numbers and issuance/retirement/cancellation dates. Per Section 3.4.2 of the SOCIALCARBON Standard v6.0, all information in SOCIALCARBON project documents shall be presumed to be available for public review except for information assessed by a VVB to meet the definition of "commercially sensitive information", as defined in the SOCIALCARBON Standard Definitions. Per Section 3.3.6 of the SOCIALCARBON Registration and Issuance Process the proponent may protect commercially sensitive information by uploading a public project description and separate private documents to the SOCIALCARBON Registry.

- **Methodology information:** Methodologies developed under the SOCIALCARBON Standard are publicly available on The Social Carbon Foundation's methodologies webpage along with the assessment reports prepared by the validation/verification bodies (VVBs) that reviewed the methodology during its development (if created by a third party and not the Social Carbon Foundation). Note that the SOCIALCARBON Standard also accepts projects that apply methodologies developed under approved programs, which include the CDM. Therefore, while not all SOCIALCARBON projects apply methodologies that have been developed under the SOCIALCARBON Standard, The Social Carbon Foundation provides links to these other methodologies on its website and the SOCIALCARBON Registry indicates where a non-SOCIALCARBON methodology is used.

b) Does the Program publicly disclose its local stakeholder consultation requirements?
Yes, Sections 3.18.2 - 3.18.4 of the SOCIALCARBON Standard v6.0 publicly disclose the SOCIALCARBON Standard's local stakeholder consultation requirements. Public reporting of each projects' compliance with the local stakeholder consultation requirements is reported in Section 2.1 of the SOCIALCARBON Project Description Template, Section 3.2 of the SOCIALCARBON Validation Report Template, Section 2.2 of the SOCIALCARBON Monitoring Report Template and Section 4.2 of the SOCIALCARBON Verification Report Template.

c) Does the Program publicly disclose its public comments provisions and requirements, and how they are considered?
Yes, the SOCIALCARBON Standard has public comment provisions for methodologies developed under the SOCIALCARBON Standard. These provisions are summarized below.
- Methodologies: The SOCIALCARBON Standard's public comment provisions for methodologies, including how comments are considered, are publicly available in Section 2.5 of the SOCIALCARBON Methodology Approval Process. Methodologies are subject to a 30-day public comment period prior to assessment by a VVB and the methodology developer must take due account of comments received.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Previous Application Q/A

Q: We recognize that all SOCIALCARBON projects are required to undergo a local stakeholder consultation.

SOCIALCARBON also indicates on page 27 of its application that it conducts public comment periods for activities seeking registration, as well as for rule changes. Please indicate where such public comment periods are specified in the SOCIALCARBON documentation.

A: Activities seeking registration include new methodologies, methodology revisions, and Standard rule changes. This can be found in the "Methodology Approval Process" document from page 8 onwards.

Q: There was a drafting error in our initial clarification question A2. Please respond to this corrected question: "We recognize that all SOCIALCARBON methodologies are required to undergo a local stakeholder consultation. SOCIALCARBON also indicates on page 27 of its application that it conducts public comment periods for projects/activities seeking registration, as well as for rule changes. Please indicate where SOCIALCARBON programme documentation requires public comment periods for projects seeking registration and/or rule changes.

A: Public comments are only required for new methodologies or programme rule changes, not projects. However, we operate a whistleblowing scheme which enables anyone to submit concerns on projects both before validation and during project implementation. Upon review, and provided we deem the comments appropriate, the projects will be informed of the message and requested to provide rationale for their decisions and potentially make amendments to their project. This ensures continuous opportunities for public comments. In addition, the SOCIALCARBON standard requires co-benefits to be embedded into the project design. As a result, local communities/stakeholders must be consulted and have an active role in the project design and implementation. This significantly reduces the risk of poor stakeholder engagement.

Does the programme conduct public comment periods relating to… (*Paragraph 2.8*)	
a) methodologies, protocols, or frameworks under development?	☒ YES
b) activities seeking registration or approval?	☒ YES
c) operational activities (e.g., ongoing stakeholder feedback)	☒ YES
d) additions or revisions to programme procedures or rulesets?	☒ YES

Summarize and provide evidence of any programme procedures referred to in a) through d):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

The SOCIALCARBON Standard has public comment provisions for methodologies developed under the SOCIALCARBON Standard. These provisions are summarized below.

- Methodologies: The SOCIALCARBON Standard's public comment provisions for methodologies, including how comments are considered, are publicly available in Section 2.5 of the SOCIALCARBON Methodology Approval Process. Methodologies are subject to a 30-day public comment period prior to assessment by a VVB and the methodology developer must take due account of comments received.

In addition, the SOCIALCARBON Standard conducts public comment periods on all major revisions to the program requirements. New versions of the SOCIALCARBON Standard, as a result of major edition updates, undergo a comprehensive public stakeholder consultation process that is to be announced on the SOCIALCARBON website and to SOCIALCARBON stakeholders.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Question 3.9 <u>Safeguards system</u>

Are safeguards in place to address… (*Paragraph 2.9*)	
a) environmental risks?	☒ YES
b) social risks?	☒ YES

Summarize and provide evidence of the safeguards referred to in a) and b), including their availability to the public:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

The SOCIALCARBON Standard has safeguards in place to address environmental and social risks for projects. The relevant policies and procedures for safeguards are publicly available in Section 3.18 of the SOCIALCARBON Standard v6.0 for projects. For projects, 47 safeguards are in place which projects must evidence their compliance with. The safeguards cover the following topics: Human Rights, Gender Equality, Health and Safety, Cultural and Historical Heritage, Forced Displacement, Land Tenure and rights, Indigenous Peoples, Corruption, Labour, Financial Sustainability, Climate, Natural Resources, Pollution and Waste Management, Pesticides and Fertilizers, Food.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Question 3.10 <u>Sustainable development criteria</u>

Does the programme use sustainable development criteria? (*Paragraph 2.10*)	☒ YES
Does the programme have provisions for monitoring, reporting and verification in accordance with these criteria? (*Paragraph 2.10*)	☒ YES

Summarize and provide evidence of the policies and procedures referred to above:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Project proponents are required to describe how the project contributes to achieving any nationally stated sustainable development priorities, including any provisions for monitoring and reporting same. This includes

documenting the Sustainable Development Goals contributed by the projects, indicators used to measure and track the project's progress.

This requirement is publicly available in Section 6 of the SOCIALCARBON Project Description Template and Section 6 of the SOCIALCARBON Monitoring Report Template VVBs are required to identify, discuss and justify conclusions regarding the sustainable development contributions of the project within their auditing documentation. This requirement is publicly available in Section 4 of the SOCIALCARBON Validation Report Template and Section 5 of the SOCIALCARBON Verification Report Template.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Question 3.11 <u>Avoidance of double counting, issuance and claiming</u>

Does the programme use sustainable development criteria? (*Paragraph 2.10*)	☒ YES
Does the Programme provide information on how it addresses double counting, issuance and claiming in the context of evolving national and international regimes for carbon markets and emissions trading? (*Paragraph 2.11*)	☒ YES

Summarize and provide evidence of the information referred to above, including its availability to the public:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
As per the document SOCIALCARBON Standard v6.0, projects must demonstrate that no other projects are operating in the same project boundary that could pose a risk to doubling counting. In addition, as SOCIALCARBON plans to also provide REDD+ methodologies in the future, guidance has been provided for future project developers on how they can manage their project with jurisdictional programs to prevent double counting. This guidance is called Jurisdictional and nested REDD+.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Q: s. 3.23 of the Standard seems to imply that the host country has discretion on "whether" to require attestations and whether or not it needs to take "any" steps to avoid double-claiming against national mitigation pledges. How will SOCIALCARBON determine whether such steps are adequate to meet the Emissions Unit Criteria?

A: It is outside SOCIALCARBON's control to mandate that host countries require attestations to avoid double-claiming against national mitigation pledges. However, we are actively engaging with host country governments to build a dialogue and address these issues.

In addition, given that the compliance market's rules are still to be fully defined, host countries do not have a commitment regarding double-claiming and the voluntary carbon market. We expect that once the compliance market's rules have been defined and agreed upon, it will become clearer to host countries on procedures to mitigate the risk of double-claiming.

PART 4: Carbon Offset Credit Integrity Assessment Criteria

Note—where "evidence" is requested throughout *Part 3* and *Part 4*, the Programme should provide web links to documentation. If that is not possible, then the programme may provide evidence of programme procedures directly in the text boxes provided (by copying/pasting the relevant provisions) and/or by attached supporting documentation, as recommended in "SECTION II: INSTRUCTIONS—*Form Completion*".

Note—"*Paragraph X.X*" in this form refers to corresponding paragraph(s) in <u>Appendix A</u> "*<u>Supplementary Information for Assessment of Emissions Unit Programmes</u>*".

Note—Where the programme has any plans to revise the programme (e.g., its policies, procedures, measures, tracking systems, governance or legal arrangements), including to enhance consistency with a given criterion or guideline, provide the following information in response to any and all relevant form question(s):

- Proposed revision(s);
- Process and proposed timeline to develop and implement the proposed revision(s);
- Process and timeline for external communication and implementation of the revision(s).

Question 4.1 <u>Are additional</u>

Do the Programme's carbon offsets… (*Paragraph 3.1*)	
a) represent greenhouse gas emissions reductions or carbon sequestration or removals that exceed any greenhouse gas reduction or removals required by law, regulation, or legally binding mandate?	☒ YES
b) exceed any greenhouse gas reductions or removals that would otherwise occur in a conservative, business-as-usual scenario?	☒ YES

Summarize and provide evidence of the policies and procedures referred to in a) and b), including their availability to the public:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Yes, the SOCIALCARBON Standard rules require additionality and baseline-setting to be assessed by an accredited and independent third-party verification entity, and are also reviewed by Social Carbon Foundation staff. More specifically the SOCIALCARBON Standard rules require projects to demonstrate additionality and set an appropriate baseline in accordance with the applied methodology (Section 3.12 of the <u>SOCIALCARBON Standard v6.0</u>, respectively).

In addition, all SOCIALCARBON projects are required to complete "validation", which is an assessment carried out by an accredited and independent third-party verification entity (referred to as a "validation/verification body (VVB)" under the SOCIALCARBON Standard) to determine whether the project complies with the SOCIALCARBON rules (Section 4 of the SOCIALCARBON Standard v6.0).

Accordingly, project additionality and baseline-setting will be assessed by an accredited and independent third-party VVB as part of the validation process (Section 3.1.8 of the SOCIALCARBON Registration and Issuance Process). Finally, Social Carbon Foundation staff review all projects' additionality and baseline-setting when projects request registration (Section 3.1.11 of the SOCIALCARBON Registration and Issuance Process).

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Is additionality and baseline-setting… (*Paragraph 3.1*)	
a) assessed by an accredited and independent third-party verification entity?	☒ YES
b) reviewed by the programme?	☒ YES

Summarize and provide evidence of the policies and procedures referred to in a) and b), including their availability to the public:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
Yes, for project additionality, the SOCIALCARBON Standard utilizes a number of the methods cited in Section 3.1.8 in the SOCIALCARBON Registration and Issuance Process. Specifically, Section 2.2 of the SOCIALCARBON Standard v6.0 requires each project methodology to establish a procedure for demonstrating and assessing additionality. The SOCIALCARBON Standard identifies project method as the primary assessment of additionality: A project-specific approach that considers whether the project faces return on investment or technological barriers, and whether the project is common practice.

Note that, regardless of which approach above is followed, all SOCIALCARBON projects are required to demonstrate regulatory surplus as set out in Sections 3.5.12, 3.8, 3.8.7 and 3.12.3 of the SOCIALCARBON Standard v6.0.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Identify one or more of the methods below that the programme has procedures in place to ensure, and to support activities to analyze and demonstrate, that credited mitigation is additional; which can be applied at the project- and/or programme-level: (*Paragraphs 3.1, and 3.1.2 - 3.1.3*)

☒   Barrier analysis

☒   Common practice / market penetration analysis

☒   Investment, cost, or other financial analysis

☐   Performance standards / benchmarks

☒   Legal or regulatory additionality analysis (as defined in *Paragraph 3.1*)

Summarize and provide evidence of the policies and procedures referred to in the above list, including describing any/all additionality analyses and test types that are utilized under the programme:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Given all current methodologies accepted are CDM methodologies, project developers are required to use the CDM additionality tools and procedures to demonstrate additionality.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

AFOLU projects must now complete their additionality assessments using the SOCIALCARBON tool called SCT0001: Tool for the Demonstration and Assessment of Additionality in SOCIALCARBON Agriculture, Forestry and Other Land Use (AFOLU) Project Activities v1.0.

The tool provides a step-wise approach to demonstrate and assess additionality for AFOLU project activities. New and revised SOCIALCARBON methodologies may reference and required the use of the tool to demonstrate additionality of AFOLU project activities. This tool is adapted from the CDM Tool for the demonstration and assessment of additionality in A/R CDM project activities. This tool was developed to create an AFOLU-specific tool for assessing additionality.

Non-AFOLU projects must continue to use the CDM additionality tools and procedures to demonstrate additionality.

If the Programme provides for the use of method(s) not listed above, describe the alternative procedures and how they ensure that activities are additional: (*Paragraph 3.1*)

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Not applicable, no project is determined to be automatically additional.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

AFOLU projects must now complete their additionality assessments using the SOCIALCARBON tool called SCT0001: Tool for the Demonstration and Assessment of Additionality in SOCIALCARBON Agriculture, Forestry

and Other Land Use (AFOLU) Project Activities v1.0.

The tool provides a step-wise approach to demonstrate and assess additionality for AFOLU project activities. New and revised SOCIALCARBON methodologies may reference and required the use of the tool to demonstrate additionality of AFOLU project activities. This tool is adapted from the CDM Tool for the demonstration and assessment of additionality in A/R CDM project activities. This tool was developed to create an AFOLU-specific tool for assessing additionality.

If the programme designates certain activities as automatically additional (e.g., through a "positive list" of eligible project types), does the programme provide clear evidence on how the activity was determined to be additional? (*Paragraph 3.1*)	☒ YES

Summarize and provide evidence of the policies and procedures for determining the automatic additionality of activities, including a) the criteria used to determine additionality and b) their availability to the public:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

No project is determined to be automatically additional.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

Only one methodology has permission to designate certain activities as automatically additional - SCM0007. This methodology permits the project to be additional if the service (Harmful Algae Bloom treatment) is deployed pro-bono. Under this scenario, the cost of doing so are significant (>$250,000 for a 4 km^2 lake) and would not have occurred without the incentive of carbon credits.

