

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

**Application Form for Emissions Unit Programmes
seeking eligibility to supply units to
the CORSA first phase (2024 – 2026 compliance period)**

(Version 6, January 2024)

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SECTION I: ABOUT THIS ASSESSMENT

Background

ICAO Member States and the aviation industry are implementing the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). Together with other mitigation measures, CORSIA will help achieve international aviation’s aspirational goal of carbon neutral growth from the year 2020. Aeroplane operators will meet their offsetting requirements under CORSIA by purchasing and cancelling CORSIA eligible emissions units. The ICAO Council determines CORSIA eligible emissions units upon recommendations by its Technical Advisory Body (TAB) and consistent with the CORSIA Emissions Unit Eligibility Criteria (EUC).

In March 2019, the ICAO Council unanimously approved the ICAO Document *CORSIA Emissions Unit Eligibility Criteria* for use by TAB in undertaking its tasks¹. TAB’s assessment of emissions units programmes is undertaken annually². ICAO Council decisions that take account of these recommendations are contained in the ICAO Document *CORSIA Eligible Emissions Units*³.

ICAO invites emissions unit programmes⁴ interested to apply for the 2024 cycle of assessment by the TAB, to determine eligibility to supply CORSIA-Eligible Emissions Unit for the 2024-2026 compliance period (first phase). The assessment process will involve collecting information from each programme through this programme application form and supplementary materials and requested evidence.

Through this assessment, the TAB will develop recommendations on the list of eligible emissions unit programmes (and potentially project types) for use under the CORSIA first phase, which will then be considered by the ICAO Council.

This form is accompanied by, and refers to, Appendix A “*Supplementary Information for Assessment of Emissions Unit Programmes*”, containing the EUC and *Guidelines for Criteria Interpretation*. These EUC and Guidelines are provided to inform programmes’ completion of this application form, in which they are cross-referenced by

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

² Recommendations from 2019 TAB assessment cycle: <https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2019.aspx>

Recommendations from 2020 TAB assessment cycle: <https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2020.aspx>

Recommendations from 2021 assessment cycle: <https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2021.aspx>

Recommendations from 2022 assessment cycle: <https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2022.aspx>

Recommendations from 2023 assessment cycle: <https://www.icao.int/environmental-protection/CORSIA/Pages/TAB.aspx>

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

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

paragraph number.⁵

This form is also accompanied by Appendix B “*Programme Assessment Scope*”, and Appendix C “*Programme Exclusions Scope*”, which request all applicants to identify the programme elements⁶ they wish to submit for, or exclude from, TAB’s assessment.

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

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

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

Disclaimer: The information contained in the application, and any supporting evidence or clarification provided by the applicant including information designated as “business confidential” by the applicant, will be provided to the members of the TAB to properly assess the programme and make recommendations to the ICAO Council. The application and such other evidence or clarification will be made publicly available on the ICAO CORSIA website for the public to provide comments, except for information which the applicant designates as “business confidential”. Public comments received during that period, including commenter names and organizations, are published following the decision by the Council in respect of TAB’s eligibility recommendations for this cycle. All comments are published as received and Programme responses to public comments are not published on the ICAO website. The applicant shall bear all expenses related to the collection of information for the preparation of the application, preparation and submission of the application to the ICAO Secretariat and provision of any subsequent clarification sought by the Secretariat and/or the members of the TAB. Under no circumstances shall ICAO be responsible for the reimbursement of such or any other expenses borne by the applicant in this regard, or any loss

⁵ For further information on how TAB interprets the EUC in light of the *Guidelines*, refer to the document Clarifications of TAB’s Criteria Interpretations Contained in TAB Reports available on the ICAO TAB website:

<https://www.icao.int/environmental-protection/CORSIA/Documents/TAB/TAB2023/ClarificationsofTABsCriteriaInterpretations.pdf>

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

or damages that the applicant may incur in relation to the assessment and outcome of this process.

SECTION II: INSTRUCTIONS

Submission and contacts

A programme is invited to complete and submit the form, including accompanying evidence and with required appendices, through the ICAO CORSIA website no later than close of business on **04 March 2024**. Within seven business days of receiving this form, the Secretariat will notify the programme that its form was received.

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

Form basis and cross-references

Questions in this form are derived from the CORSIA emissions unit eligibility criteria (EUC) and any *Guidelines for Criteria Interpretation* introduced in Section I (above). To help inform the programme's completion of this form, each question includes the paragraph number for its corresponding criterion or guideline that can be found in [Appendix A "Supplementary Information for Assessment of Emissions Unit Programmes"](#).

Application Form completion

The programme is expected to respond to all questions in this application form at the time of application submission. TAB cannot initiate its assessment of applications in which this information is not provided in full as requested in this section. Failure to provide complete information may result in delays to the application's assessment.

A "complete" response involves three components: 1) a written summary response; 2) supporting evidence; and 3) programme revisions, where an applicant is considering or undertaking revisions to a programme procedure in question.

- 1) **Written summary responses**: The programme is encouraged to construct written summary responses in a manner that provides for general comprehension of the given programme procedure, independent of supporting evidence. TAB will confirm each response in the supplementary evidence provided by the programme. Please note that written summary responses should be provided in all cases—supporting evidence (described in *c*) below) should not be considered as an alternative to a complete summary response.
- 2) **Supporting evidence**: Most questions in this form request *evidence of programme procedures or programme elements*. Such evidence may be found in programme standards, requirements, or guidance documents; templates; programme website or registry contents; or in some cases, in specific methodologies. To help manage file size, the programme should limit supporting documentation to that which directly substantiates the programme's statements in this form.

Regarding such requests for evidence, programmes are expected to substantiate their responses in any of these ways (**in order of preference**):

- a) web links to supporting documentation included along with the written summary response to each given question; with instructions for finding the relevant information within the linked source (i.e. identifying the specific text, paragraph(s), or section(s) where TAB can find evidence of the programme procedure(s) in question);
- b) copying/pasting information directly into this form (no character limits) along with the written summary response;
- c) attaching supporting documentation to this form at the time of submission, with instructions for finding the relevant information within the attached document(s);

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

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

[Paragraph(s) introducing and summarizing specific programme procedures relevant to question, including quotes/excerpts of the relevant provisions in the programme’s procedures]

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

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

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

Application and assessment scope

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

In **Appendix B** “*Programme Assessment Scope*”, the programme should clearly identify, at the “activity type” level (e.g., sector(s), sub-sector(s), and/or programme/project “type(s)”), elements that the programme **is submitting for TAB’s assessment** of CORSIA eligibility; as well as the specific methodologies, protocols, and/or framework(s) associated with these programme elements; which *are* described in this form.

In **Appendix C** “*Programme Exclusions Scope*”, the programme should clearly identify, at the “activity type” level (e.g., sector(s), sub-sector(s), and/or programme/project “type(s)”), any elements the programme **is not submitting for TAB’s assessment** of CORSIA eligibility, which *are not* described in this form; as well as the specific methodologies, protocols, and/or framework(s) associated with these programme elements.

Emissions Unit Programme Registry Attestation

In **Appendix D** “*Emissions Unit Programme Registry Attestation (version 2, January 2022)*”, the programme should provide the information relating to programme registry functionality that is referred to in the attestation and its attachment. Both the programme representative of an emissions unit programme, and the administrator or authorized representative of the registry designated by the programme, should review and attest to the accuracy of this information and their acceptance of the terms, preferably at the time of application.

Treatment of EUC-relevant programme procedures at the methodology level

Programmes that identify with the following explanations are encouraged to summarize and provide evidence of both their overarching *programme-level* procedure(s) and *methodology-level* procedure(s) wherever relevant:

The CORSIA EUC and TAB assessments typically apply to *programme-level* procedures rather than to individual methodologies or projects. Most programmes’ overarching guidance documents contain a mix of *general/guiding* requirements and *technical* ones. However, some programmes set out general requirements in overarching guidance documents, while reflecting key technical procedures in programme methodologies⁷. **Such methodologies may be relevant to TAB’s assessment.** This could be the case where, e.g., the methodologies are developed directly by the programme (staff or contractors); the programme must refer to a methodology’s requirements when describing its alignment with the EUC; the programme’s general requirements alone are too high-level/non-specific for TAB to assess them as stand-alone procedures.

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

“Linked” certification schemes

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

Some programmes may supplement their standards by collaborating with other schemes that certify, e.g., the social or ecological “co-benefits” of mitigation. The programme can reflect a linked scheme’s procedures in responses to this form, where this is seen as enhancing—i.e. going “above and beyond”—the programme’s own procedures. For example, the programme may describe how a linked scheme audits sustainable development outcomes; but is not expected to report the linked scheme’s board members or staff persons. Programmes should clearly identify any information provided in this form that pertains to a linked certification scheme and/or only applies when a linked certification scheme is used.

⁷ Note that any applicant may use different terminology. For example, a programme may refer to a “methodology” as a protocol or framework.

Disclosure of programme application forms and public comments

Applications, including information submitted in Appendices B, C, and D, as well as other information submitted by applicants will be publicly available on the ICAO CORSIA website, except for materials which the applicants designate as business confidential. The public will be invited to submit comments on the information submitted, including regarding consistency with the EUC, through the ICAO CORSIA website, for consideration by the TAB in its assessment. All comments are published as received and Programme responses to public comments are not published on the ICAO website.

SECTION III: APPLICATION FORM

PART 1: General information

A. Programme Information

Programme name: [C-Capsule](#)

Administering Organization⁸: [Evident](#)

Official mailing address: [Church Studio, 400 Springvale Road Sheffield S10 1LP, United Kingdom](#)

Telephone #: [Click or tap here to enter text.](#)

Official web address: <https://www.c-capsule.com/>

B. Programme Administrator Information

Full name and title: [Ed Everson](#)

Employer / Company (*if not programme*): [Evident](#)

E-mail address: ed.everson@evident.global

Telephone #: [Click or tap here to enter text.](#)

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

Full name and title: [Click or tap here to enter text.](#)

Employer / Company (*if not Programme*):

E-mail address: [Click or tap here to enter text.](#)

Telephone #:

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

List the names and titles of programme's senior staff / leadership, including board members:

C-Capsule Leadership

[Ed Everson, Chief Executive Officer, Evident Group](#)

[Teresa Everson-Smith, Chief Strategy Officer, Evident Group](#)

[Jason Slatcher, Chief Technology Officer, Evident Group](#)

[Travis Caddy, Business Development Director, Evident Group](#)

⁸ Name of the business, government agency, organization, or other entity that administers the Emissions Unit Programme, *if different from "Programme Name"*.

Garrett Guard, Product Associate, Evident Group
Barnaby Jenkins, General Counsel, Evident Group
Luke Greicius, Head of Policy, Evident Group
Theo Platts-Dunn, Policy Associate, Evident Group
Rebecca Morgan, Subject Matter Expert, Evident Group
Zhiwei Chen, Subject Matter Expert, Evident Group
Chris Johnstone, Team Leader and Systems Developer, Evident Group

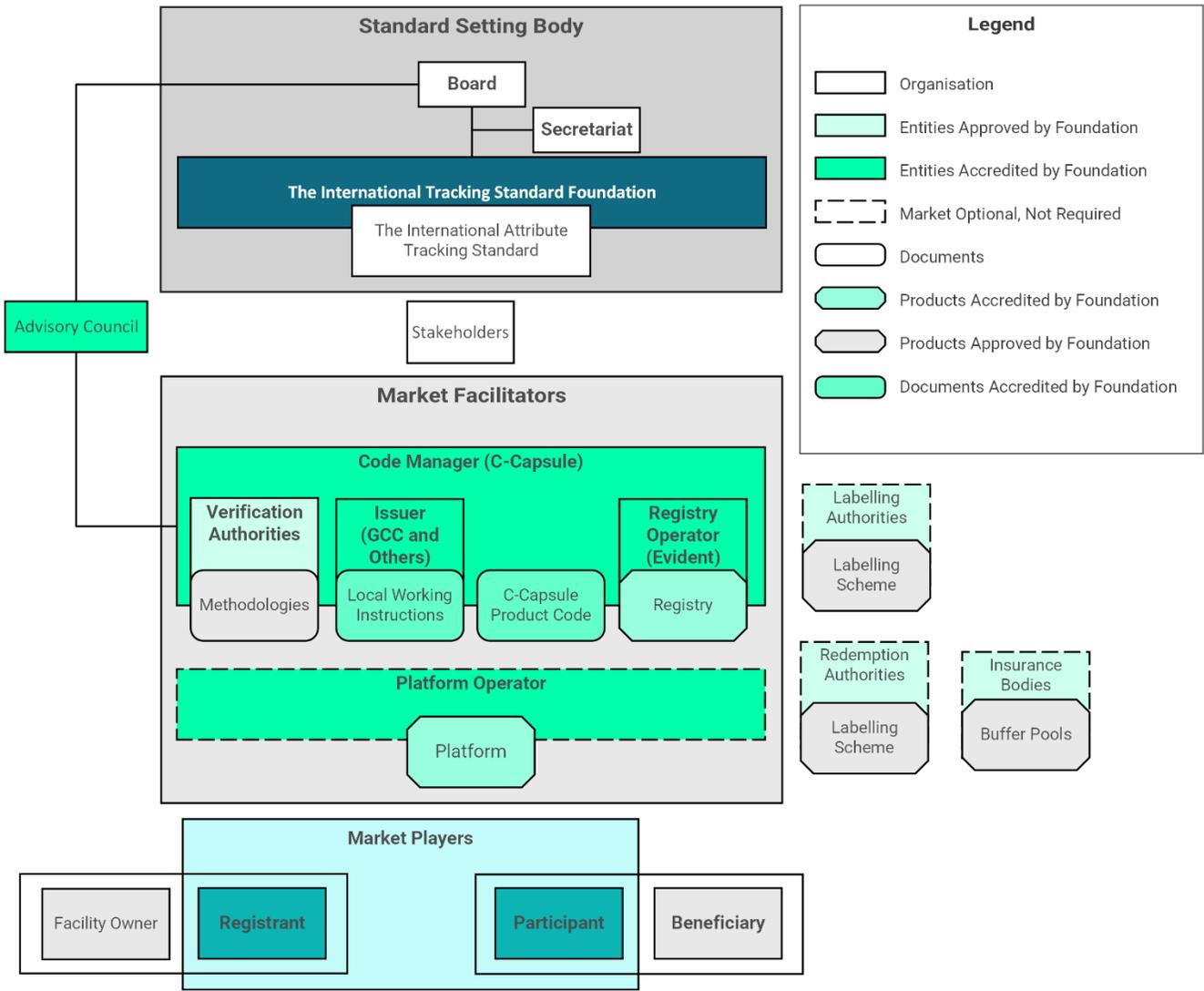
C-Capsule Advisory Council

David Ungar, Managing Director, Carbon Finance Labs
Hasan Muslemani, Head of Carbon Management Research, Oxford Institute for Energy Studies
Svenja Telle, Head of Origination, Basecarbon
Junji Katto, Head of Innovation, Itau Unibanco and Carbonplace
Kel Coulson, Director of Policy, Carbon Engineering

International Tracking Standard Foundation ('I-TRACK Foundation') Board

Dirk Van Evercooren, Managing Director at Organisatie voor Duurzame Energie Vlaanderen and Owner at 2degNRG
Claes Hedenström, Vattenkraftens Miljöfond Sverige AB
Jules Chuang, Arbon Capital & Mt. Stonegate Green Asset Management
Ed Holt, Ed Holt & Associates
Tom Lindberg, ECOHZ
Maria De La Cruz, H2 Chile

Provide an organization chart (in the space below or as an attachment) that illustrates, or otherwise describes, the functional relationship a) between the individuals listed in D; and b) between those individuals and programme staff / employees; and c) the functions of each organizational unit and interlinkages with other units.



PART 2: Programme summary

Provide a summary description of your programme

[C-Capsule](#) is a Code Manager – effectively serving as a ‘programme administrator’ or ‘programme manager’ – for certifying durable carbon dioxide removal (CDR). C-Capsule provides a Product Code outlining the rules and processes for certifying durable CDR in adherence with the [International Attribute Tracking Standard](#) (Standard). Unlike traditional avoidance or reduction credits, C-Capsule only certifies carbon durably removed from the atmospheric cycle. It is the explicit goal that C-Capsule adheres to relevant consumer claim standards, associations, and accreditation bodies such as the Carbon Offsetting and Reduction Scheme for International Aviation (CORSA), Article 6 of the Paris Agreement, and various voluntary standards (e.g. the International Carbon Reduction and Offset Alliance, the Integrity Council for Voluntary Carbon Markets, the Voluntary Carbon Markets Integrity Initiative, and others) to help end-users fulfil their neutralisation and reporting requirements. All C-Capsule Carbon Removal Units (CRUs) are issued and redeemed on the Evident Registry, a globally recognised registry for multiple environmental assets including I-REC, MiQ, and Fly-i, serving customers in over 140 countries.

The C-Capsule Code for Carbon Dioxide Removal was developed by C-Capsule Limited, an independent organisation registered in Sheffield, UK on November 9, 2022. C-Capsule was co-founded by [Carbon Finance Labs \(CFL\)](#), [Evident](#) and the validation services provider [Green Certificate Company \(GCC\)](#), combining over 25 years of experience within the renewable energy certificate (REC) and carbon markets to deliver a robust certification system for durable CDR.

A Memorandum of Understanding (MoU) was signed by the International Tracking Standard Foundation (I-TRACK Foundation) and C-Capsule to develop a Product Code for durable CDR consistent with the Standard in July 2021. Since the signing of the MoU, both parties have worked jointly on the development of the C-Capsule Code for CDR. The C-Capsule Code is intended to support businesses and governments to neutralise their emissions with verified durable CDR and provide primary/additional revenue streams and financing support for those activities.

The Standard is a set of requirements to ensure tracking systems for environmental attributes are of the highest quality and meet the most rigorous expectations of stakeholders, market players, end-users and governments. Its goal is to provide clear and concise rules for organisations, including C-Capsule, to design and implement certification standards based on shared principles and a common infrastructure for environmental attribute tracking. The Standard is owned and managed by the I-TRACK Foundation, a not-for-profit based in the Netherlands.

The C-Capsule team consulted various stakeholders beyond the I-TRACK Foundation in the development of the C-Capsule Code, including, inter alia, project developers, market intermediaries, NGOs, non-profits, end-users and governments. The I-TRACK Foundation hosted a first public consultation of the C-Capsule Code in November 2022.

[Version 1.0](#) of the C-Capsule Product Code received preliminary accreditation by the I-TRACK Foundation’s Board on December 13, 2022. **Version 1.1 of the C-Capsule Product Code (attached to this application in its latest draft form), is currently undergoing a public consultation process and is expected to be finalised and uploaded**

to the C-Capsule website by March 30, 2024.

As the Standard-Setting Body, the I-TRACK Foundation oversees the integrity, governance, transparency, and accountability of the C-Capsule Code and market. The I-TRACK Foundation Board is currently led by a group of experts including Dirk Van Evercooren (Managing Director at Organisatie voor Duurzame Energie Vlaanderen and Owner at 2degNRG), Claes Hedenström (Vattenkraftens Miljöfond Sverige AB), Jules Chuang (Arbon Capital & Mt. Stonegate Green Asset Management), Ed Holt (Ed Holt & Associates), Tom Lindberg (ECOHZ), and Maria De La Cruz (H2 Chile). The Board's responsibilities are fully outlined in the Standard. The Board is supported by a Secretariat comprising of consultants and Regional Directors that cover Accredited Markets for I-REC(E) and other products in Africa, Asia, South America and Oceania.

