

CORSIA Eligible Emissions Unit Programme Change Notification Form

Version 2.0; Effective from 10 January 2022

PART A: ABOUT THIS FORM

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

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

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

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

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

PART B: PROGRAM CHANGE NOTIFICATION(S)

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

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

³ The *TAB Work Programme and Timeline* and *TAB Procedures* documents are available here:
<https://www.icao.int/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: **INITIATIVE FOR SUSTAINABLE FOREST LANDSCAPES (ISFL)**

CHANGE 1 - Identification and Tracking
a. Description of the change (e.g., the addition, modification, deletion undertaken):
The public dashboard of CATS has been adjusted to include a new section accessible from each program that includes a detailed description of the ER Program, location, program managing institution along with detailed information on emission reductions by categories (verified, issued, buffered, tradable, non-tradable, cancelled, retired, labels) including links to the unique serial number of each block or Global Carbon Ticker Code - GCTC). This section includes, as required, access to all relevant program documents (emission reduction program document, monitoring reports, validation reports, verification reports, others). Direct access to CATS Public Dashboard – Program list: https://cats.worldbank.org/ProgramList?filter=TotalProg
b. Rationale for the change:
As part of the ICAO Council's decision on CORSIA Emissions Unit Programmes issued in October 2024 for phase 1, the ICAO Council requested the ISFL to update the public-facing view of the CATS registry to ensure that, for any jurisdictional programme that generates CORSIA-eligible units, all programme documentation related to these units is easily accessible via their specific registry entries, including the relevant monitoring and verification reports corresponding to each batch of units.
c. Where the change is reflected in the Programme's documentation or other resource(s) ⁴ :
As mentioned above the change has been implemented in the CATS website (Public Dashboard - Program list: https://cats.worldbank.org/ProgramList?filter=TotalProg) and documented in the CATS Operational Guidelines: 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:
<p>The TAB submitted the following question in July 2024:</p> <p><i>TAB notes ISFL's response to an Initial clarification question, which states that "The specific documentation for the 15 FCPF CF ER Programs, including monitoring and verification reports are available on the FCPF website. These documents will not be displayed in CATS to avoid duplication of documents." Why is there a risk of duplication of documents? Why can't the documents be stored in one location and hyperlinked from the other location?</i></p> <p>The ISFL provided the following response:</p> <ul style="list-style-type: none"> <i>The ISFL site is a dedicated site designed to share documentation related to the ISFL facility and the GHG programme respectively. CATS is a transaction registry with detailed information on all relevant asset transactions.</i> <i>Since CATS is used as transaction registry for various WB programmes beyond FCPF and ISFL, the WB is considering upgrading the public dashboard to enable it to be a central repository of key documentation relevant for each ER Program or project.</i>

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

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 shared a link to the updated CATS dashboard that includes the repository of program documents. As mentioned above, the new section that includes, as required, access to all relevant program documents (emission reduction program document, monitoring reports, validation reports, verification reports, others) is accessible by clicking the specific program from CATS Public Dashboard – Program list:

<https://cats.worldbank.org/ProgramList?filter=TotalProg>.

CHANGE 2 - Only counted once towards a mitigation obligation**a. Description of the change (e.g., the addition, modification, deletion undertaken):**

Paragraph 104 of the Process Requirements version 2.4 has been modified to state the following:

104. To ensure that the emissions units covered by the LOAA are not subject to double claiming in the relevant CORSIA compliance period, the ISFL Program Participant shall provide evidence, as outlined in paragraph 107, that the Corresponding Adjustment for the ERs covered by the LOAA has already been applied at the time of the request for labelling units as CORSIA-eligible. If such evidence is not provided, a guarantee must be obtained to ensure that any double-claimed units (those for which corresponding adjustment has not been applied) will be replaced with a volume of ICAO-eligible units corresponding to the number of units that were double claimed by the ISFL Program (“Replacement Contribution”). In such case, the guarantee shall be submitted to the FMT as part of the request for labeling of units as CORSIA-eligible. To enable a robust guarantee, the ISFL Program shall issue a legally binding and enforceable LOAA with commitments to applying Corresponding Adjustment and granting other carbon rights to buyers, as applicable. Such guarantee shall:

- a) Cover all units that have eligible unit dates within the relevant CORSIA compliance period, to which the LOAA applies.*
- b) Ensure that the ISFL will be fully financially compensated for the procurement of the Replacement Contribution for the double claimed units at the time they are needed. The Replacement Contribution will be CORSIA-eligible units (or comparable CORSIA-eligible units as approved by ISFL that have not been sold or otherwise committed), and the FMT will cancel the associated Replacement Contribution to mitigate the ISFL Program Participant’s double claim of emission reductions.*
- c) Cover losses arising from a government’s revocation and repudiation of its commitments to granting other carbon rights under the LOAA.*
- d) Be from a reputable third-party, an entity such as the Multilateral Investment Guarantee Agency (MIGA) or a World Bank-approved insurance mechanism.*
- e) Have a coverage effective from when the CORSIA-eligibility label is applied to the emissions units, and at least until the FMT has verified that the Corresponding Adjustments were applied for all units used in the relevant CORSIA compliance period.*

Moreover, paragraph 109 of the Requirements, which specifies the action that the ISFL would take in the case the corresponding adjustment is not verified, has been modified to clarify the responsibility in terms of procurement and cancellation of units.

c) The FMT will procure and cancel the associated replacement contribution to mitigate the ISFL Program Participant’s double claim of emission reductions.

b. Rationale for the change:

As part of the ICAO Council's decision on CORSIA Emissions Unit Programmes issued in October 2024 for phase 1, the ICAO Council requested the ISFL to develop and put into place a complete suite of procedures necessary to ensure that the program, or proponents of the activities it supports, fully 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, mindful of TAB’s considerations contained in the document Clarifications of TAB’s Criteria interpretations and in TAB recommendations – August 2024.

In its communication the TAB also noted that it only assesses emissions unit programmes, and that third-party guarantees/insurance are not strictly necessary to prevent double-claiming. However, when a programme's procedures allow for the use of third-party insurance/guarantees in relation to this Guideline, the programme should have procedures in place to require and confirm that such products, among other things:

- Cover all units that have Eligible Unit Dates within the relevant CORSIA compliance period, to which the host country Letter of Authorization applies.
- The coverage is effective from when the Programme applies a CORSIA-eligibility labels to the emissions units, at least until the Programme has verified that the corresponding adjustments were applied for all units used in the relevant CORSIA compliance period.
- Be underwritten by a highly reputable third party that is not affiliated with the host country government or the project proponents of the activity.

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

Process Requirements paragraph 104 ([ISFL Process Requirements_2.4_March_14_2025.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 ISFL submitted an application to supply CORSIA Eligible Emissions Units for the 2024 – 2026 compliance period (first phase) in March 2023. The below text was included in the application:

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)?.

Section 7.02 specifies that users in CATS need to submit a transfer request which is assessed by CATS to identify that no prohibited actions are taking place, including a transfer that would result in Double-Counting, Double-Selling or Double-Claiming. Moreover, the ISFL is currently working on the design of an 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 will be ready and approved before the end of the World Bank fiscal year (June 30th 2023).

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.*

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

- *The ISFL will also require (to qualify post-2020 units for CORSIA) the host country to present a mechanism to mitigate the risk of or compensate for double claims of emission reductions units between operators under CORSIA and host countries towards NDC achievement; if the adjustment has not been made (or credible evidence has not been provided) within a year after the adjustment was due. The ISFL is already conducting consultations with different stakeholders in this regard, including the World Bank Multilateral Investment Guarantee Agency (MIGA), and the detailed requirements and processes to be followed to mitigate the risk of or compensate for double claims of emission reductions are expected to be finalized by June 30th, 2023.*

Later, in August 2023 the TAB requested the ISFL to respond to the following questions: see below questions and responses:

TAB notes the World Bank has undertaken a considerable amount of work to develop the Double Claiming requirements for CORSIA Eligible Emissions Units. Please describe this policy development process, the challenges you faced, the solution you found, and your rationale.

These requirements were developed through extensive consultation of different teams within the World Bank including teams in the Multilateral Investment Guarantee Agency (MIGA) and the International Finance Corporation (IFC).