Previous Application Q/A

Q: In section 3.5.3 of the Methodology Requirements, finalized in January 2022, SOCIALCARBON uses a definition of regulatory surplus that draws from the CDM additionality tool (i.e., "systematically enforced") and a 2005 decision of the CDM executive board (i.e., E+/E-). The Article 6.4 modalities and procedures, adopted in December 2021, contains a simpler definition of regulatory additionality: "representing mitigation that exceeds any mitigation that is required by law or regulation". Why did SOCIALCARBON opt for the older CDM approach instead of the newer Art. 6.4 language?

A: The documentation was predominantly developed prior to December 2021. Following interactions with project developers, it was noted that the historical definition of additionality was well understood. However, if we receive feedback from project developers that this is no longer the case, SOCIALCARBON is open to updating its definition of regulatory additionality to align with the latest Article 6.4 language.

Explain how the procedures described under Question 4.1 provide a reasonable assurance that the mitigation would

not have occurred in the absence of the offset programme: (*Paragraph 3.1*)

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

CDM has been operating since 2004, of which several voluntary carbon standards have utilized the methodologies and additionality requirements and tools developed to supplement their own Standards. Given the large number of projects that have used the Additionality tools and methodologies, we can provide reasonable assurance that projects under the SOCIALCARBON Standard are additional.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

AFOLU projects must now complete their additionality assessments using the SOCIALCARBON tool called [SCT0001: Tool for the Demonstration and Assessment of Additionality in SOCIALCARBON Agriculture, Forestry and Other Land Use (AFOLU) Project Activities v1.0.](#)

The tool provides a step-wise approach to demonstrate and assess additionality for AFOLU project activities. New and revised SOCIALCARBON methodologies may reference and required the use of the tool to demonstrate additionality of AFOLU project activities. This tool is adapted from the CDM Tool for the demonstration and assessment of additionality in A/R CDM project activities. This tool was developed to create an AFOLU-specific tool for assessing additionality.

The CDM has been operating since 2004, of which several voluntary carbon standards have utilized the methodologies and additionality requirements and tools developed to supplement their own Standards. Given the large number of projects that have used the Additionality tools and methodologies, we can provide reasonable assurance that projects under the SOCIALCARBON Standard are additional.

Non-AFOLU projects must align with the CDM tools for additionality assessments and AFOLU projects must align with a new additionality tool which is an adapted version of the CDM Additionality assessment tool for Afforestation / Reforestation.

Question 4.2 Are based on a realistic and credible baseline

Are procedures in place to… (*Paragraph 3.2*)	
a) issue emissions units against realistic, defensible, and conservative baseline estimations of emissions?	☒ YES
b) publicly disclose baselines and underlying assumptions?	☒ YES

Summarize and provide evidence of the policies and procedures referred to in a) and b), including how "*conservativeness*" of baselines and underlying assumptions is defined and ensured:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Yes, the SOCIALCARBON Standard has procedures in place to ensure that all SCUs are issued against realistic, defensible, and conservative baselines.

Project Baselines

Specifically, Section 3.1.3 of the SOCIALCARBON Standard v6.0 requires that all projects must apply methodologies eligible under the SOCIALCARBON Standard, which must meet the requirements set out in Section 4 of the SOCIALCARBON Standard v6.0. In particular, all methodologies must establish criteria and procedures for identifying credible, alternative baseline scenarios, and determining the most plausible scenario, as set out in Section 3.11 of the SOCIALCARBON Standard v6.0. Methodologies must take into account the following when developing procedures for determining the baseline scenario:

1) The identified GHG sources, sinks and reservoirs;

2) Existing and alternative project types, activities and technologies providing equivalent type and level of activity of products or services to the project;

3) Data availability, reliability and limitations; and

4) Other relevant information concerning present or future conditions, such as legislative, technical, economic, socio-cultural, environmental, geographic, site-specific and temporal assumptions or projections.

The above requirements are in line with Section 5.4 of ISO 14064-2:2013, Greenhouse gases - Part 2: Specification with guidance at the project-level for quantification, monitoring and reporting of greenhouse gas emission reductions or removal enhancements, and ensure that SOCIALCARBON Standard methodologies include procedures for determining realistic, defensible, and conservative estimates of baseline emissions.

Projects are then required to apply an eligible methodology, and must describe the identified baseline scenario within the project description per Section 3.11 of the SOCIALCARBON Standard v6.0. This project description is made publicly available on the SOCIALCARBON Registry and must include all underlying assumptions in respect of establishing the baseline scenario in line with the provisions set out by the applied methodology.

Finally, in order to register the project with the SOCIALCARBON Standard, all projects must be validated as stated in Section 4 of the SOCIALCARBON Standard v6.0 whereby a project undergoes an independent assessment by a properly accredited VVB. This validation determines whether the project complies with the SOCIALCARBON rules, including appropriate application of the methodology and the determination of the baseline scenario, including any underlying assumptions. The VVB's assessment and ultimate conclusions regarding the baseline scenario and underlying assumptions are then described in a validation report, which is also made publicly available on the SOCIALCARBON Registry.

AFOLU projects must also conduct a non-permanence risk report at validation and per verification. This report results in the risk rating of the project and buffer units that must be deducted from the project's eligible issuance total. This increases conservativeness further.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previos application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Are procedures in place to ensure that *methods of developing baselines*, including modelling,	☒ YES

benchmarking or the use of historical data, use assumptions, methodologies, and values do not over-estimate mitigation from an activity? (*Paragraph 3.2.2*)	

Summarize and provide evidence of the policies and procedures referred to above:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Yes, the SOCIALCARBON Standard has procedures in place to ensure that methods of developing baselines, including modelling, benchmarking or the use of historical data, use assumptions, methodologies, and values do not over-estimate mitigation from an activity.

Specifically, Section 4.11.2 of the SOCIALCARBON Standard v6.0 sets out the requirements that all project methodologies approved under the SOCIALCARBON Standard must meet, including requirements to ensure that methodologies do not overestimate mitigation from activities.

In particular, Section 4.1.4 of the SOCIALCARBON Methodology Requirements requires that methodologies include a comparative assessment of the project and its alternatives in order to identify the baseline scenario. Section 4.4 of the SOCIALCARBON Methodology Requirements set out requirements where methodologies utilize modeling and default factors, respectively. Further, methodologies must be guided by the principles set out in Section 2.4.1 of the SOCIALCARBON Methodology Requirements, one of which is conservativeness. Additionally, Section 3.9.2 of the SOCIALCARBON Standard v6.0 requires that, where uncertain data and information are relied upon, conservative values shall be selected that ensure that the quantification does not lead to an overestimation of net GHG emission reductions or removals. Lastly, Section 3.11.2 of the SOCIALCARBON Standard v6.0 requires baseline scenarios, including all assumptions, values and procedures, to be selected to ensure GHG emission reductions and removals are not overestimated.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Are procedures in place for activities to respond, as appropriate, to changing baseline conditions that were not expected at the time of registration? (*Paragraph 3.2.3*)	☒ YES

Summarize and provide evidence of the policies and procedures referred to above:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Yes, the SOCIALCARBON Standard has procedures in place for activities to respond, as appropriate, to changing baseline conditions that were not expected at the time of registration.

Specifically, Sections 3.2.7 and 3.8.7 of the SOCIALCARBON Standard v6.0 requires projects to reassess their baseline during project crediting period renewal. This reassessment will determine whether a project can continue to apply the baseline scenario and underlying assumptions as determined at validation, or whether the baseline

scenario needs to be updated.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Question 4.3 <u>Are quantified, monitored, reported, and verified</u>

Are procedures in place to ensure that…	
a) emissions units are based on accurate measurements and valid quantification methods/protocols? (*Paragraph 3.3*)	☒ YES
b) validation occurs prior to or in tandem with verification? (*Paragraph 3.3.2*)	☒ YES
c) the results of validation and verification are made publicly available? (*Paragraph 3.3.2*)	☒ YES
d) monitoring, measuring, and reporting of both activities and the resulting mitigation is conducted at *specified intervals* throughout the duration of the crediting period? (*Paragraph 3.3*)	☒ NO
e) mitigation is measured and verified by an accredited and independent third-party verification entity? (*Paragraph 3.3*)	☒ YES
f) *ex-post* verification of mitigation is required in advance of issuance of emissions units? (*Paragraph 3.3*)	☒ YES

Summarize and provide evidence of the policies and procedures referred to in a) through f):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

a) Are procedures in place to ensure that emissions units are based on accurate measurements and valid quantification methods/protocols?
Yes, the SOCIALCARBON Standard includes procedures that ensure emissions units are based on accurate measurements and valid quantification methods/protocols.

Specifically, Section 3.1.3 of the SOCIALCARBON Standard v6.0 requires all projects to apply an eligible SOCIALCARBON methodology. SOCIALCARBON methodologies set out the procedures for determining the baseline scenario, and the procedures for the monitoring and measurement of the appropriate data and parameters for a given project activity, including a full and transparent estimation of uncertainty. These methodologies also set out the quantification methods for baseline, project and leakage emissions, which are ultimately used to determine the net emission reductions or removals of a project. The requirements for methodologies are set out in Section 2.4 of the SOCIALCARBON Methodology Requirements.

The above requirements are based on international best practice for GHG quantification, and are designed to ensure that SOCIALCARBON project methodologies adhere to valid quantification methods which lead to accurate measurements of emissions.

b) Are procedures in place to ensure that validation occurs prior to or in tandem with verification?

Yes, the SOCIALCARBON Standard includes procedures that ensure validation occurs prior to or in tandem with verification.

Specifically, Section 4.1.2 of the [SOCIALCARBON Standard v6.0](#) requires that validation occur before the first verification, or at the same time as the first verification

c) Are procedures in place to ensure that results of validation and verification are made publicly available?
Yes, the SOCIALCARBON Standard includes procedures that ensure results of validation and verification are made publicly available.

Specifically, Sections 4.1.5 and 4.1.13 of the [SOCIALCARBON Standard v6.0](#) require VVBs to submit validation and verification reports describing the validation/verification process, any findings raised during validation/verification and their resolutions, and the conclusions reached by the VVB. The validation and verification reports are submitted by the proponent at the time of registration and issuance to be posted as public documents to the project record on the SOCIALCARBON Registry, as set out in Sections 3.5.2 and 3.5.4 of the [SOCIALCARBON Registration and Issuance Process](#).

d) Are procedures in place to ensure that monitoring, measuring, and reporting of both activities and the resulting mitigation is conducted at specified intervals throughout the duration of the crediting period?
The SOCIALCARBON rules do not require project proponents to monitor, measure, and report activities and the resulting GHG emission reductions and/or removals at specified intervals throughout the project crediting period. This is due to the variability in eligible project activities, project sizes, and ultimately the varying resulting emission reductions and removals of SOCIALCARBON projects which may impact a project developer's ability to pay for a third-party auditor to review the project. As such, the SOCIALCARBON rules allow flexibility for project proponents to determine when it is economically feasible to report and verify any emission reductions and removals generated.

Notwithstanding this flexibility, it is important to note that where the applied methodology sets out requirements for monitoring or calibration at specified intervals, such requirements must be followed. Unlike other Voluntary Carbon Standards, Buffer stocks are permanently cancelled, further increasing the conservativeness of the units and reducing the risk of reversals.

e) Are procedures in place to ensure that mitigation is measured and verified by an accredited and independent third-party verification entity?
Yes, the SOCIALCARBON Standard includes procedures that ensure mitigation is measured and verified by an accredited and independent third-party verification entity.
Specifically, Section 5 of the [SOCIALCARBON Standard Guide](#) requires that verification be conducted by a VVB that meets SOCIALCARBON eligibility requirements before projects are eligible to request issuance of SCUs. As discussed in Section 3.6 (Validation and verification procedures) of this form above, VVBs must be accredited to ISO 14065 by an approved IAF member. Such requirements ensure that mitigation is measured and verified by an accredited and independent third-party verification entity.

f) Are procedures in place to ensure that ex-post verification of mitigation is required in advance of issuance of emissions units?
Yes, the SOCIALCARBON Standard includes procedures that ensure ex-post verification of mitigation is required in advance of issuance of emissions units. Specifically, Section 3.5 of the [SOCIALCARBON Registration and Issuance Process](#) requires that verification of the emission reductions and removals that have occurred (i.e., ex post) be

conducted by an independent VVB before projects are eligible to request issuance of SCUs. Section 2.6.1 of the SOCIALCARBON Standard v6.0 further states that SCUs shall not be issued under the SOCIALCARBON Standard for GHG emission reductions and removals that have not been verified.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A.

Clarification: for point (d) whilst projects are not required to submit a monitoring report annually (for example they can submit monitoring reports bi-annually or every 2 years), they must only monitor periods within the crediting period. Projects may choose to only submit monitoring reports every 2 years because it is more commercially viable for them to do so.

Previous Application Q/A

Q: On p.37 of its application, SOCIALCARBON states that "This issuance of units outside the allowable number of years between verification events is not permitted." a. What is the maximum allowable number of years between verification events?

A: This is dependent on the project. Project proponents are only permitted to submit verification events within the crediting period of their project. There is no restriction on the number of years between verification events, so long as the most recent verification event is within the crediting period. After which, the submission of verification events and issuance of units is not permitted.

Q: Please indicate where this maximum is specified in SOCIALCARBON programme documents.

A: Section 3.8 of the SOCIALCARBON Standard v6.0 outlines the rules for crediting periods. Unless the project is renewed, projects cannot issue units or submit verification reports for periods before or after the crediting period.

Q: In its response to clarification question B12, SOCIALCARBON notes that "SOCIALCARBON has replicated the approach for approving accreditation bodies applied by other existing CORSIA-approved Standards. This ensures SOCIALCARBON is aligning with industry best practice, which has been proven to be robust by other Standards including but not limited to UNFCCC and VCS." Please indicate where such procedures are indicated in the SOCIALCARBON programme documentation.

A: The SOCIALCARBON Standard Guide v1.0 section "5. SOCIALCARBON Standard accreditation" outlines the procedures for accreditation bodies (VVBs). The approach used is aligned with other standards. This can be confirmed through direct comparison between SOCIALCARBON Standard rules for VVBs and other standards e.g. VCS.

Q: In its response to Initial Q. C.3.a, SOCIALCARBON indicates that "There is no restriction on the number of years between verification events, so long as the most recent verification event is within the crediting period." Does this refer to the vintage year for which the mitigation is verified, or the date at which a verification report

is submitted? For example, if a crediting period runs from 2013 until 2019, and a verification report for that period is submitted in 2028, would this be permitted or not?

A: This refers to the date at which a verification report is submitted. Based on your example, this is theoretically possible, however based on market conditions and practices we believe this is highly unlikely. Irrespective, verification reports must align with the SOCIALCARBON rules and requirements.