As Code Manager, C-Capsule is responsible for delivering and ensuring the quality of the C-Capsule Code, including:

- Authorisation of Issuers, Verification Authorities, and Registry Operator;
- Maintenance of procedures and governance arrangements relating to the Code;
- Overall compliance with the Standard.

In May 2023, C-Capsule established its own Advisory Council to provide guidance to both C-Capsule and the I-TRACK Foundation. The Advisory Council represents a group of stakeholders that support formalising the governance and oversight of the C-Capsule Code. The Council takes positions on changes to the Code, market barriers, opportunities, adherence to national regulations, and coordination with standards, governments, and other stakeholder groups.

The creation of the Advisory Council is part of a wider devolution of governance from the I-TRACK Foundation Board to independent bodies for each Accredited Product Code (asset class) under the Standard. These governing bodies comprise subject-matter experts (SMEs) specific to one asset class. The C-Capsule Advisory Council will contain up to six CDR experts, and currently includes:

- David Ungar, Managing Director, Carbon Finance Labs
- Hasan Muslemani, Head of Carbon Management Research, Oxford Institute for Energy Studies
- Svenja Telle, Head of Origination, Basecarbon
- Junji Katto, Head of Innovation, Itau Unibanco and Carbonplace
- Kel Coulson, Head of Policy, Carbon Engineering

C-Capsule's service is supported by a designated Central Issuer, the Green Certificate Company (GCC), in the absence of a nationally appointed Issuer. Issuers are authorised to make certificate entries in the Registry. Issuers operate under a contract with the Code Manager that contains geographic restrictions on where they may provide services defined in collaboration with the I-TRACK Foundation. C-Capsule recognises that local delivery of issuing services provides benefits for many market entities. Whether required by legislation or in response to market demand, C-Capsule will seek to work with suitably qualified entities to support their accreditation with the intention of engaging with them as local Issuers for C-Capsule.

Not all roles within the governance structure, rather only those which perform a function integral to the

implementation and operation of C-Capsule Service, require accreditation under the Standard. Market players, primarily Facility Owners (project owners or administrators), Registrants (Facility Owners or their representatives), Participants (traders and other facilitators), and Beneficiaries, do not require accreditation as their role is that of a consumer of services. See section 4 of the C-Capsule Code (attached) to find more information on the roles within the C-Capsule market.

Enforcement of rules against conflicts of interest is governed by the I-TRACK Foundation through their accreditation procedures. To ensure that markets are clear, equitable, and transparent, the Standard mandates that accredited market facilitators, including Verification Authorities, shall not participate directly in any market they serve without adequate protections to ensure the integrity of that market, that market abuse is avoided, and that access is fair and open to all. Accredited entities shall not be owned, in whole or in part, by a holding entity that also owns, in whole or in part, a Registrant (a project developer or their representative) or Participant (market players involved in purchase, sale, trade, or redemption of certificates) in the same CDR market to which the accredited entity provides services.

PART 3: Emissions Unit Programme Design Elements

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

Note—“*Paragraph X.X*” in this form refers to corresponding paragraph(s) in [Appendix A](#) “*Supplementary Information for Assessment of Emissions Unit Programmes*”.

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

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

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

Provide *evidence*⁹ that the programme’s qualification and quantification methodologies and protocols are *in place* and *available for use*, including where the programme’s existing methodologies and protocols are publicly disclosed: (*Paragraph 2.1*)

C-Capsule does not internally develop its own proprietary methodologies. Clear guidelines are established to allow for bottom-up methodologies to become approved and eligible for certification ([SD-01 Methodology Guidelines](#)).

The first methodology approved for use by C-Capsule is for [distributed biochar](#).

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

C-Capsule does not internally develop proprietary methodologies. Clear guidelines are established to allow for bottom-up methodologies to become approved and eligible for certification ([SD-01 Methodology Guidelines](#)).

C-Capsule collaborates with methodology developers to guide them through the methodology approval process.

⁹ For this and subsequent “evidence” requests, evidence should be provided in the text box (e.g., web links to documentation), and/or in attachments, as recommended in “SECTION II: INSTRUCTIONS—*Form Completion*”.

Any methodologies submitted to C-Capsule must undergo a multi-stage approval process to include initial internal evaluation, external expert evaluation, public consultation, and revision. All methodologies are subject to final approval by the I-TRACK Foundation Board upon the recommendation of C-Capsule’s Advisory Council.

Methodologies shall be science-based with reference to peer-reviewed literature to determine robust calculation methods, potential for leakage, confidence over durability, and environmental and social safeguards. Where there is paucity of data, information, or scientific consensus, Methodologies shall provide conservative estimates. As improved science and metrology emerge, the buffers accounting for predictable leakage (within project boundary), risk of Event of Carbon Default (EOCD), and displacement leakage (outside of project boundary) may be reduced or increased accordingly. C-Capsule maintains the right to refuse the consideration of a methodology wherein there is a lack of reasonable scientific consensus or limited access to relevant data. See [QP-01 Methodology Approval](#) on the website for more information.

Methodologies shall be regularly updated on an annual basis to reflect scientific advances and where more data becomes available to ensure the carbon removal quantification methods are robust and reliable. Public consultations are activated where stakeholder comments are considered, and consultation results published on the C-Capsule website.

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

SD-01 Methodology Guidelines: <https://www.c-capsule.com/documents/SD-01-C-Capsule-Methodology-Requirements-v1.0.pdf>

QP-01 Methodology Approval: <https://www.c-capsule.com/documents/QP-01-C-Capsule-Methodology-Approval-Procedure-v1.0.pdf>

C-Capsule Code Version 1.1 (attached)

Question 3.2. Scope considerations

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

C-Capsule does not place explicit limitations on the level or scope of a crediting activity. Credits are issued at the ‘Facility’ level, and the Code requires any Facility owner to be approved as a ‘Registrant’ in order to be issued CRUs. As a result, we expect most credits issued to be project-based.

Summarize the eligibility criteria for each type of offset activity (e.g., which sectors, project types, and geographic

locations are covered): (*Paragraph 2.2*)

C-Capsule is designed to be open and accessible for all organisations wishing to be active within the global CDR market and as such does not place explicit limitations on sector, project type or geography, assuming all criteria for projects and methodologies as outlined in the Product Code are met.

Currently, the approved removal types include biomass carbon removal and storage (BiCRS), direct air carbon capture and storage (DACCS), bioenergy carbon capture and storage (BECCS), and enhanced weathering.

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

Evidence of the scope of permitted activities and eligibility criteria can be found in the C-Capsule Code (attached) and [SD-02 Eligible Removal Types](#).

Question 3.3. Offset credit issuance and retirement procedures

Are procedures in place defining how offset credits are... (<i>Paragraph 2.3</i>)	
a) issued?	<input checked="" type="checkbox"/> YES
b) retired / cancelled?	<input checked="" type="checkbox"/> YES
c) subject to discounting (<i>if any</i>)?	<input checked="" type="checkbox"/> YES

Are procedures in place defining... (<i>Paragraph 2.3</i>)	
d) the length of crediting period(s)?	<input checked="" type="checkbox"/> YES
e) whether crediting periods are renewable?	<input checked="" type="checkbox"/> YES

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

(a/b/c) Procedures defining the issuance, transfer and retirement/cancellation of C-Capsule CRUs are detailed in sections 9-11 of the C-Capsule Code (attached).

Step 1 (Facility Registration): In order to have CRUs issued, a project developer must first become a Registrant by contracting with an Issuer. Once approved and set up on the Registry, Facility Registration is initiated by a submission from a Registrant and administered by an Issuer duly authorised to act in the country in which the Facility is located. Submission by a Registrant includes a Facility and documentation audit by an approved Verification Authority to ensure adherence of the project against the approved Methodology. Once approved by the Issuer, a Facility is created on the Registry and becomes eligible for certificate issuance.

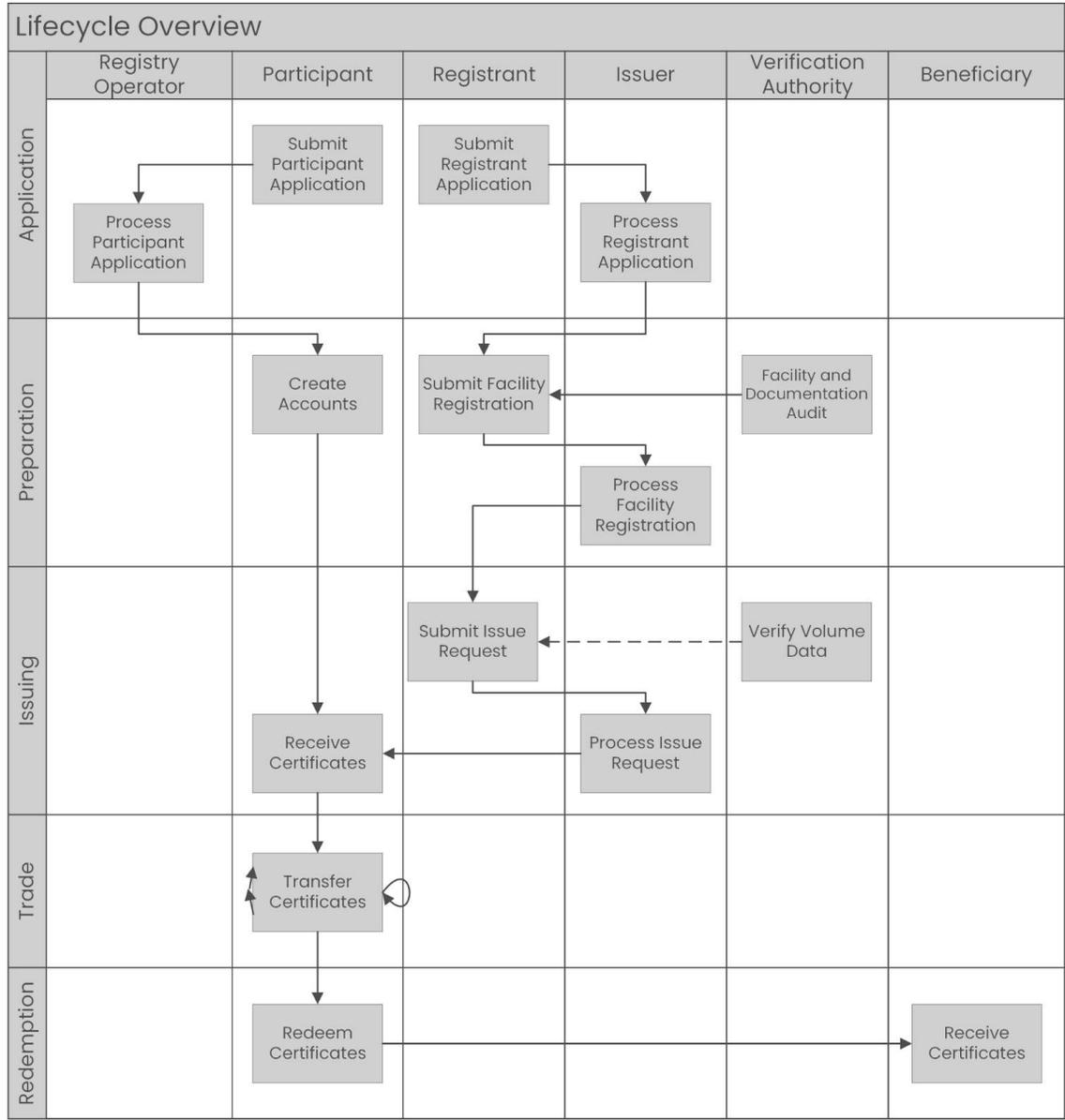
Step 2 (Certificate Issuance): A CRU can only be issued against independently verified evidence of a historical

CDR event or activity (*ex-post*). That evidence should be of direct form, through measurement and monitoring data relating to a registered Facility, following the same format as the sample evidence provided at Facility Registration. An Issue Request shall only be approved where the Issuer is satisfied that requested CRUs in respect of the evidence provided will be a unique representation of the CDR activity's environmental attributes.

Step 3 (Certificate Ownership and Transfer): As part of the Issue Request submission, the Registrant must nominate a Trade Account wherein the CRUs shall be deposited upon approval by the Issuer for onward transfer by a Participant. Before any claim can be made, the CRU must be removed from a Trade Account and placed in a Redemption Account, from which it cannot be transferred. This process is known as Redemption. Once a CRU has been Redeemed, only one claim to the underlying environmental attributes of that CRU can be made by the listed Beneficiary. Participants can generate a Redemption Statement from the Registry which can be used as a disclosure statement. All redemptions and associated documentation will be publicly available on the Evident Registry for C-Capsule website.

The Evident Registry for C-Capsule records all actions within the lifecycle of a unit of CRU, including underlying facility and documentations audits, issue requests and supporting data. This includes initialisation of a certificate via issuance through all potential transfer actions ending in redemption. It identifies individual certificates via unique serial numbers. Furthermore, certificates contain information relating to constituent facilities to include vintage, facility type and location that can be used to prevent double counting. The certificate status is inferred via custody (i.e. who it belongs to, and which type of account it resides in). Audits for the entire lifecycle of a certificate are available as each transfer for a certificate in the Evident Registry for C-Capsule is individually recorded.

All applicants to become a Registrant or Participant are subject to 'Know Your Customer' (KYC) and anti-money laundering (AML) checks and must satisfy the Issuer / Registry Operator of their legal status and good standing. The C-Capsule market is designed to enable simple and clear engagement for Registrants and Participants, as illustrated below.



(d) C-Capsule Code (attached) describes the process for discounting in the event of methodologies that pose a risk of reversal. Project Registrants shall either have an Insurance Buffer applied at Issue Request (see section 8.4.2.3), or contract with an Insurance Body to manage the risk of an EOCD and potential remediation of CRUs (see section 17).

Every CRU is issued with an Expected Effect over a 100-year time horizon, which accounts for the probability of an EOCD not occurring over a 100-year time horizon. The Expected Effect will automatically determine the Insurance Buffer applied at each Issue Request. The Expected Effect reflects the percentage of CRUs allocated to the Insurance Account per Issue Request (i.e. 96% Expected Effect = 4% of CRUs deposited to the Insurance Account). The Expected Effect and hence, buffer contribution is defined in the Methodology and verified at Facility

Registration.

C-Capsule recognises the impact of potential non-permanence from CDR activity over a 100-year time horizon and reversal of GHG emissions is recognised in two forms:

- **Predictable Leakage:** reversal or degradation events that can be accounted for and predicted in the methodology over the 100-year period. The leakage includes the calculation of net CDR.
- **EOCD:** unpredictable reversal events that are accounted in the determination of Expected Effect and reflected in the Insurance Buffer contribution.

The Code Manager recognises the impact of potential non-permanence from CDR activity and has adopted a robust mechanism to compensate for an EOCD. Registrants shall either have an Insurance Buffer applied at Issue Request, or contract with an Insurance Body to manage the risk of an EOCD and potential remediation of CRUs. Any EOCD that does occur shall be fully compensated through replacement CRUs drawn from the Insurance Account or procured via an Insurance Body.

(e) Procedures surrounding crediting periods ('audit periods') are broadly detailed in section 8.4.2.6 of the C-Capsule Code (attached) and make reference to methodology-specific timelines defined in approved Methodology documents. As an example, the [Methodology for digital MRV for distributed biochar production and carbon dioxide removal](#) defines an audit period of three years, after which a new facility audit must be performed to allow additional issuances. The maximum length of a Facility's registration validity is five years.

Question 3.4 Identification and Tracking

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

YES

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

The implementation of the C-Capsule Code is underpinned by registry infrastructure provided by co-founder [Evident](#). Developed around a unique, secure virtual ledger, Evident Registries have been active since 2015 and deliver transparency for consumers, preventing double-counting and enabling organisations to make credible and robust environmental claims as part of their sustainability reporting. Please see Appendix D – Emissions Unit Programme Registry Attestation for more detail on functionalities.

The Registry is publicly accessible at www.c-capsule.com. Prior to the first issuance of CRU certificates, we would welcome the opportunity to demonstrate the current functionality of our registry capabilities to the TAB. We would also be willing to grant the TAB access to a sandbox environment for further testing of our public-facing registry.

As an example of an active facility register, please see Evident's [page](#) for I-REC(E) listed projects. The Evident Registry for C-Capsule will include more information related to redemption details and project documentation – including validation and verification evidence.

Created with accessible APIs that allow customers to easily integrate with back-office systems and reporting tools, Evident registries are continually evolving to meet ever-changing governance and technological needs. Through these APIs, Evident supports a rapidly growing ecosystem of technology partners who provide a range of tracking and reporting services, marketplaces, and exchanges - all based on the registries' trusted, single source of truth.

Evident registries are managed by a team with unrivalled experience in the sector. They created the first registries for renewable electricity certificates (RECs) in Europe in the late 1990s, and later built communication systems that enabled the first international trades of RECs. Evident provides the registry for [I-REC\(E\)](#) for electricity, [MiQ for low-methane natural gas](#), [Fly-i for sustainable aviation fuel \(SAF\)](#), [C-Capsule for durable carbon dioxide removal \(CDR\)](#), and [I-REC\(HX\)](#) for hydrogen.

The following actors can fully access the Evident Registry for C-Capsule by contracting with Evident, with varying levels of functionality and permissions:

- **Registrants** submit Facility registrations and Issue Requests for CRUs.
- **Participants** manage Trade and Redemption accounts in the Registry through which they can hold, transfer, and redeem CRUs.
- **Registry Operator** delivers the Registry, facilitates the onboarding of Participants onto the Registry and provides services related to the transfer and redemption of CRUs.
- **Issuers** approve Facility registrations and Issue Requests for C-Capsules.
- **Platform Operators** provide functions which extend the scope of the registry e.g. marketplace, exchange etc.

In development:

- **Insurance Bodies** underwrite risk of reversal and can manage buffer pools.

In order to access the Evident Registry in the capacity of one of the roles highlighted in bold above, the applicant must be a legal entity. The application is reviewed by the relevant Issuer in the case of a Registrant or Registry Operator in the case of a Participant, who will carry out KYC and AML checks (see attached Business Confidential documents outlining these processes) on the Applicant. The Issuer or Registry Operator must satisfy itself of the legal identity and good standing of the applicant.

In the interests of an orderly and transparent market, the Issuer / Registry Operator may also consult national and international anti-fraud and money laundering authorities and other relevant providers as part of the review. Where an application has been approved, the Registry Operator will enable relevant access to the Registry. Once Registry access has been provided, Participants may create and manage accounts on the Registry.

Please see section 6.3 of the C-Capsule Code (attached) to learn more about registry access.

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

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

(a) CRUs are assigned Unique Identifiers (UIDs) that remain with the CRU from issuance to redemption/cancellation. The Registry has the capability to label specific CRUs as 'CORSIA Eligible'. Labels can be edited retrospectively when a host government provides a Letter of Attestation. This process is detailed in section 11.5.4 of the C-Capsule Code. As noted above, the Registry Operator and Code manager (C-Capsule) are subject to scrutiny by the I-TRACK Foundation which includes provisions on the use of labels.

