



PROGRAM NAME: Climate Action Reserve
ORGANIZATION: Climate Action Reserve
ASSESSMENT TYPE: CORSIA Approved – Program Level Assessment
EXPORTED ON: 21 December 2023
STATUS: IN REVIEW

BACKGROUND

Must Read

Please acknowledge that you have reviewed the details provided in the "Background" section.
We have reviewed the Assessment Framework background materials.

Yes

CORSIA Eligibility

Please provide the following details in regards to your programme's CORSIA eligibility. Please contact us with any questions.

Our programme has been approved for CORSIA-eligibility.

Yes

[CORSIA Eligible Emissions Units_March2023.pdf \(icao.int\)](#)

Please see above URL for more information.

Methodologies for Exclusion

Please list any methodologies (name and URL) that your programme would like to have excluded from Category-level assessment by the ICVCM team.

If none, please enter "None" or N/A.

The Reserve does not wish to exclude any methodologies from category-level assessment.

A – GOVERNANCE

1.1 Effective Governance

a) In addition to CORSIA requirements related to governance framework, confirm that your organisation:

1) has a board comprised of independent board members who assume fiduciary responsibility for the organisation and operate according to robust bylaws.

Yes

Confidential information submitted

As a 501(c)(3) organization the Reserve is governed by a Board of Directors who serve as fiduciaries. The Board of Directors provides oversight and accountability to the organization. The Board is also responsible for adopting the Reserve's protocols

Please find a copy of the Climate Action Reserve By-Laws in the above linked DropBox folder.

You can also review our current Board of Directors here:

The documents provided are confidential. The Reserve requests that these documents be kept confidential within the ICVCM and that the ICVCM contact the Reserve before making these documents, or any sections of the documents, public.

2) publishes an annual report that contains the organisation's revenues, expenses, and net assets over the past year and provides an overview of the organisation's mission, major programs and activities, and governance.

Yes

<https://www.climateactionreserve.org/about-us/>

On the above linked URL, you can find a copy of all Climate Action Reserve Annual Reports. The most recent report, 2021, can be found here: <https://www.climateactionreserve.org/wp-content/uploads/2023/01/Reserve-2021-annual-report-final.pdf>.

3) Has processes in place to ensure corporate social and environmental responsibility.

Yes

Confidential Information Submitted

Please find a copy of our Employee Handbook via the above DropBox link which demonstrate our processes to ensure cooperate social and environmental responsibility of our organization and its projects.

Specifically, please reference Section 5-12 in the Employee Handbook and the "Eco-Friendly, Healthy, Clean, Low Carbon Office" section in the Operations Handbook (attached to the Reserve's Employee Handbook) which are summarized below.

Additionally, the Reserve is committed to diversity, equity, and inclusion. We have a internal staff committee dedicated to this area. The Reserve also has a diversity mission statement:

The Climate Action Reserve respects and celebrates all forms of diversity in its personnel, programs, and procedures. The Reserve believes it is critical to foster a welcoming and inclusive space for staff, to support diversity and equitable opportunities in the environmental field, and to operate programs that are culturally responsive and benefit all communities.

This mission statement is also available on our website here: <https://www.climateactionreserve.org/about-us/>

Relevant Section Text from the Employee Handbook and Operations Handbook

5-12 Business Ethics, Whistleblower and Conflict of Interest



The Climate Action Reserve's Code of Ethics and Conduct requires employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. The Reserve expects all employees to accept certain responsibilities, adhere to acceptable business principles in the matter of personal conduct, and exhibit personal integrity at all times. Employees must comply with Reserve policies and procedures and observe the highest standards of professionalism. The Reserve expects all employees to use only legitimate practices in commercial operations and in promoting the organization position on issues before governmental authorities. "Kickbacks" or "bribes" intended to induce or reward favorable buying decisions and actions are unacceptable and prohibited, and will subject employees to discipline, up to and including immediate termination. All employees and representatives of the Reserve must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

This policy is intended to encourage and enable employees and others to raise serious concerns and/or potential violations of the Code of Ethics within the organization prior to seeking resolution outside the Climate Action Reserve.

Nothing in the policy prohibits an employee from voluntarily communicating, without notice to or approval by the Reserve, with any federal government agency about a potential violation of a federal law or regulation. This policy should not be interpreted and will not be applied so as to interfere with the legally-protected rights of employees to discuss or share information related to their wages, hours, benefits, and working conditions amongst themselves or with outside parties.

Reporting Violations – Whistleblower Policy

In most cases, an employee's supervisor is in the best position to address an area of concern. However, if you are not comfortable speaking with your supervisor or you are not satisfied with your supervisor's response, you are encouraged to speak with the VP of Operations, President or

Reserve's Counsel. You may also submit your concern anonymously in writing to the VP of

Operations, provided you give enough detail for the matter to be investigated. Supervisors are 46

required to report suspected violations of the Code of Ethics to the Reserve's VP of Operations or President, who have to investigate all reported violations. For suspected fraud, individuals should contact the VP of Operations directly.

The VP of Operations is responsible for investigating and resolving all reported complaints and allegations concerning violations of the Code of Ethics and shall advise the President. At the President's discretion, the Audit Committee of the Board of Directors will be advised at least annually on any complaints reported under this policy.

No Retaliation

No director, officer, or employee who in good faith reports a violation of the Code of Ethics shall suffer harassment, retaliation, or adverse employment consequence. An employee who retaliates against someone who has reported a violation in good faith is subject to discipline, up to and including termination of employment.

Conflict of Interest

Employees of the Climate Action Reserve shall at all times act in a manner consistent with their responsibilities to the Reserve and shall exercise particular care that no detriment to the organization results from conflicts between their personal interests and those of the Climate Action Reserve. This policy is to be interpreted and applied in a manner that will best serve the interests of the Climate Action Reserve.

Employees are required to comply with this Conflict-of-Interest policy at all times and this policy is not intended to cover every possible scenario that may be considered a conflict of interest.

Employees should exercise good professional judgment, err on the side of caution, and seek the guidance of their supervisor or the Director of Operations if they are uncertain as to whether an action would be considered a conflict of interest as described herein. Employees are also annually required to

sign a statement attesting that they have received, read, and understood, and are in compliance with this policy.

Eco-Friendly, Healthy, Clean, Low Carbon Office

The Climate Action Reserve is committed to a clean, eco-friendly, healthy, and low-carbon office.

Eco-friendly Office

The Climate Action Reserve supports environmental stewardship and a healthy, green office through its business practices and operating procedures. This includes a commitment to the purchase, use, and reuse of recycled office products and the purchase of products and equipment that help conserve energy.

A. Reduce

- Consider whether or not you need to print
- If you do need to print, chose the setting for double-sided documents
- Make two-sided photocopies

B. Reuse

- Reusing paper clips, folders, and binders
- Reusing packaging materials

C. Recycle

- By way of the Building Management, the Climate Action Reserve recycles the following materials: all paper products, glass, aluminum cans, plastics
- Recycling may be commingled in the available bins but must be clean (no food on it). You do not have to remove staples or paperclips. Large items such as cardboard boxes should be broken down and taken to the copy area where a large recycling bin is located. All other materials can be deposited into the regular waste receptacle in the kitchen.

Clean Office

The entire staff is responsible for ensuring a clean office, and the help of all staff is appreciated. Staff should keep their office area tidy and clean one's dishes after their use.

Healthy Office

A. When you are feeling under the weather, exercise good judgment and consider not coming into the office. If you are sick, please do not come into the office. Please refer to the Climate Action Reserve's Sick Leave Policy in the Employee Handbook. Below are some tips from the CDC website.

There are everyday actions we can take to stay healthy:

- Cover your nose and mouth with a tissue when you cough or sneeze.
- Wash your hands often with soap and water, especially after you cough or sneeze.

Alcohol-based hands cleaners are also effective.

- Avoid touching your eyes, nose, or mouth. Germs spread that way.



- Try to avoid close contact with sick people; if you get sick, consider working from home and limit contact with others to keep from infecting them.

B. We offer a voluntarily fragrance-free office. We ask that staff kindly apply unscented products only while at the office during normal business hours. Furthermore, we will endeavor to supply chemical-free, dye-free, unscented products only, such as hand soaps, hand sanitizers, dishwashing soaps and other cleaners for common office use.

Low Carbon Office

The following are tips to help the Climate Action Reserve reduce its carbon footprint:

A. In the office

- Fully shut down your computer and monitor at the end of your workday
- Unplug your computer/power strip at the end of the day to save energy
- Turn off your monitor before leaving for lunch or meetings
- Turn off the lights when you leave the conference rooms
- Do not leave the refrigerator door open for extended periods of time
- The last person in the office is responsible for turning off the lights – please don't forget!

Commuting

- Take the bus whenever possible – commuting by bus has the lowest carbon impact
- If you can't take the bus, take the train – it's better for the environment than driving
- If you must drive, consider a hybrid or EV
- Maintain your vehicle on a regular basis – have your engine flushed and oil changed, make sure your tires are properly inflated, change your fuel filter regularly
- Participate in our annual Commuting Survey!

C. Business Travel

- When traveling for business, consider the following types of transport if possible, from the least to most carbon-consumptive:
 - Bus
 - Rail
 - Shuttle
 - Taxicab
 - Rental vehicle – the smaller the vehicle, the more fuel efficient (use www.fueleconomy.gov to check the fuel efficiency of your rental options)

6. Flights

- <http://www.carbonfootprint.com/calculator.aspx>

The documents provided are confidential. The Reserve requests that these documents be kept confidential within the ICVCM and that the ICVCM contact the Reserve before making these documents, or any sections of the documents, public.

4) Has robust anti-money laundering processes in place.

Yes

Confidential Information Submitted

Please find a copy of our Accounting Policy & Procedures document which is available via the above link to a DropBox folder. Which describes the accounting processes the Reserve has in place that supports our anti-money laundering policies/process.

The Reserve is committed to best practices in financial management and the Reserve's business is reflected in consolidated, financial reports in compliance with Generally Accepted Accounting Principles (GAAP). To prevent risk of money laundering, all Reserve financial transactions are monitored by the Operations Director/VP of Operations and Chief Financial Officer/Controller. All incoming payments must be approved by one of them. All transactions must have a invoice or be an expected transaction, or it is not approved.

Additionally, the Reserve is audited annually by an independent Certified Public Accountant (chosen by the Audit Committee of the Board of Directors, as required by state law) and in accordance with generally accepted accounting principles.

The Reserve also has an extensive Know Your Client (KYC) process prior to approving new account holders into the registry. Part of this process includes a background check using Thomas Reuters CLEAR program. This investigation is performed at the individual and organizational level and allows the Reserve to identify any fraudulent actors. As part of the KYC process the Reserve requests several types of documentation to authenticate the entity and individual opening an account on the Reserve. Please refer to the Reserve's required documentation by account type available in Dropbox. In this folder, the Reserve's internal KYC review checklist has also been provided.

The documents provided are confidential. The Reserve requests that these documents be kept confidential within the ICVCM and that the ICVCM contact the Reserve before making these documents, or any sections of the documents, public.

5) follow practices consistent with robust anti-bribery and anti-corruption guidance and regulation.

Yes

Confidential Information Submitted

The Reserve's Code of Ethics and Conducts requires that employees observe high standards of business and personal ethics. Section 5-12 Business Ethics, Whistleblower and Conflict of Interest of the Employee Handbook details this policy.

The document provided is confidential. The Reserve requests that these documents be kept confidential within the ICVCM and that the ICVCM contact the Reserve before making the document, or any sections of the document, public.

6) Provide a summary description of your programme (300 – 500 words)

<https://www.climateactionreserve.org/about-us/>

The **Climate Action Reserve** is the most trusted, efficient, and experienced offset registry for global carbon markets. A pioneer in carbon accounting, the Reserve promotes and fosters the reduction of greenhouse gas (GHG) emissions through credible market-based policies and solutions. As a high-quality offset registry for voluntary carbon markets, it establishes rigorous standards involving multi-sector stakeholder workgroup development and local engagement and issues carbon credits in a transparent and publicly available system. The organization also supports compliance carbon markets in California, Washington and internationally.

The Reserve offsets program demonstrates that high-quality carbon offsets foster reductions in GHG pollution that are real, additional, verifiable, enforceable, and permanent. Offset projects registered with the Reserve support environmental and community co-benefits, and often reduce local air pollution,

restore habitat and ecosystems, spur growth in new green technologies, and allow emission reduction goals to be met at lower cost.

The Reserve began as the California Climate Action Registry, which was created by the State of California in 2001 to address climate change through voluntary calculation and public reporting of emissions. The California Registry helped over 415 leading California-based corporations, organizations, government agencies and municipalities to voluntarily calculate and publicly report their GHG emissions. Its established expertise in emissions accounting translated into expertise in emissions reductions accounting for the North American carbon market.

The Reserve is an environmental nonprofit organization headquartered in Los Angeles, California with staff members located around the world. The Reserve is an equal opportunity provider.

See above.

1.2 Public Engagement, Consultation and Grievances

a) In addition to CORSIA requirements related to public engagement, consultation and grievances, confirm your organisation:

1) has processes for robust and transparent local and global stakeholder consultation processes, which provide for public comment and issue resolution.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Offset-Program-Manual-Version-9.0-November-2023.pdf>

Please find a copy of our Reserve Offset Program Manual Version 9.0 (November 2023) available on the website that describes our robust and transparent local and global stakeholder consultation processes which provides for public comment and issue resolution.

Specifically, please refer to Section 3.6, Stakeholder Input for Individual Projects, within the Reserve Offset Program Manual.

There are several ways the Reserve engages in robust and transparent local and global transparent local and global stakeholder consultation processes which provide opportunities for public comment and issue resolution. These stakeholder engagement processes occur at protocol development, project listing (submission of the project to the Reserve, to demonstrate intent to register a project) and during project implementation.

At the beginning of protocol development, the Reserve holds a scoping meeting where we present proposed protocol project activities. During this time, the Reserve solicits feedback and participation from local stakeholders. Refer to Section 4.2.2 Scoping Meeting, in the Reserve Offset Program Manual (and provided below). The Reserve does additional explicit outreach to key local stakeholders after the scoping meeting, including government agencies, locally impacted communities, and environmental organizations, to inform them of the protocol development process and invite them to participate in opportunities to review drafts and provide comments. The Reserve considers this feedback to ensure that is incorporated in the protocol to effectively address impacts. This process is detailed in Section 4.3.2, Local Stakeholder Consultation, in the Reserve Offset Program Manual (and provided below). The Reserve also holds a public comment period for protocols, where stakeholders can submit written comments and the Reserve will respond and make the comments and responses public. Additionally, as part of the public comment period, the Reserve holds a public workshop, so that stakeholders can provide their feedback verbally. Refer to Section 4.3.5 Public Review Period and Public Workshop, in the Reserve Offset Program Manual (and provided below) for details. Local stakeholders are also permitted to join the Reserve's Board meeting where the protocol will be considered by the Board for adoption (refer to Section 4.3.7 Board Approval, in the Reserve Offset Program Manual (and provided below)). Finally, the Reserve also asks any interested stakeholder to submit comments on an ongoing basis, by emailing the Reserve inbox or reaching out directly to Reserve staff to discuss their comments or concerns (as detailed in Section 4.3.7 Ongoing Public Feedback and Comments in the Reserve Offset Program Manual [and provided below]).

