

## **CORSIA Eligible Emissions Unit Programme Change Notification Form**

*Version 2.0; Effective from 10 January 2022*

### **PART A: ABOUT THIS FORM**

Once an emissions unit programme is approved by the ICAO Council as eligible to supply CORSIA Eligible Emissions Units, the programme commits to notify the ICAO Secretariat of any “material changes” to its “Scope of Eligibility”, *including any unilateral decision to revoke or invalidate a class of CORSIA- eligible emission units within the programme’s Scope of Eligibility*, for further review<sup>1</sup> by the Technical Advisory Body (TAB) that advises the ICAO Council on the eligibility of emissions units for use in CORSIA.

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

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

Annually, TAB will indicate deadlines for programmes to notify ICAO of any such material changes. These notifications should be submitted by the next deadline after the material change has occurred; the upcoming deadlines are indicated in the version of the *TAB Work Programme and Timeline* document that is currently effective. This document is available on the CORSIA website<sup>3</sup>.

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

### **PART B: PROGRAM CHANGE NOTIFICATION(S)**

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

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

<sup>3</sup> The *TAB Work Programme and Timeline* and *TAB Procedures* documents are available here:  
<https://www.icao.int/environmental-protection/CORSIA/Pages/TAB.aspx>

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

**Programme name: BioCarbon Fund Initiative for Sustainable Forest Landscapes (ISFL)**

**CHANGE 1 Public-facing view of CATS**

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

The CATS dashboard currently available online (<https://cats.worldbank.org/datasummary>), includes features to visualize the serial numbers of each batch of units. Under CATS the serial number is denominated Global Carbon Ticker Code (GCTC). CORSIA eligibility is reflected as part of a new dynamic element number 14 (3 digits) . Units are labelled as CORSIA eligible only after the LOAAs are uploaded into CATS.

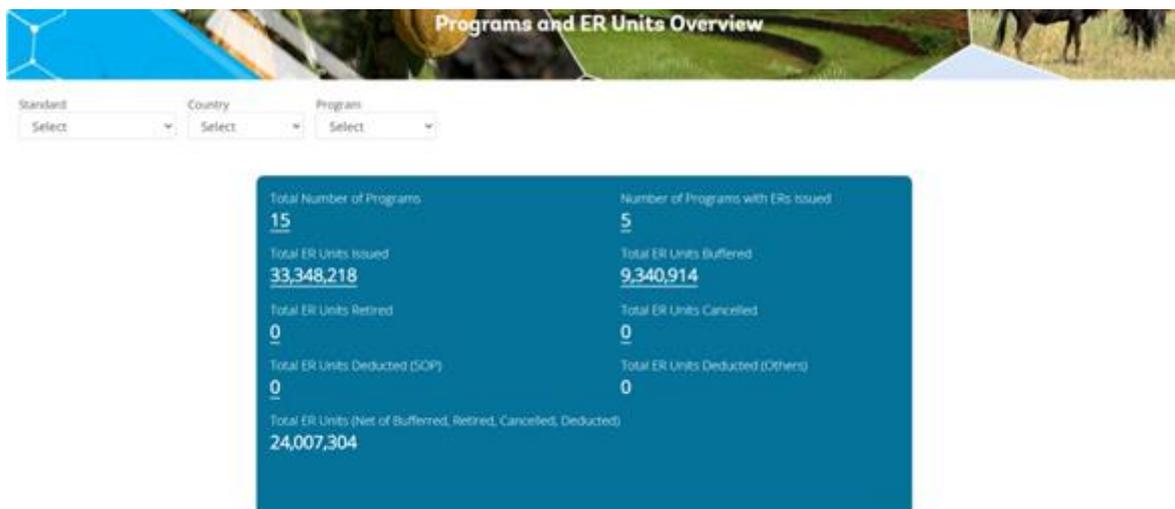
**Serialization Mechanism**

Global Carbon Ticker Code – GCTC: consists of 14 elements, reflected as 74 alpha-numeric characters