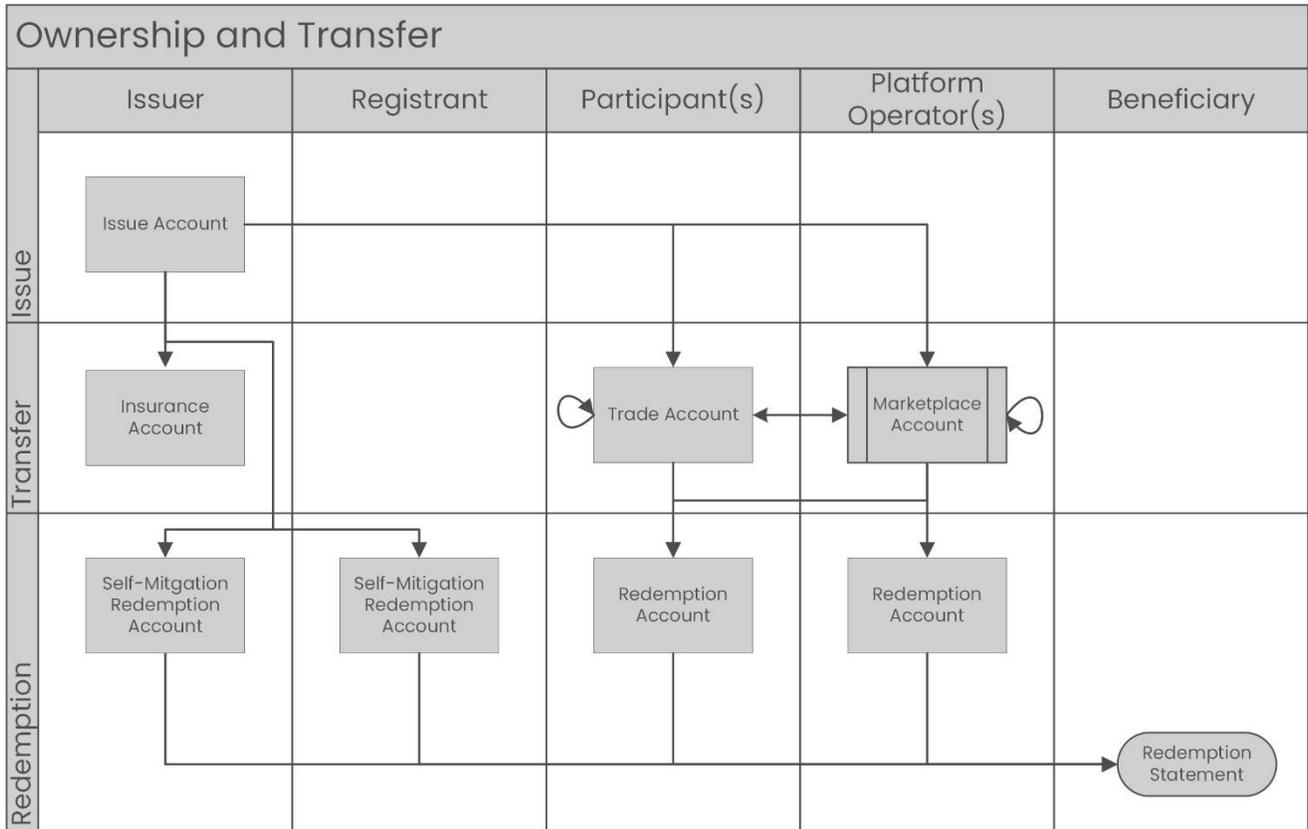
(b/c/d) The Evident Registry for C-Capsule records all actions within the lifecycle of a unit of a CRU. This includes initialisation of a certificate via issuance through all potential transfer actions, ultimately ending in redemption for a specific use by a specific beneficiary. It identifies individual certificates via unique serial numbers. Furthermore, certificates contain information relating to constituent facilities to include vintage, facility type, and location that can be used to prevent double counting. The certificate status is inferred via custody (i.e. who it belongs to, and which type of account it resides in). Audits for the entire lifecycle of a certificate are available as each transfer for a certificate in the Evident Registry is individually recorded.

Section 10 of the C-Capsule Code (attached) details CRU ownership and transfer procedures.

(e) CRUs are assigned Unique Identifiers (UIDs) that remain with the CRU from issuance to redemption. Each CRU carries with it key information related to the credit, including issuance vintage, facility date of initial operations, country of origin, methodology, and more, all of which is publicly available on the registry upon redemption.

(f) The Registry is designed with referential integrity, full transaction logs, and double-entry bookkeeping protocols to ensure that data integrity is maintained within the Registry and whilst interacting with other Systems. Security protocols are implemented to prevent unauthorised access to records and the Registry codebase. For more detail, please see our response to Question 7.7 in Appendix D – Emissions Unit Programme Registry Attestation.

Procedures for tracking credits from issuance to redemption are defined in sections 9-11 of the C-Capsule Code (attached). A schematic of the process and the different account types can be found below.



If the programme registry has the capability to directly transfer units to/from any other registries that are not operated by the programme, list any/all other registries to which the programme’s registry(ies) are linked: (Paragraph 2.4 (e))

The C-Capsule registry is not currently linked to any other registries but is designed to facilitate such connections via APIs.

Evident registries are created with accessible APIs that allow customers to easily integrate with back-office systems and reporting tools, and they are continually evolving to meet ever-changing governance and technological needs. Through these APIs, Evident supports a rapidly growing ecosystem of technology partners who provide a range of tracking and reporting services, marketplaces, and exchanges - all based on the registries’ trusted, single source of truth.

[Note: Per the guidance provided in the ‘Clarifications of TAB’s Criteria Interpretations’ we understand this question only applies to programmes with active linkages to other registries: ‘Where no relevant registry linkages are present, and unless a programme is found to have demonstrated consistency with the related requirements in any case, TAB confirmed and assessed programmes with understanding that the following requirements are not applicable to the programme: - For the programme to stipulate (and disclose) to which, if any, other registries it is linked; For the programme to stipulate (and disclose) whether and which international data exchange standards the registry conforms with.’]

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

N/A. Per the guidance provided in the ‘Clarifications of TAB’s Criteria Interpretations’ we understand this question only applies to programmes with active linkages to other registries: ‘Where no relevant registry linkages are present, and unless a programme is found to have demonstrated consistency with the related requirements in any case, TAB confirmed and assessed programmes with understanding that the following requirements are not applicable to the programme: - For the programme to stipulate (and disclose) to which, if any, other registries it is linked; For the programme to stipulate (and disclose) whether and which international data exchange standards the registry conforms with.’

Are policies and robust procedures in place to...	
a) prevent the programme registry administrators from having financial, commercial or fiduciary conflicts of interest in the governance or provision of registry services? (<i>Paragraph 2.4.6</i>)	<input checked="" type="checkbox"/> YES
b) ensure that, where such conflicts arise, they are appropriately declared, and addressed and isolated? (<i>Paragraph 2.4.6</i>)	<input checked="" type="checkbox"/> YES

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

Evident has in place a conflicts of interest (COI) policy to provide guidance around managing potential conflicts of interest. The policy provides guidance on identifying conflicts of interest, the prevention and management of any conflicts and provisions relating to appropriate record keeping where conflicts arise. This approach is encapsulated in the C-Capsule Code, section 4.15.

Independence is one of C-Capsule’s core organisational principles, as it allows implementation of the market in a clear, transparent, and equitable manner, offering services such that users of the associated market and stakeholders can trust. It is independent from the market it serves and has no role in the CDR value chain. C-Capsule is prohibited from any trade or exchange of CRUs and in accordance with the Standard, shall only provide services under published tariffs that are independent of the traded price of CRUs. C-Capsule maintains confidentiality and does not provide privileged or otherwise private information to other parties.

Enforcement of rules against conflicts of interest is also governed by the I-TRACK Foundation through their accreditation procedures as outlined in the Standard. To ensure that markets are clear, equitable, and transparent, the Standard mandates that accredited Market Facilitators – including the Code Manager, Registry Operator, and validation and verification bodies known as Verification Authorities – shall not participate directly in any market they serve without adequate protections to ensure the integrity of that market, that market abuse is avoided, and that access is fair and open to all. Accredited entities shall not be owned, in whole or in part, by a holding entity that also owns, in whole or in part, a Registrant (a project developer or their representative) or Participant (market players involved in purchase, sale, trade, or redemption of certificates) in the same CDR market to which the accredited entity provides services.

Prior to accreditation or approval of a Market Facilitator by the I-TRACK Foundation Board, COI checks are made. As per the Standard and demonstrated through the C-Capsule Code, any presence of COIs would prevent accreditation or approval and hence, participation in the market. Post accreditation or approval, the I-TRACK Foundation reserves the right to withdraw such status if any evidence of a COI can be demonstrated. Safeguards against COIs are evidenced in the Standard (see section 10.3.2.1 Independence).

The C-Capsule Service is predicated on trust in provision of a reliable and robust traceability and reporting system. In order to maintain a quality service, all market facilitators including Registry Operator, Issuer and Verification Authorities operating under the C-Capsule Code will be subject to process audits on a periodic and ad-hoc basis. As per the C-Capsule Code, periodic reviews are carried out on an approximately biennial basis following the initial review. A periodic review may involve a visit by the Code Manager to the offices of a Verification Authority.

Are provisions in place...	
a) ensuring the screening of requests for registry accounts? (<i>Paragraph 2.4.7</i>)	<input checked="" type="checkbox"/> YES
b) restricting the programme registry (or registries) accounts to registered businesses and individuals? (<i>Paragraph 2.4.7</i>)	<input checked="" type="checkbox"/> YES
c) ensuring the periodic audit or evaluation of registry compliance with security provisions? (<i>Paragraph 2.4.8</i>)	<input checked="" type="checkbox"/> YES

Summarize and provide evidence of the registry security provisions referred to in a) through c):
 (a/b) In order to access the Evident Registry in the capacity of any of the established user roles, the applicant must be a legal entity. The application is reviewed by the relevant Issuer in the case of a Registrant or Registry Operator in the case of a Participant, who will carry out KYC and AML checks on the Applicant (please see attached Business Confidential documents outlining these processes, as well as Appendix D to this application, the Emissions Unit Programme Registry Attestation). The Issuer or Registry Operator must satisfy itself of the legal identity and good standing of the applicant. An overview of these processes is included in this application as a Business Confidential attachment.

In the interests of an orderly and transparent market, the Issuer and Evident may consult national and international anti-fraud and money laundering authorities and other relevant providers as part of the review. Where an application has been approved, Evident will enable relevant access to the Registry. Once Registry access has been provided, Participants may create and manage accounts on the Registry. Please see section 6.3 of the C-Capsule Code (attached) and Appendix D – Emissions Unit Programme Registry Attestation to learn more about registry access and security.

(c) The C-Capsule Service is predicated on trust in provision of a reliable and robust traceability and reporting system. In order to maintain a quality service, all market facilitators including Registry Operator, Issuer and Verification Authorities operating under the C-Capsule Code will be subject to process audits on a periodic and ad-hoc basis. As per the C-Capsule Code, periodic reviews are carried out on an approximately biennial basis following the initial review.

Question 3.5 Legal nature and transfer of units

Does the programme define and ensure the following:	
a) the underlying attributes of a unit? (Paragraph 2.5)	<input type="checkbox"/> YES
b) the underlying property aspects of a unit? (Paragraph 2.5)	<input type="checkbox"/> YES

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

a) Under section 2.1 of the C-Capsule Code (attached), a CRU is defined as ‘a tradeable instrument that represents the collection of environmental attributes describing a specific record of CDR at a Facility Issued as set out in the Standard and this Product Code. A single C-Capsule is assigned to one metric tonne of CO₂eq of CDR.’ This includes temporal, geographic and methodological information in relation to the CDR activity verified at the time of issuance.

Section 3.1 of the C-Capsule Code goes on to state ‘C-Capsule delivers a Product Certificate for CDR, acting as a verifiable record for the direct removal and Sequestration of GHG (expressed in metric tonne of CO₂eq) from the atmosphere. C-Capsule will consider methodologies for CDR that are measurable, durable, additional, and verifiable. CRUs can generate primary or additional revenue streams for CDR activity. End-users can use CRUs as an evidentiary statement of the ownership of underlying CDR Attributes for neutralisation and reporting purposes.’

b) Project owners or their representatives (‘Registrants’) must provide evidence upon registration proving the Registrant is the owner of the environmental attributes. From C-Capsule Code section 8.3: ‘A Registrant must be the Facility owner or duly appointed by the Facility owner(s). Proof of this status shall be required (see Section 8.7). Such proof may be a copy of the legal ownership or an Owner’s Declaration. See [SF-02A: Owner’s Declaration](#) for details of the accepted wording for an Owner’s Declaration. It is the Registrant’s responsibility to satisfy the Issuer that the proposed Facility registration is valid. The Issuer can request any additional information it deems necessary to verify the eligibility of a submitted Facility registration.’

Question 3.6 Validation and verification procedures

Are standards, requirements, and procedures in place for... (Paragraph 2.6)	
a) the validation of activities?	<input checked="" type="checkbox"/> YES
b) the verification of emissions reductions?	<input checked="" type="checkbox"/> YES
c) the accreditation of validators?	<input checked="" type="checkbox"/> YES

d) the accreditation of verifiers?	<input checked="" type="checkbox"/> YES
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Provide evidence of the standards, requirements, and procedures referred to in a) through d), including their availability to the public:

(a/b) As C-Capsule, we ensure that all projects seeking issuance for CRUs are subjected to a rigorous validation and verification process, providing a reasonable level of assurance for their carbon removal claims. Our verification process is designed to meet the highest standards and follows the guidelines set forth by various standard setting bodies, including ISO 14064-3, which our first approved Verification Authority, SGS Global, are accredited against.

The verification process consists of multiple steps, starting with an approved, independent, Verification Authority conducting thorough audits of each project. This Verification Authority is separate from the project itself and operates independently to ensure unbiased assessment. During the audit, the projects are evaluated against the requirements outlined in an approved Methodology, including a Project Design Document (PDD). Once validated, the Issuer shall satisfy itself that the information available in the Facility Registration form, PDD and any other associated documents are in line with what is expected from the relevant Methodology before approving the Facility Registration. Validation bodies (Issuers) and verification authorities are by design independent from each other as well as C-Capsule, Evident, and Facility owners.

Our commitment to maintaining a robust and trustworthy system continues even after projects are registered and onboarded onto the registry. Each issuance request submitted by the Registrant is subject to further validation by the Issuer. This process involves cross-referencing the delivery documentation provided by the project or public data to confirm the net durable CDR achieved. This step ensures that the reported durable CDR is accurate and aligns with the initial claims made during the validation process.

By adhering to a stringent verification and validation process, we uphold the integrity of the C-Capsule Code and provide a reasonable level of assurance to stakeholders and the general public regarding the effectiveness of certified durable CDR projects.

C-Capsule's validation services are supported by a designated Central Issuer, the Green Certificate Company (GCC) in the absence of a nationally appointed Issuer. Issuers serve as the primary validation body and are authorised to make certificate entries in the Registry. Issuers operate under a contract with the Code Manager that contains geographic restrictions on where they may provide services defined in collaboration with the I-TRACK Foundation. C-Capsule recognises that local delivery of issuing services provides benefits for many market entities. Whether required by legislation or in response to market demand, C-Capsule will seek to work with suitably qualified entities to support their accreditation with the intention of engaging with them as local Issuers for C-Capsule.

(c/d) The C-Capsule Service is predicated on trust in provision of a reliable and robust traceability and reporting system. In order to maintain a quality service, all market facilitators including Registry Operator, Issuer and Verification Authorities operating under the C-Capsule Code will be subject to initial accreditation and process

audits on a periodic and ad-hoc basis. As per the C-Capsule Code, periodic reviews are carried out on an approximately biennial basis following the initial review. A periodic review may involve a visit by the Code Manager to the offices of the Verification Authority.

Accreditation of all relevant entities (Registry Operator, Issuers, Verification Authorities) is undertaken according to the procedures fully detailed in section 10 of the [Standard](#). Accredited entities must meet the following requirements, at a minimum, to be approved for issuing and validation activities in line with the C-Capsule Product Code:

- **Know your customer (KYC) practices (Standard, section 10.3.2):** accredited entities must 'have effective procedures in place to verify the identity, legal status, and integrity of Entities they either directly conduct business with or provide services to' and 'may consult national and international anti-fraud and money laundering authorities to comply with KYC requirements'.
- **Fraud prevention (Standard, section 10.3.4):** accredited entities must facilitate confidential reporting by any market participant of suspected fraudulent activity, money laundering, tax evasion, or other illegal activity. Accredited entities must, where permitted, share information with C-Capsule as the Code Manager regarding any suspicious activity, which will be considered on a quarterly basis by the I-TRACK Foundation and national or international authorities as needed.
- **Data security (Standard, section 10.3.5):** accredited entities must ensure that 'any data they possess is complete, accurately represented, and securely stored' and 'information technology systems are protected with security protocols appropriate to the information held' including encryption as relevant. The IATS requires that any modification to data related to a product certificate (e.g. a C-Capsule CRU) be stored in an immutable data store to ensure unique attribution.
- **Business continuity (Standard, section 10.3.6):** accredited entities must ensure that interruptions to service provision, whether caused by their own actions or by an external actor, can be addressed or mitigated as far as reasonably possible. This includes testing disaster recovery processes and ensuring services are not dependent on single individuals.
- **Insurances (Standard, section 10.3.7):** accredited entities must hold the necessary insurances required under applicable laws in the domiciles in which they operate, providing suitable indemnities sufficient to mitigate the main risks of their operations and potential liabilities associated with the Product Codes for which they are accredited.
- **Business conduct (Standard, section 10.3.8):** accredited entities must comply with the applicable laws and government guidelines relevant to the places where they are domiciled and with the requirements and principles of the Standard.
- **Competent persons and training (Standard, section 10.3.9):** accredited entities are required to be ensure that their staff and contractors are appropriately trained and competent to perform the roles that support all services for which the business is accredited.
- **Independence (Standard, section 10.3.11):** accredited entities shall not be owned, in whole or in part, by a holding Entity that also owns, in whole or in part, a Registrant or Participant in the same Product market to which it provides services. (A full or partial exemption to this requirement may be granted by the I-TRACK Foundation Board where the holding Entity is controlled by a government department or similar authority and subsequently authorised by the Board.) Accredited entities shall hold no assets of

any Product other than as an end-user unless they are explicitly required to do so under applicable law.

- **Tariffs (Standard, section 10.3.16):** Accredited entities must publish and adhere to universally applied tariffs for all services. Tariffs may vary if such variation is non-discriminatory and if all variations have clearly defined conditions that are universally applied.

Verification Authorities must seek approval by the I-TRACK Foundation upon a recommendation from C-Capsule’s Advisory Council. Per section 4.7 of the C-Capsule Code (attached), the responsibilities of a Verification Authority primarily pertain to the validation of facilities, the verification of data used to prove Issuance of a CRU, auditing of activities carried out within the Registry, and investigations of EOCDs. Verification Authorities must complete an application and receive approval from the Code Manager, Advisory Council, and the I-TRACK Foundation before they have the authority to complete any of the tasks described above.

Approval can be granted for entities able to evidence at least one of the following:

- Accreditation to the ISO-14064 standard for GHG accounting and verification;
- Accreditation by the UNFCCC as Designated Operational Entities to operate under the Clean Development Mechanism (CDM) or its replacement category under Article 6;
- Accreditation by the CDP as an accredited verification solution provider;
- Recognition by a relevant intergovernmental, governmental, or local regulatory body as an authorised entity to perform GHG accounting and verification.

SGS Global are the first approved Verification Authority for C-Capsule, with more in the pipeline to be approved and onboarded. SGS are a world-leading testing, inspection and certification company, recognised as the global benchmark for sustainability, quality and integrity. Their 97,000 employees operate a network of 2,650 offices and laboratories, working together to enable a better, safer, and more interconnected world.

Verification Authority accreditation and verification processes are addressed in section 4.7 and 4.14 of the C-Capsule Code (attached) and in section 10 of the [Standard](#).