Once a project is listed, and publicly available on the Reserve's website, the Reserve holds a 30-day public comment period. Stakeholder can submit comments using the Stakeholder Listed Project Public Comment Form. The Reserve will respond to comments and will determine if any action needs to be

taken by the Reserve or project developer. This process is detailed in Section 3.6.1, Local Stakeholder Consultations, in the Reserve Offset Program Manual (and provided below).

During project implementation, a project type may be required per the protocol to engaged in further local stakeholder development depending on the issues identified during the protocol development process. For example, the Mexico Forest Protocol prescriptive requirements as mentioned in in Section 3.6.1, Local Stakeholder Consultations, in the Reserve Offset Program Manual, and detailed in the protocol.

Relevant Sections from the Reserve Offset Program Manual

4.2.2 Scoping Meeting

Interested parties may attend a scoping meeting to discuss protocol development options and challenges for the project type or jurisdiction in question. At the scoping meeting stage, the Reserve will generally propose a series of activities within the project type category for which specific accounting and verification standards could be developed. Feedback from the scoping meeting is used to determine whether the Reserve will move forward in developing a protocol, and which activities the protocol should encompass. During the scoping meeting the Reserve will present its proposed timeline for protocol development and put out a call of interest for workgroup members and local stakeholder consultation.

4.3.2 Local Stakeholder Consultation

Every Reserve protocol must include requirements to ensure that credits are only issued for emission reductions for projects that are in compliance with applicable regulations and demonstrate no net environmental harm. In some cases, projects may have the potential to create social impacts on the local community, either positive or negative, that may not be appropriately handled by other, existing government structures. The Reserve will conduct outreach to key local stakeholders, including government agencies, locally impacted communities, and environmental organizations, to inform them of the protocol development process and invite them to participate in opportunities to review drafts and provide comments. In addition, the Local Engagement form will be made publicly available on the Reserve's website and will be shared with the Reserve's listserv database and other venues at the beginning of the protocol development and drafting process. Local stakeholders will be able to express their interest in the protocol and be informed of all advancements in the process, including opportunities to review drafts and provide comments, as well as provide critical insight to ensure that environmental and social impacts on local communities are effectively addressed in the protocol.

4.3.5 Public Review Period and Public Workshop

The revised draft protocol is posted on the Reserve's website for a 30-day public comment period. The public is notified via the Reserve's listserv database and other venues, and reviewers are asked to submit written comments. During the 30-day public review period, the Reserve also hosts a public workshop to solicit feedback and address concerns regarding the draft protocol in an open forum. After receiving written feedback, all comments are recorded and addressed. A final protocol is produced, taking into account public comments and any further workgroup feedback.

4.3.6 Board Approval

The Reserve's Board of Directors must vote to adopt each protocol. Protocols are presented at quarterly board meetings, which are open to the public, and issues raised throughout the development process are reviewed, giving workgroup members and interested stakeholders a chance to raise any last concerns or questions. After the Board adopts the protocol, it becomes an official Reserve protocol and is immediately available for use.

4.3.7 Ongoing Public Feedback and Comments

After Board approval, the Reserve continues to solicit, document, and respond to public feedback and comments on the current version of the protocol. Comments and feedback on adopted protocols can be submitted to the Reserve at policy@climateactionreserve.org. The public is also welcome to contact Reserve staff directly to discuss their comments and concerns.

Public feedback and comments are assessed on an ongoing basis and may initiate a revision to a protocol.

3.6.1 Local Stakeholder Consultations

Offset projects may have the potential to create environmental and social impacts on the local community, either positive or negative, which may not be appropriately handled by other, existing government structures. In those cases, the individual protocol may include additional requirements for local stakeholder consultations. For example, the Mexico Forest Protocol provides social safeguards through prescriptive guidance about obtaining free, prior, and informed consent; meeting notification, participation, and documentation; and project governance. This ensures that the local community is able to participate in the offset project.

The Reserve holds public comment periods on newly listed projects for a period of 30 days from project listing. Projects cannot commence verification until the conclusion of this period. All listed projects are located on the Reserve's registry. Newly listed projects are also posted on the Reserve's website with the public comment period deadline. Stakeholders can submit comments using the Stakeholder Listed Project Public Comment Form for 30 days from listing. Submitted comments will be reviewed by the Reserve and the project developer. The Reserve will determine if any action needs to be taken by the Reserve or project developer and will respond to comments. Public comments received will be made available on the website at the conclusion of the public comment period until the project is registered.

In addition, every protocol development process, as well as every major protocol update, involves at least one public comment period, with a public webinar. Local stakeholders are welcome to participate in any of these public events. The Reserve, as part of the protocol development process, does specific local stakeholder engagement activities; refer to Section 4.3.2 for further details.

2) has processes for addressing grievances. The process shall be clear and transparent, ensure impartiality and where appropriate confidentiality, in the filing and resolution of grievances. Any applicable fees shall not impede legitimate access to the grievance process by civil society organisations or IPs & LCs.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

Please find a copy of our Reserve Offset Program Manual Version 9.0 (November 2023) and Climate Action Reserve Grievance Submission Form linked on the website that describes our clear, transparent, impartial, and (where applicable) confidential process to address grievances. The Climate Action Reserve Complaint Grievance Form (available at [inclusively](#) allows stakeholders to submit grievances by ensuring confidentiality where applicable (section 4 of form). Additionally, the Reserve does not have a fee for stakeholders to submit grievances to ensure legitimate access to our grievance process.

Specifically, please refer to Section 3.6.2 Feedback and Grievances Processes within the Reserve Offset Program Manual.

Relevant Sections from the Reserve Offset Program Manual

3.6.2 Feedback and Grievance Processes

3.6.2.1 General Feedback

For any project type, it is possible that a stakeholder may want to contact the Reserve to provide feedback, either positive or negative. For general feedback or inquiries, stakeholders may contact the Reserve at reserve@climateactionreserve.org, or call the Reserve office at (213) 891-1444. For questions or comments related to a specific protocol, current points of contact are listed on our website at <http://www.climateactionreserve.org/contact-us/>. This feedback process is not formal and is intended for information sharing purposes.

3.6.2.2 Formal Grievance Process

The Reserve strives to avoid adopting protocols for activities that present a risk of negative environmental or social impacts. Additionally, the Reserve's programmatic policies and procedures are

intended to ensure that the credits issued by the Reserve adhere to the Reserve's program principles. However, if a stakeholder has a grievance about a specific project, programmatic or protocol requirements or processes, the Reserve has a specific process for handling such requests so they are duly resolved. The process is as follows:

1. The stakeholder submits the Grievance Submission Form to the Reserve. It is the expectation that the form contains all necessary information and supporting documentation as appropriate. It is at the discretion of the Reserve to request additional information or clarification to inform their decision. The Reserve will provide the stakeholder with sufficient time to submit clarifications and/or supporting documentation. Failure to respond to the Reserve's request within the allotted time (a minimum of 15 calendar days) will result in the Reserve making a determination based on the currently available information.

2. Once received by the Reserve, the Reserve will confirm receipt no later than 7 calendar days and notify the stakeholder who the Reserve main point of contact will be.

3. The Reserve will convene a review team unaffiliated with the project or issue to review the grievance, conduct a finding of facts as needed, and make a determination. This will include at least one member of the senior management team, if possible. In cases where the senior management team has a conflict, a Reserve Board member will be part of the review team. No staff that have been involved in any way with the subject matter of the grievance will be involved with its review. Under certain circumstances, where Reserve staff have conflicted out of the process, the Reserve may engage external parties to serve as reviewers. Additionally, in cases where there is a grievance related to ownership of GHG emission reductions/removals, legal counsel may be involved in the process.

4. Once the grievance has been reviewed, a determination will be made within 90 days of receipt. The Reserve may extend this timeframe with reasonable cause. The determination will be made in writing and made public along with the Grievance Submission Form and supporting documentation. The determination may result in actions to be taken by the Reserve, project developer, or other stakeholder. Any necessary actions will be detailed in the determination. In cases of over-issuance, or a potential over-issuance, the Reserve will ensure that the system is "made whole," according to the process detailed in Section 3.6.2 below. The Reserve views its actions as final and binding on any involved parties as far as the Reserve program is concerned and will not be party to any disputes where the involved parties pursue actions beyond the Reserve's determination.

5. The grievance determination is considered final, but may be appealed by anyone that is party to the grievance. Appeals must be made within 30 calendar days. The Reserve will convene a review team unaffiliated with the issue or grievance, to include a Reserve staff member, a member of senior management, and a Reserve Board member. This review team will review the appeal, request additional information as needed and make a determination within 90 calendar days. This determination will be made publicly available. This determination is considered final.

2.1 Effective Registries (Retirement and Addressing Erroneous Issuance)

a) In addition to CORSIA requirements related to carbon credits in your carbon-crediting program registry, confirm that your organisation:

1) requires identification of the entity on whose behalf the carbon credit was retired

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

Any retirement executed on the registry publicly shows the account holder who is retiring the credits. Additionally, the Reserve requires that account holders disclose who the retirement is for if it is on behalf of a third party. Refer to Section 3.7.4 Retirement of CRTs in the Reserve Offset Program Manual Version 9.0 (November 2023) and Section 9(b) of the Reserve's Terms of Use, available on the website.

Relevant Sections from the Reserve Offset Program Manual

3.7.4 Retirement of CRTs

For the greatest level of transparency, Account Holders are required to disclose whom the retirement is for and provide complete details of the purpose of the CRT retirement in the "Retirement Reason Details" field. Refer to the Reserve's Terms of Use for further details.

Relevant Sections from the Reserve's Terms of Use

(9)(b) User may retire CRTs and/or ROCs on behalf of one or more third parties, provided that any such retirement may be effected only in a specialized type of subaccount, referred to herein as a "Group Retirement Subaccount," and that User shall comply with the following requirements applicable to such subaccounts:

(i) All legal title to and all Beneficial Ownership Rights in any CRT or ROC retired in a Group Retirement Subaccount must be held by one individuals or organizations (collectively, a "CRT Owner" or "ROC Owner") that have authorized User in writing to retire such CRT or ROC on their behalves and to provide any data or other information relating to such CRT or ROC to the Reserve (except to the extent that User may be deemed to hold or share with the applicable CRT Owner or ROC Owner any legal title to or Beneficial Ownership Rights in such CRT or ROC).

(ii) Any retirement of any CRT or ROC in a Group Retirement Subaccount shall be effected solely on behalf of the applicable CRT Owner or ROC Owner.

(iii) If User retires CRTs or ROCs in one or more Group Retirement Subaccounts during a calendar year on behalf of any individual or organization, (A) User shall concurrently report to the Reserve through an electronic interface comprising part of the Program the name and email address of such individual or organization (and, if applicable, of each other individual or organization comprising the CRT Owner or ROC Owner on whose behalf such retirement is effected), (B) User shall concurrently report to the Reserve through an electronic interface comprising part of the Program the reason for such retirement of CRTs or ROCs, which information shall be subject to public disclosure by the Reserve unless User chooses to have it remain confidential (note that any request not to publicly acknowledge the name of the third party retiring any credits and the reason for the retirement may adversely affect the perceived quality of those credits, including either not receiving or revoking the highest quality designation from the Integrity Council for the Voluntary Carbon Market (ICVCM)), and (C) User shall concurrently provide to the Reserve through an electronic interface comprising part of the Program a certification, having content reasonably satisfactory to the Reserve, that User has received from such individual or organization (and, if applicable, from each other individual or organization comprising the CRT Owner or ROC Owner on whose behalf such retirement is effected) an authorization of the variety contemplated by the above paragraph (i) with respect to the CRT(s) or ROC(s) so retired.

2) requires the identification of the purpose of retirement

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Offset-Program-Manual-Version-9.0-November-2023.pdf>

The Reserve requires the purpose for retirements to be disclosed in the registry. Refer to Section 3.7.4 of Reserve Offset Program Manual Version 9.0 (November 2023), relevant text provided below.

Relevant Sections from the Reserve Offset Program Manual

3.7.4 Retirement of CRTs

For the greatest level of transparency, Account Holders are required to disclose whom the retirement is for and provide complete details of the purpose of the CRT retirement in the "Retirement Reason Details" field. Refer to the Reserve's Terms of Use for further details.

3) has procedures to address erroneous issuance of carbon credits that identify remedial measures (e.g., cancellation, compensation through replacement) and the entities responsible for implementing these.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Offset-Program-Manual-Version-9.0-November-2023.pdf>

Please find a copy of our Reserve Offset Program Manual Version 9.0 (November 2023)Public Comment Version available on the website that describes our procedures to address erroneous issuance of carbon credits that identity remedial measures, in Sections 3.7.2, Over-Issuance of CRTs and Section 4(c) of the Reserve’s Terms of Use.

Relevant Sections from the Reserve Offset Program Manual

3.7.2 Over-Issuance of CRTs

In the event that the Reserve determines that GHG reductions or removals for a project were incorrectly quantified or reported, such that the number of CRTs issued to the project account holder was in excess of the correct number according to the requirements of the applicable protocol, it is primarily the project account holder’s responsibility to compensate for the over-issuance of CRTs.

The Reserve will notify the project account holder of the over-issuance, including the basis for its determination, and the number of CRTs to be surrendered for cancellation or authorized to be withheld from issuance as further described below. The Reserve shall determine, at its sole discretion, which option or combination of options a project account holder may use; this will be determined on a case-by-case basis and detailed in the over-issuance notification.

Within 30 days, the project account holder must:

1. Surrender CRTs for cancellation; and/or
2. Provide written authorization to the Reserve to withhold CRTs from future issuances to the project.

If the project account holder fails to satisfy its obligations within 30 days, the Reserve may:

1. Cancel CRTs held by the project account holder;
2. Withhold issuance to the account holder from CRTs otherwise issuable and immediately cancel the credits; and/or
3. Purchase CRTs from third parties at the project account holder’s expense and cancel them.

The project account holder may dispute the over-issuance determination using the dispute resolution provisions set forth in Section 3.6.2.2, Formal Grievance Process and Section 10(c) of the Climate Action Reserve Terms of Use.

Relevant Sections from the Reserve's Terms of Use

4(c) Over-issuance. User acknowledges and agrees that in the event that the Reserve, ARB, or Ecology determines that GHG reductions or removals for a project were incorrectly quantified or reported, such that the number of CRTs or ROCs issued to the User was in excess of the correct number according to the requirements of the applicable protocol, it is the User’s responsibility to compensate for the over-issuance of CRTs or ROCs, irrespective of whether the CRTs or ROCs are still held by the User. Additional details relating to CRT or ROC overissuance are included in the Reserve’s Program Manual. The obligation to compensate for any over-issuance of CRTs or ROCs survives the end of the term of these Terms of Use.