1 2 3 4 5 6 7 8 9 10 11 12 13 14  
 000000000316|CN|P000001|03|02|01|02|07|20150106-20150107|006627201-006628700|03|01|01|001

Static Elements	Dynamic Elements
1- Block Serial Number: 12 digits block unique identifier	10- Units Range: tracks the range and serial number of units within the block. LIFO (last in first out) bases
2- Country Code: as per ISO 3166	11- Units Status: based on the transactions processed on the block
3- Program Code: System-Generated Program ID	12- Units Class: as an asset in relation to the verification and certification processes
4- Sector: as per the IPCC guidelines	13- Units Type: it defines the tradability of the units
5- Standard	14- Compliance with other standards or additional criteria (e.g., CORSIA Pilot Phase, CORSIA First Phase)
6- Certification Body	
7- Methodology: MF of the program	
8- Verification Body	
9- Certification Period	

By clicking on Total of ER Units Issued as shown in the below image, will take the user to a dashboard with the units issued so far:



The dashboard displays the units verified, issued, buffered, tradable, non-tradable, cancelled and retired as shown below. By clicking over ER Units Issued of any of the ER Programs, the user will get to a table with the different blocks of issuances:

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Back to Overview

Standard: All | Country: | Program: | Export To Excel

Program ID	Program Name	Program Type	Host Country	Standard	ER Units Verified	ER Units Issued	ER Units Buffered	ER Units SOP	ER Units Non Tradable	ER Units Tradable	ER Units Cancelled	ER Units Retired
P164524	Mozambiqu...	Agriculture, ...	Mozambique	WB FCPF CF	4,146,258	2,936,554	1,166,747	0	1,217,088	0	0	0
P160368	Costa Rica R...	Agriculture, ...	Costa Rica	WB FCPF CF	4,145,230	4,145,230	862,208	0	3,106,978	0	0	0
P160339	Ghana Coco...	Agriculture, ...	Ghana	WB FCPF CF	1,289,044	1,289,044	316,588	0	920,311	0	0	0
P162605	Vietnam Em...	Agriculture, ...	Vietnam	WB FCPF CF	29,079,581	22,313,594	6,096,074	0	9,747,689	4,917,520	0	0
P167725	Madagascar...	Agriculture, ...	Madagascar	WB FCPF CF	2,663,796	2,663,796	899,297	0	1,669,882	0	0	0

The GCTC is also displayed on the dashboard for units that have been issued and units that are tradable. The full GCTC can be observed when exporting the data to excel file. See below screenshot:

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ER Issuance Details - Mozambique Zambezia Integrated Landscape Management Program (ILMP)

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Program ID	Program Name	Program Type	Host Country	Standard	Certificati... Start Date	Certificati... End Date	ER Units Issued	GCTC Block ID	Serial Number	Serial Number	Date of Issuance
P164524	Mozambiqu...	Agricultur...	Mozambiq...	WB FCPF CF	Jan 1, 2019	Dec 31, 20...	875,578	00000000...	000000001	000875578	Oct 17, 2...
P164524	Mozambiqu...	Agricultur...	Mozambiq...	WB FCPF CF	May 16, 2...	Dec 31, 20...	2,060,976	00000000...	001209705	003270680	Jun 8, 2021

Program specific documentation is displayed on the ISFL website. monitoring and verification reports will be made publicly available on the ISFL website once they are available. At the moment, none of the ISFL Programs has delivered monitoring reports, but instead, Programs have delivered Emission Reduction Program Documents (ERPDs) which have been validated. Both ERPDs and Validation/Assessment reports, are available on the ISFL website.

<https://www.biocarbonfund-isfl.org/programs>

**b. Rationale for the change:**

As part of the recommendations issued by the TAB in September 2023, the ISFL was requested to Update the public-facing view of the CATS registry to ensure that, for any jurisdictional programme that generates CORSIA-eligible units, the serial numbers for each batch of units that has been issued (including tradeable units that have not yet been cancelled) are displayed, and ensure that all programme documentation related to these units is easily accessible, including the relevant monitoring and verification reports.