Validation and verification procedures are methodology-specific and must be outlined in approved Methodology documents. For an example, see the [Distributed Biochar Methodology](#).

Question 3.7 Programme governance

Does the programme publicly disclose who is responsible for the administration of the programme? (<i>Paragraph 2.7</i>)	<input checked="" type="checkbox"/> YES
Does the programme publicly disclose how decisions are made? (<i>Paragraph 2.7</i>)	<input checked="" type="checkbox"/> YES

Provide evidence that this information is available to the public:

Information on C-Capsule administration, its leadership team, and key processes is available at the C-Capsule website (see [FAQs](#) and [About Us](#)). The appointment processes for leadership, committees, and groups within C-Capsule are designed to ensure fairness, inclusivity, and diversity. Our aim is to establish a transparent and robust system that promotes equal opportunities for all individuals involved.

The C-Capsule Advisory Council was selected based on proven expertise, independence and credibility in carbon removal, or carbon markets more broadly, and their commitment to the mission of C-Capsule. When members leave the AC, a replacement will be identified, and an effort will be made to ensure sufficient topical expertise, gender, and geographical balance.

C-Capsule or the Advisory Council may also decide to establish sub-councils, working groups, or committees to provide additional expertise or address a specific issue. These groups are not under the control of the I-TRACK Foundation, but rather that of the Accredited Entity, i.e. C-Capsule as Code Manager. Where positions arise for these groups, C-Capsule will announce open calls for applications to ensure that interested individuals or organisations from diverse backgrounds have an equal opportunity to apply and participate.

Decision-making processes are described in detail throughout the documents available on the [C-Capsule website](#) and in the [Standard](#).

Can the programme demonstrate that it has... (<i>Paragraph 2.7.2</i>)	
a) been continuously governed for at least the last two years?	<input checked="" type="checkbox"/> YES
b) been continuously operational for at least the last two years?	<input checked="" type="checkbox"/> YES
c) a plan for the long-term administration of multi-decadal programme elements?	<input checked="" type="checkbox"/> YES
d) a plan for possible responses to the dissolution of the programme in its current form?	<input checked="" type="checkbox"/> YES

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

(a/b) A Memorandum of Understanding (MoU) was signed by the I-TRACK Foundation and C-Capsule for the development of a Product Code for durable CDR consistent with the International Attribute Tracking Standard in July 2021. Since the signing of the MoU, both parties have worked jointly on the development of the C-Capsule Code for CDR.

The C-Capsule Code for CDR was developed by C-Capsule Limited, an independent organisation registered in Sheffield, UK, on November 9, 2022. C-Capsule was co-founded by [Carbon Finance Labs \(CFL\)](#), [Evident](#) and the [Green Certificate Company \(GCC\)](#), combining over 25 years of experience within the REC (renewable energy certificate) and carbon markets to deliver a robust certification system for durable Carbon Dioxide Removal (CDR). The C-Capsule Code and the first methodology under C-Capsule (distribute biochar) were approved for use by the I-TRACK Foundation on December 13, 2022. Per our understanding of the Eligible Unit Criteria, credits issued and registered under C-Capsule should be eligible for CORSIA beginning December 14, 2024.

(c) As part of an approved methodology, projects commit to ensuring the continued existence and durability of CDR certified until the risk of reversal has been eliminated or deemed negligible. Even beyond expiry of a minimum term (five years), Registrants are required to provide reasonable evidence for monitoring in adherence with our requirements for safeguarding against 100 years durability as defined in the methodology.

We understand that monitoring could range from decades to centuries, which may pose burdens and costs to the Registrant but also recognise the inherent risk of reversal that needs to be managed. To address the challenge of long-term monitoring, C-Capsule encourages project proponents to explore innovative solutions and partnerships, including through digital MRV and the transfer of risk management to commercial or sovereign-backed insurance providers. Such collaborations may help manage the financial burden associated with extended monitoring while maintaining accountability for the durability of carbon removal claims.

We remain steadfast in advocating for comprehensive risk management strategies. These strategies are integral to safeguarding against any major reversals and ensuring the durability of carbon removal projects.

The C-Capsule Code requires 100 years minimum durability of sequestered carbon for CDR processes and technologies. It states that *'A C-Capsule Certificate shall only be issued for Durable CDR activity, ensuring Sequestration over a minimum 100-year time horizon'*. C-Capsule defined durability as 100+ years because:

1. Nothing is permanent but we need to have some certainty of the environmental effect;
2. It aligns with IPCC Global Warming Potential (GWP) determinations for inventory and reporting purposes;
3. A political consensus on furthest realistic time horizon of reliable enforcement;
4. 20-50 years too short relative to problem and effort; and
5. 1,000 years too long to manage co-risk factors.

C-Capsule ensures this principle by only submitting Methodologies with high likelihoods of durability ('Expected Effect', see below for more detail) to the Advisory Council and Foundation Board for approval, thus excluding CDR methods with short-lived sequestration, primarily nature-based solutions (NBS) such as afforestation or reforestation. The scope for eligible Methodologies therefore currently includes DACCS, BECCS, BiCRS, and enhanced weathering. Despite high degrees of Expected Effect, there remains a risk (political, economic, environmental or geological) of reversal of sequestered carbon (EOCD) that needs to be quantified and managed.

Every CRU is issued with an Expected Effect over a 100-year time horizon, which accounts for the probability of an EOCD not occurring over a 100-year time horizon. The Expected Effect will automatically determine the Insurance Buffer applied at each Issue Request. The Expected Effect reflects the percentage of CRUs allocated to the Insurance Account per Issue Request (i.e. 96% Expected Effect = 4% of CRUs deposited to the Insurance Account). The Expected Effect and associated buffer contribution are defined in the Methodology and verified at Facility Registration.

C-Capsule recognises the impact of potential non-permanence from CDR activity over a 100-year time horizon

and reversal of GHG emissions within the project boundary is recognised in two forms:

- **Predictable Leakage:** reversal or degradation events that can be accounted for and predicted in the methodology over the 100-year period. The leakage includes the calculation of net CDR.
- **EOCD:** unpredictable Reversal events that are accounted in the determination of Expected Effect and reflected in the Insurance Buffer contribution.

The Code Manager recognises the impact of potential non-permanence from CDR activity and has adopted a robust mechanism to compensate for an EOCD. Registrants shall either have an Insurance Buffer applied at Issue Request, or contract with an Insurance Body to manage the risk of an EOCD and potential remediation of CRUs. Any EOCD that does occur shall be fully compensated through replacement CRUs drawn from the Insurance Account or procured via an Insurance Body.

After the EOCD Report confirming the characteristics of a reversal including magnitude and causal factor has been submitted to the Issuer or Insurance Body, affected CRUs shall be remediated by cancelling a volume equivalent to the magnitude of EOCD in an Insurance Account on the Registry.

Under the C-Capsule Code, each EOCD shall be remediated by the Insurance mechanism chosen by the Registrant. Each defaulted CRU must be matched by CRU cancelled from an Insurance Account owned and managed either by the Issuer/Insurance Body. If a Registrant has contributed to an Insurance Account through an Insurance Buffer, an amount of CRUs equivalent to the magnitude of EOCD shall be cancelled by the Issuer or Insurance Body associated with the Facility. The cancellation shall occur from an Insurance Account owned by the Issuer or Insurance Body within thirty business days of receiving an EOCD Report.

Registrants may choose to appoint an accredited Insurance Body to manage the risk of an EOCD and avoid an Insurance Buffer at Issue Request. Where a Registrant has contracted an Insurance Body, the Insurance Body shall cancel a volume of CRUs equivalent to the magnitude of the EOCD from their Insurance Account within thirty business days of notification of an EOCD Report. The Issuer/Insurance Body shall provide C-Capsule with evidence that the number of CRUs defined in the EOCD Report have been cancelled from their Insurance Account.

The requirements and mechanisms for risk mitigation can be found in section 12 of the C-Capsule Code (attached) and in the [EOCD Report](#) found on the website.

(d) C-Capsule, approved Issuers, and other Verification Authorities are accredited by the I-TRACK Foundation according to the [Standard](#). Section 10.3.6 of the Standard requires accredited entities to have business continuity practices in place: 'Accredited Entities have a responsibility to ensure that interruptions to service provision, whether caused by their own acts or omissions or by an external actor, can be addressed or mitigated and that impacts can be limited as far as reasonably possible. Subject to any requirements by applicable laws, further obligations, and restrictions may be placed on Accredited Entities. (b) Accredited Entities shall define, operate, test, and maintain clearly defined processes that support disaster recovery and minimise the likelihood and impact of service interruption. (c) Accredited Entities shall ensure that services are not dependent on single individuals and that there is a documented plan to enable all functions to be performed in accordance with the

quality and time requirements of the Product Code.’

According to section 9.3 of the C-Capsule Code, ‘in the event of the dissolution of C-Capsule or the inability of C-Capsule to manage the insurance buffer pool, the pool will be managed by Evident, C-Capsule’s co-founder, or a comparable qualified organisation of Evident’s election.’

Are policies and robust procedures in place to...	
a) prevent the programme staff, board members, and management from having financial, commercial or fiduciary conflicts of interest in the governance or provision of programme services? (<i>Paragraph 2.7.3</i>)	<input checked="" type="checkbox"/> YES
b) ensure that, where such conflicts arise, they are appropriately declared, and addressed and isolated? (<i>Paragraph 2.7.3</i>)	<input checked="" type="checkbox"/> YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):
 Evident has in place a conflicts of interest (COI) policy to provide guidance around managing potential conflicts of interest. The policy provides guidance on identifying conflicts of interest, the prevention and management of any conflicts and provisions relating to appropriate record keeping where conflicts arise. This approach is encapsulated in the C-Capsule Code, section 4.15.

Independence is one of C-Capsule’s core organisational principles, as it allows implementation of the market in a clear, transparent, and equitable manner, offering services such that users of the associated market and stakeholders can trust. It is independent from the market it serves and has no role in the CDR value chain. C-Capsule is prohibited from any trade or exchange of CRUs and in accordance with the Standard, shall only provide services under published tariffs that are independent of the traded price of CRUs. C-Capsule maintains confidentiality and does not provide privileged or otherwise private information to other parties.

Enforcement of rules against conflicts of interest is also governed by the I-TRACK Foundation through their accreditation procedures as outlined in the Standard. To ensure that markets are clear, equitable, and transparent, the Standard mandates that accredited Market Facilitators – including the Code Manager, Registry Operator, and validation and verification bodies known as Verification Authorities – shall not participate directly in any market they serve without adequate protections to ensure the integrity of that market, that market abuse is avoided, and that access is fair and open to all. Accredited entities shall not be owned, in whole or in part, by a holding entity that also owns, in whole or in part, a Registrant (a project developer or their representative) or Participant (market players involved in purchase, sale, trade, or redemption of certificates) in the same CDR market to which the accredited entity provides services.

Prior to accreditation or approval of a Market Facilitator by the I-TRACK Foundation Board, COI checks are made. As per the Standard and demonstrated through the C-Capsule Code, any presence of COIs would prevent accreditation or approval and hence, participation in the market. Post accreditation or approval, the I-TRACK

Foundation reserves the right to withdraw such status if any evidence of a COI can be demonstrated. Safeguards against COIs are evidenced in the [Standard](#) (see section 10.3.2.1 Independence).

The C-Capsule Service is predicated on trust in provision of a reliable and robust traceability and reporting system. In order to maintain a quality service, all market facilitators including Registry Operator, Issuer and Verification Authorities operating under the C-Capsule Code will be subject to process audits on a periodic and ad-hoc basis. As per the C-Capsule Code, periodic reviews are carried out on an approximately biennial basis following the initial review. A periodic review may involve a visit by the Code Manager to the offices of a Verification Authority.

If the programme is not directly and currently administered by a public agency, can the programme demonstrate up-to-date professional liability insurance policy of at least USD\$5M? (<i>Paragraph 2.7.4</i>)	<input checked="" type="checkbox"/> YES
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Provide evidence of such coverage:
 Evident Ev Limited’s employee liability insurance, which covers C-Capsule programme and Evident staff, is included with this application as a Business Confidential attachment.

Question 3.8 Transparency and public participation provisions

Does the programme publicly disclose... (<i>Paragraph 2.8</i>)	
a) what information is captured and made available to different stakeholders?	<input checked="" type="checkbox"/> YES
b) its local stakeholder consultation requirements (if applicable)?	<input checked="" type="checkbox"/> YES
c) its public comments provisions and requirements, and how they are considered (if applicable)?	<input checked="" type="checkbox"/> YES

Provide evidence of the public availability of items a) through c):
 (a) The C-Capsule Code for CDR was designed in adherence with the [Standard](#), which outlines a set of requirements to ensure tracking systems for environmental attributes are of the highest quality and meet the most rigorous expectations of stakeholders, market players, end-users and governments. Its goal is to provide clear and concise rules for organisations, including C-Capsule, to design and implement certification standards based on shared principles and a common infrastructure for environmental attribute tracking. The Standard is owned and managed by the I-TRACK Foundation, a not-for-profit based in the Netherlands.

Documentation related to C-Capsule, Evident, and the I-TRACK Foundation are all publicly available at their respective websites ([C-Capsule](#), [Evident](#), [I-TRACK Foundation](#)).

(b/c) The C-Capsule team consulted various stakeholders beyond the I-TRACK Foundation in the development of the C-Capsule Code, including, inter alia, project developers, market intermediaries, non-profits, end-users and governments. The I-TRACK Foundation hosted a public consultation of the C-Capsule Code in November 2022. Version 1.0 of the C-Capsule Product Code received preliminary accreditation by the I-TRACK Foundation's Board on December 13, 2022. Version 1.1 of the C-Capsule Product Code (attached to this application in its latest draft form), is currently undergoing a public consultation process and is expected to be finalised and uploaded to the C-Capsule website by March 30, 2024. The process is outlined at the [I-TRACK Foundation website](#).

Stakeholder consultation requirements for methodology approval are outlined in section 4.5 of [QP-01 Methodology Approval](#). This process entails a 30-day public comment period, an optional online discussion with the methodology developer, and a summary analysis and recommendation document provided by C-Capsule to the methodology developer for consideration and incorporation before final submission for approval.

C-Capsule transparently makes revisions to rules according to the Standard Change Management procedure in the [Standard](#) (Section 11), as evidenced in Section 18 of the C-Capsule Code (attached). Any Entity may make a proposal to change the Code. The I-TRACK Foundation Board will review all such proposals and determine the process for their evaluation. Once the process has been completed, the Board will vote on implementation of the change request. All change requests must be submitted to the I-TRACK Foundation using a standard change request form.

For grievance and redress mechanisms, please see section 12 of the [Standard](#) and section 14 of the C-Capsule Code (attached). In principle, any entity or group of entities may submit a complaint to the I-TRACK Foundation Board. The Board will review all received complaints and determine the most appropriate process for its resolution. Complaints can be made at any time by any Entity. Complaints shall relate to the subject matters covered by the Standard, including but not limited to:

- Accredited entities or their associated facilitation
- Participants and Registrants
- Regulations of C-Capsule Code or their interpretation
- Communication of the I-TRACK Foundation
- Rules of the I-TRACK Foundation or the Standard itself.

Procedural steps of a Complaint:

- a) Following receipt of the complete complaint, the Board will determine the credibility and authenticity of the complaint. The Board will then determine the urgency associated with the complaint to determine a timeline in which the complaint will be dealt with. The Board will also develop a process for which the complaint can be further evaluated, if this is deemed necessary, by the Board.
- b) Following an assessment of the complaint and the urgency associated with it, the Board will propose a timeframe for a response to the Entity which submitted the complaint.
- c) The Entity notifying the complaint shall be available to the Board to answer further questions in

relation to the complaint to enable the Board to effectively discharge its functions in managing and seeking to resolve the complaint.

Decision related to the complaint:

- a) Once the complaint has been evaluated and the Board has determined a resolution or response, the Board will undergo informal discussions with any affected Entities with the goal of finding a resolution.

The Board shall not be required to provide a definitive resolution in relation to the complaint. At the request of any affected Entity, the relevant complaint may be made public on the I-TRACK Foundation website along with the associated response from the I-TRACK Foundation.

Does the programme conduct public comment periods relating to... (<i>Paragraph 2.8</i>)	
a) methodologies, protocols, or frameworks under development?	<input checked="" type="checkbox"/> YES
b) activities seeking registration or approval?	<input checked="" type="checkbox"/> YES
c) operational activities (e.g., ongoing stakeholder feedback)	<input checked="" type="checkbox"/> YES
d) additions or revisions to programme procedures or rulesets?	<input checked="" type="checkbox"/> YES

Summarize and provide evidence of any programme procedures referred to in a) through d):
Please see the response to the question immediately preceding this one.

Question 3.9 Safeguards system

Are safeguards in place to address... (<i>Paragraph 2.9</i>)	
a) environmental risks?	<input checked="" type="checkbox"/> YES
b) social risks?	<input checked="" type="checkbox"/> YES

Summarize and provide evidence of the safeguards referred to in a) and b), including their availability to the public: C-Capsule enshrines the rule of ‘no harm’ in the C-Capsule Code (attached). Section 8.4.2.5 states that ‘A Facility shall demonstrate clear “no harm” protections that prevent or mitigate against the potential for negative externalities on the surrounding ecosystems and communities’. This shall include clear guidance and procedures to ensure the project can identify, assess, and mitigate potential environmental and social risks.

Registrants must include in the PDD robust environmental and social safeguards adherent to international

standards and industry best-practice. This includes, but not limited to, the International Finance Corporation’s (IFC) Social and Environmental Performance Standards, the UNDP Social and Environmental Standards, the UNEP Environmental, Social and Sustainability Framework and the International Labour Organisation Fundamental Conventions (ILO).

Registrants provide a risk register for all potential environmental and social risks that may result from the durable CDR activity. A description of the risk type, along with its likelihood and impact must be included in the PDD. Example procedures and response plans must be provided to ensure robust mitigation of any associated risks.

As recommended by various standards, Methodologies must consider the following environmental and social impacts and corresponding safeguard requirements, including reference materials, tools, and best-practice.

- a) Labour rights and working conditions
- b) Resource efficiency and pollution prevention
- c) Land acquisition and involuntary resettlement
- d) Biodiversity conservation and sustainable management of living natural resources
- e) Indigenous people, local communities, and cultural heritage
- f) Human rights, stakeholder engagement, and grievance
- g) Gender equality

Question 3.10 Sustainable development criteria

Does the programme use sustainable development criteria? (<i>Paragraph 2.10</i>)	<input checked="" type="checkbox"/> YES
Does the programme have provisions for monitoring, reporting and verification in accordance with these criteria? (<i>Paragraph 2.10</i>)	<input checked="" type="checkbox"/> YES

Summarize and provide evidence of the policies and procedures referred to above:
 According to section 8.4.6 of the C-Capsule Code (attached), Registrants may elect to claim CRUs issued from a Facility under their ownership serve to fulfil UN Sustainable Development Goals (SDGs) or other sustainable development criteria schemes. All claims made regarding SDGs, including how the project plans to implement MRV of the claims, must be evidenced during the submission of the PDD, including how a project activity is consistent with the SDG objectives of the host country. For a CRU to receive a label denoting its sustainability impact, evidence must be verified by an approved Labelling Authority.