Are provisions in place… (*Paragraph 3.3.3*)	
a) to manage and/or prevent conflicts of interest between accredited third-party(ies) performing the validation and/or verification procedures, and the programme and the activities it supports?	☒ YES
b) requiring accredited third-party(ies) to disclose whether they or any of their family members are dealing in, promoting, or otherwise have a fiduciary relationship with anyone promoting or dealing in, the offset credits being evaluated?	☒ YES
c) to address and isolate such conflicts, should they arise?	☒ YES

Summarize and provide evidence of the policies and procedures referred to in a) through c):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

a) Are provisions in place to manage and/or prevent conflicts of interest between accredited third-party(ies) performing the validation and/or verification procedures, and the Program and the activities it supports?
Yes, the SOCIALCARBON Standard includes provisions to manage and/or prevent conflicts of interest between accredited third-party(ies) performing the validation and/or verification procedures, and the Program and the activities it supports.

Specifically, as discussed in Section 3.6 (Validation and verification procedures) of this form above, VVBs must be accredited to ISO 14065 by an approved IAF member. This standard sets out requirements for VVBs to have in place policies and procedures to assess conflict of interest. These policies and procedures are assessed during accreditation the IAF member. Additionally, these policies are reviewed periodically by the relevant accreditation body as part of the monitoring and surveillance of SOCIALCARBON VVB approval.

b) Are provisions in place requiring accredited third-party(ies) to disclose any conflict of interest?
Yes, the SOCIALCARBON Standard includes provisions requiring accredited third-party(ies) to disclose any conflicts of interest. Through incorporation by reference of ISO 14065, VVBs are required to assess conflicts of interest and provide a statement and avoid unacceptable conflicts of interest.

c) Are provisions in place to address and isolate such conflicts, should they arise?
Yes, the SOCIALCARBON Standard includes provisions which serve to address and isolate such conflicts, should they arise, per the accreditation requirements described above. Specifically, as discussed in Section 3.6 (Validation and verification procedures) of this form above, VVBs must be accredited to ISO 14065 by an approved IAF member. This standard requires that VVBs isolate and address such conflicts.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Are procedures in place requiring that… (*Paragraph 3.3.4*)	
a) the renewal of any activity at the end of its crediting period includes a reevaluation of its baselines, and procedures and assumptions for quantifying, monitoring, and verifying mitigation, including the baseline scenario?	⊠ YES
b) the same procedures apply to activities that wish to undergo verification but have not done so within the programme's allowable number of years between verification events?	⊠ NO

Summarize and provide evidence of the policies and procedures referred to in a) and b), including identifying the allowable number of years between verification events:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

a) Are procedures in place requiring that the renewal of any activity at the end of its crediting period includes a reevaluation of its baselines, and procedures and assumptions for quantifying, monitoring, and verifying mitigation, including the baseline scenario?
Yes, section 3.8 of the SOCIALCARBON Standard v6.0 sets out the requirements with respect to the renewal of project crediting periods and what that means for the baseline a project can use going forward. Specifically, projects must demonstrate that the initial scenario is still valid, or must otherwise update the baseline scenario based on prevailing circumstances at the time of crediting period renewal.

b) the same procedures apply to activities that wish to undergo verification but have not done so within the programme's allowable number of years between verification events?
The issuance of units outside the allowable number of years between verification events is not permitted. The number of years between verification events is dependent on the project. Project proponents are only permitted to submit verification events within the crediting period of their project. There is no restriction on the number of years between verification events, so long as the most recent verification event is within the crediting period. After which the submission of verification events and issuance of units is not permitted. Section 3.8 of the SOCIALCARBON Standard v6.0 outlines the rules for crediting periods. Projects cannot issue units or submit verification reports for periods before or after the crediting period, unless the project is renewed.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Are procedures in place to transparently identify units that are issued *ex ante* and thus ineligible for use in the CORSIA? (*Paragraph 3.3.5*)	⊠ NO

Provide evidence of the policies and procedures referred to above:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
The SOCIALCARBON Standard does not allow for units to be issued ex-ante.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Question 4.4 <u>Have a clear and transparent chain of custody</u>

SECTION III, Part 3.4—Identification and tracking includes questions related to this criterion. No additional information is requested here.

Question 4.5 <u>Represent permanent emissions reductions</u>

List all emissions sectors (if possible, activity types) supported by the Programme that present a potential risk of reversal of emissions reductions, avoidance, or carbon sequestration:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
The SOCIALCARBON Standard's Agriculture, Forestry and Other Land Use (AFOLU) sector presents a potential risk of reversal of emission reductions, avoidance, or carbon sequestration. However, these risks are addressed per the SOCIALCARBON rules, as elaborated in the sections below.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

What is the minimum scale of reversal for which the Programme provisions or measures require a response? (Quantify if possible)

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:
The minimum scale of reversal for which the SOCIALCARBON Standard provisions require a response is a loss of five percent of previously verified emission reductions and removals. This requirement is set out under the SOCIALCARBON requirements for reporting of loss events. Loss events are defined in the SOCIALCARBON Standard Definitions as a "loss of five percent of previously verified emission reductions and removals".

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none,*

"N/A"):
N/A

For sectors/activity types identified in the first question in this section, are procedures and measures in place to require and support these activities to…	
a) undertake a risk assessment that accounts for, *inter alia*, any potential causes, relative scale, and relative likelihood of reversals? (*Paragraph 3.5.2*)	☒ YES
b) monitor identified risks of reversals? (*Paragraph 3.5.3*)	☒ YES
c) mitigate identified risks of reversals? (*Paragraph 3.5.3*)	☒ YES
d) ensure full compensation for material reversals of mitigation issued as emissions units and used toward offsetting obligations under the CORSIA? (*Paragraph 3.5.4*)	☒ YES

Summarize and provide evidence of the policies and procedures referred to in a) through d):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

a) Are procedures / provisions in place to require and support these activities to undertake a risk assessment that accounts for, inter alia, any potential causes, relative scale, and relative likelihood of reversals?
Yes, the SOCIALCARBON Standard includes procedures to require and support these activities to undertake a risk assessment that accounts for, inter alia, any potential causes, relative scale, and relative likelihood of reversals. The risk assessment informs the contribution each project is required remove buffer credits from the eligible issuance amount, these buffer units serve to ensure the permanence of the credited emission reductions and/or removals. While other credible risk management techniques for addressing non-permanence risk exist, the Social Carbon Foundation believes the buffer approach is the most workable and robust means of addressing reversals for market-based mechanisms such as CORSIA. Unlike other GHG Programs, SOCIALCARBON's buffer stock approach ensure greater conservatism of units and reduces the risk of long term reversal, but cancelling the buffer units completely rather than use buffer pools. Project proponents of AFOLU projects are required to conduct a non-permanence risk assessment of their projects in accordance with the SOCIALCARBON Non-Permanence Risk Tool and complete a report using the Non-Permanence Risk Report template. The AFOLU risk tool provides guidance on how to conduct an analysis based on relevant risk factors. Based on project characteristics, natural risks and management practices, projects are evaluated against each risk factor and assigned a corresponding risk score. The sum of the project's risk score determines the project's required removal of verified emission reductions/removals from the eligible issuance amount, which are referred to as buffer credits. Buffer credits are never issued or sent to a pooled account, but removed from the eligible issuance amount, ensuring they are permanently excluded from eligible SOCIALCARBON Units. The cumulative number of buffer credits covers the potential losses/reversals of individual projects, thereby guaranteeing the permanence of all credits issued to projects.

SOCIALCARBON does not maintain buffer pools. The non-permanence risk buffer credits are deducted from the number of eligible SCUs for a verification period. This is comparable to deducting leakage from a project's total emission reductions / removals.

b) Are procedures / provisions in place to require and support these activities to monitor identified risks of reversals?

Yes, the SOCIALCARBON Standard includes procedures to require and support these activities to monitor identified risks of reversals. Specifically, as stated in Section 2.7 of the [SOCIALCARBON Standard v6.0](#), AFOLU projects must prepare a non-permanence risk report at validation and at every verification. This requirement provides an incentive for proponents to monitor risk factors and reduce risks as a means of lowering the project's risk score, and in turn, reduce the required volume of verified emission reductions which can be issued.

c) Are procedures / provisions in place to require and support these activities to mitigate identified risks of reversals?
Yes, the SOCIALCARBON Standard includes procedures to require and support these activities to mitigate identified risks of reversals. As outlined in the SOCIALCARBON Non-Permanence Risk Tool, most risk factor subcategories contain risk factor mitigation measures, which can lower the project's risk score. This provides incentive for proponents to undertake reversal mitigation measures, thereby lowering the project's risk score and the corresponding deduction of verified emission reductions (in the form of buffer credits) from the eligible issuance total.

d) Are procedures / provisions in place to require and support these activities to ensure full compensation for material reversals of mitigation issued as emissions units and used toward offsetting obligations under the CORSIA?
Yes, the SOCIALCARBON Standard includes procedures to require and support these activities to ensure full compensation for material reversals of mitigation issued as emissions units and used toward offsetting obligations under the CORSIA. All buffer credits are calculated and removed from the eligible issuance total, ensuring a permanent buffer stock is maintained for a project in the event of a reversal.

Where a loss event or a reversal occurs, the project shall comply with the rules for reporting a loss event and holding and cancelling credits set out in Section 5 of the SOCIALCARBON Registration and Issuance Requirements Document.

Page 32 of the SOCIALCARBON Registration and Issuance Requirements Document:

5.1.5 Where SOCIALCARBON determines that SCUs have been issued in excess of the correct amount, the following applies:
1. The project proponent is responsible for compensating for excess SCU issuance where SOCIALCARBON deems, acting reasonably, that there has been a material erroneous issuance of SCUs in respect of the project, as a result of the fraudulent conduct, negligence, intentional act, recklessness, misrepresentation or mistake of the project proponent, as set out further in the issuance representation.
2. Any compensation for excess SCU issuance shall be through the following, with SOCIALCARBON using reasonable efforts to work with the project proponent to SOCIALCARBON – Registration and Issuance Process ensure that any adverse impacts on the project proponent are minimised to the extent possible.
3. Where the excess SCUs remain in the project proponent's SOCIALCARBON registry account and it can be demonstrated that they have not been used for offsetting purposes, immediate cancellation of the SCUs.
4. Replacement of SCUs through immediate cancellation from subsequent issuances of SCUs to the project.
5. Purchase by the project proponent of an equivalent number of replacement SCUs, and cancellation of same, within 60 business days of receiving formal SOCIALCARBON notification of such required action.

6. Where the project proponent fails to compensate for excess SCU issuance, SOCIALCARBON may take action against the project proponent, including applying sanctions with respect to its registry account activities until such time as the excess issuance has been compensated.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Clarification – Our requirements for ensuring full compensation for material reversals of mitigation were already in place at the time of the initial review from TAB, however it may not have been made clear by our team.

Previous Application Q/A

Q: s. 3.2.12 of the SOCIALCARBON standard indicates that "buffer credits shall be deducted from the total number of carbon credits eligible for a project within a verification period." Does this deduction account for changes to the risk assessments compared to previous verification periods?

For example, suppose that a project has two verification periods, which quantify 10,000 T and 8,000 T of sequestration, respectively. The risk of reversal is assessed at 10% during the first verification event and 20% during the second verification event. Therefore 1,000 T would deducted for the first verification event. But how many for the second event? Would it be 1,600 T (i.e., 20% x 8,000) or 2,600 T (i.e., 20% x 8,000 + [20%-10%] x 10,000)?

A: The deduction is based on the risk assessment and non-permanence risk score calculated for each verification report. Based on your example, the buffer deductions for verification period one would be 1,000 tCO2e, and the buffer deductions for verification period two would be 1,600 tCO2e. Unlike other CORSIA-approved Standards, this approach ensures permanence of the buffer credits; the buffer credits are never returned to the project developer even if the project reduces its non-permanence risk between verification events.

Q: s. 3.2.17 of the Standard indicates that when a loss event occurs, future issuance from the project is suspended until the deficit is remedied.

a. Do previously discounted buffer credits count toward this remedy?
A: Yes, that is the purpose of the discounted buffer credits, to conservatively remedy the risk of a single AFOLU project experiencing a loss event.

Q: b. Suppose that a loss event occurs toward the end of a crediting period, and this loss event exceeds the total amount of SCUs deposited into the buffer for that project. How would SOCIALCARBON demonstrate that the SCUs issued for that project represent mitigation that is permanent?

A: All buffer credits under the SOCIALCARBON standard are permanent and not refundable. This facilitates a conservative approach to non-permanence as any loss event is compensated for by the total number of buffer

credits permanently removed from all AFOLU projects.

Q: Consider the possibility that SOCIALCARBON would have some SCUs which are CORSIA-eligible and others which are not. Would SOCIALCARBON maintain separate buffer pools for eligible- and non-eligible units?

A: As per our documentation, SOCIALCARBON does not maintain buffer pools. The non-permanence risk buffer credits are deducted from the number of eligible SCUs for a verification period. This is comparable to removing leakage from a project's total emission reductions/removals.

Are provisions in place that… (*Paragraph 3.5.5*)	
a) confer liability on the activity proponent to monitor, mitigate, and respond to reversals in a manner mandated in the programme procedures?	☒ YES
b) require activity proponents, upon being made aware of a material reversal event, to notify the programme within a specified number of days?	☒ YES
c) confer responsibility to the programme to, upon such notification, ensure and confirm that such reversals are fully compensated in a manner mandated in the programme procedures?	☒ YES

Summarize and provide evidence of the policies and procedures referred to in a) through c), including indicating the *number of days within which activity proponents must notify the programme of a material reversal event*:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

a) Are provisions in place that confer liability on the activity proponent to monitor, mitigate, and respond to reversals in a manner mandated in the Program procedures?
Yes, the SOCIALCARBON Standard includes provisions that confer liability on the activity proponent to monitor, mitigate, and respond to reversals in a manner mandated in the SOCIALCARBON Standard procedures.
Specifically, as specified in Section 3.2.15 of the SOCIALCARBON Standard v6.0 in the event of a loss event, the proponent must prepare a loss event report using the SOCIALCARBON Loss Event Report Template, which must include a conservative estimate of the loss in carbon stocks. The loss event report must be submitted within two years of the loss event. Where a loss event report is not submitted within two years of the date the loss event occurred, the project shall no longer be eligible to issue SCUs.

b) Are provisions in place that require activity proponents, upon being made aware of a material reversal event, to notify the Program within a specified number of days?
Yes, the SOCIALCARBON Standard includes provisions that require activity proponents, upon being made aware of a material reversal event, to notify the SOCIALCARBON Standard within a specified number of days.
Specifically, the SOCIALCARBON Standard requires project proponents to provide a loss event report within two years of a loss event, as described in Section 3.2.15(3) of the SOCIALCARBON Standard v6.0.

c) Are provisions in place that confer responsibility to the Program to, upon such notification, ensure and confirm that such reversals are fully compensated in a manner mandated in the Program procedures?
Yes, the SOCIALCARBON Standard includes provisions that confer responsibility to the SOCIALCARBON Standard to, upon such notification, ensure and confirm that such reversals are fully compensated in a manner mandated in the SOCIALCARBON Standard procedures. Buffer credits are permanently cancelled and deduced from the total eligible units to be issued for the verification period. Although buffer credits are cancelled to cover carbon known

or believed to be lost, the SCUs already issued to AFOLU projects that subsequently experience a reversal are not cancelled and do not have to be cancelled. Rather, all issued SCUs are permanent. The SOCIALCARBON approach provides environmental integrity because the cumulative sum of buffer credits deducted from all AFOLU projects will be greater than the total number of SCUs issued from the projects that experience catastrophic reversals.