**c. Where the change is reflected in the Programme’s documentation or other resource(s)<sup>4</sup>:**

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

The updates to the dashboard are reflected on the CATS website:

<https://cats.worldbank.org/datasummary>

These include:

- GCTC for issued and tradable units, amongst others (currently only available for FCPF Programs)
- Information of the labelling of CORSIA eligibility as part of the GCTC. [https://cats.worldbank.org/shared/docs/CATS\\_Knowledge\\_Operational.pdf](https://cats.worldbank.org/shared/docs/CATS_Knowledge_Operational.pdf)

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

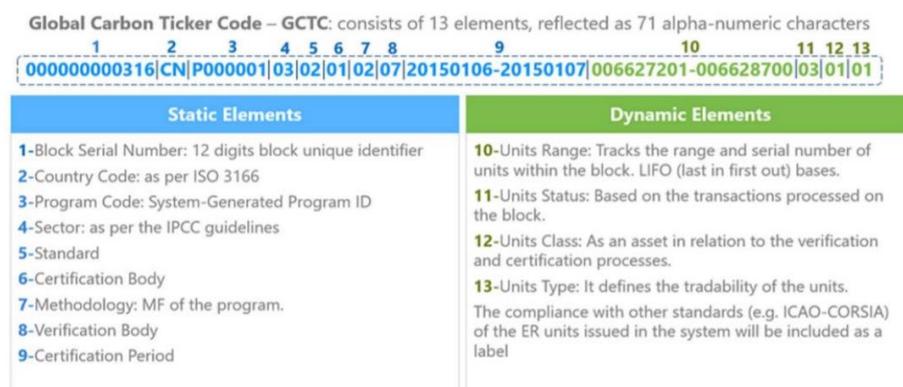
**The information included in the previous re-application has been copied and pasted below:**

The ER Transaction Registry has the capabilities to designate the ICAO eligible units in all account types, identify track and transfer unit holding from issuance to retirement/cancellation, and uniquely serialize units including information on unit status (active, buffered, cancelled, or retired), unit's country and sector of origin and vintage of credits among other information as part of the Global Carbon Ticket Code (GCTC).

The registry procedures ensure traceability, transparency, efficiency, environmental Integrity, and ISFL compliance requirements.

- a) The identification of the ICAO-eligible units (as the compliance of BioCF ISFL ER units with other standards), will be explicitly added as a label to the unique serial number (GCTC). The GCTC consists of 13 elements, reflected as 71 alpha-numeric characters that can be described as (i) Static Elements that never change throughout the block lifecycle and define the details and characteristics of the block origin; and (ii) Dynamic Elements that are subject to continuous changes through the block life-cycle and define current state and characteristics of the block in relation to the transactions which have been performed.

## Serialization Mechanism



As can be seen from the above figure, the last 3 elements of the serial number characterize ICAO eligible units (status-active, class-certified, type-tradable) and the compliance with the standard will be explicitly labeled to the GCTC. For further details check section 2.3.2.1. Global Carbon Ticker



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

The ISFL is sharing the link to the updated CATS public dashboard for reassessment by the TAB. Currently only FCPF Programs are included as none of the ISFL Programs have issued ERs. The ISFL is also presenting the link to the updated CATS Operational Guidelines.

<https://cats.worldbank.org/datasummary>

[https://cats.worldbank.org/shared/docs/CATS\\_Knowledge\\_Operational.pdf](https://cats.worldbank.org/shared/docs/CATS_Knowledge_Operational.pdf)

### **CHANGE 2 CATS and letters of attestation**

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

**Paragraph 77:** this paragraph has been adjusted to clarify that ER Programs interested in generating CORSIA Eligible Emissions Units shall issue and submit to CATS a Letter of Assurance and Authorization (LOAA) before such units are labelled. Such LOAAs will be made publicly available in CATS once they are received in CATS.