The main challenge was to find a solution that would not disincentivize ER programs from generating CORSIA-eligible units, while complying with the CORSIA requirements. According to the defined procedures, countries are required to provide the Letter of Assurance and Authorization (LoAA) upon completion of validation/verification and prior to labelling of CORSIA-eligible units. In addition to this, procedures include the provision of evidence and confirmation that a Corresponding Adjustment is applied. Moreover, the formula chosen to compensate for double-claiming includes requiring countries to provide a guarantee from a reputable third-party, an entity such as MIGA or an ISFL- approved insurance mechanism. Procedures include requirements on reporting annually with respect to units issued, cancelled, CORSIA eligible units cancelled by aeroplane operators, units authorized by LoAAs and other relevant information.

How on what basis would the World Bank determine whether or not the guarantee is acceptable?

Discussions are ongoing with the World Bank Group's Multilateral Investment Guarantee Agency (MIGA). MIGA is currently working on minimum requirements for the LoAA, is defining the criteria to evaluate the risk of double-claiming and conditions for their guarantees. Both the FCPF and the ISFL are working closely with MIGA to ensure that the product developed by MIGA may be used by FCPF and ISFL countries. Other guarantees that are not issued by MIGA, will be assessed on a case-by-case scenario by the WB's legal department and with support from experts in MIGA. In broad terms, we believe that an acceptable guarantee should ideally be accessible and affordable to countries, provide assurance that the double claimed units will be compensated and ensure that the double claiming situation will be remedied in a timely manner.

Later, on the same month (August 2023) the TAB requested the ISFL to respond to the following questions: see below questions and responses:

Are the new double-claiming procedures approved by FCPF/ISFL donors or simply proposed by the trustee? What are the timelines for the approval?

The preparation of Double claiming procedures for their submission to CORSIA TAB by June 30 and the overall content of the procedures were approved by Carbon Fund Participants during the governance meeting held end of May, 2023. However, the version of the FCPF Process Guidelines was published by the FMT as a 'minor' revision (Process Guidelines version was changed from version 5.2 to version 5.3 which represents a 'minor' revision) not requiring formal approval from

Carbon Fund Participants. A new version of the double claiming procedures integrating the latest iterations with MIGA and endorsed by Carbon Fund Participants, will be published by the end of September.

Later in April 2024, the ISFL submitted a material change form including adjustments to the double claimed procedures:

CHANGE 4 Double claiming procedures

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.*
- If a MIGA product is selected to cover ISFL CORSIA-eligible ERs, it should be a MIGA's political risk insurance guarantee that can be used against losses from non-commercial risks under its breach of contract (BoC) coverage. In this type of guarantee, it is being discussed that the guarantee holder shall be the off takers (if ERs are sold through direct sales) or the auction agency/exchange (if sold through an auction/exchange market). The buyer of the ERs covered in the LOAA can be designated as the guarantee beneficiary.*

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 Process Requirements for review by the TAB: [ISFL Process Requirements_2.4_March_14_2025.pdf](#)

CHANGE 3 – CATS - VERRA-ISFL

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

All ISFL units are originally certified, issued and labelled as CORSIA-eligible units in CATS as per procedures presented for CORSIA TAB evaluation. Those procedures and responses remain unchanged until the issuance of units.

However, in order to facilitate transaction with third-party buyers, the units will be cancelled in the CATS and re-issued as ISFL CORSIA-eligible units in the VERRA Registry (<https://verra.org/registry/overview/>). VERRA Registry is being used for issuing and transacting CORSIA-eligible units under Verified Carbon Standard (VCS), and it will also allow the re-issuance and transaction of CORSIA-eligible units under ISFL.

ISFL CORSIA eligible units must be transacted in VERRA Registry. The WB signed a Cooperation Agreement with VERRA, a nonprofit corporation which operates the VERRA Registry, on September 18th, 2023 (amendment on April 5th, 2024), to cooperate in furtherance of utilizing the VERRA Registry as the authorized transaction registry for certain ISFL ERs generated under the ISFL ER Programs. VERRA registry will host ISFL CORSIA eligible units allowing the transaction of such units from the Program Entity account (once the credits originally issued in CATS registry have been cancelled and reissued in VERRA Registry) to the accounts of the airlines purchasing those units to offset their emissions. Reconciliation processes to avoid double accounting and block tracking have been implemented via documents (cancellation report in CATS with the purpose of reissuing ISFL credits in VERRA Registry) and information available in VERRA Registry (public dashboard showing VERRA serial number and CATS serial number). The process to conduct such transactions has been included in the ISFL Process Requirements.