See SOCIALCARBON definitions: Cancellation (page 6), Retirement (page 18).

Where a loss event or a reversal occurs, the project shall comply with the rules for reporting a loss event and holding and cancelling credits set out in Section 5 of the SOCIALCARBON Registration and Issuance Requirements Document.

Page 32 of the SOCIALCARBON Registration and Issuance Requirements Document:

5.1.5 Where SOCIALCARBON determines that SCUs have been issued in excess of the correct amount, the following applies:
1. The project proponent is responsible for compensating for excess SCU issuance where SOCIALCARBON deems, acting reasonably, that there has been a material erroneous issuance of SCUs in respect of the project, as a result of the fraudulent conduct, negligence, intentional act, recklessness, misrepresentation or mistake of the project proponent, as set out further in the issuance representation.
2. Any compensation for excess SCU issuance shall be through the following, with SOCIALCARBON using reasonable efforts to work with the project proponent to SOCIALCARBON – Registration and Issuance Process ensure that any adverse impacts on the project proponent are minimised to the extent possible.
3. Where the excess SCUs remain in the project proponent's SOCIALCARBON registry account and it can be demonstrated that they have not been used for offsetting purposes, immediate cancellation of the SCUs.
4. Replacement of SCUs through immediate cancellation from subsequent issuances of SCUs to the project.
5. Purchase by the project proponent of an equivalent number of replacement SCUs, and cancellation of same, within 60 business days of receiving formal SOCIALCARBON notification of such required action.
6. Where the project proponent fails to compensate for excess SCU issuance, SOCIALCARBON may take action against the project proponent, including applying sanctions with respect to its registry account activities until such time as the excess issuance has been compensated.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):
N/A

Does the programme have the capability to ensure that any emissions units which compensate for the material reversal of mitigation issued as emissions units and used toward offsetting obligations under the CORSIA are fully eligible for use under the CORSIA? (*Paragraph 3.5.6*)	⊠ YES

Summarize and provide evidence of the policies and procedures referred to above:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

The approach taken by SOCIALCARBON eliminates the requirement for any pooled buffer stocks and provides a significantly more robust approach to managing reversals than any other GHG Program in the industry. As mentioned previously, all Buffer Credits are deducted from the total issuance amount at each verification, ensuring reversals are permanently compensated for by default.

In addition, where a loss event or a reversal occurs, the project shall comply with the rules for reporting a loss event and holding and cancelling credits set out in Section 5 of the SOCIALCARBON Registration and Issuance Requirements Document.

Page 32 of the SOCIALCARBON Registration and Issuance Requirements Document:

5.1.5 Where SOCIALCARBON determines that SCUs have been issued in excess of the correct amount, the following applies:

1. The project proponent is responsible for compensating for excess SCU issuance where SOCIALCARBON deems, acting reasonably, that there has been a material erroneous issuance of SCUs in respect of the project, as a result of the fraudulent conduct, negligence, intentional act, recklessness, misrepresentation or mistake of the project proponent, as set out further in the issuance representation.
2. Any compensation for excess SCU issuance shall be through the following, with SOCIALCARBON using reasonable efforts to work with the project proponent to SOCIALCARBON – Registration and Issuance Process ensure that any adverse impacts on the project proponent are minimised to the extent possible.
3. Where the excess SCUs remain in the project proponent's SOCIALCARBON registry account and it can be demonstrated that they have not been used for offsetting purposes, immediate cancellation of the SCUs.
4. Replacement of SCUs through immediate cancellation from subsequent issuances of SCUs to the project.
5. Purchase by the project proponent of an equivalent number of replacement SCUs, and cancellation of same, within 60 business days of receiving formal SOCIALCARBON notification of such required action.
6. Where the project proponent fails to compensate for excess SCU issuance, SOCIALCARBON may take action against the project proponent, including applying sanctions with respect to its registry account activities until such time as the excess issuance has been compensated.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Would the programme be willing and able, upon request, to demonstrate that its permanence provisions can fully compensate for the reversal of mitigation issued as emissions units and used under the CORSIA? (*Paragraph 3.5.7*)	☒ YES

Question 4.6 <u>Assess and mitigate against potential increase in emissions elsewhere</u>

List all emissions sectors (if possible, activity types) supported by the programme that present a potential risk of material emissions leakage:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Many sectors supported by the SOCIALCARBON Standard present a potential risk of material leakage. However, it is important to note that projects account for leakage per the provisions set out in the applied methodology for doing so. Accordingly, where the applied methodology states that leakage is not a risk for the particular project activity, then leakage need not be quantified because it is de minimis. Conversely, where the applied methodology acknowledges particular leakage risks relevant for the project activity, and sets out methods for quantifying such leakage, projects are required to follow such methods and deduct from their accounting emissions any identified leakage.

AFOLU projects may cause leakage if they drive individuals and/or communities to clear other land that would have otherwise remained as forest. However, it should be noted that well designed AFOLU projects may have little to no leakage because they are effective at working with communities to provide economic opportunities that transform the local economy and sustain low/no carbon emitting activities. SOCIALCARBON prides itself on supporting on the delivery of community-focused projects that benefit people, planet and biodiversity.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Are measures in place to assess and mitigate incidences of material leakage of emissions that may result from the implementation of an offset project or programme? (*Paragraph 3.6*)	☒ YES

Summarize and provide evidence of the policies and procedures referred to above:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Yes, the SOCIALCARBON Standard has measures in place to assess and mitigate incidences of material leakage of emissions that may result from the implementation of an offset project.

All SOCIALCARBON projects must account for material leakage when quantifying GHG emission reductions/removals, as specified in Section 3.14 of the SOCIALCARBON Standard v6.0. At the same time, AFOLU projects are specifically encouraged to mitigate instances of leakage through sound project design and inclusion of activities that address leakage (e.g., providing technical and financial assistance to farmers for agricultural intensification practices, development of ecotourism and other sustainable livelihoods activities inside the project area, such as agroforestry on degraded land and sustainable production of non-timber forest products), as specified in Sections 3.14.1 and 3.14.2 of the SOCIALCARBON Standard v6.0. In addition, the SOCIALCARBON rules specify the precise forms of leakage which AFOLU projects must address, as set out in Section 3.14 of the SOCIALCARBON Standard v6.0. These includes: Market leakage**:** Leakage which occurs when projects significantly reduce the production of a commodity causing a change in the supply and market demand equilibrium that results in a shift of production elsewhere to make up for the lost supply.

Leakage occurring outside the host country (i.e., international leakage) shall be identified and mitigated but does not need to be accounted for or deducted from a country's domestic GHG emission reductions and removals. This follows established precedent under the UNFCCC CDM.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Are provisions in place requiring activities that pose a risk of leakage when implemented at the project level to be implemented at a national level, or on an interim basis on a subnational level, in order to mitigate the risk of leakage? (*Paragraph 3.6.2*)	⊠ NO

Summarize and provide evidence of the policies and procedures referred to above:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

The project-level activities currently eligible under SOCIALCARBON do not pose a risk of material leakage. Stand-alone forest restoration projects on degraded land do not pose a risk of leakage because they are not displacing any other activities. These are at present the only eligible AFOLU projects under SOCIALCARBON.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

Seven additional methodologies have been released since the previous application. As per our previous response, the project activities eligible under the SOCIALCARBON Standard do not pose a significant risk of leakage and where leakage does exist, each methodology has requirements to quantify the leakage risk. The nature of the project activities currently eligible, means that they do not need to be implemented at a national or subnational level, and would not be possible to do so anyway.

- SCM0001 – no leakage risk
- SCM0002 – no leakage risk
- SCM0003 – no leakage risk
- SCM0004 – potential leakage due to the displacement of agricultural activities. This must be calculated on a project-by-project basis and is due to the geographic scope of the methodology (only applicable in native Spekboom habitat), there is no need to implement the project at a national or subnational level.
- SCM0005 – potential leakage from a reduction in productivity, an increase in the use of fuel wood and/or fossil fuels for non-renewable sourcing for cooking, if new manure, compost or biosolids are applied in the project that was were not applied in the historical baseline period. This must be calculated on a project-by-project basis and there is no need to implement the project at a national or subnational level.

- SCM0006 – no leakage risk
- SCM0007 – no leakage risk

Are procedures in place requiring and supporting activities to monitor identified leakage? (*Paragraph 3.6.3*)	☒ YES

Summarize and provide evidence of the policies and procedures referred to above:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Yes, the SOCIALCARBON Standard includes procedures requiring activities to monitor identified leakage. Specifically, Sections 3.4, 3.5, and 3.14 of the SOCIALCARBON Standard v6.0 provide requirements for how a project designs and implements its monitoring plan, which must include an accounting of leakage, where relevant. Leakage is monitored in accordance with the provisions set out for doing so in the applied methodology.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Are procedures in place requiring activities to deduct from their accounting emissions from any identified leakage that reduces the mitigation benefits of the activities? (*Paragraph 3.6.4*)	☒ YES

Summarize and provide evidence of the policies and procedures referred to above:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Yes, the SOCIALCARBON Standard includes procedures requiring activities to deduct from their accounting emissions from any identified leakage that reduces the mitigation benefits of the activities.

Specifically, all SOCIALCARBON projects must account for material leakage when quantifying GHG emission reductions/removals, as specified in Section 3.14 of the SOCIALCARBON Standard v6.0.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Question 4.7 <u>Are only counted once towards a mitigation obligation</u>

Does the Programme have measures in place for the following…	
a) to ensure the transparent transfer of units between registries; and that only one unit is issued for one tonne of mitigation (*Paragraphs 3.7.1 and 3.7.5*)	☒ YES

b) to ensure that one unit is issued or transferred to, or owned or cancelled by, only one entity at any given time? *(Paragraphs 3.7.2 and 3.7.6)*	☒ YES
c) to discourage and prohibit the double-selling of units, which occurs when one or more entities sell the same unit more than once? *(Paragraph 3.7.7)*	☒ YES
d) to require and demonstrate that host countries of emissions reduction activities agree to account for any offset units issued as a result of those activities such that double claiming does not occur between the airline and the host country of the emissions reduction activity? *(Paragraph 3.7.3)*	☒ YES

Summarize and provide evidence of the policies and procedures referred to in a) through d):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

a) Does the Programme have measures in place for the following to ensure the transparent transfer of units between registries; and that only one unit is issued for one tonne of mitigation *(Paragraphs 3.7.1 and 3.7.5)*?
As per the CDM Methodologies and SOCIALCARBON Standard v6.0, units can only be issued following verifiable evidence of the mitigations achieved by the project within a verification period. SOCIALCARBON Units (SCUs) are the only unit that can be issued by the project proponents utilising the SOCIALCARBON Standard. As per the SOCIALCARBON Standard Definitions, "A unit issued by and held in the SOCIALCARBON registry representing the right of an accountholder in whose account the unit is recorded to claim the achievement of a GHG emission reduction or removal in an amount of one (1) metric tonne of CO_2 equivalent that has been verified by a validation/verification body in accordance with the SOCIALCARBON Standard rules. Recordation of a SCU in the account of the holder at the SOCIALCARBON registry is prima facie evidence of that holder's entitlement to that SCU."

b) Does the Programme have measures in place for the following to ensure that one unit is issued or transferred to, or owned or cancelled by, only one entity at any given time? (Paragraphs 3.7.2 and 3.7.6)
The SOCIALCARBON Registry is built using BEF's technology. All units are recorded and tracked on BEF's Blockchain, ensuring that one unit is issued or transferred to, or owned or cancelled by, only one entity at any given time. It is not physically possible for more than one entity to own a unit on the SOCIALCARBON Registry.

C) Does the Programme have measures in place for the following to discourage and prohibit the double-selling of units, which occurs when one or more entities sell the same unit more than once? (Paragraph 3.7.7)
Yes, the SOCIALCARBON Standard has measures in place to avoid double-selling, particularly with respect to registry-related protocols and/or oversight. Specifically, the SOCIALCARBON Registry prevents the same SCU from existing in multiple registry accounts, thereby preventing an entity from double-selling the unit. Furthermore, once a SCU is retired or cancelled, it is permanently removed from circulation and can no longer be sold (transferred) to another registry account. The benefactor of retired SCUs may be publicly identified in the public registry retirement report, allowing them to confirm that the SCUs that were retired on their behalf are indeed recorded in their name. This is all recorded on the BEF Blockchain to provide an immutable record that can be publicly verified.

D) Does the Programme have measures in place for the following to require and demonstrate that host countries of emissions reduction activities agree to account for any offset units issued as a result of those activities such that double claiming does not occur between the airline and the host country of the emissions reduction activity? (Paragraph 3.7.3)

Yes, the SOCIALCARBON Standard has measures in place to avoid double-claiming. Specifically, SOCIALCARBON rules currently requires projects which reduce GHG emissions from activities that are included in an emissions trading program or any other mechanism that includes GHG allowance trading, to provide evidence that the project GHG emission reductions or removals have not and will not otherwise be claimed under the GHG program or mechanism. These requirements are set out in Section 3.21.3 of the SOCIALCARBON Standard v6.0. In practice, these rules either require host countries of emission reduction activities to agree to account for any offset units issued as a result of project or proponents to demonstrate how project emission reductions are in fact not at risk of being double claimed (e.g., because the emission reductions generated by the project are not within the scope of the host country's emission reduction commitments). These rules have acted to address instances of double claiming risks under the SOCIALCARBON Standard where host countries engage in GHG emissions trading.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Does the Programme have procedures in place for the following: (*Paragraph 3.7.8*)	
a) to obtain, or require activity proponents to obtain and provide to the programme, written attestation from the host country's national focal point or focal point's designee?	⊠ YES
b) for the attestation(s) to specify, and describe any steps taken, to prevent mitigation associated with units used by operators under CORSIA from also being claimed toward a host country's national mitigation target(s) / pledge(s)?	⊠ YES
c) for Host country attestations to be obtained and made publicly available prior to the use of units from the host country in the CORSIA?	⊠ YES

Summarize and provide evidence of the policies and procedures referred to in a) through c):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

a) SOCIALCARBON rules currently require projects which reduce GHG emissions from activities that are included in an emissions trading program or any other mechanism that includes GHG allowance trading, to provide evidence that the project GHG emission reductions or removals have not and will not otherwise be claimed under the GHG program or mechanism. These requirements are set out in Section 3.21.3 of the SOCIALCARBON Standard v6.0.