3.1 Information

a) In addition to CORSIA requirements, confirm that your organisation ensures that in relation to each mitigation activity that requests registration or that is registered, all relevant documentation relating to the mitigation activity is made publicly available (subject to confidentiality and proprietary, privacy and data protection restrictions) including:

1) all necessary information, such as spreadsheets used for calculations, to enable third parties to assess the social and environmental impacts of the mitigation activity and to replicate the GHG emission reduction or removal calculations (including baseline quantification), and assessment of additionality.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

Please find a copy of our Reserve Offset Program Manual, Version 9.0 available on the website that confirms the Reserve requires all necessary information as detailed in Section 3.3.10 Required Project Documentation.

The Reserve requires a Project Report, calculation documentation, Environmental and Social Safeguards Assessment Form, Project Contributions to U.N. Sustainable Development Goals (SDGs) – Reporting Tool, and Monitoring Plan. Individual protocols may require additional documentation.

Relevant Sections from the Reserve Offset Program Manual

3.3.10 Required Project Documentation

To facilitate transparency about the projects issued credits under the program and to support the review of projects by the Reserve, project developers are required to submit several documents to the Reserve including Project Reports, calculation documentation (e.g., spreadsheets), Environmental and Social Safeguards Assessment form, Project Contributions to the U.N. Sustainable Development Goals (SDGs) – Reporting Tool, and Monitoring Plan each verification period. This documentation must be verified by the verification body to ensure its accuracy.

3.3.10.1 Project Report

A Project Report is intended to serve as the main project document that presents the following information:

- Project description
- Explanation for how the project meets the protocol eligibility requirements (including, but not limited to location, project start date, additionality, and regulatory compliance)
- discusses the quantification methodologies utilized to generate project estimates (including baseline and project emissions)

The document must be submitted for every reporting period. A Project Report template by protocol prepared by the Reserve (and available is on the Reserve's website) may be used or the project developer may provide the information in their own format. The template is arranged to assist in ensuring that all requirements of the protocol are addressed. The Project Report will become publicly available when the project is issued credits.

3.3.10.2 Calculation Documentation

Project developers are required to submit the calculation documentation used to quantify the emissions reductions and/or removals to the Reserve. For many of its protocols, the Reserve has developed calculation tools. This documentation will be made publicly available. Refer to Section 3.3.14 for details regarding confidentiality.

3.3.10.3 Environmental and Social Safeguards Assessment Form

All project developers must submit an Environmental and Social Safeguards Assessment Form after the conclusion of each verification period. This form is required to meet the programmatic-level environmental and social safeguards assessment. This document must be verified and submitted to the Reserve for each verification period. The form does not require a new assessment every reporting period, but project developers must disclose any changes since that last reporting period.

3.3.10.4 Project Contributions to the U.N. Sustainable Development Goals (SDGs) – Reporting Tool

All project developers must submit the Project Contributions to the U.N. Sustainable Development Goals (SDGs) – Reporting Tool to disclose any positive impacts as a result of the project activity. The form should be submitted at the initial verification and should be resubmitted at any verification period where the information has changed or additional contributions have been identified. This form also meets the SDG reporting requirement to be considered CORSIA-eligible.

3.3.10.5 Monitoring Plan

As detailed in Section 2.7, Project Monitoring, all projects are required to have a Monitoring Plan in place to ensure the data collected for purposes of credit quantification are accurate and credible, and that the project has procedures in place to ensure ongoing compliance with the protocol's monitoring, reporting, and verification requirements. Each protocol specifies the monitoring parameters. This document must be verified and submitted to the Reserve for each reporting period (or attest the latest monitoring plan submitted to the Reserve has not changed). The monitoring plan will be made publicly available.

2) a mitigation activity design document that includes:

- i. a non-technical summary.**
- ii. detailed information on the mitigation activity, including its location and proponents.**
- iii. a description of the technology or practices applied.**
- iv. the environmental and social impacts.**
- v. the methodology used.**
- vi. information on how the methodology is and has been applied for the purpose of determining the baseline, demonstrating additionality and quantifying GHG emission reductions or removals.**

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Offset-Program-Manual-Version-9.0-November-2023.pdf>

Please find a copy of our Reserve Offset Program Manual, Version 9.0 available on the website that details in Section 3.3.10.1, our Project Report that includes a non-technical summary, detailed information on the mitigation activity, a description of the technology or practices applied, the environmental and social impacts, the methodology used and information on how the methodology is and has been applied for the purpose of determining the baseline, demonstrating additionality and quantifying GHG emission reductions or removals. The Environmental and Social Safeguards Assessment Form is submitted along with the Project Report to explain the environmental and social impacts of the project..

Relevant Sections from the Reserve Offset Program Manual

3.3.10.1 Project Report

A Project Report is intended to serve as the main project document that presents the following information:

- Project description
- Explanation for how the project meets the protocol eligibility requirements (including, but not limited to location, project start date, additionality, and regulatory compliance)
- discusses the quantification methodologies utilized to generate project estimates (including baseline and project emissions)

3.3.10.3 Environmental and Social Safeguards Assessment Form

All project developers must submit an Environmental and Social Safeguards Assessment Form after the conclusion of each verification period. This form is required to meet the programmatic-level environmental and social safeguards assessment. This document must be verified and submitted to the Reserve for each verification period. The form does not require a new assessment every reporting period, but project developers must disclose any changes since that last reporting period.

3) For Categories listed in 9.1 b) 1, information relating to the monitoring and compensation period. URL:

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

Please find a copy of our Reserve Offset Program Manual, Version 9.0 available on the Reserve's website. Section 2.10 Ensuring Permanence of GHG Reductions which describes the Reserve's overarching policy regarding the monitoring and compensation period for projects that have risk of reversal. The Reserve requires that project's are monitored and verified for a period of 100 years following the date of credit issuance. Project developers are required to compensate for avoidable reversals during this period, and the Reserve is responsible for compensating for unavoidable reversals during this time. The Reserve's natural climate solutions protocols (forestry, soil enrichment, grasslands avoided conversion) detail the specific requirements for monitoring and compensation in further detail. These protocols also require that Project Owner's enter into a Project Implementation Agreement (PIA) with the Reserve that details the requirements and terms of the monitoring, reporting and verification, and obligations for compensation of reversals. The Reserve's PIAs can be found on each protocols webpage.

[Forest PIA](#)

[US Grassland PIA - Recorded](#)

[US Grassland PIA - Contract](#)

[Canada Grassland PIA - Contract](#)

[Soil Enrichment PIA](#)

Relevant Sections from the Reserve Offset Program Manual

2.10 Ensuring Permanence of GHG Reductions

Because CO₂ and other GHG emissions remain in the atmosphere for very long periods of time, offsetting reductions in GHG emissions must effectively be permanent. The Reserve defines "permanence" as being equivalent to the radiative forcing benefits of removing CO₂ from the atmosphere for 100 years. Some types of offset projects, however, cause GHG reductions by removing CO₂ from the atmosphere and storing it in a reservoir (e.g., in trees or other organic materials, or in geologic formations). In these cases, there is a risk that CO₂ may be re-emitted to the atmosphere, leading to a "reversal" of GHG reductions. A reversal occurs when the total amount of CO₂ stored by a project becomes less than the total number of CRTs issued to the project. This can happen, for example, if some or all of the trees associated with a forest project are destroyed by fire, disease or intentional harvesting.

The Reserve requires that reversals be compensated for in order to ensure the integrity of CRTs and to maintain their effectiveness at offsetting GHG emissions. Specific rules and conditions for reversal compensation are detailed in individual protocols. Generally, the Reserve requires that CRTs be retired in proportion to any reversals, such that the total number of issued CRTs does not exceed the total quantity of CO₂ stored by a project over a sufficiently long period of time.

Project Owners must monitor and verify projects for a period of 100 years following the issuance of any CRT for GHG reductions or removals achieved by the project that are considered reversible. For example, if CRTs are issued to a project in year 99 following its start date, monitoring and verification activities must be maintained until year 199. Project owners are required to monitor onsite carbon stocks, submit regular third-party verification of those reports (along with periodic site visit verifications) per the reporting cycle as defined in the protocol for the project life. If Project Owners fail to meet the monitoring, reporting, and verification requirements as defined in the protocol, it would be considered an avoidable reversal that would need to be compensated by the Project Owner.

Additionally, Project Owners are required to sign the Project Implementation Agreement (PIA) with the Reserve that legally obligates Project Owners to comply with the monitoring, reporting, and verification requirements defined in the protocol. Specifically, the agreement sets forth:

(i) the Project Owner's obligation (and in some cases, the obligation of its successors and assigns) to comply with the specific protocol, and (ii) the rights and remedies of the Reserve in the event of any failure of the Project Owner to comply with its obligations. The PIA must be signed by the Project Owner before a project can be registered with the Reserve.

In some individual protocols, the Reserve may offer the option of “Tonne-Year Accounting” as an alternative mechanism to ensure the permanence of CRTs related to reversible emission reductions. In those cases, the protocol will specify when a project is subject to reversal risk, and how any reversal is to be quantified and compensated.

2.10.1 Compensating for Reversals

The Reserve requires that all reversals be compensated through the retirement of CRTs. If a reversal associated with a project was unavoidable (not due to the Project Owner’s negligence, gross negligence or willful intent), then the Reserve will compensate for the reversal on the Project Owner’s behalf by retiring CRTs from the Buffer Pool. If a reversal was avoidable (due to the Project Owner’s negligence, gross negligence or willful intent) then the Project Owner must compensate for the reversal by surrendering CRTs from its Reserve account. The Reserve’s protocols specify the rules for compensating for reversals in more detail. In cases of reversal, no additional credits will be issued to a project until the reversal has been compensated for. In cases where an avoidable reversal is not compensated by the Project Owner, the Reserve will retire credits from the buffer pool.

2.10.2 Maintenance and Disposition of the Buffer Pool

The Reserve maintains a buffer pool composed of credits from project types with identified risk of unavoidable reversal. Credits within the buffer pool from different project types are functionally distinct, despite the buffer pool being administered in one comprehensive account in the Reserve registry. For example, grassland credits in the buffer pool will be used to compensate for reversals of grassland projects, while forest credits in the buffer pool will be used to compensate for reversals of forest projects. Similarly, credits that have been granted eligible status for use in programs outside of the Reserve, but for which the Reserve follows a formal eligibility or qualification process, will be used to compensate for reversals of credits with the same status. The Reserve will retire credits out of the buffer pool to compensate for reversals on a First In First Out (FIFO) basis, after identifying which credits meet the aforementioned criteria for reversal compensation.

Buffer pool contributions are established by each protocol, in accordance with the best available literature. In the highly unlikely event that the buffer pool does not contain sufficient supply of credits for a certain project type or program eligibility qualification to compensate for identified, unavoidable reversals for that same project type or program eligibility qualification, the Reserve may opt to retire buffer pool credits of another type. If the aggregate buffer pool still is not sufficient for addressing any identified unavoidable reversals, a situation the Reserve believes to be close to impossible (or indicative of an environmental catastrophe hard to imagine), the Reserve will assess the situation and pursue one or more of the following options depending on what is most suitable:

- Require an increased buffer pool contribution from existing projects
- Revise reversal risk ratings within relevant protocols upwards for future reporting to compensate for the unavoidable reversals
- Purchase and retire an adequate amount of similar credits through the Reserve’s Blind Trust
- Consult with affected project developers to determine an appropriate course of action

b) Confirm that your organisation has processes to ensure that where requests are made in relation to information that is missing from your website and/or registry, that information is provided (subject to confidentiality and proprietary, privacy and data protection restrictions) and made public alongside other relevant public information.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

Please find a copy of our Reserve Offset Program Manual Version 9.0 available on our website. Section 3.3.14, Publicly Available Information and Confidentiality, has procedures for how requests are made for missing information. As described in the Program Manual, requests for information that should be public will be provided within 7 calendar days and made public (on our website) within 10 calendar days.

In addition to making requests via email, on the Reserve's Contact Page, we have two forms where the public can request information or submit a comment.

We have included this relevant language and links to these forms below.

If you'd like to submit a question or request to the Climate Action Reserve, please do so through [this form](#).

If you'd like to provide feedback on the Climate Action Reserve program, please complete [this form](#).

Relevant Section from the Reserve Offset Program Manual

Section 3.3.14 Publicly Available Information and Confidentiality

In the event that information deemed as publicly available information is not accessible, any stakeholder may request the information from the Reserve. A request must be made to the Reserve Administrator via email at reserve@climateactionreserve.org. Within 7 calendar days the Reserve Administrator will respond by providing the requested information or notifying the requestor that the information is considered confidential information (per the Reserve's Terms of Use). Information that is provided as part of a request will be made publicly available within 10 calendar days of the request.

4.1 **Robust Independent Third-Party Validation and Verification**

a) In addition to CORSIA requirements, in relation to validation of mitigation activities and verification of GHG emission reductions and removals, confirm your organisation:

1) requires VVBs to be accredited by a recognised international accreditation standard (e.g., according to the current edition of ISO 14065 and ISO 14066, or per rules relating to the UNFCCC Kyoto Protocol Clean Development Mechanism or Paris Agreement Article 6, paragraph 4 Supervisory Body).

Yes

https://www.climateactionreserve.org/wp-content/uploads/2021/02/Verification_Program_Manual_February_2021.pdf

Please find a copy of our Reserve's Verification Program Manual available on our website.

Section 3 Requirements to Perform Verification Activities and Section 3.1 Verification Body and Lead Verifier Requirements Overview detail our accreditation requirements.

Independent third-party project verification plays a vital role in upholding the integrity and quality of the data reported to the Reserve. The Reserve utilizes a standardized approach for the independent and rigorous verification of GHG emissions reductions reported by project developers into its offset registry. The Reserve requires verification bodies be accredited to ISO 14065 and ISO 14064. As ISO 14066 is listed as required in the Annex of ISO 14065, the Reserve requires 14066 as a part of 14065 to be accredited. While the Reserve relies on the ANSI National Accreditation Board and Entidad Mexicana de Acreditación, A.C. (EMA) for project's in Mexico, to accredit its verification bodies to ISO 14065, the Reserve maintains a large role in overseeing verification bodies and training verifiers to act as lead verifiers for each of the project types that are eligible under the Reserve. Please find a copy of our Reserve Offset Program Manual that states that we require VVBs to be accredited by ANAB according to the current edition of ISO 14065 and ISO 14064. The Reserve's Verification Program Manual also details our accreditation requirements in Section 3, Requirements to Perform Verification Activities. In addition to being accredited under ANAB or EMA, verification bodies must be additional requirements: including demonstrating a thorough understanding of the Reserve programmatic documents and protocols, have at least two staff persons who can serve as lead verifiers, and they must maintain professional liability insurance (up to \$4 million USD). To serve as a Lead Verifier under the program, an individual verifier needs to take and pass exams for the General Verification Training (which covers the activities and procedures for completing verification of projects under the Reserve's program) and a protocol-specific training for the protocols they wish to verify under. Verification Bodies must annually a Verification Policies Acknowledgement and Agreement form (the 2024 version has also been provided) which outlines the Verification Body obligations and responsibilities for performing verification under the program.