Question 3.11 Avoidance of double counting, issuance and claiming

Does the programme use sustainable development criteria? (<i>Paragraph 2.10</i>)	<input checked="" type="checkbox"/> YES
Does the Programme provide information on how it addresses double counting, issuance and claiming in the context of evolving national and international regimes for carbon markets and emissions trading? (<i>Paragraph 2.11</i>)	<input checked="" type="checkbox"/> YES

Summarize and provide evidence of the information referred to above, including its availability to the public:
[Note: The first question here repeats the previous question.]

C-Capsule enshrines the rule of no double counting or claiming in section 3.3 of the C-Capsule Code (attached). It states that a 'C-Capsule Certificate is a unique statement representing the environmental attributes (representing the environmental, economic, and social benefits) associated with CDR activity during a specified period'. No C-Capsule Certificate can be issued where another certificate or similar instrument relating to the same environmental attributes included within the C-Capsule specification for the respective unit of CDR currently exists. This is to ensure the avoidance of double counting of any rights to environmental attributes included within a CRU.

Once a CRU has been redeemed, only one claim to the underlying environmental attributes of that CRU can be made. Participants can generate a Redemption Statement from the Registry which can be used as a uniquely generated disclosure statement. Redemptions and underlying documentation are publicly available for review at C-Capsule's website.

The Evident Registry for C-Capsule records and publicly tracks all actions within the lifecycle of a CRU. It identifies individual certificates via unique serial numbers. Furthermore, certificates contain information relating to constituent facilities to include vintage, facility type, and location that can be used to prevent double counting. The certificate status is inferred via custody (i.e. who it belongs to, and which type of account it resides in). Audits for the entire lifecycle of a certificate are available as each transfer for a certificate in the Evident Registry for C-Capsule is individually recorded.

As part of the Facility Registration Process, the Registrant (project developer or their representative) must confirm that for the same units of CDR, the Facility will not receive or apply for any certificates or other instruments representing the associated environmental attributes. If the Registrant is not also the Facility Owner, they are required to submit a declaration confirming the Registrant has been assigned the rights to register the Facility. The Owner's declaration assigns the exclusive rights of the Registrant to act in respect of trading all environmental attributes (representing the environmental, economic, and social benefits associated with CDR) from the Facility from the Effective Registration Date. See [SF-02B: Owner's Declaration](#) as part of the Facility Registration form for the approved text to be copied onto the Facility owner's headed paper, completed and signed by an officer of the Facility Owner.

The C-Capsule Code allows for a Facility to be registered against more than one CDR tracking registry to provide

flexibility in instrument creation. As part of the Facility Registration process, the Registrant is required to provide details (including registration id) of any other carbon credit or tracking scheme for which the Facility is registered against to the Issuer. C-Capsule will integrate with the [Climate Action Data Trust](#) platform to harmonise with other major registries to avoid double counting, increase trust and enhance transparent accounting.

PART 4: Carbon Offset Credit Integrity Assessment Criteria

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

Note—“*Paragraph X.X*” in this form refers to corresponding paragraph(s) in Appendix A “Supplementary Information for Assessment of Emissions Unit Programmes”.

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

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

Question 4.1 Are additional

Do the Programme’s carbon offsets... (<i>Paragraph 3.1</i>)	
a) represent greenhouse gas emissions reductions or carbon sequestration or removals that exceed any greenhouse gas reduction or removals required by law, regulation, or legally binding mandate?	<input checked="" type="checkbox"/> YES
b) exceed any greenhouse gas reductions or removals that would otherwise occur in a conservative, business-as-usual scenario?	<input checked="" type="checkbox"/> YES

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

(a) At Facility Registration, Registrants are required to demonstrate additionality, meaning their durable CDR activity would not have otherwise happened without the incentive created through carbon financing (creation and sale of a C-Capsule Certificate) or technological, institutional or regulatory barriers.

Before meeting additionality requirements, the Facility must demonstrate that their technology or process is not required by existing laws, regulations, or other binding obligations. This Regulatory Surplus check constitutes the minimum requirement for a Facility to be considered Additional and eligible for Facility Registration. It can be considered surplus if the CO₂ removed exceeds the requirements imposed by regulation.

(b) After passing Regulatory Surplus requirements, the Registrant must demonstrate Additionality in accordance with the approved Methodology or other appropriate mechanism such as those provided by the UNFCCC CDM (Clean Development Mechanism) ‘Tool for demonstration and assessment of additionality’.

For Facilities not recognised by a Positive List, bespoke methods may be used to demonstrate additionality:

- i) Investment Analysis: the Registrant must evidence that carbon financing is the most economically attractive alternative to other methods of financing.
- ii) Barrier Analysis: the Registrant must evidence the barriers to deploying the Facility that carbon financing can overcome including financial, operational-or maintenance-cost barriers, technological, institutional or the first-of-its-kind barriers, etc.

To exceed a performance standard, a project is required to achieve a level of performance that is significantly better than average compared with similar practices or activities that are recent and in a relevant geographic area.

This process is detailed in section 8 of [SD-01: Methodology Guidelines](#).

Is additionality and baseline-setting... (<i>Paragraph 3.1</i>)	
a) assessed by an accredited and independent third-party verification entity?	<input checked="" type="checkbox"/> YES
b) reviewed by the programme?	<input checked="" type="checkbox"/> YES

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

(a/b) As specific additionality tests and baseline-setting are defined in approved methodologies, these criteria are verified by C-Capsule, an independent Expert Group, and the Advisory Council before undergoing public consultation. This process is outlined in sections 4.3-4.6 of [QP-01: Methodology Approval](#).

The C-Capsule program employs a meticulous and multi-faceted methodology approval process to ensure scientific validity and stakeholder engagement. Initially, methodologies undergo an extensive internal and external evaluation, involving both C-Capsule’s internal review and assessment by an independent Expert Group. This group, consisting of members with specified roles and qualifications, provides a detailed analysis of the methodologies, ensuring they adhere to the C-Capsule Code and Methodology Guidelines. Importantly, C-Capsule retains the authority to halt the approval process if a methodology fails to meet required standards or poses ethical or market integrity concerns, thereby maintaining high standards of scientific and ethical rigor.

Public engagement is a cornerstone of this process, as demonstrated by a 30-day public consultation phase. During this period, methodologies are made available on C-Capsule’s website, inviting public comments and observations. This step not only democratizes the approval process but also ensures a broader perspective on the proposed methodologies. Following the consultation, the Methodology Developer is required to address the public feedback, either by amending the methodology or justifying any disregard of the comments. This phase is pivotal in refining the methodologies and enhancing their transparency and acceptability.

Finally, the methodology undergoes a conclusive review by C-Capsule, taking into account the Expert Group’s feedback and public comments. This is followed by an assessment by the Advisory Council, which then forwards

a recommendation to the I-TRACK Foundation Board for the final decision. Once approved, methodologies are publicly listed on the C-Capsule website, signifying their compliance with the programme's standards and their acceptance as approved methodologies. This end-to-end process, integrating expert evaluation, public consultation, and final vetting by multiple authoritative bodies, underscores C-Capsule's commitment to scientific rigor and inclusivity in its methodology approval process.

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

- Barrier analysis
- Common practice / market penetration analysis
- Investment, cost, or other financial analysis
- Performance standards / benchmarks
- Legal or regulatory additionality analysis (as defined in *Paragraph 3.1*)

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

The process by which approved methodologies must demonstrate additionality is defined in section 8 of [SD-01: Methodology Guidelines](#). For distributed biochar, additionality criteria are defined in section 7 of the [methodology](#). Section 8.3.5 of the distributed biochar methodology requires that, before issuance of a CRU, the Issuer must satisfy itself that the additionality criteria are met.

All methodologies must pass a regulatory surplus test in addition to either a standardised or bespoke additionality demonstration method. Standardised methods include market penetration assessments and tests of financial attractiveness (benchmark or investment comparison). Bespoke methods include market penetration or barrier analysis (financial or technological).

Before demonstrating additionality, the Facility must demonstrate that their technology or process is not required by existing laws, regulations, or other binding obligations. This Regulatory Surplus check constitutes the minimum requirement for a Facility to be considered additional and eligible for Facility Registration. It can be considered surplus if the CO₂ removed exceeds the requirements imposed by regulation.

(b) After passing Regulatory Surplus requirements, the Registrant must demonstrate additionality in accordance with the approved Methodology or other appropriate mechanism such as those provided by the UNFCCC CDM (Clean Development Mechanism) 'Tool for demonstration and assessment of additionality'.

For Facilities not recognised by a Positive List, standardised methods may be used to demonstrate additionality through market penetration or financial/investment analysis:

- 1) Market Penetration:

- a) In a geographical region where market penetration of the CDR activity is below 10%, it shall be considered additional given the activity is facing significant economic barriers to entry and requires the support of carbon financing.
 - b) Alternatively, if the type of CDR activity defined in the methodology has been commercially available in the applicable country for less than three years, it shall also be considered additional.
 - c) In order to qualify for Additionality under a market penetration assessment, the following steps shall be followed.
 - i) The market size of a CDR activity shall be clearly defined in terms of recent uptake or stock installations,
 - ii) The geographical region of market penetration shall be clearly defined, and
 - iii) The CDR activity shall not be considered Additional if market penetration exceeds 5%.
- 2) Investment Analysis: the Registrant must evidence that carbon financing is the most economically attractive alternative to other methods of financing, meeting the following requirements:
- a) A financial indicator, for example internal rate of return (IRR) or net present value (NPV) shall be used in the calculation,
 - b) The calculation of the financial indicator shall include all relevant expenditure (CAPEX, OPEX) and revenue (REVEX), including subsidies or development aid if applicable,
 - c) The assumptions, data and conclusions shall be transparently documented, appropriately evidenced and consistent with any information submitted to the Facility owner's board of directors or banks/equity holders financing the mitigation activity,
 - d) The cash flows used in the assessment shall be expressed in either real or nominal terms, and the calculation shall be consistent with the benchmark used, such as project IRR or equity IRR,
 - e) The benchmark shall be consistent with the weighted average cost of capital or equity, if applicable, relevant to the country, sector and type of CDR activity
 - f) The period of assessment shall reflect the duration of expected operation i.e. the technical lifetime of the CDR activity and prospective facility, and
 - g) A sensitivity analysis shall be conducted to demonstrate whether any conclusion of financial attractiveness is robust to reasonable variation amongst the critical assumptions.

Bespoke additionality tests may also be used, including market penetration (the project must evidence that the technology or process is not common practice within the country or region) or barrier analysis (the project must evidence the barriers to deploying the Facility that carbon financing can overcome including financial, operational-or maintenance-cost barriers, technological, institutional or the first-of-its-kind barriers, etc.).

To exceed a performance standard, a project is required to achieve a level of performance that is significantly better than average compared with similar practices or activities that are recent and in a relevant geographic area.

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

N/A

If the programme designates certain activities as automatically additional (e.g., through a “positive list” of eligible project types), does the programme provide clear evidence on how the activity was determined to be additional? (<i>Paragraph 3.1</i>)	<input checked="" type="checkbox"/> YES
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Summarize and provide evidence of the policies and procedures for determining the automatic additionality of activities, including a) the criteria used to determine additionality and b) their availability to the public:

A Facility applying a technology or process listed under a positive list is deemed automatically additional.

Positive Lists must be approved by the I-TRACK Foundation Board and be aligned with the UNFCCC Supervisory Body’s guidelines on criteria for setting positive lists:

- a) Activities should be zero emissions, or net negative emissions (or removals);
- b) Are not legally required;
- c) Are not financially attractive in any circumstances;
- d) It is possible to predetermine and specify these necessary conditions with a high degree of certainty.

CDR technologies and processes on the Article 6.4 Positive List will also feature on C-Capsule’s positive list, subject to confirmation by the I-TRACK Foundation.

Explain how the procedures described under Question 4.1 provide a reasonable assurance that the mitigation would not have occurred in the absence of the offset programme: (*Paragraph 3.1*)

The additionality tests described above reflect prevailing best practices in the emissions removals sector and provide a supplementary layer of confidence in proven carbon removal technologies that already meet a higher bar than historical reduced or avoided emissions methodologies reliant on counterfactual baselines.

The C-Capsule Code requires approved methodologies to clearly define additionality criteria as defined above, and for verification authorities to confirm specific projects meet these criteria. Methodology approval is contingent on review by both C-Capsule and the I-TRACK Foundation. Methodologies are based on peer-reviewed science and undergo a rigorous multi-step review process, ensuring adherence to the latest and best industry practices. Methodologies require that projects are regularly audited (as determined by the technology; distributed biochar, for example, defines an audit period of three years), ensuring additionality criteria remain relevant and accurate and continue to be met.

Question 4.2 Are based on a realistic and credible baseline

Are procedures in place to... (<i>Paragraph 3.2</i>)	
a) issue emissions units against realistic, defensible, and conservative baseline estimations of emissions?	<input checked="" type="checkbox"/> YES
b) publicly disclose baselines and underlying assumptions?	<input checked="" type="checkbox"/> YES

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

(a) The requirements to ensure projects are measurable and backed by data are outlined in Section 8 of the C-Capsule Code (attached). Baselines underpin the lifecycle emissions and point of predictable leakage verified at Facility registration to ensure only net CDR is certified. CRUs are then issued against direct measurements of CDR. As improved data, science and metrology emerge, baselines may be reconciled accordingly.

Sections 5 and 6 of [SD-01 Methodology Requirements](#) outline the general emissions inventory and durability requirements for C-Capsule, with specific approved methodologies defining precise calculations, estimates, and baselines.

Calculations of leakages are variable depending on methodology. In all cases, contributions to a leakage buffer are required. In the case of distributed biochar, for example, these contributions are calculated by the ratio of hydrogen to organic carbon within the biochar. Lab results indicating the quantity of organic carbon and hydrogen present within biochar is requisite for all audit reports.

At Facility Registration, the Registrant is required to assess all potential sources of leakage (i.e. increase in emissions) outside of the Facility boundary referenced in the Methodology. Where leakage is identified, it shall be measured and included in the net CDR calculation to determine the eligible quantity for issuance of CRUs.

Conservativeness is most important when deciding on eligible issuance from a singular project. For example, when there is the inability to directly measure non-greenhouse gas emissions from a biochar project, our methodology requirements adhere to the strictest emissions factors for each feedstock (see section 11.9 of [SD-01 Methodology Requirements](#)). As an example, in the Distributed Biochar 60 grams of CH₄ is assumed for every kg of biochar produced, which is twice amount of CH₄ accounted for in other prevalent biochar methodologies. This conservative estimate results in lower amounts of total issuance as total removals are accounted for in terms of GWP100.

Baselines are revaluated with every resubmission of a PDD, required upon expiry of the initial Facility term (five years). However, occurrence of an EOCD, technology- or methodology-specific requirements, or advances in science, information, data collection methods may trigger an earlier re-evaluation of a baseline to account for any adjustments.

(b) Baselines and estimates guidance are publicly available in approved methodology documents at the C-

Capsule website: [SD-01 Methodology Requirements](#), [QP-01 Methodology Approval](#), and the [methodology for distributed biochar](#).

Are procedures in place to ensure that <i>methods of developing baselines</i> , including modelling, benchmarking or the use of historical data, use assumptions, methodologies, and values do not over-estimate mitigation from an activity? (<i>Paragraph 3.2.2</i>)	<input checked="" type="checkbox"/> YES
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Summarize and provide evidence of the policies and procedures referred to above:

Baselines are evaluated according to procedures outlined in each respective methodology. Demonstrating additionality is done when Registrants complete the Project Design Document (PDD) associated with the methodology they will be using. The PDD, and the baselines shown, will be evaluated by a Verification Authority as part of the validation process. Baselines may need to be readjusted according to the evaluation of the Verification Authority.

Both approved methodologies and methodologies that are seeking approval must abide by section 6 of the C-Capsule document [SD-01 Methodology Requirements](#), wherein all methodologies must be science-based with reference to peer-reviewed literature to determine robust calculation methods, potential for leakage, confidence over durability, and environmental and social safeguards. Where there is paucity of data, information or science, methodologies must provide conservative estimates (see section 6.2 of the C-Capsule document [SD-01 Methodology Requirements](#)). As improved science and metrology emerge, the buffers accounting for leakage and risk of EOCD may be reduced or increased accordingly. C-Capsule maintains the right to refuse the consideration of a methodology wherein there is a lack of reasonable scientific consensus or limited access to relevant data.

As an example, the [methodology for distributed biochar](#) requires that ‘to ensure the robust certification of CDR activity, this Methodology provides conservative estimates around lifecycle emissions and durability of the carbon sequestration over a 100-year time horizon’ (p. 3).

Are procedures in place for activities to respond, as appropriate, to changing baseline conditions that were not expected at the time of registration? (<i>Paragraph 3.2.3</i>)	<input checked="" type="checkbox"/> YES
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Summarize and provide evidence of the policies and procedures referred to above:

Baselines are reevaluated with every submission of a PDD, which need to be redone by the Registrant upon expiry of the initial Facility term (five years). However, occurrence of an EOCD, technology- or methodology-specific requirements, or advances in science, information, or data collection methods may trigger an earlier re-evaluation of a baseline to account for any adjustments.

Baselines are publicly available in approved methodology documents at the C-Capsule website, including the [methodology for distributed biochar](#).

Question 4.3 Are quantified, monitored, reported, and verified

Are procedures in place to ensure that ...	
a) emissions units are based on accurate measurements and valid quantification methods/protocols? (<i>Paragraph 3.3</i>)	<input checked="" type="checkbox"/> YES
b) validation occurs prior to or in tandem with verification? (<i>Paragraph 3.3.2</i>)	<input checked="" type="checkbox"/> YES
c) the results of validation and verification are made publicly available? (<i>Paragraph 3.3.2</i>)	<input checked="" type="checkbox"/> YES
d) monitoring, measuring, and reporting of both activities and the resulting mitigation is conducted at <i>specified intervals</i> throughout the duration of the crediting period? (<i>Paragraph 3.3</i>)	<input checked="" type="checkbox"/> YES
e) mitigation is measured and verified by an accredited and independent third-party verification entity? (<i>Paragraph 3.3</i>)	<input checked="" type="checkbox"/> YES
f) <i>ex-post</i> verification of mitigation is required in advance of issuance of emissions units? (<i>Paragraph 3.3</i>)	<input checked="" type="checkbox"/> YES

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

(a) Each Methodology shall describe a clear method for quantifying the CDR event or activity to be used per Issue Request submission, including lifecycle assessment (LCA), baseline, leakage, and risk of EOC. The volume of CRU eligible per CDR activity refers to the carbon removal quantification formula defined at Facility Registration and quantity of removal output defined at Issue Request. The eligible quantity accounts for the lifecycle emissions, Leakage Buffer, and Insurance Buffer to ensure only tangible net-carbon removal is certified.

Section 8 of the [distributed biochar methodology](#) details the monitoring, reporting, and verification (MRV) process. Validation and verification are embedded in the definition of MRV: ‘the multi-step process to measure the net CDR activity achieved by a Facility, report the findings to an accredited third party, and verify the activity so Certificates can be Issued.’

(b) According to section 8 of the C-Capsule Code (attached), before registration a Facility must undergo an audit in which the project’s adherence to Methodology and Code standards is validated by an accredited Verification Authority. The Issuer is responsible for verifying both the audit and the specific CRU issuance data before registration of projects. The Issuer also verifies the measurement evidence of a completed Removal Output before CRUs are issued *ex-post*. Section 9 of the C-Capsule Code outlines the information that the Issuer must verify before issuing CRUs. (See sections 8.3.4-8.3.6 of the [distributed biochar methodology](#) for an example of this process for an approved methodology.)