As per Section 3.23 of the SOCIALCARBON Standard v6.0, a project proponent must obtain written attestation from the host country's national focal point or focal point's designee, if the host country has made this mandatory.

b) As per the requirements set out in Section 23.2 of the SOCIALCARBON Standard v6.0, project proponents must specify and describe any steps taken to prevent mitigation associated with units used by operators under CORSIA from also being claimed toward a host country's national mitigation target(s) / pledge(s).

c) All Host Country Attestations must be documented and uploaded onto the SOCIALCARBON Registry as per the requirements set out in Section 3.23.3 of the SOCIALCARBON Standard v6.0.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Q: s. 3.23 of the Standard seems to imply that the host country has discretion on "whether" to require attestations and whether or not it needs to take "any" steps to avoid double-claiming against national mitigation pledges. How will SOCIALCARBON determine whether such steps are adequate to meet the Emissions Unit Criteria?

A: It is outside SOCIALCARBON's control to mandate that host countries require attestations to avoid double-claiming against national mitigation pledges. However, we are actively engaging with host country governments to build a dialogue and address these issues.

In addition, given that the compliance market's rules are still to be fully defined, host countries do not have a commitment regarding double-claiming and the voluntary carbon market. We expect that once the compliance market's rules have been defined and agreed upon, it will become clearer to host countries on procedures to mitigate the risk of double-claiming.

Q: On page 45 of its application, SOCIALCARBON indicates that "project developers will not be responsible for reconciling double-claimed mitigations if the host country fails to adjust their NDC." Given that such units would no longer be CORSIA-eligible, who would be responsible for reconciling such units?

A; It is the country's responsibility to adjust its NDC, given the time and resources committed by the project developer to implement the project. SOCIALCARBON's view is that the project developer should not be punished for a host country failing to adjust their NDC. SOCIALCARBON is actively engaging host countries to establish a permanent dialogue on this issue to mitigate this risk.

Does the Programme have procedures in place requiring… (*Paragraph 3.7.9*)	
a) that activities take approach(es) described in (any or all of) these sub-paragraphs to prevent double-claiming?	☒ YES
☒ Emissions units are created where mitigation is not also counted toward national target(s) pledge(s) / mitigation contributions / mitigation commitments. (*Paragraph 3.7.9.1*)	
☒ Mitigation from emissions units used by operators under the CORSIA is appropriately accounted for by the host country when claiming achievement of its target(s) / pledges(s) / mitigation contributions / mitigation commitments, in line with the relevant and applicable international provisions. (*Paragraph 3.7.9.2*)	
☒ Programme procedures provide for the use of method(s) to avoid double-claiming which are not listed above (*Paragraph 3.7.9.3*)	
b) that Host Country attestations confirm the use of approach(es) referred to in the list above?	☒ YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

As per the requirements set out in Section 3.23 of the SOCIALCARBON Standard v6.0, project proponents must specify and describe any steps taken to prevent mitigation associated with units used by operators under CORSIA from also being claimed toward a host country's national mitigation target(s) / pledge(s).

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Does the Programme… (*Paragraph 3.7.10*)	
a) make publicly available any national government decisions related to accounting for units used in ICAO, including the contents of host country attestations described in paragraph 3.7.8?	☒ YES
b) update information pertaining to host country attestation as often as necessary to avoid double-claiming?	☒ YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

a) As per the requirements set out in Section 3.23.3 of the SOCIALCARBON Standard v6.0, project proponents must upload attestations from host countries onto the SOCIALCARBON Registry if mandatory within the host country.

b) As per Section 3.23.1 of the SOCIALCARBON Standard v6.0 project proponents shall document and provide evidence on whether the host country makes it mandatory for projects to have written attestation from the host country's national focal point or focal point's designee. This is to be documented in the project description and re-assessed at every verification.

It is outside SOCIALCARBON's control to mandate that host countries require attestations to avoid double-claiming against national mitigation pledges. However, we are actively engaging with host country governments to build a dialogue and address these issues.

In addition, given that the compliance market's rules are still to be fully defined, host countries do not have a commitment regarding double-claiming and the voluntary carbon market. It is our expectation that once the compliance market's rules have been defined and agreed, it will become clearer to host countries on procedures to mitigate the risk of double-claiming.

It is the countries responsibility to adjust their NDC, given the time and resources committed by the project developer to implement the project. It is SOCIALCARBON's view that project developers should not be punished for a host country failing to adjust their NDC. To mitigate this risk, SOCIALCARBON is actively engaging host countries to establish a permanent dialogue on this issue.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Does the Programme have procedures in place to compare countries' accounting for emissions units in national emissions reports against the volumes of eligible units issued by the programme and used under the CORSIA which the host country's national reporting focal point or designee otherwise attested to its intention to not double claim? (*Paragraph 3.7.11*)	☒ NO

Summarize and provide evidence of the policies and procedures referred to above:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

As per the requirements set out in Section 3.23.1 of the SOCIALCARBON Standard v6.0, project proponents must upload attestations from host countries onto the SOCIALCARBON Registry if mandatory within the host country.

At present, procedures are not in place to compare countries' accounting for emission units, however if this becomes mandatory, we shall make provisions to comply.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Does the Programme have procedures in place for the programme, or proponents of the activities it supports, to compensate for, replace, or otherwise reconcile double claimed mitigation associated with units used under the CORSIA which the host country's national accounting focal point or designee otherwise attested to its intention to not double claim? (*Paragraph 3.7.13*)	☒ YES

Summarize and provide evidence of the policies and procedures referred to above:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

The Buffer Credits for each AFOLU project will compensate for this risk. The programme will ensure that there is written attestation if mandatory within a host country. However, project developers will not be responsible for reconciling double claimed mitigations if the host country fails to adjust their NDC.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Would the Programme be willing and able, upon request, to report to ICAO's relevant bodies, as requested, performance information related to, *inter alia*, any material instances of and programme responses to country-level double claiming; the nature of, and any changes to, the the number, scale, and/or scope of host country attestations; any relevant changes to related programme measures? (*Paragraph 3.7.12*)	☒ YES

Question 4.8 Do no net harm

Are procedures in place to ensure that offset projects do not violate local, state/provincial, national or international regulations or obligations? (*Paragraph 3.8*)	☒ YES

Summarize and provide evidence of the policies and procedures referred to above:

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

Section 3.6.1(7) of the SOCIALCARBON Project Description Template requires all projects to identify and demonstrate compliance with all and any relevant local, regional and national laws, statutes and regulatory frameworks.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Describe, and provide evidence that demonstrates, how the programme complies with social and environmental safeguards: (*Paragraph 3.8*)

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

The SOCIALCARBON Standard has safeguards in place to address environmental and social risks for projects. The relevant policies and procedures for safeguards are publicly available in Section 3.18 of the SOCIALCARBON Standard v6.0. For projects, 47 safeguards are in place which projects must evidence their compliance with. The safeguards cover the following topics: Human Rights, Gender Equality, Health and Safety, Cultural and Historical Heritage, Forced Displacement, Land Tenure and rights, Indigenous Peoples, Corruption, Labour, Financial Sustainability, Climate, Natural Resources, Pollution and Waste Management, Pesticides and Fertilizers, Food.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

Describe, and provide evidence of the programme's public disclosure of, the institutions, processes, and procedures that are used to implement, monitor, and enforce safeguards to identify, assess and manage environmental and social

risks: (*Paragraph 3.8*)

A. Information contained in the programme's original application, including information submitted in response to follow-up discussions and written questions pertaining to this topic:

The SOCIALCARBON Standard publicly discloses the institutions, processes, and procedures that are used to implement, monitor and enforce safeguards. The relevant policies related to environmental and social safeguards are publicly available in Section 3.18 of the SOCIALCARBON Standard v6.0. The institutions, processes, and procedures that are used to implement and enforce such safeguards are the validation and verification processes. Information about the requirements and procedures for validation and verification are also publicly available in Section 3.2.4 of the SOCIALCARBON Standard v6.0, and the results of all project and program validations and verifications are available publicly on the SOCIALCARBON Registry.

As described in Section 3.6 (Validation and verification procedures), above, the SOCIALCARBON Standard's validation and verification processes ensure that all projects comply with the safeguards included in SOCIALCARBON Standard rules and requirements.

B. Summary and accompanying evidence of <u>any</u> updates or changes to the programme elements described in "A" that were initiated following the previous application or the Council's approval of programme eligibility (*if none, "N/A"*):

N/A

PART 5: Programme comments

Are there any additional comments the programme wishes to make to support the information provided in this form?
One additional element of the SOCIALCARBON Standard which runs throughout our responses above is that project, validation/verification bodies, and methodology developers are required to sign legal representations at various points in the process. We have not mentioned this in the individual sections of this form in order to cut down on repetition. However, these representations require these entities to state that all information they have provided in their documentation is accurate and no false or fraudulent information has been submitted, and that they have understood and commit to following the SOCIALCARBON Standard rules.

Execution of these representations places a legal liability upon these entities, such that they would be liable if they were to violate the provisions of the representation. For example, if a project proponent submitted project documentation which included fraudulent information, and that information led to the issuance of excess SCUs, the project proponent would be liable under the provisions of the representation to remedy that situation. Examples of representations include the Registration and Issuance Representations that project proponents need to submit (when undertaking project activities), and Validation and Verification Representations that validation/verification bodies (VVBs) need to submit along with their respective reports. All of these representations can be accessed under the Templates section of the [SOCIALCARBON Standard documentation webpage](). These representations serve to further ensure the quality of SCUs issued under the SOCIALCARBON Standard.

In addition, we also updated the registration and issuance requirement, including the following clause:

3.1.14 Project Proponents are required to conduct due diligence on all landowners and stakeholders of their project. In doing so, they must provide evidence that none of the landowners or stakeholders pose a risk to Money Laundering or Terrorist Financing. Project Developers are required to align with industry best practice for KYC / KYB checks and must provide evidence to the SOCIALCARBON team that these checks have been completed. This evidence should be uploaded as 'Confidential Documents' on the registry. This evidence must provide sufficient details to enable the SOCIALCARBON team to conduct their own independent due diligence. If the SOCIALCARBON team deems a project to pose a risk to Money Laundering or Terrorist Financing, or any stakeholder is found to have a criminal record related to environmental abuses (e.g., illegal logging), the project will be delisted, and the project developer will be given a warning. Two warnings will result in the permanent banning of a project developer from using the SOCIALCARBON Standard.

SECTION IV: SIGNATURE

I certify that I am the administrator or authorized representative ("Programme Representative") of the emissions unit programme ("Programme") represented in a) this form, b) evidence accompanying this form, and c) any subsequent oral and/or written correspondence (a-c: "Programme Submission") between the Programme and ICAO; and that I am duly authorized to represent the Programme in all matters related to ICAO's analysis of this application form; and that ICAO will be promptly informed of any changes to the contact person(s) or contact information listed in this form.

As the Programme Representative, I certify that all information in this form is true, accurate, and complete to the best of my knowledge.

As the Programme Representative, I acknowledge that:

the Programme's participation in the assessment does not guarantee, equate to, or prejudge future decisions by Council regarding CORSIA-eligible emissions units; and

the ICAO is not responsible for and shall not be liable for any losses, damages, liabilities, or expenses that the Programme may incur arising from or associated with its voluntary participation in the assessment; and

as a condition of participating in the assessment, the Programme will not at any point publicly disseminate, communicate, or otherwise disclose the nature, content, or status of communications between the Programme and ICAO, and of the assessment process generally, unless the Programme has received prior notice from the ICAO Secretariat that such information has been and/or can be publicly disclosed.

Signed:

Divaldo Rezende   21/03/2023

_____   _____

Full name of Programme Representative (*Print*)   Date signed (*Print*)

_____

    Programme Representative (*Signature*)

(This signature page may be printed, signed, scanned and submitted as a separate file attachment)

Programme Re-application Form, Appendix B

Programme Assessment Scope

<u>CONTENTS</u>: List all activities and methodologies/protocols that were assessed by TAB at the time of the previous programme's application or are currently within the Scope of Eligibility in the pilot phase. Programmes may define additional activities and methodologies/protocols programmes for TAB's assessment for the **CORSIA first phase**.