2) has a process for managing VVB performance, including systematic review of validation and verification activities, reports and remedial measures to address performance issues including measures to ensure that poor VVB performance is reported to the relevant accreditation body, and provisions to suspend or revoke the participation of a VVB in the program.

Yes

Confidential Information Submitted

Please find a copy of our Reserve's Verification Program Manual and Reserve Offset Program Manual Version 9.0 (November 2023) available on our website.

Relevant sections that address the requirements:

Section 3.3.11, Approval of Verification and Project Registration, in the Reserve Offset Program Manual

Section 6.1, Verification Oversights and Audits, in the Verification Program Manual,

Section 6.3, Warnings, Suspensions, Notices to Correct, in the Verification Program Manual,

The Reserve believes that employing robust and consistent oversight procedures is essential to ensure uniform interpretation and application of program and protocol rules, and to make certain that verification bodies operating under our program are held to the Reserve's standards. While project oversight may uncover issues with project developers, the primary purpose of the oversight process is to check the work, duty of care, and due diligence of verification bodies under the Reserve. In all instances, it is the ultimate responsibility of verifiers to uncover issues related to projects/project developers during the verification process - regardless of whether the Reserve is overseeing a particular project or not. Thus, it is extremely important that the Reserve be comfortable with the expertise, competency, and robustness of the verification programs of all verification bodies active under the Reserve.

The Reserve conducts two types of review of verification activities. First, for every project verification period that is submitted to the Reserve for issuance of credits, the Reserve conducts a review of all the verification documentation submitted. The Reserve has review checklist for each protocol (a sample is provided for livestock projects). This is reviewed by one lead reviewer and one approving manager, both who are specifically trained in that project type. Each staff person reviews the information independently, then meets to discuss findings. The Reserve then sends all clarifications to the verification body (and project developer, if necessary, to resolve any issues identified). This process is also discussed in Section 3.3.11, Approval of Verification and Project Registration, in the Reserve Offset Program Manual. The two staff members review the responses and close out any issues prior to the issuance of credits. Depending on the nature of the findings, this may result in revised verification documentation. Projects are not issued credits until the reviewer and approving manager agree that the project meets all the requirements of the program and the protocol.

Additionally, the Reserve conducts ongoing monitoring of verification bodies performance through these reviews and conducts a systematic review of all requests for verifier clarification monthly. When project is ready for registration, the lead staff reviewer, as part of their "Lead Reviewer Registration QA/QC" process, adds the clarifications to the Verification Body Clarification Tracking sheet (sample provided). If the reviewers identified a significant verification issue, they will highlight this clarification in the tracking sheet and notify either the Associate Director of Programs or the Director of Latin American (depending on the project type and jurisdiction). The Associate Director of Programs or the Director of Latin American will evaluate the issue and make a decision if the issue should be closed, an informal notice sent, or if the item should be escalated. Informal notices are emails to the lead verifier about Reserve expectations (these should be sent by Associate Director of Programs or the Director of Latin American, copying the lead staff reviewer and the VP Programs). Escalated issues will result in a formal course of action, such as a warning letter, notification to accreditation body, and request for issue to be put through the verification bodies corrective action process. Escalated issues are coordinated with the VP of Programs. On a monthly basis, the Associate Director of Programs and the Director of Latin American review the clarifications to identify any patterns of verification/verification body issues and internal review issues (e.g., unnecessary clarifications or potential need to update documents or process). Items should be marked as closed once reviewed. They will share anything that appears to be project type specific with the protocol sector lead for internal reviewer discussion. During the bi-monthly Analytical Team (team that project review staff are part of) meetings, staff share any relevant VB performance updates with the larger team.

Second, the Reserve performs oversight of the verification activities, including the site visits. Section 6.1, Verification Oversights and Audits, in the Verification Program Manual, details the Reserve's procedures for conducting oversight. The Reserve's oversight frequency is as follows:

- **New Verification Bodies:** All new verification bodies shall undergo full oversight during the first project for which they are performing verification services. If multiple NOVA/COIs for the verification of different projects performed by the new verification body are received at the same time, preference shall be placed on the project with the earliest scheduled site visit.
- **Verification Bodies in new sectors or project types:** When a verification body submits a NOVA/COI for a project in a sector in which they have not performed verification services under the Reserve program, they shall be selected for oversight. If multiple NOVA/COIs for different projects in the new sector are received at the same time, preference shall be placed on the project with the earliest scheduled site visit.
- **Verification Bodies with red flags or warnings issued:** When issues related to verifier performance or competency are uncovered during verification report reviews, programmatic review of verifier clarification, and/or other program activities, they shall be logged in our VB issues and warning folder. These verification bodies may be selected for random oversight or desktop audits in the future.
- **New Lead Verifier and/or Senior Internal Reviewer:** When the verification body assigns a lead verifier and/or senior internal reviewer to conduct the verification of a project in a new sector or project type for that individual, such a project may be selected for oversight or desktop audit.

Additionally, as an Offset Project Registry under California's Cap-and-Trade program, the Reserve conducts verification oversights on these projects, per the cap-and-trade regulation requirements. The verification bodies are also performing verification under the Reserve's voluntary program.

As described in Section 6.3, Warnings, Suspensions, Notices to Correct, in the Verification Program Manual, the Reserve may issue warnings, corrective action requests, and suspensions at its discretion. As detailed above, the Reserve has a mechanism to identify VB issues as they occur during our review process. Additionally, while issues are dealt with on a case-by-case basis, and Reserve reserves the right to suspend or revoke approval, at any time, depending on the severity of the nonconformity, the Reserve also maintains a VB Issues and Warning Log that is reviewed when an action (formal or informal) is taken by the Reserve. When a VB has failed to meet the same requirement twice, a request is sent to the verification body to process our complaint through their corrective action process. When the same issue has been identified a third time, a formal warning letter is issued, which corrective action requests or additional action may be taken by the Reserve such as suspension or revocation of approval to verify under the program. As noted, in the Verification Policies Acknowledgement and Agreement form, the Reserve will notify the accreditation body of any verification body issues identified. It is our practice to copy them on all formal notification (warning letters, requests for corrective action).

The review checklist and verification clarification checklist documents provided are confidential (excluding the linked Verification Program Manual). The Reserve requests that these documents be kept confidential within the ICVCM and that the ICVCM contact the Reserve before making these documents, or any sections of the documents, public.

B – EMISSIONS IMPACT

5.1 Methodology Approval

a) In addition to CORSIA requirements related to Clear Methodologies and Protocols and their Development Process, please confirm that your organisation has a process for developing and adopting updates to existing quantification methodologies.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Offset-Program-Manual-Version-9.0-November-2023.pdf>

Please find a copy of our Reserve Offset Program Manual Version 9.0 (November 2023) available on the website that confirms our organization has a process for developing and adopting updates to existing quantification methodologies.

The Reserve develops protocols through a transparent, multi-stakeholder process. This process is detailed in the Reserve Offset Program Manual in Sections 4.1 Protocol Concepts through Section 4.3.6 Board Approval.

The Reserve also has processes in place to revise protocols as described in Section 4.4 Revisions to Protocols, in the Reserve Offset Program Manual. The Reserve has two types of updates for protocols, policy revisions (Section 4.4.1) which are significant updates that impact eligibility or involve more significant changes, and program revisions (Section 4.4.2) which are updates that are technical or editorial in nature. The Reserve has a process to release immediate protocol updates through Errata and Clarifications (Section 4.4.4). Additionally, the Reserve has a process for programmatically and routinely reviewing protocols to ensure they accurately reflect current contexts, remain additional and have accurate GHG accounting. This process is detailed in Section 4.5, Programmatic Review of Protocols.

b) Confirm your organisation’s approved methodologies or general carbon-crediting program provisions address the following essential components:

1. applicability or eligibility criteria.
2. determination of the accounting boundary.
3. determination of additionality (to the extent this is not covered in other general carbon crediting program provisions).
4. establishing the baseline scenario.
5. quantification of GHG emission reductions or removals.
6. monitoring practices.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Offset-Program-Manual-Version-9.0-November-2023.pdf>

The Reserve’s protocols are standardized and each protocol has the following sections:

1. Introduction
2. Information about the project activity and who may act as a project developer
3. Eligibility rules
4. GHG assessment boundary
5. GHG quantification requirements
6. Project monitoring requirements
7. Reporting requirements
8. Verification guidance
9. Glossary of terms
10. References
11. Appendices – which may provide more details about certain sections in the protocol.

The Reserve Offset Program Manual Version 9.0 (November 2023) available on the website details the Reserve's programmatic approach for the criteria specified above:

1. applicability or eligibility criteria: The Reserve's programmatic eligibility criteria include Project Location (Section 2.4.2) Project Start Date (2.4.3), Project Crediting Period (Section 2.4.4), Regulatory Compliance (Section 2.4.6) and Additionality (discussed below). It should be noted that individual protocols may have additional eligibility criteria. Eligibility criteria is always found in Section 3 of the Reserve's protocols.
2. determination of the accounting boundary: Section 2.6, Defining the GHG Assessment Boundary, details the Reserve's approach for delineating the GHG boundary.
3. determination of additionality: Section 2.4.1 Additionality Determinations, including Section 2.4.1.1 Legal Requirement Test and Section 2.4.1.2 Performance Standard Test
4. establishing the baseline scenario: Section 2.7.3 Estimating Baseline Emissions
5. quantification of GHG emission reductions or removals: Section 2.7.4 Quantifying Project Emissions. 2.7.5 Quantification Methods, 2.7.6 Calculation GHG Reductions or Removals
6. monitoring practices: Section 2.8 Project Monitoring

c) Confirm that your organisation requires that, prior to approval, new methodologies and major revisions of existing methodologies undergo review by a group of independent experts and a public stakeholder consultation.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

Please find a copy of our Reserve Offset Program Manual Version 9.0 (November 2023) available on our website. Section 4.3.4, Draft Protocol for Workgroup Review, explains the Reserve's process for having the multi-stakeholder, expert workgroup review a draft of the protocol prior to public comment. Section 4.4.1 Policy Revisions details the process for protocol updates, when the protocol is undergoing a significant update. Lastly, Section 4.3.5 Public Review Period and Public Workshop explains the Reserve public comment period with corresponding public workshop. It should be noted that members of the public are also invited to the Reserve's Board meeting when the protocol is being presented for adoption and make comments directly to the Board (refer to Section 4.3.6).

Relevant Sections from the Reserve Offset Program Manual

4.3.4 Draft Protocol for Workgroup Review

The Reserve develops a draft protocol based on expert input and insights from an issue paper or the final options paper. The draft protocol is released to the workgroup for independent expert review and revision and is also posted on the Reserve's website for review by observers and other interested members of the public. The draft protocol review process usually includes at least one or more in-person or virtual workgroup meetings in which members are invited to discuss issues at length. At this point in the process, the Reserve explicitly requests input on possible environmental and social harms associated with project activities and associated operations or facilities, and requests discussion of whether existing legal and regulatory safeguards are appropriate and adequate to mitigate any harms.

Written comments from the workgroup are incorporated into the draft protocol, which may go through multiple iterations of workgroup review before it is ready for public review. Note that observers and the public do not comment on the draft protocol at this stage.

4.3.5 Public Review Period and Public Workshop

The revised draft protocol is posted on the Reserve's website for a 30-day public comment period. The public is notified via the Reserve's listserv database and other venues, and reviewers are asked to submit written comments. During the 30-day public review period, the Reserve also hosts a public workshop to solicit feedback and address concerns regarding the draft protocol in an open forum. After receiving written feedback, all comments are recorded and addressed. A final protocol is produced, taking into account public comments and any further workgroup feedback.

4.3.6 Board Approval

The Reserve's Board of Directors must vote to adopt each protocol. Protocols are presented at quarterly board meetings, which are open to the public, and issues raised throughout the development process are reviewed, giving workgroup members and interested stakeholders a chance to raise any last concerns or questions. After the Board adopts the protocol, it becomes an official Reserve protocol and is immediately available for use.

d) Confirm that your organisation has procedures to review, suspend and/or withdraw the use of methodologies where the carbon-crediting program has determined, based on evidence, that GHG emission reductions or removals are being overestimated or that additionality might not be ensured.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

Section 4.5 Programmatic Review of Protocols in the Reserve Offset Program Manual Version 9.0 (November 2023) available on the Reserve's website. Explains the Reserve's procedures to review, suspend and/or withdraw the use of methodologies.

Relevant Section from the Reserve Offset Program Manual

4.5 Programmatic Review of Protocols

The Reserve initiates a protocol review process every 3 years from protocol adoption to reassess appropriateness of the protocol eligibility requirements and quantification approach. In the event that a protocol revision is necessary, the Reserve will follow the protocol development process as described in Section 4.4 Revisions to Protocols. Where the Reserve identifies significant issues that would lead to the issuance of credits that do not uphold the Reserve's program principles (e.g. GHG emission reductions and/or removals are being overestimated or are non-additional), the Reserve may suspend the protocol from use until the protocol can be updated or an errata and clarification can be used. Additionally, the Reserve may choose to permanently retire a protocol from use for a variety of reasons, including, but not limited to, updates within the protocol sector resulting in changes to additionality and eligibility of the project activity, advances in GHG accounting approaches, and changes in the regulatory environment. The Reserve's Board must vote to retire adopted protocols. Reserve staff would present the recommendation to retire the protocol at quarterly board meetings, which are open to the public, to allow interested stakeholders an opportunity to raise any questions or concerns prior to the Board's vote.

5.2 Requirements for Quantifying GHG Emission Reductions or Removals

a) In addition to CORSIA requirements, confirm that your organization does:

1) clearly define a carbon credit as one metric tonne of CO₂ equivalent of GHG emission reductions or removals.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

Section 2.7.1, Unit of Measure in the Reserve Offset Program Manual October Version 9.0 (November 2023) explains how our organization clearly defines a carbon credit as one metric tonne of CO₂ equivalent of GHG emission reductions or removals. Section 3.7, Climate Reserve Tonne, also indicates that one Climate Reserve Tonne ("CRT") is equivalent to one metric tonne of CO₂ equivalent of GHG emission reduction or removal. We have included language below from Section 2.7.1 and 3.7 for your reference below.

Relevant Section from the Reserve Offset Program Manual

2.7.1 Unit of Measure

All Reserve protocols require projects to quantify and report all GHG emission reductions and removals in metric tons, which are converted to carbon dioxide equivalent (CO₂e) using the Global Warming Potential (GWP) values published by the IPCC. GHG emissions reductions and removals are issued on the Reserve’s registry as a Climate Reserve Tonne (“CRT”). For further details refer to Section 3.6 Climate Reserve Tonnes (CRTs).