VERRA Registry will replicate all the labels created under CATS, including for CORSIA labelled units, so that these can be clearly identified in the VERRA Registry. Relevant information to CORSIA will also be provided in the cancellation certificate to enable VERRA Registry to replicate this in its transaction registry, such as CORSIA eligibility, CORSIA eligibility date, the CORSIA phase for which they are eligible, if such units are covered by the country's NDC, and whether a corresponding adjustment has been applied at the time of cancellation. All applicable documentation including ER Program Document, Validation Report, Verification Report, Monitoring Report and Cancellation certificate will be made publicly available in the VERRA Registry.

Once CORSIA-labelled units are transferred to the VERRA Registry, they will be subject to the VERRA Registry Terms of Use, including procedures related to retirements, cancellations, identification, tracking, registry management and governance. These are the same as for VCS and are described in the latest application from VCS to CORSIA: https://www.icao.int/environmental-protection/CORSIA/Documents/TAB/TAB%202022/Re-assessment%202022/VCS_Re-assessment%20Application_for%20public%20posting.pdf

The ISFL Process Requirements have been adjusted to incorporate the following paragraphs:

90. *Allocating available serialized ERs from the Issuance account to the Tradable Country Program Account and transfer a specific amount to a Third-Party Buyer account (selling) is also possible once the buffer discounts have been performed and considering the specific ERPA conditions. The Fund Transaction Processor records and submit the transaction to the Fund Manager's approval and the corresponding amount is credited in the Program Tradable Account (holding accounts).*
91. *Any transaction beyond the ISFL BioCarbon Fund (i.e. third-party buyers purchasing ISFL ERs from Tranche 3 or directly from ISFL Countries), shall be done through an external transaction*

mechanism with the eligible external transaction registry: Verra Registry. CORSIA-labeled units shall only be traded through VERRA Registry.

92. *The account holder in CATS (Tranche 3 or the ISFL Country) interested in selling the relevant ISFL units to third-party buyers shall request in CATS (transaction processor role) the cancelation of the relevant ISFL units with the purpose of reissuing ISFL units in an eligible external transaction registry. Upon the request by the transaction processor and the approval by the account holder approver and final approval by CATS Admin, the cancellation becomes effective, the relevant ISFL units are no longer active in CATS and a cancellation certificate is issued in CATS with the following minimum information: Transaction ID (origin account and destination account in CATS), Project ID, Project Name, Number of Cancelled ER Units, Block GCTC ID, Reporting/Verification Period, Certification Period, Purpose (Transfer to Other Registry -name of the registry-).*
93. *All labels provided in CATS to the block before being cancelled (i.e. CORSIA eligibility, ITMO, etc.), will be included in the cancellation certificate and will be replicated in the eligible external transaction registry. For CORSIA labeled units the account holder in CATS shall only request the cancellation and reissuance through VERRA registry. The new serial number assigned by the eligible external transaction registry to the block will differ from CATS', but the external registry will show the original CATS' Block GCTC ID to enable tracking any transaction (cancellation/reissuance) between registries. All relevant documentation related to the program including but not limited to the ER Program document, Monitoring Report, Validation Report, Verification Report will be publicly available in the external registry as well as in CATS.*
94. *The cancellation certificate issued in CATS will then be sent to the Requestor and to the eligible external transaction registry, including all the necessary information for the eligible external registry to perform the reissuance of the ISFL units. The cancellation certificate used for for the re-issuance of CORSIA labeled units will include other relevant information such as whether they are CORSIA eligibility, CORSIA eligibility date, the CORSIA phase for which they are eligible, if such units are covered by the country's NDC, and whether a corresponding adjustment has been applied at the time of cancellation.*
95. *Once the Requestor has opened accounts in the eligible external transaction registry and paid the corresponding fees (those fees may include account opening, account maintenance, reissuance fee, et cetera), the eligible external transaction registry will reissue the relevant ISFL units in the Requestor's account, who may transact with any third-party within the same transaction registry. Once the ISFL units have been reissued in the external registry all the transactions are conducted in accordance to the procedures of the external registry.*

b. Rationale for the change:

To mitigate the reputational risk for the WB to allow third-party buyers to open accounts in CATS (requiring the implementation of a reputational screening that could limit the call and put options for our clients) the WB signed a Cooperation Agreement with VERRA, a nonprofit corporation which operates the VERRA Registry, on September 18th, 2023 (amendment on April 5th, 2024), to cooperate in furtherance of utilizing the VERRA Registry as the authorized transaction registry for certain ISFL ERs generated under the ISFL ER Programs.