**Paragraph 84:** this paragraph has been adjusted to clarify that in the case an ISFL ER Program is eligible to generate CORSIA Eligible Emissions Units, whether at the time of issuance or after issuance, shall provide to the FMT the necessary documentation described in Section 7.9 of the Process Requirements. Once the CORSIA-labelling is deemed approved by the FMT, the Fund Transaction Processor labels the relevant units as CORSIA-eligible units, taking into account any limits that may have been established by the ER Program in the LOAA.

**Paragraph 103** further clarifies that the FMT will make publicly available in CATS and link it to each relevant issuance block, the relevant LOAA submitted by the ER Program together with any submitted evidence that the Corresponding Adjustment has been applied.

b. Rationale for the change:

As part of the recommendations issued by the TAB in September 2023, the ISFL was requested to update the ISFL procedures and the CATS registry system to clarify when and where the host country letters of attestation will be made publicly available.

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

The change is reflected in the ISFL Process Requirements, paragraphs 77, 84 and 103.

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

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

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

**The information originally submitted to the TAB has been copied from the previous re-application and pasted below:**

- To make publicly available attestations from national governments' designated agencies, CATS Information and Technology Solution (ITS) team is working in parallel to label those ISFL credits as authorized ISFL credits (for which a corresponding adjustment has been applied). All ISFL Credit retirements and cancellations will be transparently recorded in public reports on CATS Registry.
- the ISFL will only qualify offset credits for CORSIA once the host country attestation (letter of assurance and authorization by the host country) is received and proves that all ISFL and CORSIA requirements are met (to qualify post-2020 ISFL Credits for CORSIA). Those letters signed by the relevant authority in the country will detail the, volume to be issued, authorization to be used by airplane operators to meet offsetting requirements under CORSIA, and the provisions to renouncing to use them to progress towards the country NDCs and assuring that the Corresponding Adjustments will be reflected in the structured summary of the country's biennial transparency reports. The sample attestation form can be found on the ISFL Process Requirements Annex I. [https://www.biocarbonfund-isfl.org/sites/default/files/2023-06/ISFL%20Process%20Requirements\\_2023\\_2.2.pdf](https://www.biocarbonfund-isfl.org/sites/default/files/2023-06/ISFL%20Process%20Requirements_2023_2.2.pdf)

**Moreover, the responses provided to the TAB as part of the last round of clarification questions raised in August 2023 include the following:**

The LOAAs for both the ISFL and FCPF will be indeed uploaded and published in CATS. Section 2.3.7. of the CATS Operational Guidelines on International Transfers requiring Corresponding Adjustments, specifies that the designated focal point of the country shall prepare a Letter of Authorization (LOAA) declaring that the country will not use those ERs to track progress towards, or for demonstrating achievement of its NDC and will account for their use by the buyer by applying relevant adjustments.

The LOAA along valid evidence that the country has carried out a corresponding adjustment covered by the LOAA are required prior to label and transfer those units in CATS (e.g. to qualify post-2020 FCPF Credits for CORSIA, this information is required before labeling and will be uploaded in CATS along with the transaction request).

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

The ISFL is sharing a link to the updated Process Requirements for reassessment by the TAB. [https://www.biocarbonfund-isfl.org/sites/default/files/2024-03/ISFL%20Process%20Requirements\\_2024\\_2.3\\_0.pdf](https://www.biocarbonfund-isfl.org/sites/default/files/2024-03/ISFL%20Process%20Requirements_2024_2.3_0.pdf)

### **CHANGE 3 Address Changes to Country attestations**

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

The ICAO council requested the ISFL to establish procedures to address changes to the number, scale and/or scope of host country attestations.

The ISFL would like to clarify the following::

Host country attestations will be made publicly available on CATS as specified in the ISFL Process Requirements **paragraph 77**. The ISFL Process Requirements also state in **paragraph 100** that once a LOAA has been submitted by the ISFL ER Program, and made publicly available in CATS, and relevant units have been labelled as CORSIA-eligible in CATS, **it cannot be amended/updated even if a Correspondent Adjustment has not taken place**. If the ISFL ER Program has not applied the Corresponding Adjustment and decides to revise the scale and/or scope of the LOAA, such as decreasing the volume of ERs authorized in the LOAA to be used for CORSIA, the FMT will proceed to execute the actions described under paragraph 104. On the contrary, if the ISFL ER Program decides to increase the volume of ERs authorized in the LOAA to be used for CORSIA, a new LOAA should be submitted to the FMT to cover for the additional volume, and the ISFL Program will make a new request for labeling of units as CORSIA-eligible.