3.7 Climate Reserve Tonnes (CRTs)

In the Reserve, GHG reductions and removals are recognized as Climate Reserve Tonnes or CRTs, which are equal to one metric ton of carbon dioxide equivalent (CO₂e) reduced or sequestered. All Reserve protocols require projects to quantify and report all GHG emission reductions and removals in metric tons. After projects are registered, CRTs are issued based on the GHG reduction or removal amount reported by the project developer and confirmed by an approved verification body. CRTs are issued only on an ex post basis (i.e., after verification that reduction activities have actually occurred) and only for GHG reductions or removals that occur within the project crediting period. For transparency, each CRT has a unique serial number with embedded information that identifies the project type, location, developer, and vintage. The unique serial number persists as CRTs are transferred between accounts or are retired and become offsets.

2) disclose the global warming potential (GWP) values used to calculate the CO₂ equivalence.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

Section 2.7.2, Global Warming Potentials for Quantifying GHG Reductions in the Reserve Offset Program Manual Version 9.0 (November 2023) explains how global warming potential (GWP) values are used to calculate the CO₂ equivalence.

Relevant Section from the Reserve Offset Program Manual

2.7.2 *Global Warming Potentials for Quantifying GHG Reductions*

Under the Climate Action Reserve’s offset protocols, projects convert quantities of non-CO₂ greenhouse gases (GHGs) into a quantity of CO₂-equivalent (CO₂e) using the 100-year global warming potential (GWP) values from the Intergovernmental Panel on Climate Change (IPCC).^{12F} Pursuant to the Policy Memo released on July 13, 2022, all projects using Reserve protocols – regardless of version – shall use Fifth Assessment Report (AR5) GWP values. While it is the Reserve’s policy for protocols to take precedence over the Reserve Offset Program Manual in instances where the standards conflict, this policy is an exception to that rule. Note that this policy may be superseded by a future policy memo as GHG accounting practices progress. It is anticipated that the program will regularly move to updated GWP values as they are provided by the IPCC, in accordance with industry best practice.

3) define the length of crediting periods, including the total length of combined crediting periods

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

Section 2.4.4, Project Crediting Periods, of the Reserve Offset Program Manual Version 9.0 (November 2023) available on the Reserve’s website, explains the Reserve’s approach for defining crediting periods. Crediting period length is discussed during the development of the protocol and an appropriate crediting period is selected that coincides with the sector and project activity. Under some protocols,

the crediting period can be renewed. Each protocol will specify whether the crediting period can be renewed and the maximum number of times it can be renewed.

Relevant Section from the Reserve Offset Program Manual

2.4.4 Project Crediting Period

The project “crediting period” defines the period of time over which a project’s GHG reductions are eligible to be verified as CRTs. In general, the start of a project’s crediting period will correspond to its start date.

The length of a project’s crediting period is defined in each protocol. For most non-sequestration projects registered with the Reserve, there is a 10-year crediting period. For sequestration projects, the crediting period may be up to 100 years. Refer to each protocol for specific details on allowable crediting periods. A non-forest project may end its crediting period at any time prior to the limit specified in the protocol, but must abide by any monitoring requirements necessary to ensure permanence, if applicable.

Crediting periods may be renewed as specified in each protocol. If a project wishes to apply for eligibility under a renewed crediting period, it must do so by re-submitting project submittal forms no sooner than six months before the end of the project’s ongoing crediting period and paying the project submittal fee. The project must meet all of the eligibility requirements of the most current version of the applicable protocol at the time of re-submittal to be eligible for a renewed crediting period.

Note that projects registered under early protocol versions that do not have provisions for a renewed crediting period can apply for one under the most current version of the protocol, if the most current version allows for a renewed crediting period.

Notwithstanding any pre-defined crediting period, projects that become required by law will not be eligible to receive CRTs for the reductions they generate, unless otherwise specified in the protocol. Thus, in most cases, if a project becomes subject to a regulation, ordinance or permitting condition that effectively requires its implementation, the project can no longer be considered additional and its crediting period will be terminated. The crediting period will likewise be terminated if the emission sources affected by a project are included under an emissions cap (e.g., under a state or federal cap-and-trade program) or GHG emissions from the project/project site are directly regulated by a local, state or federal agency. As specified in each protocol, emission reductions may be reported to the Reserve until the date that a regulation or emissions cap takes effect.

Details on the allowable crediting period as well as crediting period renewals for each type of project recognized by the Reserve are contained in each protocol.

Once a project has reached the end of its crediting period(s) and is no longer being issued CRTs, the project is considered “completed.” Although the project is completed, project information remains publicly available through the Reserve software indefinitely.

Once a project has reached the end of its crediting period(s) and is no longer being issued CRTs, the project is considered “completed.” Although the project is completed, project information remains publicly available through the Reserve software indefinitely.

4) provide guidance on steps and requirements for renewal of the crediting periods. Any renewal of the crediting period shall include a reassessment of the baseline scenario, including whether the conditions and barriers at the start of the mitigation activity still prevail, and an update of relevant parameters used to calculate emissions reductions and removals.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Version-9.0-November-2023.pdf>

Section 2.4.4, Project Crediting Periods of Reserve Offset Program Manual Version 9.0 (November 2023) available on the Reserve’s website explains the process for renewing a crediting period. To renew

a project's crediting period, the project needs to be resubmitted for listing under the most current version of the protocol (the one in place at time of resubmission). The project must be able to meet all the eligibility criteria (including the Performance Standard and Legal Requirement Test) in the current version of the protocol and must comply with all of its requirements, including the quantification criteria.

5) assess the overall uncertainty of emission reductions or removals associated with an activity type and/or require that the mitigation activity proponent assess the overall uncertainty in accordance with an approved methodology. In estimating overall uncertainty all causes of uncertainty shall be considered, including assumptions (e.g., baseline scenario), estimation equations or models, parameters (e.g., representativeness of default values), and measurements (e.g., the accuracy of measurement methods). The overall uncertainty shall be assessed as the combined uncertainty from individual causes.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

The Reserve strives for accuracy and conservativeness in line with GHG accounting principles as described in Section 2.2, GHG Accounting Principles of the Reserve Offset Program Manual Version 9.0 (November 2023). Uncertainty of emission reductions and removals are assessed during the protocol development process as the quantification approach is developed. Generally, Reserve protocol quantification methods should ensure 95% confidence that actual emissions are within +/- 5% of measured or calculated values (Refer to Section 2.7.5, Quantification Methods). Where appropriate the Reserve will require credit deductions to account for uncertainty that may arise from the quantification method, for example when modeling or sampling is used to derive emission reduction and removal estimates. In addition, the Reserve strives to employ approaches and methodologies which have already been tried and tested, in the marketplace, where feasible, meaning there will be additional evidence available through other programs which have employed the same approaches and/or methodologies.

6) have a systematic approach to ensuring the conservativeness of quantification methodologies it approves for use.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

All accounting within the Reserve's protocol follows the principle of conservativeness. Where uncertainty exists in setting a parameter value, the protocols error on the side of issuing fewer credits. Throughout this application, the word "conservative" should be taken to mean "erroring on the side of under-crediting." When developing offset protocols, the Reserve maintains the following general rule stated in Section 2.7.5, Quantification Methods, "methods should ensure 95% confidence that actual emissions are within +/- 5% of measured or calculated values, although required levels of accuracy will often depend on the specific magnitudes involved and their materiality."

In regard to the verification of project emission reduction or removal assertions, the Reserve adheres to a tiered approach to the threshold for materiality, based on the volume of emission reductions or removals generated by a project in a given year. Projects with significant GHG assertions are verified to a high degree of accuracy to reduce the risk of over-issuance of credits. This is detailed in Section 2.3.1, Quantitative Materiality Threshold, of the Verification Program Manual

- Projects registering ≤25,000 CRTs over a 12-month period shall achieve a >95% level of accuracy (<5% error) relative to the verification body's calculated emission reductions or removals.
- Projects registering >25,000 CRTs but ≤100,000 CRTs over a 12-month period shall achieve a >97% level of accuracy (<3% error) relative to the verification body's calculated emission reductions or removals.
- Projects registering >100,000 CRTs over a 12-month period shall achieve a >99% level of accuracy (<1% error) relative to the verification body's calculated emission reductions or removals. Underestimates of emission reductions or removals are not considered material, only overestimates.

7) require in its program documents that existing government policies and legal requirements that lower GHG emissions (e.g., feed-in tariffs for renewable energy, minimum product efficiency standards, air quality requirements, or carbon taxes) be included when determining the baseline emissions. Your organisation may have provisions to consider the level of enforcement of such policies and legal requirements as well as any associated grace periods.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

Section 2.4.11 Legal Requirement Test in the Reserve Offset Program Manual Version 9.0 (November 2023) explains our requirements as it relates to existing government policies and legal requirements that lower GHG emissions. In addition to not crediting projects that are legally required to be implemented, where there may be mechanisms for reducing GHG emissions, any carbon crediting would have to be above any required threshold.

Relevant Section from the Reserve Offset Program Manual

2.4.1.1 Legal Requirement Test

Projects are very likely to be non-additional if their implementation is required by law. A legal requirement test ensures that eligible projects (and/or the GHG reductions they achieve) would not have occurred anyway in order to comply with federal, state or local regulations, or other legally binding mandates. A project passes the legal requirement test when there are no laws, statutes, regulations, court orders, environmental mitigation agreements, permitting conditions or other legally binding mandates requiring its implementation, or requiring the implementation of similar measures that would achieve equivalent levels of GHG emission reductions.

In Reserve protocols, the specific provisions of the legal requirement test may differ depending on the project type. During protocol development, the Reserve performs a review of existing and pending regulations to identify any specific regulatory requirements that would mandate the implementation of project activities covered by the protocol. The Reserve considers the timing of the legal requirement and the level of enforcement (legal requirements in the United States and other high-income countries are considered to be enforced) in determining its applicability. If such requirements are identified, then project activities in relevant jurisdictions may be categorically excluded from eligibility. Additionally, the Reserve works closely with the local jurisdiction during the protocol development process to understand the regulatory and policy context to ensure that crediting is only above these requirements.

Reserve protocols require project developers to review and determine whether federal, state or local regulations and other legal requirements (including local agency ordinances or rulings) require the implementation of their project. This review is always required at the time a project is registered and may be required each verification period thereafter depending on the protocol. Generally, Reserve protocols will stipulate the following:

Project monitoring plans must include procedures that the project developer will follow to periodically ascertain and demonstrate that the project passes the legal requirement test.

Project developers must submit a signed Attestation of Voluntary Implementation form stipulating that the project is not required by law.

5.3 Ex-Post Determination of Emission Reductions or Removals

a) Carbon credits that are issued ex-ante are not CCP eligible. If your organisation supports both ex-ante and ex-post issuance, confirm it has procedures in place to transparently identify units that are issued ex-post and are thus eligible under the ICVCM.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

The Reserve has a separate program called "Climate Forward" that issues credits on an ex-ante basis. The credits issue under this program are issued under a separate registry that is not linked to our offset

project registry and are completely separate for Climate Reserve Tonnes issuances. Section 3.11.6 Climate Forward, of the Reserve Offset Program Manual Version 9.0 (November 2023) provides a description of the program. Additionally, you can access the Climate Forward registry [HERE](#) to confirm that it exists separately from the Reserve's [offset registry](#).

6.1 **No Double Issuance (Double Registration)**

a) Confirm your organisation has provisions in place to:

1) prevent the registration of any mitigation activity that has been registered under another carbon-crediting program and is still active under that program; and

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Offset-Program-Manual-Version-9.0-November-2023.pdf>

As described in Section 2.11 Avoiding Double Counting of Emission Reductions, of the Reserve Offset Program Manual Version 9.0 (November 2023) the Reserve has procedures for ensuring that it does not issue credits that have been registered under another carbon-crediting program. Prior to project registration and credit issuance, the Reserve Administrator performs a check of other registries to determine if credits have been issued for the same reporting period. This check is done for every project reporting period. Any project that was registered with other carbon offset programs must complete a [Project Transfer form](#) and provide information and documentation regarding the status of previously issued credits. The project developer must also attest they will not seek further issuance from the other program(s) and they must provide this documentation to the other program(s). This is detailed in the Reserve Offset Program Manual in Section 3.8, Transferring Projects into the Climate Action Reserve. The Reserve's [Terms of Use](#) also grants the Reserve the right to audit Program related data in cases where we believe double counting may have occurred, as indicated in Section 4(e) Registry Oversight and 10(g) Audit.

Relevant Sections from the Reserve Offset Program Manual

2.11 *Avoiding Double Counting of Emission Reductions*

Double counting is “a situation in which a single greenhouse gas emission reduction or removal is counted more than once towards achieving climate change mitigation. Double counting can occur through double issuance, double use, and double claiming.”^{14F} The Reserve program guards against each form of possible double counting in different ways. The combination of these safeguards should mitigate the risk of double counting in all its forms.

The first layer of safeguards to avoid double counting is applied at the level of protocols. The initial safeguard is through the process for screening protocols for development and adoption by the Reserve. Section 4.2 provides details regarding the selection of project types with low risk of double counting. The next safeguard to avoid double counting is via the act of protocol development. During this process, decisions are made regarding the determination of additionality and the defining of the GHG Assessment Boundary. Both of these processes can reduce the risk of double counting where project activities or GHG sources are covered by other programs.

The next layer of safeguards is implemented at the program level. When a project is submitted for listing with the Reserve, staff conduct a review of other carbon project registries to ensure that the project is not seeking GHG credits for a concurrent period of time. There are specific circumstances under which a project may be listed in multiple registries at the same time without risk of double counting. For example, a project may have transferred to the Reserve from another registry without any temporal overlap in crediting. When a project is submitted for registration, following review of the verification report, Reserve staff will once again conduct a review of other carbon project registries. Project developers also sign a legal Attestation of Title prior to each registration. Through this form they attest, and thus accept liability, that the relevant emission reductions are not registered in any other program, or in the Reserve under another project. The Reserve will not register any project whose GHG accounting boundary overlaps with the GHG accounting boundary of another project, regardless of the

carbon crediting program. The Reserve also conducts due diligence to determine the nature of any overlapping physical boundaries between projects, to ensure there is no risk of double counting.

The registry itself is designed to mitigate the risk of double counting through transparency. Each CRT has a unique serial number, identifying, among other things, the location of the project, the relevant protocol, and the vintage year of the GHG reductions. All issuances and retirements are immediately public. Cancellations for other programs are made public. Any user may review all CRT retirements and view the serial numbers, as well as the reason for retirement. In addition, verification reports are made public, providing an additional source of detailed information regarding the generation of the GHG reductions.

The Reserve, through its Terms of Use, prohibits account holders from selling issued credits to more than one entity at a given time (“double selling”), through the registry system or through arrangements (contractual or otherwise) outside of the registry system. Furthermore, the Reserve’s Terms of Use requires that credits are only held or retired by the entity that is the sole holder of legal title and all Beneficial Ownership Rights (as defined in the Reserve’s TOU). This registry system itself does not allow for more than one entity to hold one credit.