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

Changes are reflected in paragraphs 90-95 of the ISFL Process Requirements ([ISFL Process Requirements_2.4_March_14_2025.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:

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

A. The ISFL submitted an application to supply CORSIA Eligible Emissions Units for the 2024 – 2026 compliance period (first phase) in March 2023.

Question 3.3. Offset credit issuance and retirement procedures

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

- a) Procedures for credit issuance are presented in the Carbon Asset Tracking System (CATS) Operational Guidelines section 2.3.2. Recording and Issuance. https://cats.worldbank.org/shared/docs/CATS_Knowledge_Operational.pdf
- b) Procedures for retirement/cancellation are presented in the Carbon Asset Tracking System (CATS) Operational Guidelines section 3.3.7. Cancellation and 3.3.8. Retirement. https://cats.worldbank.org/shared/docs/CATS_Knowledge_Operational.pdf

Question 3.4 Identification and Tracking

Does the programme utilize an electronic registry or registries? (Paragraph 2.4.2)	<input checked="" type="checkbox"/> YES
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The Carbon Assets Tracking System (CATS) is an Emission Reduction (ER) Transaction Registry, designed and implemented to support the issuance and transactions of ER units generated under the World Bank Programs.

The first release of CATS provides the foundational and central architecture for accounting and transactions of ER units under the Forest Carbon Partnership Facility Carbon Fund (FCPF CF) and BioCarbon Fund Initiative for Sustainable Forest Landscapes (BioCF ISFL) ER Programs.

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

CATS is operated and administered by the IBRD acting as trustee of the Initiative for Sustainable Forest Landscapes and the Forest Carbon Partnership Facility on behalf of the participants. See the CATS Terms and Conditions

https://cats.worldbank.org/shared/docs/CATS_Knowledge_Terms.pdf

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

- a) *The identification of the ICAO-eligible units (as the compliance of ISFL ER 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 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

Global Carbon Ticker Code – GCTC: consists of 13 elements, reflected as 71 alpha-numeric characters

1	2	3	4	5	6	7	8	9	10	11	12	13
000000000316	CN	P0000001	03	02	01	02	07	20150106-20150107	006627201-006628700	03	01	01
Static Elements								Dynamic Elements				
1-Block Serial Number: 12 digits block unique identifier 2-Country Code: as per ISO 3166 3-Program Code: System-Generated Program ID 4-Sector: as per the IPCC guidelines 5-Standard 6-Certification Body 7-Methodology: MF of the program. 8-Verification Body 9-Certification Period								10-Units Range: Tracks the range and serial number of units within the block. LIFO (last in first out) bases. 11-Units Status: Based on the transactions processed on the block. 12-Units Class: As an asset in relation to the verification and certification processes. 13-Units Type: It defines the tradability of the units. The compliance with other standards (e.g. ICAO-CORSIA) of the ER units issued in the system will be included as a label				

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 Code (GCTC). ER Units Serialization of the CATS Operational Guidelines https://cats.worldbank.org/shared/docs/CATS_Knowledge_Operational.pdf

- b) CATS identifies and facilitates tracking and transfer of unit holding from issuance to cancellation/retirement. The unit's lifecycle starting with issuance until its cancellation or retirement consists of a series of sequential irreversible transactions. Upon the issuance of units, each block is assigned a unique code (GCTC) that contains identifiable elements that facilitate the tracking of the block for the rest of its lifecycle. The holding accounts provide clear and transparent functions that identify the status and ownership of each block at any point in its lifecycle.
- c) The issuance transaction is built with the necessary checks to prevent double issuance and both the retirement, and the cancellation transactions are irreversible and final, which serves as a transparent and secure tool to account for the units already utilized for a specific purpose and prevents double claiming. Throughout its lifecycle, the allocation/transfer of units between the different accounts is distinctly identified. The responsibilities of the parties involved in the transactions are clearly defined in strictly observed approval matrix through specific roles and authorizations. Therefore, privileges to process the transactions - including the issuance, transfer, and retirement/cancellation transactions are restricted to responsible parties. For detailed information consult section 2.3.1. of the CATS Operational Guidelines. https://cats.worldbank.org/shared/docs/CATS_Knowledge_Operational.pdf
- d) The status, class, and type of the units are the three dynamic elements, part of the GCTC, that describe if the unit is active, it has been allocated in a buffer account, or it has been canceled or retired. Also, if the unit has been reported, verified, and certified and if we are dealing with a tradable or a non-tradable unit (to be retired against a mitigation goal, e.g. NDC). The GCTC facilitates the tracking of the block for the rest of its lifecycle across multiple accounts.