**b. Rationale for the change:**

As part of the recommendations issued by the TAB in September 2023, the ISFL was requested to Establish procedures to address changes to the number, scale, and/or scope of host country Attestations.

**c. Where the change is reflected in the Programme's documentation or other resource(s)<sup>6</sup>:**

- ISFL Process Requirements paragraphs 77, 100

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

**The information originally submitted to the TAB has been copied from the previous re-application and pasted below:**

a) & b) Terms and Conditions of ER Transaction Registry sections 7.02, 8.02, 11.2 (n,o) and article XIV section 14.01; include provisions to address the item on "update information pertaining to host country attestation as often as necessary to avoid double-claiming"

[https://cats.worldbank.org/shared/docs/CATS\\_Knowledge\\_Terms.pdf](https://cats.worldbank.org/shared/docs/CATS_Knowledge_Terms.pdf)

Moreover, the ISFL has designed a sample attestation form (letter of assurance and authorization by the host country) that will be required as needed as an attached document prior to any international transfer of ISFL credits and will be published in the ISFL transaction registry (CATS Carbon Assets Tracking System) along with the third-party transaction request by the host country transaction processor. This form can be found on the ISFL Process Requirements. [https://www.biocarbonfund-isfl.org/sites/default/files/2023-06/ISFL%20Process%20Requirements\\_2023\\_2.2.pdf](https://www.biocarbonfund-isfl.org/sites/default/files/2023-06/ISFL%20Process%20Requirements_2023_2.2.pdf)

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

Overall, all transfers of ISFL Credits to be used under CORSIA scheme will follow the following general procedures to be included in the updated CATS operational guidelines (same deadline):

- The ISFL will only qualify offset credits for CORSIA once the host country attestation (letter of assurance and authorization by the host country) is received and proves that all ISFL and CORSIA requirements are met (to qualify post-2020 ISFL Credits for CORSIA). Those letters signed by the relevant authority in the country will detail the REDD+ activity, volume to be issued, authorization to be used by airplane operators to meet offsetting requirements under CORSIA, and provisions to renouncing to use them to progress towards the country NDCs and assuring that the Corresponding Adjustments will be reflected in the structured summary of the country's biennial transparency reports.

- The ISFL has in place a mechanism for mitigating and compensating double claiming of ERs as described in the ISFL Process Requirements section 7.9. [https://www.biocarbonfund-isfl.org/sites/default/files/2023-06/ISFL%20Process%20Requirements\\_2023\\_2.2.pdf](https://www.biocarbonfund-isfl.org/sites/default/files/2023-06/ISFL%20Process%20Requirements_2023_2.2.pdf)

c) To make publicly available attestations from national governments' designated agencies, CATS Information and Technology Solution (ITS) team is working in parallel to label those ISFL credits as authorized ISFL credits (for which a corresponding adjustment has been applied). All ISFL Credit retirements and cancellations will be transparently recorded in public reports on CATS Registry.

**Moreover, the responses provided to the TAB as part of the last round of clarification questions raised in August 2023 include the following:**

Suppose that a national government issued an LoAA and then raised concerns about particular units thereunder, declined to apply a corresponding adjustment, and/or reversed a previous adjustment in subsequent reporting under the Paris Agreement. Please describe step-by-step how the FCPF/ISFL would respond, and how MIGA or the other insurance mechanism would interact with the host country and the investor, making reference to the relevant programme procedures in each step.

Please note that according to our discussions with UNFCCC Secretariat, reversal of a previous adjustment in subsequent reporting periods is extremely unlikely. Once the expert review has been done, countries cannot change their reported corresponding adjustment except for the unlikely situation of an error in reporting.