(c) The Registry is publicly accessible at www.c-capsule.com. Prior to the first issuance of CRU certificates, we would welcome the opportunity to demonstrate the current functionality of our registry capabilities to the TAB. We would also be willing to grant the TAB access to a sandbox environment for further testing of our public-facing registry.

As an example of an active facility register, please see Evident’s [page](#) for I-REC(E) listed projects. The Evident Registry for C-Capsule will include more information related to redemption details and project documentation – including validation and verification evidence.

(d) Section 7 of the [SD-01 Methodology Requirements](#) requires that methodologies ‘demonstrate a robust and reliable means of Measurement, Reporting and Verification (MRV) of a CDR activity throughout its lifecycle.’

(e) Both Issuers and Verification Authorities – the two key parties in validation and verification of Facilities and CRUs – are accredited by design to be independent from C-Capsule, Evident, and specific projects.

(f) In compliance with the Standard, the C-Capsule Code ensures a service delivery of an *ex-post*, fact-based certification system for CDR. Section 3.3 of the Code states that ‘a C-Capsule Certificate is a statement of verified historical fact relating to one or more events at a Facility’. The C-Capsule Code does therefore not permit *ex-ante* issuance of certificates or issuance against a calculated ‘business as usual’ (BAU) baseline.

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

Summarize and provide evidence of the policies and procedures referred to in a) through c):
 Evident has in place a conflicts of interest (COI) policy to provide guidance around managing potential conflicts of interest. The policy provides guidance on identifying conflicts of interest, the prevention and management of any conflicts and provisions relating to appropriate record keeping where conflicts arise. This approach is encapsulated in the C-Capsule Code, section 4.15.

Independence is one of C-Capsule’s core organisational principles, as it allows implementation of the market in a clear, transparent, and equitable manner, offering services such that users of the associated market and stakeholders can trust. It is independent from the market it serves and has no role in the CDR value chain. C-Capsule is prohibited from any trade or exchange of CRUs and in accordance with the Standard, shall only provide services under published tariffs that are independent of the traded price of CRUs. C-Capsule maintains confidentiality and does not provide privileged or otherwise private information to other parties.

Enforcement of rules against conflicts of interest is also governed by the I-TRACK Foundation through their accreditation procedures as outlined in the Standard. To ensure that markets are clear, equitable, and transparent, the Standard mandates that accredited Market Facilitators – including the Code Manager, Registry Operator, and validation and verification bodies known as Verification Authorities – shall not participate directly in any market they serve without adequate protections to ensure the integrity of that market, that market abuse is avoided, and that access is fair and open to all. Accredited entities shall not be owned, in whole or in part, by a holding entity that also owns, in whole or in part, a Registrant (a project developer or their representative) or Participant (market players involved in purchase, sale, trade, or redemption of certificates) in the same CDR market to which the accredited entity provides services.

Prior to accreditation or approval of a Market Facilitator by the I-TRACK Foundation Board, COI checks are made. As per the Standard and demonstrated through the C-Capsule Code, any presence of COIs would prevent accreditation or approval and hence, participation in the market. Post accreditation or approval, the I-TRACK Foundation reserves the right to withdraw such status if any evidence of a COI can be demonstrated. Safeguards against COIs are evidenced in the [Standard](#) (see section 10.3.2.1 Independence).

The C-Capsule Service is predicated on trust in provision of a reliable and robust traceability and reporting system. In order to maintain a quality service, all market facilitators including Registry Operator, Issuer and Verification Authorities operating under the C-Capsule Code will be subject to process audits on a periodic and ad-hoc basis. As per the C-Capsule Code, periodic reviews are carried out on an approximately biennial basis following the initial review. A periodic review may involve a visit by the Code Manager to the offices of a Verification Authority.

Are procedures in place requiring that... (<i>Paragraph 3.3.4</i>)	
a) the renewal of any activity at the end of its crediting period includes a reevaluation of its baselines, and procedures and assumptions for quantifying, monitoring, and verifying mitigation, including the baseline scenario?	<input checked="" type="checkbox"/> YES
b) the same procedures apply to activities that wish to undergo verification but have not done so within the programme’s allowable number of years between verification events?	<input checked="" type="checkbox"/> YES

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

Procedures surrounding crediting periods (‘audit periods’) are detailed in section 8.4.2.6 of the C-Capsule Code (attached) and make reference to methodology-specific timelines defined in approved Methodology documents.

In section 8.6.2, the C-Capsule Code states registration of facilities is limited to five years unless an earlier date is specified by the Issuer or methodology. Renewal applications are subject to the same requirements as initial registration, updated as relevant.

As an example, the [Methodology document](#) for digital MRV for distributed biochar production and carbon dioxide removal has an audit period of three years, after which a new facility audit must be performed to allow additional issuances. A new audit may be performed before the end of a standard period would changes were to occur at the Facility level or at the Facility’s request.

Are procedures in place to transparently identify units that are issued <i>ex ante</i> and thus ineligible for use in the CORSIA? (<i>Paragraph 3.3.5</i>)	<input checked="" type="checkbox"/> YES
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Provide evidence of the policies and procedures referred to above:
N/A. The C-Capsule Code does not permit ex-ante issuance of certificates.

Question 4.4 Have a clear and transparent chain of custody

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

Question 4.5 Represent permanent emissions reductions

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

As a Programme for durable CDR, all methodologies will present a risk of reversal that needs to be understood, quantified, and managed. As only one methodology is currently approved and published, this would be the Distributed Biochar with Digital MRV (dMRV). This number will grow over the coming months as more methodologies are submitted for approval and potentially adopted, such as the CCS+ Methodology for DACCS.

The C-Capsule Code requires 100 years minimum durability of sequestered carbon for CDR processes and technologies. It states that ‘A C-Capsule Certificate shall only be issued for Durable CDR activity, ensuring Sequestration over a minimum 100-year time horizon’. C-Capsule defined durability as 100+ years because:

1. Nothing is permanent but we need to have some certainty of the environmental effect;
2. It aligns with IPCC Global Warming Potential (GWP) determinations for inventory and reporting purposes;
3. A political consensus on furthest realistic time horizon of reliable enforcement;
4. 20-50 years too short relative to problem and effort; and
5. 1,000 years too long to manage co-risk factors.

C-Capsule ensures this principle by only submitting Methodologies with high likelihoods of durability ('Expected Effect') to the Advisory Council and I-TRACK Foundation Board for approval, thus excluding CDR methods with short-lived sequestration, primarily nature-based solutions (NBS) such as afforestation or reforestation. The scope for eligible Methodologies therefore includes DACCS, BECCS, enhanced weathering, and BiCRS. Despite high degrees of Expected Effect, there remains a risk (political, economic, environmental or geological) of reversal of sequestered carbon (EOCD) that needs to be quantified and managed.

To ensure that non-permanence risks are minimised, and the effectiveness of the CDR project is maintained, we require the completion of a risk register that covers the likelihood and mitigation strategies associated with various risks within the required PDD. The PDD shall include a risk register that identifies any potential risks and mitigation procedures for one or more EOCD to occur over a 100-year time horizon. Accounting for the risk of EOCDs, the PDD shall include a value for the Facility's Expected Effect that defines a percentage-based (%) likelihood for no EOCD to occur over a 100-year time horizon. The quantification method for the Expected Effect shall be defined as part of a Methodology. The Expected Effect will automatically determine the Insurance Buffer applied at each Issue Request. The Expected Effect reflects the percentage of CRUs allocated to the Insurance Account per Issue Request (i.e. 96% Expected Effect = 4% of C-Capsule Certificates deposited to the Insurance Account). The Expected Effect and hence, buffer contribution is defined in the Methodology and verified at Facility Registration.

C-Capsule recognises the impact of potential non-permanence from CDR activity over a 100-year time horizon and reversal of GHG emissions is recognised in two forms:

- **Predictable Leakage:** reversal or degradation events that can be accounted for and predicted in the methodology over the 100-year period. The leakage includes the calculation of net CDR.
- **EOCD:** unpredictable Reversal events that are accounted in the determination of Expected Effect and reflected in the Insurance Buffer contribution.

The Code Manager recognises the impact of potential non-permanence from CDR activity and has adopted a robust mechanism to compensate for an EOCD. Registrants shall either have an Insurance Buffer applied at Issue Request, or contract with an Insurance Body to manage the risk of an EOCD and potential remediation of CRUs. Any EOCD that does occur shall be fully compensated through replacement C-Capsule Certificates drawn from the Insurance Account or procured via an Insurance Body.

After the EOCD Report confirming the characteristics of a reversal including magnitude and causal factor has been submitted to the Issuer or Insurance Body, affected CRUs shall be remediated by cancelling a volume equivalent to the magnitude of EOCD in an Insurance Account on the Registry.

Under the C-Capsule Code, each EOCD shall be remediated by the Insurance mechanism chosen by the Registrant. Each defaulted CRU must be matched by CRU cancelled from an Insurance Account owned and managed either by the Issuer/Insurance Body. If a Registrant has contributed to an Insurance Account through an Insurance Buffer, an amount of CRUs equivalent to the magnitude of EOCD shall be cancelled by the Issuer or

Insurance Body associated with the Facility. The cancellation shall occur from an Insurance Account owned by the Issuer or Insurance Body within thirty business days of receiving an EOCD Report.

Registrants may choose to appoint an accredited Insurance Body to manage the risk of an EOCD and avoid an Insurance Buffer at Issue Request. Where a Registrant has contracted an Insurance Body, the Insurance Body shall cancel a volume of CRUs (or units from an approved Program) equivalent to the magnitude of the EOCD from their Insurance Account within thirty business days of notification of an EOCD Report. The Issuer/Insurance Body shall provide C-Capsule with evidence that the number of CRUs defined in the EOCD Report have been cancelled from their Insurance Account.

The C-Capsule Code observes a hierarchy of criteria to determine which CRUs held within an Insurance Account shall be cancelled by the respective Issuer/Insurance Body after an EOCD has been confirmed. In the first instance, C-Capsule Certificates should be cancelled from the direct contributions relating to the Facility responsible for the EOCD. If the respective Facility's contributions to the Insurance Account are less than the magnitude of EOCD, CRUs shall be cancelled from the Insurance Account in the following preferential order:

1. Labelling Scheme or Compliance Program
2. Expected Effect
3. Vintage
4. Methodology
5. Sequestration Type
6. Country

No further Issue Requests by the associated Registrant shall be approved by the Issuer until CRUs equivalent to the magnitude of EOCD have been cancelled from the Registry.

It is C-Capsule's responsibility to declare an EOCD to the Beneficiary Account holder(s) within thirty business days of receiving an EOCD Report. The associated Account holder(s) shall be informed by the Issuer which replacement CRUs were cancelled from an Insurance Account within thirty business days following the cancellation.

The requirements and mechanisms for risk mitigation can be found in section 12 of the C-Capsule Code (attached) and in the [EOCD Report](#) found on the website.

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

C-Capsule sets no minimum scale of reversal; all reversals require a response.

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

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

Please see the response to Question 4.5 above.

Are provisions in place that... (<i>Paragraph 3.5.5</i>)	
a) confer liability on the activity proponent to monitor, mitigate, and respond to reversals in a manner mandated in the programme procedures?	<input checked="" type="checkbox"/> YES
b) require activity proponents, upon being made aware of a material reversal event, to notify the programme within a specified number of days?	<input checked="" type="checkbox"/> YES
c) confer responsibility to the programme to, upon such notification, ensure and confirm that such reversals are fully compensated in a manner mandated in the programme procedures?	<input checked="" type="checkbox"/> YES

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

a) C-Capsule recognises the impact of potential non-permanence from CDR activity and has adopted a robust mechanism to compensate for an EOCD. Registrants shall either have an Insurance Buffer applied at Issue Request, or contract with an Insurance Body to manage the risk of an EOCD and potential remediation of CRUs. Any EOCD that does occur shall be fully compensated through replacement C-Capsule Certificates drawn from the Insurance Account or procured via an Insurance Body. For further detail please see the response to Question 4.5 above.

b) A project is required to immediately report to the Issuer of an EOCD. The project must appoint, at its expense, an approved Verification Authority listed in the relevant Methodology to verify the characteristics of the EOCD using the [SF-07: EOCD Report](#). The report must include details relating to the number of CRUs affected (i.e., magnitude of the EOCD), the causal factor(s), and degree to which the EOCD was the result of failing to follow the associated Methodology or inadequate Methodology.

After the EOCD Report confirming the characteristics of a reversal including magnitude and causal factor has been submitted to the Issuer or Insurance Body, affected CRUs shall be remediated by cancelling a volume equivalent to the magnitude of EOCD in an Insurance Account on the Registry.

The EOCD Report must be submitted to the Issuer/Insurance Body no later than six months after the EOCD has occurred. Where an EOCD report has not been submitted within the allocated timeframe and no extension has

been permitted, the project’s registry account will be suspended and will not be eligible for additional facility registrations or credit issuance.

c) Under the C-Capsule Code, each EOCD shall be remediated by the Insurance mechanism chosen by the Registrant. Each defaulted CRU must be matched by CRU cancelled from an Insurance Account owned and managed either by the Issuer/Insurance Body. If a Registrant has contributed to an Insurance Account through an Insurance Buffer, an amount of CRUs equivalent to the magnitude of EOCD shall be cancelled by the Issuer or Insurance Body associated with the Facility. The cancellation shall occur from an Insurance Account owned by the Issuer or Insurance Body within thirty business days of receiving an EOCD Report.

Registrants may choose to appoint an accredited Insurance Body to manage the risk of an EOCD and avoid an Insurance Buffer at Issue Request. Where a Registrant has contracted an Insurance Body, the Insurance Body shall cancel a volume of CRUs (or units from an approved Program) equivalent to the magnitude of the EOCD from their Insurance Account within thirty business days of notification of an EOCD Report. The Issuer/Insurance Body shall provide C-Capsule with evidence that the number of CRUs defined in the EOCD Report have been cancelled from their Insurance Account.

For more detail, please see section 12 of the C-Capsule Code (attached) and in the [EOCD Report](#).

Does the programme have the capability to ensure that any emissions units which compensate for the material reversal of mitigation issued as emissions units and used toward offsetting obligations under the CORSIA are fully eligible for use under the CORSIA? (<i>Paragraph 3.5.6</i>)	<input checked="" type="checkbox"/> YES
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Summarize and provide evidence of the policies and procedures referred to above:

As described above in the response to Question 4.5, the C-Capsule Code observes a hierarchy of criteria to determine which CRUs held within an Insurance Account shall be cancelled by the respective Issuer/Insurance Body after an EOCD has been confirmed. In the first instance, C-Capsule Certificates should be cancelled from the direct contributions relating to the Facility responsible for the EOCD. If the respective Facility’s contributions to the Insurance Account are less than the magnitude of EOCD, CRUs shall be cancelled from the Insurance Account in the following preferential order:

1. Labelling Scheme or Compliance Program
2. Expected Effect
3. Vintage
4. Methodology
5. Sequestration Type
6. Country

The C-Capsule Code includes a priority criterion requiring any reversal affecting a CORSIA-eligible CRU to be

compensated with a CORSIA-eligible CRU.

Would the programme be willing and able, upon request, to demonstrate that its permanence provisions can fully compensate for the reversal of mitigation issued as emissions units and used under the CORSIA? (<i>Paragraph 3.5.7</i>)	<input checked="" type="checkbox"/> YES
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Question 4.6 Assess and mitigate against potential increase in emissions elsewhere

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

Sections 5 and 6 of [SD-01 Methodology Requirements](#) outlines the general emissions inventory and durability requirements for C-Capsule, with specific approved methodologies defining precise calculations, estimates, and baselines.

Calculations of leakages are variable depending on methodology. In all cases, contributions to a leakage buffer are required. In the case of distributed biochar, for example, these contributions are calculated by the ratio of hydrogen to organic carbon within the biochar. Lab results indicating the quantity of organic carbon and hydrogen present within biochar is requisite for all audit reports.

At Facility Registration, the Registrant is required to assess all potential sources of leakage (i.e. increase in emissions) outside of the Facility boundary referenced in the Methodology. Where leakage is identified, it shall be measured and included in the net CDR calculation to determine the eligible quantity for issuance of CRUs.

[Note: As C-Capsule does not currently envisage recognition of REDD+ or AFOLU projects, we understand these leakage guidelines do not apply.]

From the 'Clarifications of TAB's Criteria Interpretations' document: 'TAB noted that this guideline is specifically applicable to REDD+ activities and for TAB's use in assessing programmes that support REDD+ activities as defined in the UNFCCC's Warsaw Framework and related decisions. TAB acknowledged that several programmes it has assessed support REDD+ activities at a variety of implementation scales (i.e. project-level, sub-national, national, and combinations thereof). TAB applied this guideline to programmes that support REDD+ and/or AFOLU activities. It was regarded as "not applicable" to all other programmes.'

Nevertheless, C-Capsule recognises that all CDR methodologies can be susceptible to leakage, both within and outside the project boundary. Please see our response to Question 4.5 for more detail on how leakage risks are assessed and mitigated.]

Are measures in place to assess and mitigate incidences of material leakage of emissions that may result from the implementation of an offset project or programme? (<i>Paragraph 3.6</i>)	<input checked="" type="checkbox"/> YES
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Summarize and provide evidence of the policies and procedures referred to above:
Please see our response to the above question and to Question 4.5.

Are provisions in place requiring activities that pose a risk of leakage when implemented at the project level to be implemented at a national level, or on an interim basis on a subnational level, in order to mitigate the risk of leakage? (<i>Paragraph 3.6.2</i>)	<input checked="" type="checkbox"/> YES
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Summarize and provide evidence of the policies and procedures referred to above:
Please see our response to the above question and to Question 4.5.

Are procedures in place requiring and supporting activities to monitor identified leakage? (<i>Paragraph 3.6.3</i>)	<input checked="" type="checkbox"/> YES
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Summarize and provide evidence of the policies and procedures referred to above:
Please see our response to the above question and to Question 4.5.

Are procedures in place requiring activities to deduct from their accounting emissions from any identified leakage that reduces the mitigation benefits of the activities? (<i>Paragraph 3.6.4</i>)	<input checked="" type="checkbox"/> YES
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Summarize and provide evidence of the policies and procedures referred to above:
The volume of CRU eligible per CDR activity refers to the carbon removal quantification formula defined at Facility Registration and quantity of removal output defined at Issue Request. The eligible quantity accounts for the lifecycle emissions, Leakage Buffer, and Insurance Buffer to ensure only tangible net-carbon removal is certified.

Question 4.7 Are only counted once towards a mitigation obligation

Does the Programme have measures in place for the following...	
a) to ensure the transparent transfer of units between registries; and that only one unit is issued for one tonne of mitigation (<i>Paragraphs 3.7.1 and 3.7.5</i>)	<input checked="" type="checkbox"/> YES
b) to ensure that one unit is issued or transferred to, or owned or cancelled by, only one entity at any given time? (<i>Paragraphs 3.7.2 and 3.7.6</i>)	<input checked="" type="checkbox"/> YES

c) to discourage and prohibit the double-selling of units, which occurs when one or more entities sell the same unit more than once? (<i>Paragraph 3.7.7</i>)	<input checked="" type="checkbox"/> YES
d) to require and demonstrate that host countries of emissions reduction activities agree to account for any offset units issued as a result of those activities such that double claiming does not occur between the airline and the host country of the emissions reduction activity? (<i>Paragraph 3.7.3</i>)	<input checked="" type="checkbox"/> YES

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

(a/b/c/) C-Capsule enshrines the rule of no double counting or claiming in the C-Capsule Code. It states that a ‘C-Capsule Certificate is a unique statement representing the environmental attributes (representing the environmental, economic, and social benefits) associated with CDR activity during a specified period’. No C-Capsule Certificate can be Issued where another certificate or similar instrument relating to the same environmental attributes included within the C-Capsule specification for the respective unit of CDR currently exists. This is to ensure the avoidance of double counting of any rights to environmental attributes included within a CRU.