Assets Mapping



- The serialization function, upon the issuance of units, assigns a unique Global Carbon Ticket Code (GCTC) that contains identifiable elements that facilitate the tracking of the block for the rest of its lifecycle. This unique serial number follows the data exchange protocol of International Transaction Log (ITL) that uniquely identifies the status of emission reductions from issuance to retirement/cancellation.
- The serialization function (GCTC) in CATS allows for identification by country (country code as per ISO 3166), sector (IPCC), vintage (certification period), and project registration date (program code)
- The ER Transaction Registry has robust security provisions to ensure that credits managed in the registry are secure. A robust KYC (Know your Customer) sanctions screening solution through Lexis Nexis has been implemented for entities and users. This service is operative when creating/editing an entity/user and at the end of the day batch process. Provisions for ensuring the security of units and users in CATS are described in section 2.2.1. Integrity Due Diligence Procedures of the CATS Operational Guidelines. https://cats.worldbank.org/shared/docs/CATS_Knowledge_Operational.pdf

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

The International Transaction Log (ITL) connects registries and UNFCCC secretariat systems involved in the emissions trading mechanism under the Kyoto Protocol (and its Doha amendment). The specifications of this ITL system are defined in the Data Exchange Standards (DES). The REDD+ ER Programs and consequently the WB ER Transaction Registry does not fall within the scope of the Kyoto Protocol emission trading mechanism nor the ITL/DES system. Data Exchange Standards (DES) adapted to non-Kyoto Protocol mechanisms, if any, will be considered. So far, the current GCTC proposal has been made as much ITL compatible as possible.

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

The ER Transaction Registry has policies and procedures in place to avoid conflicts of interests in the provision of registry services:

a) *The Terms and Conditions; and Operational Guidelines of the registry have provisions to avoid conflict of interest associated with governance or provision of registry services. The governance system consists of a minimum of two-level clearance system, with the participation of the program entity and after the final approval by the Administrator, Trust Fund Manager, or Buffer Manager that have registry responsibilities.*

b) *The Terms and Conditions (Article XXII) of the registry have measures in place to address conflicts of interest when they arise.*
https://cats.worldbank.org/shared/docs/CATS_Knowledge_Terms.pdf

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

The ER Transaction Registry has provisions for the application of:

- a) *Multi-layered screening of requests for registry access to different registry accounts*
- b) *Protocols restricting access to registered and verified accounts to registered entities based on specific access criteria*
- c) *Procedures for periodic audits and reporting of the registry's compliance with security requirements*

A robust KYC (Know your Customer) sanctions screening solution through the World Bank Lexis Nexis services has been implemented. This service is operative when creating/editing an entity/user and at the end-of-day batch process. Accounts are only accessible for registered and approved entities and users. CATS team (Admin) will retain all supporting documents including review/clearance emails from AML-CFT (Anti-Money Laundering and Countering Financing of Terrorism), INT (Integrity Vice Presidency), CP (Corporate Procurement) team when they clear and close a case and make them readily available to auditors and AML-CFT Quality Assurance. All cases with a 100 score are audited and a sample of those with a score lower than 100. A yearly independent audit report certifying that the WB ER transaction registry performs required functions will be prepared and made public. See section 2.2.1. Integrity Due Diligence Procedures of the CATS Operational Guidelines.

https://cats.worldbank.org/shared/docs/CATS_Knowledge_Operational.pdf

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 FMT is sharing a link to the updated ISFL Process Requirements and CATS Operational Guidelines (third-party transactions) to be reviewed by the TAB:

[ISFL Process Requirements 2.4 March 14 2025.pdf](#)

https://cats.worldbank.org/shared/docs/CATS_Knowledge_Operational.pdf