Sheet A)   Activities previously assessed by TAB at the time of the previous programme's application or those within the Scope of Eligibility in the pilot phase

Sheet B)   List of all methodologies / protocols that support activities described under Sheet A

Sheet C)   Activities that were not previously-assessed or excluded for assessment by TAB at the time of the previos application and that programmes wish to add for TAB's assessment for the first phase

Sheet D)   List of all methodologies / protocols that support activities described under Sheet C

SHEET A: APPROVED ACTIVITIES *(Here, list activities supported by the programme that were previously-assessed by TAB at the time of the previous application or those within the Scope of Eligibility in the pilot phase)*

Sector	Supported activity type(s)	Implementation level(s)	Geography(ies)
CCS / Water	Carbon capture through the treatment of harmful algae blooms in freshwater	Project-level and programs of activities	Global
Energy (renewable/nonrenewable)**	Renewable energy (e.g., wind, solar, geothermal, and hydroelectric electricity generation); Non-renewable energy (e.g., natural gas electricity generation)	Project-level and programs of activities	Global
Energy distribution**	Energy distribution activities (e.g., fuel switch (fossil fuel to biomass), waste energy recovery and use, and electrification of new communities)	Project-level and programs of activities	Global
Energy demand**	Energy efficiency measures (e.g., in lighting, thermal applications, weatherization of buildings, fuel switch, jet engine washing, and mechanical/waste energy use)	Project-level and programs of activities	Global
Manufacturing industries	Emission reduction activities in manufacturing activities (e.g., energy effiiency in industrial facilities, fuel switch in cement production, waste energy recovery and utilization)	Project-level and programs of activities	Global
Chemical industry	Emission reduction activities in chemical production (e.g., reduction of N2O in nitric acid production, soda recovery in paper manufacturing, and emission reductions in propylene oxide production)	Project-level and programs of activities	Global
Construction	Emission reduction activities related to construction (e.g., brick and cement manufacture)	Project-level and programs of activities	Global
Transport	Emission reduction activities related to transportation (e.g., use of electric or hybrid vehicles, mass rapid transit, carpooling, and fuel switch from gasoline to ethanol)	Project-level and programs of activities	Global
Mining/Mineral production	Coal mine methane capture and destruction/utilization	Project-level and programs of activities	Global
Metal production	Emission reduction activities related to metal production (e.g., efficiency measures in aluminum smelting)	Project-level and programs of activities	Global
Fugitive emissions from fuels (solid, oil and gas)	Emission reduction activities from capture and/or use of fugitive emissions (e.g., methane recovery from manure management, recovery and utilization of landfill gas, and recovery and utilization of coal mine methane	Project-level and programs of activities	Global
Fugitive emissions from industrial gases (halocarbons and sulphur hexafluoride)	Emission reduction activities related to fugitive emissions from industrial gases (e.g., from SF6)*	Project-level and programs of activities	Global
Solvents use	Emission reduction activities related to use of solvents	Project-level and programs of activities	Global
Waste handling and disposal	Emission reduction activities related to waste (e.g., landfill methane capture and destruction and/or utilization, waste water treatment, and energy production from waste biomass)	Project-level and programs of activities	Global
Agriculture, forestry and other land use (AFOLU)	Afforestation/reforestation/revegetation (ARR); Wetland restoration and conservation (WRC); Regenerative Agriculture	Project-level and programs of activities	Global
Livestock and manure management	Manure management and waste treatment	Project-level and programs of activities	Global

NOTE: activities related to the reduction of hydrofluorcarbon-23 (HFC-23) emissions are excluded from the SOCIALCARBON Standard

** Project activities in specific geographic locations under the "Energy
(renewable/non-renewable)", "Energy Distribution" and "Energy Demand" sectors
are deemed ineligible based on specific
additionality requirements outlined in the SOCIALCARBON Standard v6.0,
section 2.2 and 3.12

Methodology name	Unique Methodology / Protocol Identifier	Applicable methodology version(s)	Date of entry into force of most recent version	Prior versions of the methodology that are credited by the Programme (if applicable)	Greenhouse / other gases addressed in methodology	Web link to methodology
Methodology for the installation of Energy Efficient Cookstoves	SCM0001	v1.0	18/04/2022	NA	CO2, CH4, N2O	https://www.socialcarbon.org/scm0001
Methane emission reduction by adjusted water management practice in rice cultivation	SCM0002	v1.2	14/02/2023	NA	CH4	https://www.socialcarbon.org/scm0002
Methodology for Carbon Removal in Private Conservation Areas	SCM0003	v1.0	08/02/2023	NA	CO2	https://www.socialcarbon.org/scm0003
Methodology for the Regeneration of Spekboom Thicket	SCM0004	v1.0	11/10/2022	NA	CO2	https://www.socialcarbon.org/scm0004
Methodology for Regenerative Land Management	SCM0005	v1.0	06/12/2022	NA	CO2	https://www.socialcarbon.org/scm0005
Methodology for the Conservation of Areas of Biodiversity Importance	SCM0006	v1.0	20/12/2022	NA	CO2	https://www.socialcarbon.org/scm0006
Methodology for the treatment of Harmful Algae Blooms	SCM0007	v1.0	20/03/2023	NA	CO2	https://www.socialcarbon.org/scm0007

Note: Projects issuing credits under the SOCIALCARBON Standard can use methodologies approved under the CDM . These methodologies and protocols can be found at the following web link: CDM: https://cdm.unfccc.int/methodologies/index.html

Methodology for the installation of Energy Efficient Cookstoves	SCM0001	v1.0	18/04/2022	NA	CO2, CH4, N2O	https://www.socialcarbon.org/scm0001
Methane emission reduction by adjusted water management practice in rice cultivation	SCM0002	v1.0	14/02/2023	NA		https://www.socialcarbon.org/scm0002
Methodology for Carbon Removal in Private Conservation Areas	SCM0003	v1.0	11/10/2022	NA		https://www.socialcarbon.org/scm0003

SHEET C: ADDITIONAL ACTIVITIES *(Here, list activities supported by the programme that were not previously-assessed by TAB at the time of the previous application and that programmes wish to add for assessment for the first phase)*

Sector	Supported activity type(s)	Implementation level(s)	Geography(ies)
CCS / Water	Carbon capture/removals through the treatment of harmful algae blooms in freshwater.	Project Level only	Global

SHEET D: ADDITIONAL METHODOLOGIES / PROTOCOLS LIST *(Here, list all methodologies / protocols that support activities described in Sheet C)*

Methodology name	Unique Methodology / Protocol Identifier	Applicable methodology version(s)	Date of entry into force of most recent version	Prior versions of the methodology that are credited by the **Programme** (if applicable)	Greenhouse / other gases addressed in methodology	Web link to methodology
e.g. "Methodology to XYZ…"	e.g., ABC-123-V.20-XXX	e.g., V2.0	01/01/2018			
Methodology name	Unique Methodology / Protocol Identifier	Applicable methodology version(s)	Date of entry into force of most recent version	Prior versions of the methodology that are credited by the **Programme** (if applicable)	Greenhouse / other gases addressed in methodology	Web link to methodology

Programme Re-application Form, Appendix C

Programme Exclusions Scope

CONTENTS: List all activities and methodologies/protocols that were excluded from the previous TAB's assessment or outside of Scope of Eligibility in the pilot phase. Programmes may define additional activities and methodologies/protocols programmes to be **excluded** from TAB's assessment for the **CORSIA first phase**. The four sheets are described below:

Sheet A)   Activities that were e**xcluded** from TAB's assessment at the time of theprevious programme's application, or outside of programme's Scope of Eligibility in the pilot phase

Sheet B)   List of all methodologies / protocols that support activities described under Sheet A

Sheet C)   Additional activities that the programme wish to **exclude** from TAB's assessment

Sheet D)   List of all methodologies / protocols that support activities described under Sheet C

SHEET A: EXCLUDED ACTIVITIES *(Here, list activities that were **excluded** from TAB's assessment at the time of the previous programme's application, or is outside of programme's Scope of Eligibility in the pilot phase)*

Sector	Project/programme type(s)	Implementation level(s)	Geography(ies)
Agriculture, forestry and other land use (AFOLU)	Reduced emissions from deforestation and forest degradation (REDD); Wetland restoration and conservation (WRC);	**Project-level and programs of activities:** At present there are no approved SOCIALCARBON methodologies for these project activities	Global

SHEET B: EXCLUDED METHODOLOGIES *(Here, list all methodologies / protocols that support activities described in Sheet A)*

Methodology name	Unique Methodology / Protocol Identifier	Applicable methodology version(s)	Date of entry into force of most recent version	Prior versions of the methodology that are credited by the **Programme** (if applicable)	Greenhouse / other gases addressed in methodology	Web link to methodology
NA	NA	NA	NA	NA	NA	NA
Methodology name	Unique Methodology / Protocol Identifier	Applicable methodology version(s)	Date of entry into force of most recent version	Prior versions of the methodology that are credited by the **Programme** (if applicable)	Greenhouse / other gases addressed in methodology	Web link to methodology

SHEET C: ADDITIONAL EXCLUDED ACTIVITIES *(Here, list additional activities that the programme wish to* **exclude** *from TAB's assessment (if applicable, in case they are currently within the Scope of Eligibility in the pilot phase))*

Sector	Project/programme type(s)	Implementation level(s)	Geography(ies)	
NA	NA	NA	NA	

SHEET D: ADDITIONAL EXCLUDED METHODOLOGIES *(Here, list all methodologies / protocols that support activities described in Sheet D)*

Methodology name	Unique Methodology / Protocol Identifier	Applicable methodology version(s)	Date of entry into force of most recent version	Prior versions of the methodology that are credited by the **Programme** (if applicable)	Greenhouse / other gases addressed in methodology	Web link to methodology
NA	NA	NA	NA	NA	NA	NA

Methodology name	Unique Methodology / Protocol Identifier	Applicable methodology version(s)	Date of entry into force of most recent version	Prior versions of the methodology that are credited by the **Programme** (if applicable)	Greenhouse / other gases addressed in methodology	Web link to methodology

Emissions Unit Programme Registry Attestation

(Version 3, January 2023)

PART A. Applicability and Instructions

1. Relevance and definitions:

   1.1. These terms are relevant to emissions unit programmes and their designated registries:

   1.1.1. *CORSIA Eligible Emissions Unit Programme:* emissions unit programme approved by the ICAO Council as eligible to supply emissions units under the CORSIA.

   1.1.2. *CORSIA Eligible Emissions Unit Programme-designated registry:* registry designated by a CORSIA Eligible Emissions Unit Programme to provide its registry services and approved by the ICAO Council as reflected in the programme's listing contained in the ICAO Document titled "*CORSIA Eligible Emissions Units*".

   1.1.3. *Material change:* any update to the procedures of an emissions unit programme or its designated registry that would alter the functions that are addressed in the Emissions Unit Criteria (EUC), related guidelines, or the contents of this attestation. This includes changes that would alter responses to questions in the application form that the programme has submitted to the ICAO Secretariat or contradict the confirmation of the registry's adherence to the requirements contained in this attestation.

   1.1.4. *Cancel:* the permanent removal and single use of a CORSIA Eligible Emissions Unit within a CORSIA Eligible Emissions Unit Programme designated registry such that the same emissions unit may not be used more than once. This is sometimes also referred to as "retirement", "cancelled", "cancelling" or "cancellation".

   1.1.5. *Business day:* defined by the CORSIA Eligible Emissions Unit Programme registry when responding to formal instruction from a duly authorized representative of the owner of an account capable of holding and cancelling CORSIA Eligible Emission Units.

   1.2. References to "Annex 16, Volume IV" throughout this document refer to Annex 16 to the Convention on International Civil Aviation — *Environmental Protection,* Volume IV — *Carbon Offsetting and reduction Scheme for International Aviation (CORSIA)*, containing the Standards and Recommended Practices (SARPs) for CORSIA implementation. Reference to "ETM, Volume IV" throughout this document refer to Environmental Technical Manual (Doc 9501), Volume IV — *Procedures for demonstrating compliance with the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)*, containing the guidance on the process to implement CORSIA SARPs.

2. Programme - registry relationship:

   2.1. The ICAO Council's Technical Advisory Body (TAB) conducts its assessment of emissions unit programme eligibility including an assessment of the programme's provisions and procedures governing the programme registry, as represented by the programme. The ICAO Council determines CORSIA eligible emissions units upon recommendations by TAB and

consistent with the EUC. The programme registry is not separately or independently considered throughout this process. The TAB may periodically review and report to the ICAO Council regarding the continued consistency of programme's registry and its administration with terms contained in this document's Part B.

2.2. The provision of registry services under the CORSIA by a CORSIA Eligible Emissions Unit Programme registry is fully subject to the terms, conditions and limitations to the programme's scope of eligibility. Such terms include, *inter alia*, the programme's commitment to administer any and all provisions and procedures governing the programme registry in the manner represented by the programme in the application form and additional information provided to TAB during the assessment process.

2.3. A CORSIA Eligible Emissions Unit Programme registry can provide registry services to aeroplane operators prior to the programme's and programme registry's demonstration of the registry's consistency with the registry requirements contained in this attestation. However, the programme registry can only claim to support and can only provide for aeroplane operators to fulfill the provisions in Annex 16, Volume IV and ETM, Volume IV involving emissions unit cancellation-, reporting-, and verification-related actions after its consistency with the registry requirements contained in this attestation is demonstrated by the programme in accordance with Part A, Paragraph 3 of this document, and the signed attestation is published on the CORSIA website in addition to the ICAO document "*CORSIA Eligible Emissions Units*".

3. Submitting an "*Emissions Unit Programme Registry Attestation*":

3.1. Both the administrator or authorized representative ("Programme Representative") of an emissions unit programme ("Programme"), and the administrator or authorized representative ("Registry Representative") of the registry designated by the Programme ("Programme Registry") will review and attest to their acceptance (as signed in Section 8 of this attestation) of all terms contained herein.

3.2. The Programme will electronically submit to the ICAO Secretariat a unique, dual-signed attestation for each and every Programme Registry that will provide its registry services to the Programme under the CORSIA:

3.2.1. If the Programme is determined to be eligible by a decision of the ICAO Council taken in 2020, the Programme will submit the signed attestation(s) to the ICAO Secretariat no later than one year after the Programme is determined to be eligible by the ICAO Council.

3.2.2. From 2021, the Programme should submit the signed attestation(s) to the ICAO Secretariat at the time of applying for assessment by the TAB. If the Programme is determined to be eligible by a decision of the ICAO Council after 31 December 2020, the Programme will submit the signed attestation(s) to the ICAO Secretariat no later than 180 days after the Programme is determined to be eligible by the ICAO Council.

3.3. As soon as possible upon receiving a signed attestation from the Programme, the ICAO Secretariat will:

3.3.1. Forward the signed attestation to the TAB; and

3.3.2. If the Programme is determined to be eligible by a decision of the ICAO Council, publicly post the signed attestation on the CORSIA website in addition to the ICAO document "*CORSIA Eligible Emissions Units*".

PART B: Emissions Unit Programme Registry Attestation

4. **Programme application materials**. As the Registry Representative, I certify items 4.1 to 4.4:

  4.1.   I have read and fully comprehend the following information:

   4.1.1. The instructions and terms of this attestation;

   4.1.2. The contents of the ICAO document "*CORSIA Emissions Unit Eligibility Criteria*";

   4.1.3. The contents of the most recent version of the application form that the Programme has provided to the ICAO Secretariat; and

   4.1.4. The terms, conditions and limitations to the Programme's scope of eligibility and further action(s) requested to the Programme by the ICAO Council, as presented to the Programme upon relevant decision of the ICAO Council on the Programme's eligibility[1] for the 2024-2026 compliance period (First Phase).

  4.2.   The Programme's representation of its provisions and procedures governing the Programme Registry, and of Programme Registry functionality, as contained in the most recent version of the application form that the Programme has provided to the ICAO Secretariat, is true, accurate, and complete, to the best of my knowledge;

  4.3.   The Programme Registry will notify the Programme of any material changes to the Programme Registry, to enable the Programme to maintain consistency with relevant criteria and guidelines throughout its assessment by TAB and up to an eligibility decision by the ICAO Council; and, if applicable, continuing on from the effective date of an affirmative eligibility decision by the ICAO Council, the Programme Registry will notify the Programme of any material changes to the Programme Registry, such that the Programme can maintain consistency with relevant criteria and guidelines;

  4.4.   The Programme Registry and Registry Representative will not publicly disseminate, communicate, or otherwise disclose the nature, content, or status of communications between the Programme, the Programme Registry, and/or the ICAO Secretariat, related to the status of the Programme's provision of programme and registry services under the CORSIA, unless the Programme has received prior notice from the ICAO Secretariat that such information has been and/or can be publicly disclosed.