Once a CRU has been Redeemed, only one claim to the underlying environmental attributes of that CRU can be made. Participants can generate a Redemption Statement from the Registry which can be used as a uniquely generated disclosure statement.

The Evident Registry for C-Capsule records all actions within the lifecycle of a unit of a CRU. It identifies individual certificates via unique serial numbers. Furthermore, certificates contain information relating to constituent facilities to include vintage, facility type and location that can be used to prevent double counting. The certificate status is inferred via custody (i.e. who it belongs to, and which type of account it resides in). Audits for the entire lifecycle of a certificate are available as each transfer for a certificate in the Evident Registry for C-Capsule is individually recorded.

As part of the Facility Registration Process, the Registrant shall confirm that for the same units of CDR, the Facility will not receive or apply for any certificates or other instruments representing the associated environmental attributes. If the Registrant is not also the Facility Owner, they are required to submit a declaration confirming the Registrant has been assigned the rights to register the Facility. The Owner’s declaration assigns the exclusive rights of the Registrant to act in respect of trading all environmental attributes (representing the environmental, economic, and social benefits associated with CDR) from the Facility from the Effective Registration Date. See SF-02B: Owner’s Declaration within the [Facility Registration form](#) for the approved text to be copied onto the Facility owner’s headed paper, completed and signed by an officer of the Facility Owner.

The C-Capsule Code allows for a Facility to be registered against more than one CDR tracking registry to provide flexibility in instrument creation. As part of the Facility Registration process, the Registrant is required to provide details (including registration id) of any other carbon credit or tracking scheme for which the Facility is registered against to the Issuer. C-Capsule will integrate with the [Climate Action Data Trust](#) platform to harmonise with other major registries to avoid double counting, increase trust and enhance transparent

accounting.

(d) In order for a CRU to be labelled as ‘CORSIA Eligible’, the Registrant must acquire and submit to the Issuer a Letter of Attestation from the host government outlining these safeguards, as detailed further in our response to the following questions.

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

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

(a/b/c/) As detailed in section 11.5.4 of the C-Capsule Code (attached), Registrants are required to communicate transparently with the host government and secure positive attestation of the government’s commitment to prevent double counting of a CRU labelled as ‘CORSIA Eligible’.

All CRUs meeting the eligibility criteria for redemption within the CORSIA must be labelled ‘CORSIA Eligible’. Registrants must submit identifying details of CRUs they are issued to the associated National Focal Point of the Facility’s host government, as identified by the UNFCCC table of National Focal Points. ‘CORSIA Eligible’ CRUs will require a letter of attestation from the relevant National Focal Point to assure no CRUs are double claimed by aircraft operators under CORSIA and in NDC or other regulatory reporting. Letters of attestation from the host country of the removal activity will be listed on the public registry attached to relevant CRU entries. These letters must be acquired and provided by the Registrant and explicitly state, at a minimum:

- Identify the specific Facility and acknowledge that the project may contribute to an emissions reduction in the country;
- authorise the use of the Facility’s CRUs by aircraft operators to meet offsetting obligations under the CORSIA;
- attest to the intention to properly report for and/or account (if applicable) for the export of CRUs towards the offsetting obligations under the CORSIA;
- attest that the country will not claim the emissions reductions generated by the Facility toward its NDC or will apply a Corresponding Adjustment, as detailed in guidance by the UNFCCC on Article 6 of the Paris Agreement, to its inventory and report it in its Biennial Transparency Report;
- detail a process for the host country or Registrant to compensate, as necessary, any CRUs found to have been double claimed in the host country’s NDC with CORSIA-eligible CRUs, if possible of the same vintage, methodology, and sequestration type.

Letters of Attestation will be publicly available alongside Redemption Certificates and will be updated as necessary. Within the annual report completed by the Code Manager detailing annual imports and exports by country, redemption of all CRUs will be accounted. This report will be provided to the relevant National Focal Point and the Code Manager will reconcile these reports against the host country's Biennial Transparency Report. In the event of a discrepancy (e.g. emissions represented in a CRU authorised for export being claimed toward an NDC and not modified by a Corresponding Adjustment), the Code Manager will notify the National Focal Point, Registrant, ICAO, and any affected Participant. The Registrant and National Focal Point shall compensate the affected CRU claimant according to the procedure detailed in the Letter of Attestation.

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

Summarize and provide evidence of the policies and procedures referred to in a) and b):
Please see our response to the previous question.

Does the Programme... <i>(Paragraph 3.7.10)</i>	
a) make publicly available any national government decisions related to accounting for units used in ICAO, including the contents of host country attestations described in paragraph 3.7.8?	<input checked="" type="checkbox"/> YES
b) update information pertaining to host country attestation as often as necessary to avoid double-claiming?	<input checked="" type="checkbox"/> YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):
Please see our response to the previous question.

Does the Programme have procedures in place to compare countries' accounting for emissions units in national emissions reports against the volumes of eligible units issued by the programme and used under the CORSIA which the host country's national reporting focal point or designee	<input checked="" type="checkbox"/> YES
--	---

otherwise attested to its intention to not double claim? (<i>Paragraph 3.7.11</i>)	
--	--

Summarize and provide evidence of the policies and procedures referred to above:
Please see our response to the previous question.

Does the Programme have procedures in place for the programme, or proponents of the activities it supports, to compensate for, replace, or otherwise reconcile double claimed mitigation associated with units used under the CORSIA which the host country’s national accounting focal point or designee otherwise attested to its intention to not double claim? (<i>Paragraph 3.7.13</i>)	<input checked="" type="checkbox"/> YES
--	---

Summarize and provide evidence of the policies and procedures referred to above:
Please see our response to the previous questions.

Would the Programme be willing and able, upon request, to report to ICAO’s relevant bodies, as requested, performance information related to, <i>inter alia</i> , any material instances of and programme responses to country-level double claiming; the nature of, and any changes to, the number, scale, and/or scope of host country attestations; any relevant changes to related programme measures? (<i>Paragraph 3.7.12</i>)	<input checked="" type="checkbox"/> YES
--	---

Question 4.8 Do no net harm

Are procedures in place to ensure that offset projects do not violate local, state/provincial, national or international regulations or obligations? (<i>Paragraph 3.8</i>)	<input checked="" type="checkbox"/> YES
---	---

Summarize and provide evidence of the policies and procedures referred to above:
Please see response to Questions 3.6 and 3.9.

Describe, and provide evidence that demonstrates, how the programme complies with social and environmental safeguards: (*Paragraph 3.8*)
Please see response to Question 3.9.

Describe, and provide evidence of the programme’s public disclosure of, the institutions, processes, and procedures that are used to implement, monitor, and enforce safeguards to identify, assess and manage environmental and social risks: (*Paragraph 3.8*)
Please see response to Question 3.9.

PART 5: Programme comments

Are there any additional comments the programme wishes to make to support the information provided in this form?

[Click or tap here to enter text.](#)



ICAO

Programme Application Form, Appendix B

Programme Assessment Scope

CONTENTS: With this document, programmes may define which of their activities they are submitting for assessment by the TAB. The two sheets are described below:

- Sheet A) Activities the programme describes in this form, which will be assessed by ICAO's TAB
- Sheet B) List of all methodologies / protocols that support activities described under Sheet A



| ICAO

Programme Application Form, Appendix C

Programme Exclusions Scope

CONTENTS: With this document, programmes may define which of their activities they are **excluding** from TAB's assessment. The two sheets are described below:

- Sheet A) Activities the programme describes in this form will be **excluded** from assessment by ICAO's TAB
- Sheet B) List of all methodologies / protocols that support activities described under Sheet A

Emissions Unit Programme Registry Attestation

(Version 3, January 2023)

PART A. Applicability and Instructions

1. Relevance and definitions:

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

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

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

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

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

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

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

2. Programme - registry relationship:

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

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

- 2.2.** The provision of registry services under the CORSIA by a CORSIA Eligible Emissions Unit Programme registry is fully subject to the terms, conditions and limitations to the programme's scope of eligibility. Such terms include, *inter alia*, the programme's commitment to administer any and all provisions and procedures governing the programme registry in the manner represented by the programme in the application form and additional information provided to TAB during the assessment process.
 - 2.3.** A CORSIA Eligible Emissions Unit Programme registry can provide registry services to aeroplane operators prior to the programme's and programme registry's demonstration of the registry's consistency with the registry requirements contained in this attestation. However, the programme registry can only claim to support and can only provide for aeroplane operators to fulfill the provisions in Annex 16, Volume IV and ETM, Volume IV involving emissions unit cancellation-, reporting-, and verification-related actions after its consistency with the registry requirements contained in this attestation is demonstrated by the programme in accordance with Part A, Paragraph 3 of this document, and the signed attestation is published on the CORSIA website in addition to the ICAO document "*CORSIA Eligible Emissions Units*".
- 3. Submitting an "*Emissions Unit Programme Registry Attestation*":**
- 3.1.** Both the administrator or authorized representative ("Programme Representative") of an emissions unit programme ("Programme"), and the administrator or authorized representative ("Registry Representative") of the registry designated by the Programme ("Programme Registry") will review and attest to their acceptance (as signed in Section 8 of this attestation) of all terms contained herein.
 - 3.2.** The Programme will electronically submit to the ICAO Secretariat a unique, dual-signed attestation for each and every Programme Registry that will provide its registry services to the Programme under the CORSIA:

 - 3.2.1.** If the Programme is determined to be eligible by a decision of the ICAO Council taken in 2020, the Programme will submit the signed attestation(s) to the ICAO Secretariat no later than one year after the Programme is determined to be eligible by the ICAO Council.
 - 3.2.2.** From 2021, the Programme should submit the signed attestation(s) to the ICAO Secretariat at the time of applying for assessment by the TAB. If the Programme is determined to be eligible by a decision of the ICAO Council after 31 December 2020, the Programme will submit the signed attestation(s) to the ICAO Secretariat no later than 180 days after the Programme is determined to be eligible by the ICAO Council.
 - 3.3.** As soon as possible upon receiving a signed attestation from the Programme, the ICAO Secretariat will:

3.3.1.Forward the signed attestation to the TAB; and

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

PART B: Emissions Unit Programme Registry Attestation

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

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

4.1.1.The instructions and terms of this attestation;

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

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

4.1.4.The terms, conditions and limitations to the Programme’s scope of eligibility and further action(s) requested to the Programme by the ICAO Council, as presented to the Programme upon relevant decision of the ICAO Council on the Programme’s eligibility¹ for the 2024-2026 compliance period (First Phase).

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

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

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

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

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

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

- 5.2. The scope and limitations of the ICAO Secretariat's responsibilities related to the assessment process.
6. **Programme - Registry relationship.** As the Registry Representative, I understand and accept items 6.1 to 6.2:
- 6.1. The Programme Registry's provision of registry services under the CORSIA is subject to the terms, conditions and limitations to the Programme's scope of eligibility, as presented to the Programme upon relevant decision of the ICAO Council on the Programme's eligibility; and
- 6.2. Only after the Programme and the ICAO Secretariat have completed all steps in Part A, Section 3 of this attestation, can the Programme Registry facilitate and identify emissions unit cancellations specifically for CORSIA use, and support any related reporting and verification activities. The Programme Registry will not promote itself as being capable of providing registry services for the described purpose until such time.
7. **Scope of Programme Registry responsibilities under the CORSIA.** As the Registry Representative, I certify items 7.1 to 7.12:
- 7.1. The Programme Registry is capable of fully meeting the objectives of any and all Programme provisions and procedures related to the Programme Registry that the Programme is required to have in place:
- 7.1.1. In the manner represented by the Programme in the application form that the Programme has provided to the ICAO Secretariat; and
- 7.1.2. As acknowledged by the Programme in the signed "Programme acceptance to terms of eligibility for inclusion in the ICAO document "*CORSIA Eligible Emissions Units*"².
- 7.2. The Programme Registry will not deny a CORSIA participant's request for a registry account solely on the basis of the country in which the requestor is headquartered or based;
- 7.3. The Programme Registry will identify (in the case of applicants to be assessed to determine their eligibility) / identifies (when the Programme is determined to be eligible by a decision of the ICAO Council) CORSIA Eligible Emissions Units as defined in the ICAO document "*CORSIA Eligible Emissions Units*"³. This will be/is done consistent with the capabilities described by the Programme in its communications with ICAO, and any further requirements decided by the ICAO Council for CORSIA Eligible Emissions Unit Programme-designated Registry.
- 7.4. The Programme Registry will, upon request of the CORSIA participant account holder or participant's designee, designate the participant's cancellation of emissions units for the purpose of reconciling offsetting requirements under the CORSIA, including by compliance cycle;

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

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

- 7.5.** The Programme Registry will, within 1 – 3 business days of receipt of formal instruction from a duly authorized representative of the owner of an account capable of holding and cancelling CORSIA Eligible Emission Units within the registry, and barring system downtime that is scheduled in advance or beyond the control of the registry administrator, make visible on the Programme Registry’s public website the account owners cancellations of CORSIA Eligible Emission Units as instructed. Such cancellation information will include all fields that are specified for this purpose in Annex 16, Volume IV, and ETM, Volume IV;
- 7.6.** The Programme Registry will, upon request of the CORSIA participant account holder or participant’s designee, generate report(s) containing the information specified for this purpose in Annex 16, Volume IV, and ETM, Volume IV;
- 7.7.** The Programme Registry will maintain robust security practices that ensure the integrity of, and authenticated and secure access to, the registry data of CORSIA participant account holders or participants’ designees, and transaction events carried out by a user; and disclose documentation of such practices upon request. The Programme Registry will utilize appropriate method(s) to authenticate the identity of each user accessing an account; grant each user access only to the information and functions that a user is entitled to; and utilize appropriate method(s) to ensure that each event initiated by a user (i.e. transfer of units between accounts; cancellation/retirement of a unit, update of data, etc.) is an intentional transaction event confirmed by the user. Such security features will meet and be periodically updated in accordance with industry best practice;
- 7.8.** The Programme Registry will, upon identifying any breach of Programme Registry data security or integrity that affects a CORSIA participant account holder or participant’s designee, notify the CORSIA participant account holder or their designee, and notify the Programme, which will inform and engage with the ICAO Secretariat on the matter in the same manner as required for material deviations from the Programme’s application form;
- 7.9.** The Programme Registry will ensure the irreversibility of emissions unit cancellations and the designation of the purpose of emissions units cancellations, as per the requirements contained in Annex 16, Volume IV, and ETM, Volume IV. Without prejudice to the aforementioned, such requirement would not prevent a Programme Registry from utilizing secure, time-bound and auditable methods for correcting unintentional user-entry errors;
- 7.10.** The Programme Registry will ensure that all cancellation information on its website is presented in a user-friendly format; is available at no cost and with no credentials required; is capable of being searched based on data fields; and can be downloaded in a machine-readable format, e.g., .xlsx;
- 7.11.** The Programme Registry will retain documents and data relevant to CORSIA Eligible Emissions Units and cancellations on an ongoing basis and for at least three years beyond the end date of the latest compliance period in which the emissions unit programme is determined to be eligible; and consistent with the Programme’s long-term planning, including plans for possible dissolution;
- 7.12.** The Programme Registry will append a document to the end of the signed attestation describing how it will ensure its ability to implement the requirements of this document. This will include references to existing registry functionalities that already meet the

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

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

Programme Representative Signature

Registry Representative Signature

Jason Slatcher

Programme Representative Name

Registry Representative

C-Capsule

Evident Registry for C-Capsule

Programme Name

Registry Name

4 March 2024

4 March 2024

Date

Date

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

ATTACHMENT A: PROGRAMME REGISTRY ATTESTATION DISCLOSURE FORM

PART 1: INSTRUCTIONS FOR REGISTRY REPRESENTATIVE

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

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

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

PART 2: PROGRAMME AND REGISTRY REPRESENTATIVE INFORMATION

1. Programme Representative Information

A. Programme Information

Programme name: [C-Capsule](#)

Administering Organization⁵: [Evident](#)

Official mailing address: [Church Studio, 400 Springvale Road Sheffield S10 1LP, United Kingdom](#)

Telephone #: [Click or tap here to enter text.](#)

Official web address: <https://www.c-capsule.com/>

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

Full name and title: [Ed Everson](#)

Employer / Company (*if not programme*): [Evident](#)

E-mail address: ed.everson@evident.global

Telephone #: [Click or tap here to enter text.](#)

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

⁴ <https://www.icao.int/environmental-protection/CORSIA/Pages/TAB.aspx>

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

Full name and title: [Click or tap here to enter text.](#)

Employer / Company (*if not Programme*): [Click or tap here to enter text.](#)

E-mail address: [Click or tap here to enter text.](#)

Telephone #: [Click or tap here to enter text.](#)

2. Registry Representative Information⁶

A. Registry Information

Registry / system name: [Evident Registry for C-Capsule](#)

Administering Organization: [Evident](#)

Official mailing address: [Church Studio, 400 Springvale Road Sheffield S10 1LP, United Kingdom](#)

Telephone #: [Click or tap here to enter text.](#)

Official web address: <https://cc.evident.app/>

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

Full name and title: [Jason Slatcher](#)

Employer / Company (*if not Registry Administering Organization*): [Evident](#)

E-mail address: jason.slatcher@evident.global

Telephone #: [Click or tap here to enter text.](#)

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

Full name and title:

Employer / Company (*if not Registry Administering Organization*): [Click or tap here to enter text.](#)

E-mail address: [Click or tap here to enter text.](#)

Telephone #: [Click or tap here to enter text.](#)

⁶ **Please complete this section**, even if the business, government agency, organization, or other entity that administers the Emissions Unit Programme Registry is the same as the organization described in **Part 2. “1. Programme Representative Information”**.