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

The ISFL is sharing the link to the updates ISFL Process Requirements for reassessment by the TAB. [https://www.biocarbonfund-isfl.org/sites/default/files/2024-03/ISFL%20Process%20Requirements\\_2024\\_2.3\\_0.pdf](https://www.biocarbonfund-isfl.org/sites/default/files/2024-03/ISFL%20Process%20Requirements_2024_2.3_0.pdf)

#### **CHANGE 4 Double claiming procedures**

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

As part of the suite of procedures necessary to prevent double-claiming, are included those to address changes to the number, scale and/or scope of host country attestations. The ISFL has clarified the following:

- **Transparent communications:** The program should 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; and update information pertaining to host country attestation as often as necessary to avoid double-claiming.

- Host country attestations will be made publicly available on CATS as specified in the ISFL Process Requirements **paragraph 77**.
  - The ISFL Process Requirements also state in **paragraph 100** that once a LOAA has been submitted by the ISFL ER Program, and made publicly available in CATS, and relevant units have been labelled as CORSIA-eligible in CATS, it **cannot be amended/updated even if a Correspondent Adjustment has not taken place**. If the ISFL ER Program has not applied the Corresponding Adjustment and decides to revise the scale and/or scope of the LOAA, such as decreasing the volume of ERs authorized in the LOAA to be used for CORSIA, the FMT will proceed to execute the actions described under paragraph 104 of the Process Requirements. On the contrary, if the ISFL ER Program decides to increase the volume of ERs authorized in the LOAA to be used for CORSIA, a new LOAA should be submitted to the FMT to cover for the additional volume, and the ISFL Program will make a new request for labeling of units as CORSIA-eligible.
  - Moreover, as clarified in **paragraph 103**, the FMT will keep a publicly available record of any relevant documentation related to the application of double claiming procedures, including documentation submitted by the ER Program such as LOAAs, evidence that the Corresponding Adjustment has been applied, or if this has not been applied, the applicable Guarantee. The FMT will also record in website the actions taken to obtain evidence that the Corresponding Adjustments were applied, including of the type of evidence.
- **Comparing unit use against national reporting:** The program should have procedures in place to compare countries' accounting for emissions units in national emissions reports against the volumes of eligible units issued by the program and used under the CORSIA which the host country's national reporting focal point or designee otherwise attested to its intention to not double-claim.
    - **Paragraph 101** of the ISFL Process Requirements clarifies that within one year after the application of the adjustment is required to be reported by the ER Program Participant to the UNFCCC under Article 13 of the Paris Agreement, the FMT will verify that the ER Program has carried out a Corresponding Adjustment for CORSIA-eligible units covered by a LOAA. Verification procedures and acceptable evidence that the corresponding adjustment has been made, may be found in Paragraphs 101 and 102.
    - Moreover, the LOAA template provided in **Annex 1** of the ISFL Process Requirements includes a declaration that the country shall report on the authorization and use of the ISFL emission reductions for the CORSIA [or by other countries] in a transparent manner in the country's biennial transparency report submitted under Article 13 of the Paris Agreement.
- **Program reporting on performance:** The program should be prepared to report to ICAO's relevant bodies, as requested, performance information related to, inter alia, any material instances of and program 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 program measures.
    - **Paragraph 105** of the ISFL Process Requirements has been edited to specify that the FMT will elaborate, publish and share with UNFCCC and ICAO's relevant bodies, on a yearly basis, reports with aggregated information, including

performance information related to, inter alia, any material instances of and program responses to country-level double-claiming; the nature of, and any changes to, the number, scale, and/or scope of host country attestations; and any relevant changes to related program measures.

The ISFL annual reports will include the following information:

- a) Total units issued by country, calendar year, and needing and adjustment;
- b) Total units issued;
- c) Issued and covered by a LOAA;
- d) Qualified as CORSIA eligible;
- e) Cancelled to meet offsetting requirements under CORSIA;
- f) Cancelled for purposes other than meeting offsetting requirements under CORSIA.
- g) Total CORSIA Eligible Emissions Units cancelled by aeroplane operator for each compliance period to meet offsetting requirement under CORSIA;
- h) Maximum number of emission reductions and removals from ER Programs authorized by countries through LOAAs for use by [other countries and] entities by country and year.