5. **Scope of Programme responsibilities under the CORSIA**. As the Registry Representative, I acknowledge items 5.1 to 5.2:

  5.1.   The scope of the Programme assessment by the TAB, through which the TAB will develop recommendations on the list of eligible emissions unit programmes (and potentially project types) for use under the CORSIA, which will then be considered by the ICAO Council for an eligibility decision, including the Programme's responsibilities throughout this process; and

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[1] Only applicable when the Programme submits the signed "*Emissions Unit Programme Registry Attestation*" to the ICAO Secretariat after the Programme is determined to be eligible by a decision of the ICAO Council.

5.2. The scope and limitations of the ICAO Secretariat's responsibilities related to the assessment process.

6. **Programme - Registry relationship**. As the Registry Representative, I understand and accept items 6.1 to 6.2:

   6.1. The Programme Registry's provision of registry services under the CORSIA is subject to the terms, conditions and limitations to the Programme's scope of eligibility, as presented to the Programme upon relevant decision of the ICAO Council on the Programme's eligibility; and

   6.2. Only after the Programme and the ICAO Secretariat have completed all steps in Part A, Section 3 of this attestation, can the Programme Registry facilitate and identify emissions unit cancellations specifically for CORSIA use, and support any related reporting and verification activities. The Programme Registry will not promote itself as being capable of providing registry services for the described purpose until such time.

7. **Scope of Programme Registry responsibilities under the CORSIA**. As the Registry Representative, I certify items 7.1 to 7.12:

   7.1. The Programme Registry is capable of fully meeting the objectives of any and all Programme provisions and procedures related to the Programme Registry that the Programme is required to have in place:

       7.1.1. In the manner represented by the Programme in the application form that the Programme has provided to the ICAO Secretariat; and

       7.1.2. As acknowledged by the Programme in the signed "Programme acceptance to terms of eligibility for inclusion in the ICAO document "*CORSIA Eligible Emissions Units*"[2].

   7.2. The Programme Registry will not deny a CORSIA participant's request for a registry account solely on the basis of the country in which the requestor is headquartered or based;

   7.3. The Programme Registry will identify (in the case of applicants to be assessed to determine their eligibility) / identifies (when the Programme is determined to be eligible by a decision of the ICAO Council) CORSIA Eligible Emissions Units as defined in the ICAO document "*CORSIA Eligible Emissions Units*"[3]. This will be/is done consistent with the capabilities described by the Programme in its communications with ICAO, and any further requirements decided by the ICAO Council for CORSIA Eligible Emissions Unit Programme-designated Registry.

   7.4. The Programme Registry will, upon request of the CORSIA participant account holder or participant's designee, designate the participant's cancellation of emissions units for the purpose of reconciling offsetting requirements under the CORSIA, including by compliance cycle;

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[2] Only applicable when the Programme submits the signed "*Emissions Unit Programme Registry Attestation*" to the ICAO Secretariat after the Programme is determined to be eligible by a decision of the ICAO Council.

[3] As prescribed in the ICAO Document *"CORSIA Eligible Emissions Units",* the programme must provide for and implement its registry system to identify its CORSIA eligible emissions units as defined in the document.

7.5. The Programme Registry will, within 1 – 3 business days of receipt of formal instruction from a duly authorized representative of the owner of an account capable of holding and cancelling CORSIA Eligible Emission Units within the registry, and barring system downtime that is scheduled in advance or beyond the control of the registry administrator, make visible on the Programme Registry's public website the account owners cancellations of CORSIA Eligible Emission Units as instructed. Such cancellation information will include all fields that are specified for this purpose in Annex 16, Volume IV, and ETM, Volume IV;

7.6. The Programme Registry will, upon request of the CORSIA participant account holder or participant's designee, generate report(s) containing the information specified for this purpose in Annex 16, Volume IV, and ETM, Volume IV;

7.7. The Programme Registry will maintain robust security practices that ensure the integrity of, and authenticated and secure access to, the registry data of CORSIA participant account holders or participants' designees, and transaction events carried out by a user; and disclose documentation of such practices upon request. The Programme Registry will utilize appropriate method(s) to authenticate the identity of each user accessing an account; grant each user access only to the information and functions that a user is entitled to; and utilize appropriate method(s) to ensure that each event initiated by a user (i.e. transfer of units between accounts; cancellation/retirement of a unit, update of data, etc.) is an intentional transaction event confirmed by the user. Such security features will meet and be periodically updated in accordance with industry best practice;

7.8. The Programme Registry will, upon identifying any breach of Programme Registry data security or integrity that affects a CORSIA participant account holder or participant's designee, notify the CORSIA participant account holder or their designee, and notify the Programme, which will inform and engage with the ICAO Secretariat on the matter in the same manner as required for material deviations from the Programme's application form;

7.9. The Programme Registry will ensure the irreversibility of emissions unit cancellations and the designation of the purpose of emissions units cancellations, as per the requirements contained in Annex 16, Volume IV, and ETM, Volume IV. Without prejudice to the aforementioned, such requirement would not prevent a Programme Registry from utilizing secure, time-bound and auditable methods for correcting unintentional user-entry errors;

7.10. The Programme Registry will ensure that all cancellation information on its website is presented in a user-friendly format; is available at no cost and with no credentials required; is capable of being searched based on data fields; and can be downloaded in a machine-readable format, e.g., .xlsx;

7.11. The Programme Registry will retain documents and data relevant to CORSIA Eligible Emissions Units and cancellations on an ongoing basis and for at least three years beyond the end date of the latest compliance period in which the emissions unit programme is determined to be eligible; and consistent with the Programme's long-term planning, including plans for possible dissolution;

7.12. The Programme Registry will append a document to the end of the signed attestation describing how it will ensure its ability to implement the requirements of this document. This will include references to existing registry functionalities that already meet the

requirements of this document and/or description of business practices and procedures that ensure the Programme Registry's ability to implement the requirements in this document prior to identifying any emissions unit cancellations specifically for CORSIA use and supporting any related reporting and verification activities.

8. **Accuracy and completeness of information.** The signatures below certify that the information provided is true and correct in all material respects on the date as of which such information is dated or certified and does not omit any material fact necessary in order to make such information not misleading. Representatives are duly authorized for official correspondence on behalf of their organization.

_____   _____
Programme Representative Signature   Registry Representative Signature

Divaldo Rezende   **Michael Davies**
Programme Representative Name   Registry Representative Name

SOCIALCARBON Standard   **BEF Registry**
Programme Name   Registry Name

Date: 20/03/2023   Date: 20/03/2023

Instructions for Registry Representative: Please append a document on the next page of this attestation describing your Registry's ability to implement the requirements of this document, including references to existing registry functionalities that meet the requirements of this document and/or description of business practices and procedures that ensure the Programme Registry's ability to implement the requirements of this document prior to identifying any emissions unit cancellations specifically for CORSIA use and supporting any related reporting and verification activities.

ATTACHMENT A: PROGRAMME REGISTRY ATTESTATION DISCLOSURE FORM

PART 1: INSTRUCTIONS FOR REGISTRY REPRESENTATIVE

The following information request corresponds to the registry representative's certification of its adherence to items 7.1 to 7.11 of the *Emissions Unit Programme Registry Attestation* "Scope of Programme Registry responsibilities under the CORSIA".

In accordance with item 7.12 of the *Emissions Unit Programme Registry Attestation,* registry administrators are to complete and append this form to the signed *Attestation* describing how the Registry will ensure its ability to implement the requirements of the *Attestation*. This includes references to existing registry functionalities that already meet the requirements of the *Attestation* and/or descriptions of business practices and procedures that ensure the Programme Registry's ability to implement the requirements in the *Attestation*.

For further guidance regarding the format and approaches for providing summary information and evidence of system functionalities and/or procedures in this form, refer to instructions for "**Form Completion**" in the *Application Form for Emissions Unit Programmes*[4].

PART 2: PROGRAMME AND REGISTRY REPRESENTATIVE INFORMATION

1. Programme Representative Information

A. Programme Information

Programme name: SOCIALCARBON Standard

Administering Organization[5]: Social Carbon Foundation

Official mailing address: 128 City Road, London, United Kingdom, EC1V 2NX

Telephone #: +55 11 99237 2045

Official web address: www.socialcarbon.org

B. Programme Administrator Information (i.e., individual contact person)

Full name and title: Dr Divaldo Rezende

Employer / Company (*if not programme*): Social Carbon Foundation

E-mail address: divaldo.rezende@socialcarbon.org   Telephone #: +55 11 98757 8379

C. Programme Representative Information (if different from Programme Administrator)

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[4] https://www.icao.int/environmental-protection/CORSIA/Pages/TAB.aspx

[5] **Please complete**, even if the name of the business, government agency, organization, or other entity that administers the Emissions Unit Programme is the same as *"Programme Name"*.

Full name and title: Dr Divaldo Rezende

Employer / Company (*if not Programme*): Social Carbon Foundation

E-mail address: divaldo.rezende@socialcarbon.org   Telephone #: +55 11 98757 8379

2. Registry Representative Information[6]

A. Registry Information

Registry / system name: BEF Registry

Administering Organization: Biodiversity & Ecosystem Futures LLC

Official mailing address: 1309 Coffeen Avenue STE 1200, Sheridan, Wyoming 82801

Telephone #:   +44 7525 893071

Official web address: www.bef.earth

B. Registry Administrator Information (i.e., individual contact person)

Full name and title: Michael Davies

Employer / Company (*if not Registry Administering Organization*): Biodiversity & Ecosystem Futures LLC

E-mail address: mike@bef.earth   Telephone #: +44 7525 893071

C. Programme Representative Information (if different from Registry Administrator)

Full name and title: Michael Davies

Employer / Company (*if not Registry Administering Organization*): Biodiversity & Ecosystem Futures LLC

E-mail address: mike@bef.earth   Telephone #: +44 7525 893071

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[6] **Please complete this section**, even if the business, government agency, organization, or other entity that administers the Emissions Unit Programme Registry <u>is the same</u> as the organization described in **Part 2. "*1. Programme Representative Information*"**.

PART 3: EVIDENCE OF ADHERENCE TO SCOPE OF REGISTRY RESPONSIBILITIES

<table>
<tr><td rowspan="3">7.1</td><td>Does the Programme Registry fully meet the objectives of any and all Programme provisions and procedures related to the Programme Registry that the Programme is required to have in place in the manner represented by the Programme in the application form that the Programme has provided to the ICAO Secretariat and, if applicable[7], as acknowledged by the Programme in the signed "Programme acceptance to terms of eligibility for inclusion in the ICAO document "*CORSIA Eligible Emissions Units*"?</td><td>☒ YES</td></tr>
<tr><td colspan="2">Describe how the Registry ensures its ability to implement these provisions:</td></tr>
<tr><td colspan="2">

No updates since previous application. Original submission below.

The registry provides all the functionality to publicly display the documentation and data behind all projects and their corresponding issuances, retirements, cancellations and transfers. All procedures are publicly available through our training material (please see the link provided below).
Below outlines how the Registry is in compliance with the relevant CORSIA Emissions Unit Eligibility Criteria:
1. Clear Methodologies and Protocals and their Development Process. This is all summarised on the SOCIALCARBON website (www.socialcarbon.org/documentation) and is not directly related to the Registry.
2. Scope Considerations. The scope of the SOCIALCARBON Standard is outlined in the publicly available document SOCIALCARBON Standard v6.0 (link provided below).
3. Offset Credit Issuance and Retirement Procedures. This is all summarised in the SOCIALCARBON document "Registration and Issuance Process". In addition, BEF provides tutorial videos that are publicly available to take users through the Issuance, Retirement, Cancellation and Transfer procedures for the Registry (evidence provided below).
4. Identification and Tracking. The BEF Registry is fundamentally built using Blockchain technology, ensuring complete transparency and auditability of every offset issuance, cancellation, retirement and transfer. Every action is cryptographically recorded on the BEF ledger which can be independently verified by any individual through the registry and our Blockchain Explorer tool – a publicly available too which enables the scanning and checking of data on the BEF Blockchain. All offsets are created on the BEF Blockchain, providing a single source of truth on ownership, volumes available, and related transactions (retirements, cancellations, transfers).
5. Legal Nature and Transfer of Units. This is summarised in the document SOCIALCARBON Standard v6.0. One offset represents one tonne of CO2 equivalent. Holding the Units on the BEF Registry gives the account holder legal title of the offsets. The procedure to transfer units on the Registry are publicly available through the Tutorial videos provided by BEF, particularly the tutorial named "Asset Management".
6. Validation and Verification Procedures. All validation and verification standards and procedures and publicly available on the SOCIALCARBON Website. This also includes the requirements and procedures for the accreditation of validators and verifiers.
7. Program Governance. The SOCIALCARBON Standard is governed by the Social Carbon Foundation, a charitable organisation established in the United Kingdom. The administration of the program and decision making process is outlined in the SOCIALCARBON Website, including the Article of Association, and the SOCIALCARBON Guidance and Procedures documents.
8. Transparency and Public Participation Provisions. The BEF Registry Privacy Policy outlines what data is captures and made available to different stakeholders. Public Stakeholder Consultations are conducted during the methodology approval process. This includes a 30 day period for comments on newly proposed methodologies. The full procedure is summarised in the document Methodology Approval Process

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</table>

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[7] Only applicable when the Programme submits the signed "*Emissions Unit Programme Registry Attestation*" to the ICAO Secretariat after the Programme is determined to be eligible by a decision of the ICAO Council.

9. Safeguard Systems. 47 environmental and social safeguards and mandated by the SOCIALCARBON Standard to ensure projects minimise environmental and social risks. These can be found in the publicly available document: SOCIALCARBON Standard v6.0

10. Sustainable Development Criteria. As per the publicly available document SOCIALCARBON Standard v6.0 all projects must undertake an upfront assessment of the Sustainable Development Goals (SDGs) impact of the project. Monitoring of these contributions and the metrics used, must be outline are outline. In addition, the Project shall document which SDGs are delivered by the project, along with justifications that are quantifiable and can be validated by a validator/verifier. The SDG assessment shall be documented in the Project Description and monitored periodically with an assessment documented in each monitoring report submitted. In addition to the SDGs, the project must conduct an assessment against the 6 SOCIALCARBON resources and demonstrate continual improvement against these broader sustainability assessment criteria for the duration of the project.

11. Avoidance of double counting, Issuance and Claiming. All projects must demonstrate in the Project Description that they are not registered on another GHG program, and that the project area does not have any similar projects that pose a risk to double counting. This is audited by the both the SOCIALCARBON team and VVBs to ensure integrity of the Standard. The use of Blockchain ensures that all Issuances, Cancellations and Retirements are cryptographically recorded and immutable. All transactional events are accompanied by a unique Transaction ID on the Blockchain which can be used to prove claims made by parties. Once recorded on the Blockchain (at the time of the action) all data is immutable, providing assurance as to the reliability of the Registry Data.