PART 3: EVIDENCE OF ADHERENCE TO SCOPE OF REGISTRY RESPONSIBILITIES

	<p>Does the Programme Registry fully meet the objectives of any and all Programme provisions and procedures related to the Programme Registry that the Programme is required to have in place in the manner represented by the Programme in the application form that the Programme has provided to the ICAO Secretariat and, if applicable⁷, as acknowledged by the Programme in the signed “Programme acceptance to terms of eligibility for inclusion in the ICAO document “<i>CORSIA Eligible Emissions Units</i>”?”</p>	<p>x YES</p>
<p>7.1</p>	<p>Describe how the Registry ensures its ability to implement these provisions:</p> <p>The Evident Registry for C-Capsule (the Registry) is capable of meeting the requirements of the updated C-Capsule Product Code as attached to this application.</p> <p>As described in our application to the TAB, version 1.1 of the C-Capsule Product Code (attached to this application) is currently undergoing a public consultation process and is expected to be finalised and uploaded to the C-Capsule website by March 30, 2024.</p> <p>The Product Code describes the principles of issuing, redeeming, cancelling and claiming carbon removal (CRU) credits. The Registry is accredited by the International Tracking Standard Foundation (I-TRACK Foundation) in line with the International Attribute Tracking Standard (Standard) to guarantee fundamentals such as the separation of parties like the Registry Operator and Certificate Issuer. The Standard aligns the process for CRU issuance with the process for I-REC issuance in the renewable electricity sector. Evident has extensive experience redeeming I-REC certificates and will incorporate best practices and lessons learnt while maintaining and operating the Registry.</p> <p>In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry’s implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this <i>Emissions Unit Programme Registry Attestation</i>.</p> <p>The Registry is publicly accessible at www.c-capsule.com. Prior to the issuance of CRU certificates, we would welcome the opportunity to demonstrate the current functionality of our registry capabilities to the TAB. We would also be willing to grant the TAB access to a sandbox environment for further testing of our public-facing registry.</p> <p>As an example of an active facility register, please see Evident’s page for I-REC(E) listed projects.</p> <p>The list of approved documents on the C-Capsule website may provide TAB with additional contextual information helpful for their review of registry capabilities: C-Capsule - Documents. In particular, the Market Entity Application document, Facility Registration document, Issue Request form, and Event of Carbon Default Report may be useful alongside the attached sample Redemption Certificate.</p>	

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

	Will the Programme Registry ensure that a CORSIA participant’s request for a registry account will not be denied solely on the basis of the country in which the requestor is headquartered or based?	x YES
	Describe how the Registry does or will implement this provision:	
	<p>The Registry allows for international certificate issuance and redemption.</p> <p>As a UK registered company, we will comply with all UK regulations and sanctions as and when these occur. Where not expressly proscribed by UK law or policy, we will assess the participation of project owners and other market participants according to the guidelines described in the Standard and the C-Capsule Code, to include, among others, 'Know your Customer' and anti-money laundering checks.</p>	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry’s implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this <i>Emissions Unit Programme Registry Attestation</i> .	
7.2	<p>The Standard is designed to apply in international markets (compliance and voluntary) and does not deny access to certification services based on location.</p> <p>As noted in section 10.3.2 of the Standard, accredited entities must ‘have effective procedures in place to verify the identity, legal status, and integrity of entities they either directly conduct business with or provide services to’ and ‘may consult national and international anti-fraud and money laundering authorities to comply with KYC requirements’.</p> <p>Applicants are required to demonstrate that they satisfy requirements of legal identity and can demonstrate ‘good standing’.</p> <p>Documentation is available on the C-Capsule website which includes the relevant forms applicants will need to complete on market entry. These forms will be used to facilitate KYC checks.</p> <ul style="list-style-type: none"> • Please see the C-Capsule website for: <ul style="list-style-type: none"> ○ Market Entity Application Form ○ Facility Registration Form ○ Issue Request Form • The attached C-Capsule Code Version 1.1, currently undergoing public consultation, which includes ‘Section 6: Market Entry and Exit’ 	

	Will the Programme Registry (in the case of applicants to be assessed to determine their eligibility)/Does the Programme Registry (when the Programme is determined to be eligible by a decision of the ICAO Council) identify / label its CORSIA eligible emissions units as defined in the ICAO Document “ <i>CORSIA Eligible Emissions Units</i> ”?	x YES
	Describe <i>how</i> the Registry does or will implement this provision:	
7.3	As detailed in section 11.5.4 of the attached C-Capsule Code, Registrants are required to communicate transparently with the host government and secure positive attestation of the government’s authorisation of a CRU’s use toward CORSIA obligations and its commitment to prevent double counting of a CRU labelled as ‘CORSIA Eligible’.	

	<p>For a CRU to be labelled as ‘CORSIA Eligible’, the Registrant must acquire and submit to the Issuer a Letter of Attestation from the host government. Letters of Attestation will be reviewed before CORSIA Eligible CRUs are redeemed. Letters of Attestation from the host government will be available from the public registry. Our application form to the TAB describes what these letters must state as a minimum.</p> <p>The Registry has the capability to label specific CRUs as ‘CORSIA Eligible’. Labels can be edited retrospectively when a host government provides a Letter of Attestation. This process is detailed in section 11.5.4 of the C-Capsule Code. As noted above, the Registry Operator and Code manager (C-Capsule) are subject to scrutiny by the I-TRACK Foundation which includes provisions on the use of labels.</p> <p>An annual report, completed by the Code Manager and shared with ICAO, the National Focal Point, and any other relevant regulatory bodies, will detail all CRU redemptions and will include all labelled CRUs imported and exported by country.</p>
	<p>In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry’s implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this <i>Emissions Unit Programme Registry Attestation</i>.</p>
	<p>The Standard makes provision for the labelling of certificates – see section 3.2.6 and section 9, ‘Labelling Authorities’.</p> <p>As noted above, CORSIA-eligible CRUs will be clearly labelled within the Registry. The latest version of the C-Capsule Code (as attached within our application pack) outlines this process in full in sections 11.5.4 ‘Compliance with ICAO and CORSIA’.</p>

	<p>Will the Programme Registry, upon request of the CORSIA participant account holder or participant’s designee, designate the participant’s cancellation of emissions units for the purpose of reconciling offsetting requirements under the CORSIA, including by compliance cycle?</p>	<p>x YES</p>
	<p>Describe how the Registry does or will implement these provisions:</p>	
<p>7.4</p>	<p>On request of a market participant, a user may remove a CRU from a ‘Trade Account’ and place it into a ‘Redemption Account’. At this point the CRU cannot be transferred further.</p> <p>As noted elsewhere within this form, the Registry will facilitate certificate labelling. Labels will be displayed on redemption statements and CRUs may be labelled as ‘CORSIA Eligible’. To acquire this label, a Registrant must attain a Letter of Attestation from the host government as described in the application form.</p> <p>As part of the redemption process, Registry users are also required to provide details of the ‘purpose’ of their redemption. This will allow for beneficiaries to identify to which CORSIA reporting cycle the retired CRUs apply.</p> <p>The above provisions allow for the Registry to meet the offsetting requirements under CORSIA.</p>	
	<p>In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry’s implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this <i>Emissions Unit Programme Registry Attestation</i>.</p>	

Please see attached for our example redemption certificate.

The [Standard](#) (Section 9) describes the role and responsibilities of labelling authorities.

Section 10 of the C-Capsule Code describes the principles of C-Capsule Redemption and Issue Requests.

The Registry is publicly accessible at www.c-capsule.com. Prior to the issuance of CRU certificates, we would welcome the opportunity to demo the current functionality of our registry capabilities to the TAB. We would also be willing to grant the TAB access to a sandbox environment for further testing of the public-facing registry.

7.5	<p>a. Will the Programme Registry, within 1 – 3 business days of receipt of formal instruction from a duly authorized representative of the owner of an account capable of holding and cancelling CORSIA Eligible Emission Units within the registry, and barring system downtime that is scheduled in advance or beyond the control of the registry administrator, make visible on the Programme Registry’s public website the account owner’s cancellations of CORSIA Eligible Emission Units as instructed.</p>	x YES
	<p>b. Will such cancellation information (row a) include all fields that are specified for this purpose in Annex 16, Volume IV, and ETM, Volume IV?</p>	X YES
	<p>Describe how the Registry does or will implement these provisions:</p>	
	<p>Following a request from a participant to redeem a certificate, the Registry will redeem labelled CRUs (and remove from trading) immediately, as described in our response to question 7.4.</p> <p>Once a redemption has been finalised and a statement issued to the account holder, all relevant and required information will be publicly available on the Registry as described elsewhere in this attestation.</p> <ul style="list-style-type: none"> • The quantity of emission units cancelled/redeemed. • Unique serial numbers • Date of cancellation / redemption • The project name • The host country • The approved methodology • Facility registration / crediting period start date • Registry name <p>In addition to processing formal requests, the Registry will build functionality to increase ease of public access to data (please see more detail in box 7.10).</p>	
	<p>In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry’s implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this <i>Emissions Unit Programme Registry Attestation</i>.</p>	
	<p>The Registry is available at www.c-capsule.com.</p>	

	<p>Before issuance of CRUs onto the registry, we would welcome the opportunity to demonstrate the current functionalities to the TAB. We would also be happy for the TAB to access a sandbox environment for further tests of registry functions in slower time.</p> <p>Within the scope of the documents provided to the TAB we have included an example redemption certificate.</p> <p>For more details on labelling, we recommend the TAB review the attached C-Capsule Code (section 11.5.4).</p>
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	<p>Will the Programme Registry, upon request of the CORSIA participant account holder or participant’s designee, generate report(s) containing the information specified for this purpose in Annex 16, Volume IV, and ETM, Volume IV?</p>	<p>x YES</p>
	<p>Describe how the Registry does or will implement this provision:</p>	
7.6	<p>C-Capsule has paid specific attention to the requirements and guidelines placed on aeroplane operators to offset CO₂ using emissions units generated by eligible programmes under Chapter 4 of Annex 16, Volume IV.</p> <p>As part of the standard CRU certificate issuance process, a participant must nominate a trade account wherein a CRU shall be deposited upon approval by the Issuer. Before any claim can be made, the CRU must be removed from a Trade Account and placed in a Redemption Account, from which it cannot be transferred. This process is known as Redemption.</p> <p>Once a CRU has been Redeemed, only one claim to the underlying environmental attributes of that CRU can be made. Participants (including CORSIA participant account holders) will receive Redemption Statements from the Registry certifying the origin and attributes of the associated CDR, including any approved label. These statements provide a uniquely generated disclosure statement for the end user / beneficiary.</p>	
	<p>In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry’s implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this <i>Emissions Unit Programme Registry Attestation</i>.</p>	
	<p>We have provided the TAB with an example of a Redemption Statement. As above, these statements will be provided to end users to allow them to make verifiable claims to the underlying attributes of a given certificate.</p> <p>The Registry is available at www.c-capsule.com. As above, we are happy to demonstrate the functionality of our registry and for the TAB to access a sandbox environment for further tests in advance of the first CRU issuances.</p> <p>As an example facility register, please see Evident’s page for I-REC(E) listed projects, recognising that the extent of information available on the C-Capsule public registry will be greater.</p> <p>Procedures defining the issuance, transfer and retirement/cancellation of C-Capsule CRUs are detailed in sections 9-11 of the attached C-Capsule Code.</p>	

	a. Does the Programme Registry maintain robust security practices that ensure the integrity of, and authenticated and secure access to, the registry data of CORSIA participant account holders or participants’ designees, and transaction events carried out by a user?	x YES
	b. Does the Programme Registry disclose documentation of such practices (row a) upon request?	x YES
	c. Does the Programme Registry utilize appropriate method(s) to authenticate the identity of each user accessing an account?	x YES
	d. Does the Programme Registry grant each user access only to the information and functions that a user is entitled to?	x YES
	e. Does the Programme Registry utilize appropriate method(s) to ensure that each event initiated by a user (i.e. transfer of units between accounts; cancellation/retirement of a unit, update of data, etc.) is an intentional transaction event confirmed by the user?	x YES
	f. Do such security features (rows a – e) meet and undergo periodic updates in accordance with industry best practice?	x YES
	Describe how the Registry implements each provision in rows a – f:	
7.7	<p>General Provisions</p> <p>Within the Registry, all sensitive registry data is secured through a robust authentication gateway ensuring only authenticated users can access non-public areas of the Registry.</p> <p>Authorisation is based upon a role-based access control model at an organisation level. An organisation may only access areas of the Registry necessary to perform the actions attributed by their organisation role. For example, a 'Registrant' role provides access to the facility management area, whereas a 'Participant' role does not. However, the C-Capsule Product Code (attached) sets out the rules for all market entities and will be available to all – irrespective of role.</p> <p>Actions taken within the Registry can be traced to the user who carried out the action and to the date and time when the specific action was performed.</p> <p>Registry Security Practices</p> <ul style="list-style-type: none"> • The Registry does, and will continue, to maintain external accreditation of security through Cyber Essentials Plus and conduct bi-annual external penetration tests. • The Registry is continuously monitoring for threats utilising internal and external tools to ensure that vulnerability is minimised. Security is prioritised when making changes to the Registry as well as when addressing any perceived vulnerabilities. • To ensure we authenticate users and provide access to the correct fields, users are identified by a unique identifier (email address) combined with a password. In addition to this, market applicants must be legal entities and satisfy the requirements of a <i>Know Your Customer</i> check (KYC). This helps to authenticate the identity of applicants and reduce the chance of fraud. The Registry will assign clear ownership to a CRU at every stage of the CRU lifecycle to ensure that ownership can be easily and confidently ascertained. 	

	<ul style="list-style-type: none"> • Users are only granted access to data and actions required to perform tasks associated with their organisation. This is managed via role-based access controls. • To ensure that each event (transfer, redemption, etc) is an intentional event, the Registry asks users to confirm their actions prior to going forward with an irreversible operation. • With regard to periodic updates, the Registry is constantly monitored for security vulnerabilities and updates. Based on the severity of threats discovered, updates can be deployed immediately or scheduled within the Registry’s deployment cycle. As per the Standard, accredited entities (included Registry Operators) operating under the C-Capsule Code will be subject to review by the I-TRACK Foundation. As per the C-Capsule Code, periodic reviews of entities are carried out on an approximately biennial basis following the initial review. <p>I-TRACK Foundation requirements re data security: As above, The Registry is accredited by the I-TRACK Foundation. The Foundation will ensure that the I-TRACK Standard requirements (as set out in section 10.3.5 of the Standard) are met.</p>
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry’s implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this <i>Emissions Unit Programme Registry Attestation</i> .
	The C-Capsule Product Code_(attached) sets out our primary security provisions (3.5.2) in addition to the provisions defined in section 10.3.5 of the I-TRACK Foundation’s Standard .

7.8	a. Will the Programme Registry, upon identifying any breach of Programme Registry data security or integrity that affects a CORSIA participant account holder or participant’s designee, notify the CORSIA participant account holder or their designee?	x YES
	b. Will the Programme Registry, upon identifying any breach of Programme Registry data security or integrity that affects a CORSIA participant account holder or participant’s designee, notify the Programme, which will inform and engage with the ICAO Secretariat on the matter in the same manner as required for material deviations from the Programme’s application form?	x YES
	Describe how the Registry does or will implement each provision in rows a and b:	
	<p>The notification requirement between C-Capsule and a CORSIA participant (in the event of a data breach) will be captured in the respective terms and conditions agreement between the Registry, the Programme Administrator and the CORSIA participant. The Registry will notify C-Capsule staff immediately upon identification of any security breach affecting the C-Capsule registry. C-Capsule will, in turn, notify affected users according to the terms of their agreements, as well relevant ICAO points of contact.</p> <p>When needed, security provisions exist within the Registry to disable specific users and organisations, thereby preventing access to the Registry. There are also provisions for the Registry to be placed into a temporary maintenance mode and for personal data breaches to be reported to the Information Commissioners Office.</p>	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme	

	Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this <i>Emissions Unit Programme Registry Attestation</i> .
	As mentioned above, the Registry is available at www.c-capsule.com . We are happy to demonstrate the functionality of our registry and for the TAB to access a sandbox environment for further tests in advance of the first CRU issuances.
	As an example facility register, please see Evident's page for I-REC(E) listed projects , recognising that the extent of information available on the C-Capsule public registry will be greater.

	Does the Programme Registry ensure the irreversibility of emissions unit cancellations and the designation of the purpose of emissions units cancellations, as per the requirements contained in Annex 16, Volume IV, and ETM, Volume IV ⁸ ?	x YES
	Describe how the Registry implements these provisions:	
	All Redemptions shall be recorded within the Registry. Redemptions are for ex-post removal activities and, post redemption, a CRU cannot be traded further. As part of the standard CRU issuance process, a participant must nominate a trade account wherein a CRU shall be deposited upon approval by the Issuer. Before any claim can be made, the CRU must be removed from a Trade Account and placed in a Redemption Account, from which it cannot be transferred. This process is known as Redemption. Procedures defining the issuance, transfer and retirement/cancellation of C-Capsule CRUs are detailed in sections 8-10 of the C-Capsule Code.	
	The act of Redemption is irreversible and error correction is only permissible upon demonstration to the Registry Operator that the Redemption details have not been used for any purpose.	
7.9	Error correction of Redemptions is at the sole discretion of the Registry Operator and may be subject to payment of a fee, to be agreed in advance, to cover any work involved.	
	Regarding the 'designation of the purpose of emissions units', as noted above, the Registry makes provision for the inclusion of a redemption/cancellation 'reason' or 'use'. Registry users are required to provide details of the purpose of their redemption. This is presented as a free text input which is then later displayed on the redemption statement and cannot be modified after the redemption statement is issued.	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this <i>Emissions Unit Programme Registry Attestation</i> .	
	Procedures defining the issuance, transfer and retirement/cancellation of CRUs are detailed in sections 8-10 of the C-Capsule Code. Please find an example Redemption Statement included within our application pack.	

7.10	a. Does the Programme Registry ensure that all cancellation information on its website is presented in a user-friendly format?	x YES
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⁸ Without prejudice to the aforementioned, such requirement would not prevent a Programme Registry from utilizing secure, time-bound and auditable methods for correcting unintentional user-entry errors.

	b. Does the Programme Registry ensure that all cancellation information on its website is available at no cost and with no credentials required?	x YES
	c. Does the Programme Registry ensure that all cancellation information on its website is capable of being searched based on data fields?	x YES
	d. Does the Programme Registry ensure that all cancellation information on its website can be downloaded in a machine-readable format, e.g., .xlsx?	X YES
Describe how the Registry implements each provision in rows a – d:		
<p>The Registry is currently building functionality to improve public access to information in advance of the first CRU issuances. This will allow for users to request information in a standardised, machine-readable format and we expect the build-out to be complete by March 31, 2024.</p> <p>The Registry will provide the public with the option to generate requests for information. This approach will maintain data security while granting access where verified information requests are received. Those requesting information will not incur a cost to a participant and the information, when provided, will be in xlsx format. The public redemption registry will provide filtering and search capabilities.</p> <p>Cancellation and redemption information is provided via a publicly accessible table within the Registry website. The data contained within will be searchable using a search box provided above the table. Additionally, the option to download table data as a CSV document will also be available and, where possible, table columns will be provided.</p>		
In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry’s implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this <i>Emissions Unit Programme Registry Attestation</i> .		
The Registry is available at www.c-capsule.com . As above, we are happy to demonstrate the functionality of our registry and for the TAB to access a sandbox environment for further tests in advance of the first CRU issuances.		

	a. Will the Programme Registry retain documents and data relevant to CORSIA Eligible Emissions Units and cancellations on an ongoing basis and for at least three years beyond the end date of the latest compliance period in which the emissions unit programme is determined to be eligible?	x YES
	b. Will the Programme Registry retain documents and data relevant to CORSIA Eligible Emissions Units and cancellations consistent with the Programme’s long-term planning, including plans for possible dissolution?	x YES
Describe how the Registry does or will implement each provision in rows a and b:		
7.11	The data management policy of the Registry is that data should only be kept for as long as there is a need to keep it to carry our business or support functions, or for as long as it is required to demonstrate compliance for audit purposes or for legislative requirement. In practice this means that data supporting requests for information, for redemption, cancellation will be held indefinitely.	

	<p>As noted within our application form, Section 10.3.6 of the Standard requires accredited entities to have business continuity practices in place. This includes a) ensuring that interruptions to services can be addressed, b) that disaster recovery plans are in place and c) that services are not dependent on single individuals. With these provisions noted, the C-Capsule Code as attached notes that <i>'in the event of the dissolution of C-Capsule or the inability of C-Capsule to manage the insurance buffer pool, the pool will be managed by Evident, C-Capsule's co-founder, or a comparable qualified organisation of Evident's election'</i>.</p>
	<p>In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this <i>Emissions Unit Programme Registry Attestation</i>.</p>
	<p>Section 8.3.2 of the Standard describes that <i>'as a minimum, Registries shall maintain records of Production Facilities, Issuing events, Product Certificates, transfer events, Redemption events, and Entities interacting with the Registry. These records shall form part of Core Records.'</i></p>