- **Reconciliation of double claimed mitigation:** The program should have procedures in place for the program, or proponents of the activities it supports, to compensate for, replace, or otherwise reconcile double-claimed mitigation associated with units used under the CORSIA which the host country's national accounting focal point or designee otherwise attested to its intention to not double-claim.

- **Paragraph 99** of the ISFL Process Requirements has been adjusted to clarify the procedures in place for the program, or proponents of the activities it supports, to compensate for, replace, or otherwise reconcile double-claimed mitigation associated with units used under the CORSIA. The adjusted procedure is described below:

Unless the ER Program provides evidence in line with the requirements set out in Section 102 of the Process Requirements that the Corresponding Adjustment pertaining the ERs covered by the LOAA has already been carried out before such units are cancelled for use by an aeroplane operator for CORSIA or by countries to achieve their NDCs, in order to guarantee that the emissions units covered by a LOAA avoid double claiming, the ER Program shall obtain a guarantee, in a form acceptable to the World Bank. The guarantee protects the losses arising from a government's revocation and repudiation of its commitments under the LOAA including corresponding adjustment and other carbon rights, as applicable, which will lead to non-enforcement of arbitral awards. The compensation will be provided to the guarantee beneficiary, in monetary terms based on the purchase price. Once the cancellation of units has taken place, the ER Program and/or the guarantee beneficiary shall provide proof of such cancellation to the ISFL. This guarantee could be from a reputable third-party, an entity such as the Multilateral Investment Guarantee Agency (MIGA) or an ISFL- approved insurance mechanism.

**b. Rationale for the change:**

As part of the recommendations issued by the TAB in September 2023, the ISFL was requested to develop and put into place a complete suite of procedures necessary to prevent double-claiming, consistent with the criterion Only counted once towards a mitigation obligation and the relevant guidelines, mindful of TAB's considerations and analysis contained in the document Clarifications of TAB's Criteria interpretations.

c. Where the change is reflected in the Programme's documentation or other resource(s)<sup>7</sup>:

- ISFL Process Requirements paragraphs 77, 99, 100, 101, 102, 103, 104, 105 and annex 1.

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

**The information originally submitted to the TAB has been copied from the previous re-application and pasted below:**

The above response has been updated to reflect the ongoing work being conducted by the ISFL on the requirements to compensate for, replace, or otherwise reconcile double claimed mitigation associated with units used under the CORSIA. The adjusted response is presented below:

Terms and Conditions of ER Transaction Registry sections 7.02, 8.02, 11.2 (n,o) and Article XIV section 14.01; include provisions to address the above items. [https://cats.worldbank.org/shared/docs/CATS\\_Knowledge\\_Terms.pdf](https://cats.worldbank.org/shared/docs/CATS_Knowledge_Terms.pdf). According to these sections, in the event that ERs are issued on another registry and/or erroneous or fraudulent use of ERs listed in the Registry, including but not limited to the ERs or Buffer ERs being subject to Double-Counting, Double-Selling or Double Claiming; The Registry Operator may cancel ERs on the Registry.

Moreover, the ISFL has in place a mechanism for compensating double claims which is described in the ISFL Process Requirements section 7.9. [https://www.biocarbonfund-isfl.org/sites/default/files/2023-06/ISFL%20Process%20Requirements\\_2023\\_2.2.pdf](https://www.biocarbonfund-isfl.org/sites/default/files/2023-06/ISFL%20Process%20Requirements_2023_2.2.pdf)

a & b) The ER Transaction Registry has capabilities to issue one unit for one tonne of mitigation and to transfer, retire/cancel by only one entity at a time to avoid double counting of ERs.