In addition to its ongoing programmatic requirements to prevent double counting, the Reserve will also adhere to any current and future requirements established by the United Nations Framework Convention on Climate Change (UNFCCC), the International Civil Aviation Organization (ICAO), and any relevant emission reduction project’s host country to prevent double counting. In cases where Reserve credits are being transferred to meet Article 6 requirements of the Paris Agreement (i.e., Article 6.2 and 6.4) pertaining to nationally determined contributions (NDCs) targets and/or to meet CORSIA requirements, the Reserve requires host country authorization if any instance where a corresponding adjustment is mandated by the relevant authorities. The Reserve will facilitate this process, but it is the responsibility of the credit holder to notify the Reserve of the intent to transfer the credits for such purposes and to obtain the authorization. The Reserve will be responsible for documenting Corresponding Adjustments on the registry (including confirming that the host country has made the Corresponding Adjustment and it has been reported to the UNFCCC) and reporting to relevant parties (Host Countries, relevant Parties, and ICAO). The registry system will disclose: 1) authorization status of credits; 2) host country authorization letters; 3) purpose of credit retirement/cancellation as they pertain to CORSIA requirements, NDC targets, or for Other International Mitigation Purposes. Section 2.9.1 details the requirements for how double claiming is addressed for CORSIA-eligible credits.

3.8 *Transferring Projects into the Climate Action Reserve*

Existing projects that have been registered with other carbon offset programs may be transferred to the Reserve if they meet, and are successfully verified against, the Reserve’s protocol requirements, and if they meet the project start date requirements detailed in Section 2.4.3. Such projects must submit a Registry Project Transfer Form, available for download at <http://www.climateactionreserve.org/how/program/documents/>. The Registry Project Transfer Form requires additional information and documentation to determine the status of the project and any offset credits issued for it under other programs.

The project developer must also provide the Reserve with a signed Project Transfer Letter before CRTs for that project are issued by the Reserve. The letter must be sent to the administrator of the other program where the project was registered, confirming that no further emission reductions or removals for the project will be verified or registered under the other program.

Transferred projects are considered pre-existing projects and thus are able to register more than 12 months of data during their initial verification with the Reserve (see Section 3.4.2). Transfer projects are also subject to contiguous reporting, which means that a project’s initial verification period with the Reserve must be contiguous with the end of the last verification period under the program from which the project is transferred.

The crediting period for a transferred project will be reduced by the length of time that has elapsed since the project start date, as defined by each protocol.

Note that while projects can be transferred from another program to the Reserve, previously issued credits from another program cannot be transferred to the Reserve. Furthermore, projects that generated offset credits in the past but were never registered on a carbon offset registry cannot be registered with the Reserve.

Relevant Sections from the Terms of Use

Section 4(e) Registry Oversight

Registry Oversight. User acknowledges and understands that Reserve will conduct audits of Program data and other external information (including project information and related data on other registries) to ensure against double counting, double issuance, double claiming and doubling selling of CRTs or ROCs.

10(g) Audit

Audit. The Reserve has the right, at its sole expense, upon reasonable notice and during normal working hours, to examine, audit, and obtain copies of the records of User to the extent reasonably necessary to verify (i) the accuracy of any representation, warranty or attestation made by User to the Reserve and (ii) User's performance during the prior (12) month period of its obligations under the Reserve Protocols or, as applicable, the Compliance Offset Protocols, and these Terms of Use. This right to examine, audit, and obtain copies shall not be available with respect to any information that is not directly relevant to the subject matter of the Reserve Protocols or, as applicable, the Compliance Offset Protocols, or these Terms of Use.

2) ensure that it does not issue carbon credits for GHG emission reductions or removals where another program has issued credits to the same mitigation activity and/or for the same GHG emission reductions or removals and has not cancelled those credits for the purpose of avoiding double issuance.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Offset-Program-Manual-Version-9.0-November-2023.pdf>

As discussed above, the Reserve has procedures per Section 2.11 Avoiding Double Counting of Emission Reductions, of the Reserve Offset Program Manual Version 9.0 (November 2023), that it conducts a check prior to registration and issuance of any credits, that the credits have not been issued on another registry. Refer to the Project Registration tab of the Nitric Acid Production Project Registration Review form which shows an example of our internal checklist to check for double accounting. Furthermore, the Reserve does not allow previously issued credits to be transferred to the Reserve, and we would never issue credits that were previously issued, regardless of the status of those credits on the other registry.

The Nitric Acid Production Project Registration Review form provided is confidential. The Reserve requests that these documents be kept confidential within the ICVCM and that the ICVCM contact the Reserve before making the document, or any sections of the document, public.

6.2 No Double Use

a) Confirm your organisation has registry provisions that prevent the further transfer, retirement or cancellation of a carbon credit once it has been cancelled or retired.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Offset-Program-Manual-Version-9.0-November-2023.pdf>

Please find a copy of our Reserve Offset Program Manual Version 9.0 (November 2023) available on the Reserve's website that confirm we have provisions in the registry that prevent the further transfer, retirement or cancellation of a carbon credit once it has been cancelled or retired. Please specifically refer to Section 3.7.4 Retirement of CRTs, and the below text from that section of the manual. The registry User Guide also indicates that retirements are permanent. Refer to Section 14, Retiring Offset Credits (language also provided below).

Relevant Sections from the Reserve Offset Program Manual

3.7.4 Retirement of CRTs

CRTs may be “retired” to indicate that the emission reductions or removals they represent have been used to satisfy a voluntary GHG emission reduction claim or to offset other emissions. To support such claims, CRTs are taken out of circulation so that they cannot be used to support any further claims. The Reserve retires CRTs by transferring them to a locked retirement account where they remain permanently and in perpetuity, precluding further use or transfer to other parties. Each account holder has its own associated retirement account. Information about retired CRTs is publicly available and includes details like project type, location, serial number, date issued, reason for retirement, etc. to support the transparency of the offsets within the Reserve. There is no charge to retire CRTs.

For the greatest level of transparency, Account Holders are required to disclose whom the retirement is for and provide complete details of the purpose of the CRT retirement in the “Retirement Reason Details” field. Refer to the Reserve’s Terms of Use for further details.

Relevant Sections from the Reserve User Guide

14 Retiring Offset Credits

Many individuals and businesses want to offset their GHG emissions for specific activities. To do so, offset credits may be acquired and applied against some emissions. In doing this, the credits are retired so that they cannot be used to offset any other emissions. The Reserve retires these offset credits by permanently placing them in a locked retirement account, thereby precluding any further transaction.

When offset credits are retired, the retirement is permanent. They cannot be returned to active status and may never be transferred again. To prove that offset credits are retired, you may view them on the Retired Offset Credits public report. If you need to show just your own retired credits and not all account holders’, use the Search feature in the report to filter just your own records or access the Search Serial Numbers public report (see Section 6).

C – SUSTAINABLE DEVELOPMENT

7.1 Assessment and Management of Environmental and Social Risks

a) In addition to CORSIA requirements relating to Safeguards System and Sustainable Development Criteria, confirm your organisation requires mitigation activity proponents to:

1) abide by national and local laws, objectives, programs and regulations and where relevant, international conventions and agreements.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Offset-Program-Manual-Version-9.0-November-2023.pdf>

Section 2.4.6, Regulatory Compliance, of the Reserve Offset Program Manual Version 9.0 (November 2023), explains that we require all projects to be in material compliance with all applicable laws during every reporting period. The regulatory compliance requirement is an eligibility criteria that is part of every protocol. The Reserve has an [Attestation of Regulatory Compliance](#) that must be submitted for every verification period. Projects that are not in material compliance with all relevant laws are not eligible

Relevant Section from the Reserve Offset Program Manual

2.4.6 Regulatory Compliance

When registering a project, the project developer must attest that the project was in material compliance with all applicable laws, including environmental regulations, during the verification period. The project developer is also required to disclose any and all instances of non-compliance – material or otherwise – of the project with any law to the Reserve and the verification body.

If a project or project activities have caused a material violation, then CRTs will not be issued for GHG reductions that occurred during the period(s) when the violation occurred. Individual violations due to “acts of nature” or due to administrative or reporting issues (such as an expired permit without any other associated violations or tardiness in filing documentation) are not considered material and will not affect CRT crediting. If it is determined that a project was out of compliance after CRTs have been issued, CRTs may be cancelled for the time period of non-compliance.

A violation is considered to be “caused” by a project or project activities if it can be reasonably argued that the violation would not have occurred in the absence of the project activities. If there is any question of causality, the project developer shall disclose the violation to the verifier.

2) assess associated risks of negative environmental and social impacts with regard to the safeguards contained in criteria 7.2 to 7.8 (inclusive), taking into account the scope and scale of the mitigation activity.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Offset-Program-Manual-Version-9.0-November-2023.pdf>

Section 2.5, Environmental and Social Safeguards, of the Reserve Offset Program Manual Version 9.0 (November 2023), explains our process for requiring project developers to assess environmental and social impacts for every verification period. This is done through the Social & Environmental Safeguards Assessment form (which addresses criteria 7.2-7.8), and is required to be verified and is part of the verification documents submitted to the Reserve when the project seeks project registration and credit issuance. The Environmental and Social Safeguards Form is part of the required documents required for project registration and credit issuance. The form assesses environmental and social safeguards at the programmatic level, where specific requirements or guidance to the environmental topics are needed, the protocol will provide further details in the context of the jurisdiction and and/or project type. The Environmental and Social Safeguards Form must be reviewed by the verification body to determine the reasonableness of responses, and to whether the project developer was accurate in completing the assessment. Any instances where there are negative impacts, the project developer should notify the Reserve. Significant/Material impacts will be required to be mitigated; these measures need to be included in the project’s monitoring plan. No credits can be issued if the Reserve or verifier determines the impacts are material. Additionally, in instances where projects are undergoing verification, and the

project developer has identified significant/material impacts they should notify the Reserve and issue a finding to the project developer. In cases where the impact is negative but not material, the project developer is still required to implement mitigation measures to address the impacts and minimize the risk of the issue escalating. The verification body will review proposed mitigation measures to determine their appropriateness in the context of the project. The Reserve has final determination whether the mitigation measures are reasonable and appropriate.

Relevant Sections from the Reserve Offset Program Manual

2.5 Environmental and Social Safeguards

The Reserve requires project developers to demonstrate that their GHG projects will not undermine progress on other environmental issues such as air and water quality, endangered species and natural resource protection, and environmental justice, and social issues such as human rights and free and prior informed consent. In the event that a project results in, or it is reasonably expected to result in significant negative environmental and social impacts in the future, the Reserve will not issue credits to the project.

The Reserve requires that all projects prior to project registration and credit issuance conduct a qualitative environmental and social safeguard analysis to consider the environmental and social impact of project activities. Project developers should use the Environmental and Social Safeguards Assessment Form to conduct an assessment of safeguards in the following areas:

- Labor and working conditions
- Gender equality
- Resource efficiency and pollution prevention
- Biodiversity conservation and sustainable management of living resources
- Human rights and stakeholder engagement
- Indigenous Peoples, Local Communities and cultural heritage
- Land acquisition and involuntary resettlement
- Robust profit-sharing

The Reserve coordinates with government agencies and environmental representatives to ensure that its climate-oriented projects complement other environmental policies and programs. As such, the Reserve's protocols may have additional social and environmental safeguards requirements specific to the project activity and jurisdiction. Furthermore, the protocol development expert workgroup may identify additional harms and safeguards that should be included in the protocol to ensure best practices and to generate positive sustainable development impacts. The Reserve may include additional criteria in protocols to ensure that projects will not give rise to these harms, or may screen out certain project types or activities from eligibility under a protocol altogether.

The Environmental and Social Safeguards Assessment Form requires that the project conduct a qualitative assessment of the environmental and social safeguards as indicated above, disclose the nature of the impact, indicate the measure to be implemented to mitigate the impacts, and describe the mitigation measure monitoring requirements to ensure the measure can be successfully implemented.

In conducting the assessment, project developers should consider the following when determining the scope of the assessment.

Common Agency

Environmental and social harms will only be considered in determining project eligibility^{7F} to the extent that they can be attributed to the same agents (e.g., project developers, implementers or operators) in charge of implementing the project. Harms that may occur concurrently with a project, but are caused by other actors, will not be a factor in determining eligibility. The agents responsible, individually or collectively, for implementing projects will be determined during the protocol development process in consultation with stakeholders.

Proximity

Only environmental and social harms directly associated with a project activity (i.e., either physically or causally proximate) will be considered:

- Harms directly caused by project activities, regardless of where the harms physically occur, will be a factor in determining eligibility.
- Harms physically proximate to project activities but not directly caused by those activities may also be considered in determining eligibility if they are caused by agents responsible for project implementation.
- Harms caused by agents in charge of implementing a project that occur at sites or facilities not linked or co-located with the project will not be a factor in determining eligibility.

Both agency and proximity of effects will be considered in the protocol screening and development processes to identify and set clear standards for the application of this policy.

In determining whether environmental and social harms are occurring, the Reserve will use the following criteria:

Legal Obligation

The Reserve will rely first and foremost on legal requirements within the jurisdiction(s) where the project is implemented. Project agents that are found to be out of material compliance with applicable laws, regulations or other legal mandates that apply to the project itself or activities proximate to the project will be penalized.

2.5.1 *Project Contributions to the U.N. Sustainable Development Goals (SDGs)*

The Reserve requires that the project developer conduct an assessment of how the project activity is consistent with the U.N. Sustainable Development Goals (SDGs) of the host country, in cases where the SDG is relevant and to the extent that it is feasible to do so. Through the Reserve's SDG reporting tool, project developers are required to provide a qualitative assessment on how the project activity delivers SDG impacts. The project developer is also required to disclose any tools and methodologies they used to evaluate the SDG impacts.

3) ensures FPIC processes for IPs and LCs, where applicable; and conduct stakeholder consultations, including local stakeholders as part of project design and implementation in a manner that is inclusive, culturally appropriate, and respectful of local knowledge, take these consultations into account and respond to local stakeholders' views.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPV-Version-9.0-November-2023.pdf>

In cases where the Reserve's protocols involve IPs and LCs as stakeholders, the Reserve as a policy includes criteria for Free, Prior, and Informed Consent to be incorporated directly into the protocol. The Reserve takes this approach so that the most appropriate FPIC requirements that are aligned with the specific IPLC context and practices are implemented. During the verification of projects under these protocols, the verifier must confirm that the project developer has met every descriptive requirement. For example, see Section 3.9, Social Safeguards, of the [Mexico Forest Protocol](#). Additionally, the Environmental and Social Safeguards Assessment form is an additional check for the project developer to confirm they have conformed with the protocol for this criteria.

b) Where, pursuant to 7.1 a) 2), the mitigation activity proponents have assessed that the mitigation activity poses risks of negative environmental and/or social impacts with regard to any of criteria 7.2 - 7.8 (inclusive) confirm your organisation requires the mitigation activity proponents to:

1) include measures, commensurate with the identified risks, to minimise and address such negative environmental and/or social impacts, in validated design documents prior to registration.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPV-Version-9.0-November-2023.pdf>

The Social & Environmental Safeguards Assessment form, requires that the project developers include mitigation measures to address any negative impacts identified for each of the criteria. The measures will be documented in the assessment form, which is verified. Measures must be included in the monitoring plan to ensure that they are monitored and implemented. As a required document for verification, verification bodies are required to assess the mitigation measure to determine its appropriateness in the context of the project and whether it is reasonably expected that the project developer will be able to implement the measure. The verification body can issue findings related to these measures, to identify them as insufficient. This would result in a negative verification opinion until the project developer addressed the finding. During the review of the project by the Reserve for project registration and credit issuance, the Reserve would also make a determination if the mitigation measures were reasonable and appropriate. The Reserve has the right to require revised or additional measures to address the impact. Project registration and credit issuance would not occur until the mitigation measures implemented in the monitoring plan are deemed sufficient by the Reserve.