In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*

- BEF Registry site: www.bef.earth
- Clear Methodologies and Protocols and their Development Process: www.socialcarbon.org/documentation. www.socialcarbon.org/methodologies
- SOCIALCARBON Standard v6.0: https://www.socialcarbon.org/s/SOCIALCARBON-Standard-v60-38m4.pdf
- Registration and Issuance Process: https://www.socialcarbon.org/s/SOCIALCARBON-Registration-and-Issuance-Process-v11.pdf
- BEF Registry Tutorials: https://www.youtube.com/playlist?list=PLRTdJiZBDpp2NUGFM1qticozG6IrOr7BK
- Validation & Verification Requirements & Procedures: https://www.socialcarbon.org/documentation#page-section-61fa5eb2a21a5a56a32411d7, https://www.socialcarbon.org/s/SOCIALCARBON-Standard-v60.pdf
- Governance: https://www.socialcarbon.org/governance
- Articles of Association: https://www.socialcarbon.org/s/Social-Carbon-Articles-of-Association.pdf
- Methodology approval process: https://www.socialcarbon.org/s/SOCIALCARBON-Methodology-Approval-Process-v12.pdf

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7.2	Will the Programme Registry ensure that a CORSIA participant's request for a registry account will not be denied solely on the basis of the country in which the requestor is headquartered or based?	☒YES
	Describe how the Registry does or will implement this provision:	
	No updates since previous application. Original submission below.	

	All Registry Account applications are reviewed by the BEF Team who conduct due diligence on the applicant. The applicants are assessed to ensure compliance with Anti-money laundering and Counter-Terrorist Financing regulations. The country of the applicant will not be the sole basis for a registry account being denied, however certain countries will result in greater risk profiles being attached to users, which will require more frequent monitoring by the BEF Team. Accounts will be denied if they pose a significant risk to the BEF Registry in relation to money laundering, terrorist financing, or reputational damage.
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*
	BEF AML & CFT Manual (see google drive)

7.3	Will the Programme Registry (in the case of applicants to be assessed to determine their eligibility)/Does the Programme Registry (when the Programme is determined to be eligible by a decision of the ICAO Council) identify / label its CORSIA eligible emissions units as defined in the ICAO Document "*CORSIA Eligible Emissions Units*"?	☒ YES
	Describe how the Registry does or will implements this provision:	
	Once SOCIALCARBON has been fully approved for use under CORSIA, we commit to adding CORSIA labels to the registry within 5 days of receiving notification of full approval. The updates required to the registry are trivial and will be implemented once the Programme is fully approved (as of this application, the programme is conditionally approved).	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	Draft design of CORSIA labelling is available on the google drive	

7.4	Will the Programme Registry, upon request of the CORSIA participant account holder or participant's designee, designate the participant's cancellation of emissions units for the purpose of reconciling offsetting requirements under the CORSIA, including by compliance cycle?	☒ YES
	Describe how the Registry does or will implement these provisions:	
	No updates since previous application. Original submission below. Yes, all emissions units can be cancelled for the purpose of reconciling offsetting requirements under the CORSIA, including by compliance cycle. The process for this is outlined in the BEF Tutorial video called "Managing your Assets".	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	

	Managing your Assets Tutorials - https://youtu.be/fknu-2Di4RQ

7.5	a. Will the Programme Registry, within 1 – 3 business days of receipt of formal instruction from a duly authorized representative of the owner of an account capable of holding and cancelling CORSIA Eligible Emission Units within the registry, and barring system downtime that is scheduled in advance or beyond the control of the registry administrator, make visible on the Programme Registry's public website the account owner's cancellations of CORSIA Eligible Emission Units as instructed.	☒ YES
	b. Will such cancellation information (row a) include all fields that are specified for this purpose in Annex 16, Volume IV, and ETM, Volume IV?	☒ YES
	Describe how the Registry does or will implement these provisions:	
	No updates since previous application. Original submission below. In accordance with Annex 16, Volume IV, any cancellations are made public within seconds of cancellation. Each cancellation is also accompanied by a Transaction ID, which can be used to further demonstrate the cancellation on the BEF Blockchain in an immutable manner. All cancellations can be accompanied by additional comments and notes by the registry account holder cancelling the units, in order to provide additional information related to the cancellation. These notes are made public, along with the following details: • Name of the units cancelled • Link to registry for the units • Date of cancellation • Number of units cancelled • Asset type • Vintage • Canceller (entity cancelling the units) • Notes • Transaction ID / Serial Number on the Blockchain	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	Cancellation demo: https://youtu.be/zagIRUUF4NY	

7.6	Will the Programme Registry, upon request of the CORSIA participant account holder or participant's designee, generate report(s) containing the information specified for this purpose in Annex 16, Volume IV, and ETM, Volume IV?	☒ YES
	Describe how the Registry does or will implement this provision:	
	No updates since previous application. Original submission below. All data on cancellations can be exported either by the account holder into a CSV file through their registry account, or can be generated by the BEF Registry team on request.	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme	

	Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	Video demonstrating registry functionality for Cancellation CSV downloads: https://youtu.be/suJ8hcAhX7E	

	a. Does the Programme Registry maintain robust security practices that ensure the integrity of, and authenticated and secure access to, the registry data of CORSIA participant account holders or participants' designees, and transaction events carried out by a user?	☒ YES
	b. Does the Programme Registry disclose documentation of such practices (row a) upon request?	☒ YES
	c. Does the Programme Registry utilize appropriate method(s) to authenticate the identity of each user accessing an account?	☒ YES
	d. Does the Programme Registry grant each user access only to the information and functions that a user is entitled to?	☒YES
	e. Does the Programme Registry utilize appropriate method(s) to ensure that each event initiated by a user (i.e. transfer of units between accounts; cancellation/retirement of a unit, update of data, etc.) is an intentional transaction event confirmed by the user?	☒ YES
	f. Do such security features (rows a – e) meet and undergo periodic updates in accordance with industry best practice?	☒ YES
	Describe how the Registry implements each provision in rows a – f:	

7.7	**No updates since previous application. Original submission below.**
	
	a) The BEF Registry utilising banking-level security standards to ensure the Registry adheres to the highest security standards. Utilising Blockchain significantly enhances the security of the system, decentralising registry accounts, significantly reducing single points of failure and protecting accounts.
	
	In addition we have several Security Policies and Standards in place to ensure our systems are secure. Evidence can be found below.
	
	Further security details below:
	• Data storage & transit
	  o SL Encryption between our servers and website
	  o HTTPS used for any Blockchain API calls
	  o Non-Blockchain-stored data is encrypted and salted at rest in our database
	  o Ensure all servers are fully patched on each deploy, and maintain the capability to patch our entire infrastructure within hours if necessary
	  o Use secure operating systems (*nix-based) on all our servers
	  o Use Amazon Web Service's state-of-the-art data centres to ensure good physical security for our data
	  o Use firewalls to defend our network from intrusions
	  o Server-side privacy rules to ensure user authentication prior to accessing data
	
	• Incident management and vulnerability monitoring	

- o Our Infrastructure-as-a-service provider, uses vulnerability monitoring tools to detect potential vulnerabilities in our infrastructure
- o Our Infrastructure-as-a-service provider works with security researchers to identify and resolve security vulnerabilities
- o Our Infrastructure-as-a-service provider has defined incident management and notification processes for dealing with security incidents
- o We review new development work for security implications before releasing to production
- o BEF perform background checks on employees with access to customer data
- o 99.99% EC2 availability - SLA commitment by AWS

- User authentication
  - o Server-side privacy rules to ensure user authentication prior to accessing data
  - o IP Address verification and whitelisting as part of the login process to enhance user account security
  - o 2 factor authentication for several features within the BEF Registry to ensure authentication prior to action e.g. deleting account
  - o Audit-proof activity log

- Use of tokens and 3rd party service providers
  - o Integrate with 3rd party service providers, such as Stripe to facilitate account subscription payments on the BEF Platform
  - o Payment details e.g. credit card details, are sent directly to Stripe from the user's web browser, without ever going through the our servers. Stripe replies with a token that represents the credit card, which does get sent to our servers
  - o The tokens sent by Stripe are used to enact Stripe API requests, such as charging the credit card
  - o We will not send private keys to a users' web browser: instead, if the app accesses the API, we proxy the call through our servers and add the credentials on the backend.

- User credentials
  - o User credentials are stored in 'mathematical hyperspace' on our Blockchain meaning that user credentials become the 'key' to a 'virtual space' that you own with a Signature Chain.
  - o Recovery Phrases are recorded by users upon registration, enabling them to recover their account in the event they forget their password or pin.
  - o Any transaction by an account is fully auditable through our Blockchain and viewable on our Transaction Monitoring tool.

- Access Management
  - o User authentication is conducted on the server-side using privacy rules to manage what data users can access. Personal or semi-sensitive data can only be accessed by the related user and only once they are logged in.

b) This information can be provided on request. See link in the evidence section.

c) Prior to gaining access to the BEF Registry, users must first register for an account. This registration enables our team to categorise the user and understand the type of account they are interested in. Due diligence is conducted on any new account by the BEF team. BEF uses Refinitiv's World Check system to conduct simple and enhanced due diligence on clients. This includes the checking of PEP, sanction lists, adverse media, criminal convictions. Once clients are assessed they are given a risk rating and then added to the BEF Transaction Monitoring tool to enable ongoing transaction monitoring. As part of this process, the account manager must provide proof of authority to register the account on behalf of their entity, including proof of identity to ensure that we can verify their identify as part of the due diligence process.

d)	User authentication is conducted on the server-side using privacy rules to manage what data users can access. Personal or semi-sensitive data can only be accessed by the related user and only once they are logged in. Any data that is publicly available (that does not include sensitive or personal data) can be accessed by anyone.
e)	All transfers, issuances, retirements, cancellations, retirements must be confirmed with the deliberate checking of a checkbox to confirm the action, accompanied by the User inputting their pin before completing the transfer. This ensures that that all transactional events are confirmed by the user.
f)	Security features are reviewed quarterly to ensure they are in line with industry best practice.

In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*

All Relevant Security Policies, Standards and due diligence processes are available on the following google drive: https://drive.google.com/drive/folders/1mlVmZfKgZpp69PM2cnJy92jx-xIM6fLd?usp=sharing

7.8	a. Will the Programme Registry, upon identifying any breach of Programme Registry data security or integrity that affects a CORSIA participant account holder or participant's designee, notify the CORSIA participant account holder or their designee?	☒ YES
	b. Will the Programme Registry, upon identifying any breach of Programme Registry data security or integrity that affects a CORSIA participant account holder or participant's designee, notify the Programme, which will inform and engage with the ICAO Secretariat on the matter in the same manner as required for material deviations from the Programme's application form?	☒ YES
	Describe how the Registry does or will implement each provision in rows a and b:	
	No updates since previous application. Original submission below. a) Any identified breaches will result in the immediate notification to the participant on the Registry. We have a Security Incident Management Standard which utilised ISO 27001 which can be found in the evidence section below. b) All identified breaches to CORSIA Participant account holders or designees will result in the SOCIALCARBON Standard team being notified, alongside information on the breach which can be shared with the ICAO Secretariat.	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	Security Incident Management Standard (see google drive)	

7.9	Does the Programme Registry ensure the irreversibility of emissions unit cancellations and the designation of the purpose of emissions units cancellations, as per the requirements contained in Annex 16, Volume IV, and ETM, Volume IV[8]?	☒ YES
	Describe how the Registry implements these provisions:	
	No updates since previous application. Original submission below. All cancellations and retirements are immutable and recorded on the BEF Blockchain. This makes it impossible to reverse and is accompanied by a Transaction ID which provides evidence of the transaction event in the BEF Platform.	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	This is an inherent characteristic of Blockchain technology. Every asset issuance, retirement, cancellation, transfer has its own unique transaction ID which can be publicly verified using BEF Blockchain Explorer: https://blockexplorer.bef.earth/. When units are retired / cancelled, their underlying token is "burned" which means they are sent to an account which can only receive units and cannot with reversed / transfer out of the account.	

7.10	a. Does the Programme Registry ensure that all cancellation information on its website is presented in a user-friendly format?	☒ YES
	b. Does the Programme Registry ensure that all cancellation information on its website is available at no cost and with no credentials required?	☒ YES
	c. Does the Programme Registry ensure that all cancellation information on its website is capable of being searched based on data fields?	☒ YES
	d. Does the Programme Registry ensure that all cancellation information on its website can be downloaded in a machine-readable format, e.g., .xlsx?	☒ YES
	Describe how the Registry implements each provision in rows a – d:	
	No updates since previous application. Original submission below. a) All cancellations can be publicly viewed both on the SOCIALCARBON Public Registry page and also the BEF Meta Registry page. b) All cancellation information is publicly accessible and free of charge c) All cancellation can be viewed both on the SOCIALCARBON Public Registry page and also the BEF Meta Registry page. Both pages have search functionality and filters to find information to refine the cancellation information available. Demo video link attached for evidence. d) All cancellations can be downloaded in CSV format from the public registry pages. Demo video link provided in the evidence section.	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	Cancellation demo: https://youtu.be/zagIRUUF4NY	

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[8] Without prejudice to the aforementioned, such requirement would not prevent a Programme Registry from utilizing secure, time-bound and auditable methods for correcting unintentional user-entry errors.

7.11	a. Will the Programme Registry retain documents and data relevant to CORSIA Eligible Emissions Units and cancellations on an ongoing basis and for at least three years beyond the end date of the latest compliance period in which the emissions unit programme is determined to be eligible?	☒ YES
	b. Will the Programme Registry retain documents and data relevant to CORSIA Eligible Emissions Units and cancellations consistent with the Programme's long-term planning, including plans for possible dissolution?	☒ YES
	Describe how the Registry does or will implement each provision in rows a and b:	
	No updates since previous application. Original submission below. a. All cancellation data is permanently stored on the BEF Blockchain. Meta data related to cancellations will be held and retained for at least 3 years beyond the end date of the latest compliance period in which the emissions unit programme is determined to be eligible. b. All documents and data relevant to CORSIA Eligible Emissions Units and cancellations will be retained to ensure a permanent record of units and cancellations. This is irrespective of whether SOCIALCARBON is dissolved in the future. In the event that BEF itself is dissolved, BEF will ensure the core data is shared with an appropriate entity to ensure a record remains. This includes relevant documentation if necessary.	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	All Relevant Security Policies, Standards and due diligence processes are available on the following google drive: https://drive.google.com/drive/folders/1mlVmZfKgZpp69PM2cnJy92jx-xIM6fLd?usp=sharing	