c & d) Section 3.7 of the ISFL ER Program Requirements specify that host countries implementing ER programs shall select an appropriate mechanism to avoid double counting, including double issuance, double selling/use, or double claiming, to track the ERs and ensure that any ERs that have been generated, monitored and verified under the ISFL ER Programs and paid for by the ISFL are not used again by any entity for sale, public relations, compliance or any other purpose. The ER Transaction Registry has capabilities to register, track, and as appropriate retire or cancel ER units generated under the ISFL ER program. The procedures are described in the Operational Guidelines for Emission Reductions Transaction Registry. <https://cats.worldbank.org/html/knowledge.html>

The national governments need to comply with the Terms and Conditions of the ER Transaction registry (CATS - Carbon Assets Tracking System) to demonstrate no Double-Counting, Double-Selling, or Double-Claiming of ERs. The national governments through the acceptance of the Terms and Conditions, acknowledge (Section 11.02 paragraphs (n) (o)) no Double-Counting, Double-Selling, or Double-Claiming of the ERs and Buffer ERs, and that ER programs are not registered and will not register ERs simultaneously in CATS ER Registry and other registries. The common application of the Terms and Conditions of CATS to all national governments ensures that ISFL procedures to prevent double counting and double claiming are uniformly applicable to all national governments hosting ISFL ER Programs.

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

Additionally, paragraph 35, item (i) of Section 8.2 of the ISFL Validation and Verification Requirements, require Verification Bodies to assess the extent to which systems to avoid that ERs generated under the ISFL ER program have not been counted or compensated for more than once have been adequately implemented and confirm that issuance has not occurred in other known registries.

The ISFL constantly engage with countries implementing ER programs to make them aware of the ISFL procedures on Validation and Verification Requirements, and CATS ER Transaction Registry to prevent the risk of double-counting and to assist national governments to develop procedures that comply with ISFL procedures to avoid the risk of double counting. In relation to CATS ER Transaction Registry, the ISFL constantly engages with countries on steps required to comply with the Terms and Conditions of CATS ER Transaction Registry and to strengthen the capacity of national governments to have procedures in place to address double counting before ISFL credits can be issued.

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

The ISFL is sharing the link to the updates ISFL Process Requirements for reassessment by the TAB. [https://www.biocarbonfund-isfl.org/sites/default/files/2024-03/ISFL%20Process%20Requirements\\_2024\\_2.3\\_0.pdf](https://www.biocarbonfund-isfl.org/sites/default/files/2024-03/ISFL%20Process%20Requirements_2024_2.3_0.pdf)

<b>CHANGE 5 CDM</b>
a. Description of the change (e.g., the addition, modification, deletion undertaken):
The ISFL does not rely on any CDM methodologies, processes and institutions, requirements, and/or tools, and thus does not have any CDM elements to monitor.
b. Rationale for the change:
As part of the recommendations issued by the TAB in September 2023, the ISFL was requested to Put procedures in place for ISFL to (1) periodically monitor formal developments related to any CDM methodologies, processes and institutions, requirements, and/or tools that are incorporated into the programme or referenced in its programme documents, (2) respond to substantive updates, revisions, or other changes to those CDM contents, as appropriate, to maintain the programme's coherence and effectiveness, and (3) publicly report any actions or decisions taken thereon.
c. Where the change is reflected in the Programme's documentation or other resource(s) <sup>8</sup> :
N/A. No updates were included.
d. Information originally submitted to and assessed by TAB that would be altered as a result of this change (copy and paste in the field below); including any and all relevant descriptions or explanations provided by the Programme in its Application Form and accompanying materials and/or in response to any further inquiries from TAB during the course of the assessment(s) that informed TAB recommendations on the Programme's current eligibility:
N/A Previous information related to the CDM has not been shared with the TAB because the ISFL does not rely on any CDM methodologies, processes and institutions, requirements, and/or tools, and thus does not have any CDM elements to monitor.
e. How the information in "d." would be revised and submitted to any future (re-)assessment process, by updating the information in "d." to reflect any / all modifications to the Programme's original information that result from the change:
N/A No sections/documents were updates as a result of this request.

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