2) include information on the measures implemented pursuant to 1), commensurate with the identified risks in the monitoring report.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

The Social & Environmental Safeguards Assessment form, requires that the project developers include mitigation measures when there are any negative impacts identified to be addressed. Each criteria requires the Project Developer to enter a mitigation measure where there is a negative impact. Project developers must submit the form for every verification period and provide updated information on their measures.

7.2 Labour Rights and Working Conditions

a) Confirm your organisation requires mitigation activity proponents to ensure that the mitigation activity:

1) provides safe and healthy working conditions for employees.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

By completing the Environmental and Social Safeguards form, the project developer must assess and disclose any impacts on working conditions associated with the mitigation activity. Generally, because the Reserve protocols are mainly in jurisdictions (the United States) with labor health and safety regulations (e.g. Occupational, Safety, and Health Administration standards), impacts in this area are addressed through the Reserve's Attestation of Regulatory Compliance. If a project is in material violation of laws and regulations related to worker conditions, the project is not eligible for credit issuance. In cases where there were not robust labor laws, the Reserve as a policy incorporates additional requirements directly into the protocol that outlines the specific labor safeguard standards. Depending on the protocol location and type, this may be outlined in the Regulatory Compliance section of the methodology or, in locations without relevant regulations, require the proponent to disclose any negative impacts. In areas without applicable laws and when the project proponent is not able to demonstrate that the mitigation activity does not result in any unsafe or unhealthy working conditions for employees, the Reserve will make a determination whether credits will be issued.

2) provides fair treatment of all employees, avoiding discrimination and ensuring equal opportunities.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

When completing the Environmental and Social Safeguards form, the project developer must assess and disclose any impacts on the fair treatment of all employees associated with the mitigation activity.

Within the form, project proponents must include mitigation activity information as it relates to gender equality, human rights, and the right of indigenous peoples and local communities. If a project is in material violation of the International Bill of Human Rights or universal instruments ratified by the project location host country, the project is not eligible for credit issuance. Project proponents must provide information to support the impacts on the fair treatment of all employees and, where negative impacts may occur outside of laws and regulations, describe how mitigation measures will be monitored. In areas without applicable laws and when the project proponent is not able to demonstrate that the mitigation activity does not result in any negative impacts to the fair treatment of all employees, the Reserve will make a determination whether credits will be issued and make that decision public.

3) prohibits the use of forced labour, child labour, or trafficked persons, and protects contracted workers employed by third parties.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

When completing the Environmental and Social Safeguards form, the project developer must assess and disclose any impacts as it relates to the use of forced labour, child labour, trafficked persons, or contracted workers associated with the mitigation activity. If a project is in material violation of the International Bill of Human Rights or universal instruments ratified by the project location host country, the project is not eligible for credit issuance. Project proponents must provide information to support the mitigation activity prohibits the use of forced labour, child labour, or trafficked persons, and protects contracted workers employed by third parties. In areas without applicable laws and when the project proponent is not able to demonstrate that the mitigation activity prohibits the use of forced labour, child labour, or trafficked persons, and protects contracted workers employed by third parties, the Reserve will make a determination whether credits will be issued and make that decision public.

b) Confirm your organisation requires that mitigation activity proponents confirm in validated design documents that the mitigation activity adheres to the above safeguards or that it has put in place the measures referred to in 7.1 b) 1).

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

In addition to meeting protocol specific criteria for these criteria, which would be documented in the project's Project Report; project developers must disclose impacts in the Environmental and Social Safeguards form. Where necessary, the project developer must also include mitigation measures which should also be included in the monitoring plan. The verification body and the Reserve will review the form for accuracy (and where there are measures, make a determination whether they would address the issue and could be reasonably implemented). Depending on the significance of the impacts, crediting may be withheld until the impacts are mitigated.

7.3 Resource Efficiency and Pollution Prevention

a) Your organisation requires mitigation activity proponents to ensure that the mitigation activity minimises:

- 1. pollutant emissions to air**
- 2. pollutant discharges to water, noise and vibration**
- 3. generation of waste and release of hazardous materials, chemical pesticides and fertilisers**

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Model-Version-9.0-November-2023.pdf>

As part of the Reserve's programmatic principles, the Reserve will not register or issue credits to projects that demonstrate a net environmental harm (Section 1.2 of the Reserve Offset Program Manual

Version 9.0 (November 2023). The Reserve engages with local stakeholders during the protocol development process to engage with parties that are aware of the potential impacts of projects on their communities, such as those related to pollutants and generation of waste and hazardous materials, so these potential impacts can be addressed and minimized in the protocol. The Reserve's eligibility criteria for regulatory compliance, that is included in every protocol, requires that the project developer have no violations related to emissions or discharges, or other violations related to environmental compliance, or the project cannot be issued credits. Furthermore, more broadly, Section 2.5 Environmental and Social Safeguards in the Reserve Offset Program Manual Version 9.0 (November 2023), requires projects to demonstrate their projects do not result in environmental harms such as pollutant emissions or discharges. This is done through reporting said impacts to the Reserve and the verification body through the Environmental and Social Safeguards form.

b) Confirm your organisation requires that mitigation activity proponents confirm in validated design documents:

1. **whether the mitigation activity results in pollutant emissions to air, pollutant discharges to water, noise and vibration, the generation of waste, the release of hazardous materials, chemical pesticides and fertilisers.**
2. **where the mitigation activity results in any of the impacts listed in 1) above, that it has put in place the measures referred to in 7.1 b) 1).**

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROP-Version-9.0-November-2023.pdf>

The Reserve requires that project developers report pollutant emissions to air, pollutant discharges to water, noise and vibration, the generation of waste, the release of hazardous materials, chemical pesticides and fertilizers, in two ways. First, through the Reserve's eligibility criteria for regulatory where they must attest that they wherein compliance with all environmental regulations related to the project during the verification period. Any period of non-compliance must be disclosed on the form; these periods of time are not eligible for crediting. The verification body verifiers that accuracy of this form, and the Reserve does a further review by confirming the verifier's findings through review of the Environmental and Compliance History Online (ECHO) database for projects located in the United States. This is a comprehensive database, that details an entities environmental regulation violations. Secondly, as mentioned above, the Reserve also requires project developers to submit the Environmental and Social Safeguards form (Questions #8-10). In cases where there are impacts, they are required to be mitigated and documented in the monitoring plan. This form is reviewed by both the verification body and the Reserve.

7.4 Land Acquisition and Involuntary Resettlement

a) Confirm your organisation requires mitigation activity proponents to ensure that the mitigation activity avoids, or where this is not feasible, minimises forced physical and/or economic displacement.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

As indicated in Section 2.5. per the Environmental and Social Safeguards of the Reserve Offset Program Manual, projects must demonstrate that they do not undermine progress on social issues. Through the Environmental and Social Safeguards form, project developers must indicate if their project results in physical or economic displacement (Question #26). In cases, where project developers indicate the project does result in displacement, the Reserve will request additional information from the project developer. If the displacement is caused directly by the project, and this displacement is avoidable, the project will not be considered eligible. If the displacement is unavoidable, the Reserve will still make a determination whether the project should still be considered eligible, due to extenuating circumstances, that could be mitigated. Again, it should be noted that the verification body will review

the response to this question for accuracy. The Reserve's determination on this issue is considered final.

b) Confirm your organisation requires that mitigation activity proponents confirm in validated design documents:

- 1. whether the mitigation activity results in forced physical and/or economic displacement;**
- 2. where the mitigation activity results in the impacts listed in 1) above, that it has put in place the measures referred to in 7.1 b) 1)**

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

As discussed above, the project developer will disclose information about forced physical and/or economic displacement in the Environmental and Social Safeguards form which is required to be verified and also reviewed by the Reserve prior to project registration and credit issuance. This form also requires that mitigation measures be implemented, in cases, where the Reserve makes a determination that the project can proceed and is eligible, in spite of displacement impacts.

7.5 Biodiversity Conservation

a) Confirm your organisation requires mitigation activity proponents to ensure that the mitigation activity:

1) avoids, or where this is not feasible, minimises negative impacts on terrestrial and marine biodiversity and ecosystems.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

As indicated in Section 2.5. per the Environmental and Social Safeguards of the Reserve Offset Program Manual Version 9.0 (November 2023), projects must demonstrate that they do not undermine progress on environmental issues, such as natural resource protection. Where the Reserve has protocols that credit activities that have a direct impact on terrestrial and marine biodiversity and ecosystems, the Reserve would incorporate specific requirements within the protocol to mitigate impacts. For example, in the Reserve's forest protocols, there are eligibility requirements related to natural forest management that require forests to be composed of multiple ages and native species mixes. The protocol also has structural requirements that ensure natural ecosystems are maintained. These protocol specific biodiversity and ecosystems criteria are verified as a part of the protocol requirements. If a project is in material violation of protocol specific terrestrial and marine biodiversity and ecosystems requirements, the project is not eligible for credit issuance. The Reserve also requires project proponents to complete and submit the Environmental and Social Safeguards form which is verified through our verification processes and reviewed by the Reserve. In cases where prescriptive terrestrial and marine biodiversity and ecosystems requirements are not relevant for the mitigation activity, project developers are still responsible for conducting a qualitative analysis of these impacts (refer to question #11 on the Environmental and Social Safeguards form). As noted at the beginning of this section in the application, verifiers must review responses to these questions for accuracy and confirm this information is accurate during the site visit. The project proponent must demonstrate that there were no negative impacts to terrestrial and marine biodiversity and ecosystems as a result of the mitigation activity and when this is not possible the Reserve will make a determination whether credits will be issued and make that decision public.

2) protects the habitats of rare, threatened, and endangered species, including areas needed for habitat connectivity.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

As indicated in Section 2.5. per the Environmental and Social Safeguards of the Reserve Offset Program Manual Version 9.0 (November 2023), projects must demonstrate that they do not undermine progress on environmental issues. With regard to rare, threatened, and endangered species, this is addressed through the Reserve's regulatory compliance requirements. Projects will need to be in compliance with all law related to rare, threatened, and endangered species. Where a project activity may have the possibility of a direct impact, the protocol would include specific requirements to address these criteria. If a project is in material violation of any applicable laws or regulations related to the protection of the habitats of rare, threatened, and endangered species, the project is not eligible for credit issuance (Section 3.7 of the Reserve Offset Program Manual). Additionally, project developers must complete the Environmental and Social Safeguards form (Question #12) and disclose any impact the project may have on the habitats of these species. In areas without relevant regulations and when the project proponent is not able to demonstrate protection of the habitats of rare, threatened, and endangered species, the Reserve will make a determination whether credits will be issued and make that decision public.

3) does not convert natural forests, grasslands, wetlands, or high conservation value habitats.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

As a policy the Reserve does not allow for projects that result from conversion of natural lands. In the Reserve's eligibility criteria for nature-based protocols, there is typically a timeline for how long a project area must have meet the project definition (e.g. grasslands) prior to the start date (e.g. 10 years). Additionally, through the Reserve's Environmental and Social Safeguards form, required per Section 2.5 of the Reserve Offset Program Manual, Version 9.0 (November 2023), project developers must disclose (Question #13) if the project resulted in the conversion of natural lands. If it is determined that conversion of land took place as a part of the mitigation activity, the Reserve would request additional information to determine the circumstances of the conversion and make a determination if credits issuance is eligible.

4) minimises soil degradation and soil erosion.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

As indicated in Section 2.5. per the Environmental and Social Safeguards of the Reserve Offset Program Manual Version 9.0 (November 2023), projects must demonstrate that they do not undermine progress on environmental issues. Where a project activity has a direct impact on soils, the Reserve will incorporate requirements into the protocol to ensure that impacts are mitigated. For example, the Reserve's U.S. and Canada Grassland protocols, have an eligibility requirement that a range health assessment or ecosystems health assessment be completed periodically during the crediting period. This assessment ensures the ongoing health of the grasslands and its soil on the land in which the mitigation activity occurs. Where there is a decline in the rangeland or ecosystem health, the project is not eligible for crediting until the health is improved (Refer to Section 3.7 of the U.S. Grassland Protocol Version 2.1). Where there are not prescriptive requirements in the protocol, all projects, regardless of type must disclose any impacts on soil that result in degradation and erosion through the Environmental and Social Safeguards form. The project proponent must demonstrate that there were no negative impacts to soil health as a result of the mitigation activity and when this is not possible the Reserve will make a determination whether credits will be issued and make that decision public.

5) minimises water consumption and stress in the mitigation activity.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

As indicated in Section 2.5. per the Environmental and Social Safeguards of the Reserve Offset Program Manual Version 9.0 (November 2023), projects must demonstrate that they do not undermine progress on natural resource protection. If a project activity had the potential for impacts to water

resources, prescriptive requirements would be incorporated into the protocol to mitigate significant impacts. Some examples could include nature based projects utilizing water irrigation systems or industrial facilities that require water for their production processes. Currently, the Reserve relies on the Environmental and Social Safeguard form for project developers to disclose impacts to water consumption and stress. This form would be reviewed by the verification body and the Reserve to determine if a material impact has occurred. The project proponent must demonstrate that there were no negative impacts to water consumption and stress as a result of the mitigation activity and when this is not possible the Reserve will make a determination whether credits will be issued and make that decision public.

b) Confirm your organisation requires that mitigation activity proponents confirm in validated design documents:

1. **whether the mitigation activity has negative impacts on terrestrial and marine biodiversity and ecosystems, on habitats of rare, threatened, and endangered species, on soil degradation and soil erosion, and on water consumption and water stress.**
2. **where the mitigation activity results in any of the impacts listed in 1) above, that it has put in place the measures referred to in 7.1 b) 1).**

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

In addition to meeting protocol specific criteria for these criteria, which would be documented in the project's Project Report; project developers must disclose impacts in the Environmental and Social Safeguards form. Where necessary, the project developer must also include mitigation measures which should also be included in the monitoring plan. The verification body and the Reserve will review the form for accuracy. The project proponent must demonstrate that there were no negative impacts relative to the above environmental safeguards as a result of the mitigation activity and when this is not possible the Reserve will make a determination whether credits will be issued and make that decision public.

7.6 Indigenous Peoples, Local Communities and Cultural Heritage

a) Where the mitigation activity directly or indirectly impacts IPs & LCs, including livelihoods, ancestral knowledge and cultural heritage, confirm your organisation requires mitigation activity proponents to ensure that the mitigation activity:

1) recognises, respects and promotes the protection of the rights of IPs & LCs in line with applicable international human rights law, and the United Nations Declaration on the Rights of Indigenous Peoples and ILO Convention 169 on Indigenous and Tribal Peoples.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

As a policy, the Reserve highly values the rights of IPs & LCs and believes they are vital stakeholders during the protocol development process. In areas where a protocol mitigation activity involves IPs & LCs, the Reserve includes relevant requirements to ensure IPs & LCs rights are met and additional considerations are addresses where appropriate. To further ensure that project developers are respecting and promoting the rights of IPs & LCs, the Reserve requires that project developers disclose how their project is aligned with applicable international human rights law, and the United Nations Declaration on the Rights of Indigenous Peoples and ILO Convention 169 on Indigenous and Tribal Peoples. This information is disclosed on the Environmental and Social Safeguards form (Question #20). The verification body and the Reserve will review this response to determine whether the project developer adequately addressed the rights of IPs and LCs. Where mitigation may be required this will be determined by the Reserve and may impact crediting.

2) identifies the rights-holders possibly affected by the mitigation activity (including customary rights of local rights holders).

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

As the Reserve's protocols are standardized, each specific mitigation activity is prescriptive with regard to who holds the rights to credits. Furthermore, during the protocol development process, because we are engaging with local communities, we determine if implementation of project activity impacts any local rights beyond the carbon rights. If it is found during this process that there are additional local rights, the protocol will implement requirements to ensure those rights are protected. Project developers are required to disclose if they identified rights holders affected by implementation of the project activity in the Environmental and Social Safeguards Form (Question #22). These rights must be addressed as part of the project implementation process. This is a qualitative conformance item and would need to be completed to be compliance with the Reserve Offset Program Manual requirements.

3) when relevant to circumstances, has applied the FPIC process.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

For all protocols that involve IPs & LCs, the Reserve, as a policy, incorporates an FPIC process. Since the FPIC process cannot be standardized and it is important to have a process that meets the context of the community, these requirements are incorporated into the Reserve's protocols when necessary. As such, verifiers need to confirm that the project developer adhered to all FPIC requirements to be issued a positive verification opinion. As the FPIC requirements are specific to each protocol, the Reserve's Social and Environmental Safeguards Form simply has the project developer confirm they followed the prescribed process according to that specific protocol (Question #23).

4) does not force eviction or any physical or economic displacement of IPs & LCs, including through access restrictions to lands, territories, or resources, unless agreed upon with IPs & LCs during the FPIC process.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

The Reserve's Environmental and Social Safeguards policy (as detailed in Section 2.5 of the Reserve Offset Program Manual) prohibits undermining of social issues, which would include displacement of IPs & LCs (and all other parties). The Reserve requires that project developers disclose if this is occurring as a result of the project in the Environmental and Social Safeguards Form (Question #24). If displacement has occurred, the project developer must disclose all circumstances resulting in the displacement. The Reserve will not issue credits to projects that have resulted in displacement of IPs & LCs unless agreed upon by all parties.

5) preserves and protects cultural heritage consistent with IPs & LCs protocols/rules/plans on the management of cultural heritage or UNESCO Cultural Heritage conventions.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

The Reserve's Environmental and Social Safeguards policy is meant to safeguard against social impacts, which includes IPs & LCs cultural heritage resources. Project developers are required to engage with IPs & LCs to determine if they have any procedures related to managing their cultural resources (specifically those impacted by the mitigation activity) and must follow their procedures to ensure proper management of cultural resources. In situations where no plan exists, they must work with the IPs & LCs to identify cultural heritage resources that may be impacted by the project, and ensure the project preserves and protects these resources consistent with UNESCO Cultural Heritage conventions. This information is reported through the Reserve's Environmental and Social Safeguards Form (Question #25), which is verified by the verification body and reviewed by the Reserve to determine if the project developer engaged sufficiently and followed procedures. In cases where

procedures were not properly implemented and there were impacts to resources, crediting would be withheld until (at a minimum) mitigation activities have efficiently addressed these impacts.

b) Where the mitigation activity directly or indirectly impacts IPs & LCs, including livelihoods, ancestral knowledge and cultural heritage, confirm your organisation requires that mitigation activity proponents confirm in validated design documents that the mitigation activity adheres to the above safeguards or that it has put in place the measures referred to in 7.1 b) 1).

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

The Reserve requires that direct and indirect impacts to IPs & LCs are documented in the Project Report (which details how the project conforms to the requirements of the protocol) and through the Reserve's Environmental and Social Safeguards Form. This information will be verified by the verification body and reviewed by the Reserve. Nonconformance with the criteria will result in a qualitative material misstatement and projects will not be credited for the particular reporting period where they failed to meet these required safeguards. Projects that fail to meet the criteria are required to put mitigation measures in place to ensure conformance with the criteria in the future. Once they are in conformance with these requirements, they can seek credit issuance. The Reserve will review the project's conformance at this time to decide if the project is eligible for credit issuance and will make this decision publicly available.

7.7 Respect for Human Rights, Stakeholder Engagement

a) Confirm your organisation requires mitigation activity proponents to ensure that the mitigation activity:

1) avoids discrimination and respects human rights.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

As part of the Reserve's overarching policy that projects must demonstrate their project does not undermine environmental and social issues (as detailed in Section 2.5 of the Reserve Offset Program Manual), it is required that project developers avoid discrimination and respect human rights. Project developers must detail in Reserve's Environmental and Social Safeguards Form (Question #16) the impact they have on human rights. Where there are negative impacts resulting in discrimination and violations of human rights, the project is not eligible for crediting.

2) abides by the International Bill of Human Rights and universal instruments ratified by the host country.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

In addition to the general assessment of the project's impact on human rights, the project developer must also conduct an assessment in the context of the International Bill of Human Rights. This assessment is completed using the Reserve Environmental and Social Safeguards Form (Question #17). Projects are encouraged to include a requirement to abide by the International Bill of Human Rights, as part of their project implementation plans and monitoring plan. Where there are negative impacts resulting in discrimination and violations of human rights, the project is not eligible for crediting.

3) takes into account and responds to local stakeholders' views.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

The Reserve has procedures in place to engage with local stakeholders and will communicate this information to the project developer (refer to Section 3.6.1 of the Reserve Offset Program Manual). Project developers are required to have procedures in place to respond to local stakeholder views and must have plan for engaging with stakeholders. This information must be disclosed on the Reserve's Environmental and Social Safeguard Form (Question #18). Additionally, the project developer must disclose any impacts related to this process during the verification period. There could be specific instances that occurred during the verification period that have impacted this process and engagement with local stakeholders. These instances should be documented in the Environmental and Social Safeguard Form (Question #19) for review by the verification body and the Reserve. Where it is determined that the project developer did not sufficiently meet these requirements, the project is not eligible for crediting.

b) Confirm your organisation requires that mitigation activity proponents confirm in validated design documents that the mitigation activity adheres to the above safeguards, or that it has put in place the measures referred to in 7.1 b) 1) above.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

The Reserve requires that project developer's document impacts to human rights and local stakeholder engagement through the Reserve's Environmental and Social Safeguards Form. This information will be verified by the verification body and reviewed by the Reserve. Nonconformance with the criteria and/or significant negative impacts will result in a qualitative material misstatement and projects will not be credited for the particular reporting period where they failed to meet the required safeguards. Projects that fail to meet the criteria are required to put mitigation measures in place to ensure conformance with the criteria in the future. Once they are in conformance with these requirements, they can seek credit issuance during the next reporting period. The Reserve will review the project's conformance at this time to decide if the project is eligible for credit issuance and will make this decision publicly available.

7.8 Gender Equality

a) Confirm your organisation requires mitigation activity proponents to ensure that the mitigation activity: 1. provides for equal opportunities in the context of gender 2. protects against and appropriately responds to violence against women and girls 3. provides equal pay for equal work

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

The Reserve's policy for environmental and social safeguards (Section 2.5 of the Reserve's Program Manual), prohibits the undermining of social progress, which includes that related to gender equality. As such, project developers are required to report their impacts related to equal opportunities, protection against and appropriate response to violence against women and girls, and equal pay. These areas must be addressed in the Reserve's Environmental and Social Safeguards Form (Questions #5-7). As part of this assessment, project developers are required to disclose how they have addressed these areas for their project. The project proponent must demonstrate that there were no negative impacts to gender equality as a result of the mitigation activity. If this is not possible, the Reserve will make a determination whether credits will be issued and make that decision publicly available.

b) Confirm your organisation requires that mitigation activity proponents confirm in validated design documents that the mitigation activity adheres to the above safeguards or that it has put in place the measures referred to in 7.1 b) 1).

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

The Reserve requires that project developer's document procedures and impacts related to gender equality through the Reserve's Environmental and Social Safeguards Form. This information will be verified by the verification body and reviewed by the Reserve. Nonconformance with the criteria and/or negative impacts will result in a qualitative material misstatement and projects will not be credited for the particular reporting period where they failed to meet the required safeguards. Projects that fail to meet the criteria are required to put mitigation measures in place to ensure conformance with the criteria in the future. Once they are in conformance with these requirements, they can seek credit issuance during the next reporting period.

7.9 Robust Benefit-Sharing

a) If your organisation requires arrangements for benefit-sharing with IPs & LCs, confirm that you require that mitigation activity proponents:

1) include in validated design documents information on how benefit-sharing arrangements that are appropriate to the context and consistent with applicable national rules and regulations will be designed and implemented through a benefit-sharing plan.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

The Reserve requires that benefit-sharing arrangements are incorporated into protocols that involve IPs & LCs. For example, the Reserve includes benefit sharing arrangements that are specific to the community context in the Mexico Forest Protocol (Refer to Section 3.9 Social Safeguards) and the Dominican Republic Livestock protocol. Benefit sharing is required as a part of the protocol FPIC process and the ongoing notification, participation, and documentation processes is required as a part of project implementation. Where prescribed in the protocol, the process must be followed by the project developer and documented in the Project Report. Additionally, the project developer must confirm they met the requirements in the Environmental and Social Safeguard Form (Question #27). Nonconformance with the benefit sharing requirements will result in no credits being issued for the reporting period. Once a project developer is in conformance with these requirements, they can seek credit issuance during the next reporting period. The Reserve will review the project's conformance at this time to decide if the project is eligible for credit issuance and will make this decision publicly available.

2) confirm in validated design documents that the draft and final benefit-sharing plan have been shared with the affected IPs & LCs in a form, manner, and language understandable to them.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/ROPM-Version-9.0-November-2023.pdf>

As specified in the individual protocol and Section 1.3, Working Language, of the Reserve Offset Program Manual Version 9.0 (November 2023), project developers are expected to conduct any required stakeholder engagement in the language that allows for meaningful engagement with local stakeholders.

Relevant Section from the Reserve Offset Program Manual

1.3 Working Language

The Reserve's working language is English. All project-related documents (e.g., attestations, verification reports, etc.) must be submitted in English OR in a language as approved by the program. Protocol development workgroups and stakeholder engagement are conducted in a manner to provide access to local actors within the protocol's jurisdiction (i.e., conducted in the official language of the jurisdiction or by providing translation). Project developers are expected to conduct any required stakeholder engagement in the language that allows for meaningful engagement with local stakeholders.

3) make benefit-sharing outcomes that result from the benefit-sharing plan publicly available, subject to applicable legal restrictions.

Yes

https://www.climateactionreserve.org/wp-content/uploads/2023/11/Climate-Action-Reserve_Social-Environmental-Safeguards-Assessment-Form.docx

The benefit sharing outcomes will be shared where the information is not deemed confidential. It is the intention of the Reserve to make this information public where there will be no detriment to the local community. The Reserve's Environmental and Social Safeguards Form (Question #28) asks project developers to disclose if benefit sharing information can be shared publicly. This gives the local community an opportunity to notify the Reserve of any potential issues with making this information public. The project developer will have an opportunity to provide a Project Report with the sensitive information concealed.

7.10 Cancun Safeguards

a) Confirm your organisation requires for all REDD+ mitigation activities that the mitigation activity is consistent with all relevant Cancun Safeguards as set out in paragraph 71 of decision 1/CP.16 of the United Nations Framework Convention on Climate Change.

No

N/A

The Climate Action does not have any REDD+ projects and does not intent do pursue them.

7.11 Ensuring Positive SDG Impacts

a) Confirm your organisation requires that mitigation activity proponents, in validated design documents:

1) provide information on how the mitigation activity is consistent with the SDG objectives of the host country, where the SDG objectives are relevant, and such is feasible.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/SDG-Reporting-Tool-v2.0-1.xlsx>

The Reserve requires that project developers provide information about how their project is consistent with the SDG objectives of the host country (where feasible). This is noted in Section 2.5.1 Project Contributions to the U.N. Sustainable Development Goals (SDGs), of the Reserve Offset Program Manual Version 9.0 (November 2023). The information is completed in the "Consistent with Host Country SDG Objectives" column A on Tab II. User Template of the Project Contributions to the U.N. Sustainable Development Goals (SDGs) ("SDG Reporting Form"). This form will be submitted to the verifier and the verifier will confirm whether the contributions described are accurate and represent the project. The Reserve will also conduct a review to ensure the accuracy of the information reported.

2) demonstrate, if applicable, through qualitative assessment how the mitigation activity delivers positive SDG impacts for certain SDGs (excluding SDG 13), if any.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/SDG-Reporting-Tool-v2.0-1.xlsx>

Per Section 2.5.1 Project Contributions to the U.N. Sustainable Development Goals (SDGs), of the Reserve Offset Program Manual Version 9.0 (November 2023), the Reserve requires projects to report positive SDG benefits for their project. This information is reported in the "Expected Project Contribution by the End of the Project Lifetime" column B on Tab II. User Template of the Project Contributions to the U.N. Sustainable Development Goals (SDGs) ("SDG Reporting Form"). This form will be submitted

to the verifier and the verifier will confirm whether the contributions described are accurate and represent the project. The Reserve will also conduct a review to ensure the accuracy of the information reported.

3) provide information on any standardised tools and methods that were used to assess the SDG impacts.

Yes

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/SDG-Reporting-Tool-v2.0-1.xlsx>

The Reserve's Project Contributions to the U.N. Sustainable Development Goals (SDGs) Form ("SDG Reporting Form") requires project developers to disclose information about any specific tools or methods that were used to inform the completion of the form. This information is meant to aid in transparency and the Reserve will refer to stated tools to help inform our review of the accuracy of the SDG reporting form.

<https://www.climateactionreserve.org/wp-content/uploads/2023/11/SDG-Reporting-Tool-v2.0-1.xlsx>

End of Application