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

Re-application Form for Emissions Unit Programmes seeking eligibility to supply units to the CORSIA 2027 – 2029 compliance period

(Version 1, January 2025)

CONTENTS

Section I: About the assessment of re-applications

Background
Translation
Disclaimer

Section II: Instructions

Submission and contacts
Form basis and cross-references
Re-application Form completion
Re-application and assessment scope
Disclosure of programme application forms and public comments

Section III: Re-application Form

General information
PART 1: Governance and Safeguards
PART 2: Quantification and Tracking
PART 3: Methods and Assumptions
PART 4: Permanence and Leakage
PART 5: Avoidance of Double-Counting
PART 6: Programme comments

Section IV: Signature

SECTION I: ABOUT THE ASSESSMENT OF RE-APPLICATIONS

Background

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

In March 2019, the ICAO Council unanimously approved the ICAO Document *CORSIA Emissions Unit Eligibility Criteria* for use by TAB in undertaking its tasks[1]. TAB's assessment of emissions unit programmes is undertaken annually[2]. The results of ICAO Council decisions that take account of these recommendations are contained in the ICAO Document *CORSIA Eligible Emissions Units*[3]. At present, six Emissions Unit Programmes are eligible to supply CORSIA-eligible Emissions Units for the 2024-2026 compliance period (the CORSIA 'first phase').

In March 2020, the ICAO Council requested TAB to monitor and review the continued eligibility of emissions unit programmes that the Council determined to be eligible under CORSIA. In view of the Council's request, and in line with TAB Procedures[4], TAB agreed to re-assess all CORSIA-eligible Emissions Unit Programmes and present recommendations to the Council a year prior to the starting date of the next compliance period. Therefore, in 2025, TAB will re-assess all CORSIA eligible programmes and present its recommendations to ICAO Council regarding the possible extension of their eligibility timeframes beyond the 2024-2026 compliance cycle.

ICAO invites emissions unit programmes[5] already eligible for the first phase to apply to TAB's 2025 re-assessment cycle, which will make recommendations on their eligibility to supply CORSIA-Eligible Emissions Units for the **2027-2029 compliance period** (part of the CORSIA 'second phase'). Any interested programme should provide the updated information requested through this Re-application form and its Appendices, as well as supplementary materials and evidence as applicable. In undertaking this work, TAB may also ask programmes to provide specific examples illustrating how programme procedures or systems perform in practice.

This re-assessment will be conducted during TAB's 2025 annual assessment cycle, according to the TAB Terms of

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

[2] Recommendations from 2019 TAB assessment cycle: https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2019.aspx
Recommendations from 2020 TAB assessment cycle: https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2020.aspx
Recommendations from 2021 assessment cycle: https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2021.aspx
Recommendations from 2022 assessment cycle: https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2022.aspxRecommendations from 2023 assessment cycle: https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2023.aspx
Recommendations from 2024 assessment cycle: https://www.icao.int/environmental-protection/CORSIA/Pages/TAB2024.aspx

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

[4] Refer to TAB Procedures paragraph 7.4, 7.7, 7.8 ,7.8.3 and 7.8.4

[5] "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

Reference, TAB Procedures, Work Programme and Timeline, which are available on the ICAO TAB website.

About this form

Programme responses to this Re-application form will serve as the primary basis for the assessment. This form requests *evidence of programme procedures or programme elements.* The evidentiary documentation enables TAB to a) confirm that a given procedure or programme element is *in place*, b) more fully understand the programme's summary responses, and c) archive the information as a reference for potential future assessments. TAB's assessment may also involve, *e.g.*, a completeness check and initial screening of applications, written clarification questions, and/or live interview(s) with programmes.

This Re-application 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*. The ICAO Council, on recommendation of its Committee on Aviation Environmental Protection (CAEP), updated the *Guidelines for Criteria Interpretation* in March 2024. These EUC and updated Guidelines are provided to inform programmes' completion of this Re-application form, in which they are cross-referenced by paragraph number.[6]

This form is also accompanied by Appendix B "*Programme Assessment Scope*", and Appendix C "*Programme Exclusions Scope*", which request all re-applicants to identify the programme elements[7] they wish to submit for, or exclude from, TAB's assessment.

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

Translation: As was done previously, 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 English translations of these documents, to facilitate a complete and accurate understanding. 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.

Information provided in this form continues to be used following a decision by ICAO Council to approve an emissions unit programme for CORSIA eligibility. TAB's recommendations on the extent and limits of a programme's eligibility are developed on the basis of TAB's assessment of the information that the programme provided in its application materials, as well as any updates or clarifications that the programme communicates to TAB during the course of its assessment. This information is used by Council to define the general and/or

[6] 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/TAB2024/Clarifications_Sep2024.pdf

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

programme-specific eligibility parameters set out in the ICAO Document titled "CORSIA Eligible Emissions Units." Eligible programmes agree to maintain consistency with the EUC in the manner (e.g., procedures, measures, governance arrangements) described in the application form and in any subsequent communications with TAB. Failure to provide accurate information during the initial assessment, or to inform of changes to that information in a timely manner, could give rise to an Eligibility Deviation, including the possible revocation of any eligibility that was granted.

Disclaimer: The information contained in the Re-application form, and any supporting evidence or clarification provided by the programme including information designated as "business confidential" by the programme, will be provided to the members of the TAB to properly assess the programme and make recommendations to the ICAO Council. The application and such other evidence or clarification will be made publicly available on the ICAO CORSIA website for the public to provide comments, except for information which the applicant designates as "business confidential". Public comments received during that period, including commenter names and organizations, are published following their review by TAB. In accordance with section 9.4 of the TAB Procedures, all comments that meet the submission guidelines 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 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 Re-application form, including accompanying evidence and with required appendices, through the ICAO CORSIA website no later than close of business on **3 March 2025** via **TAB@icao.int**. 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 the *Guidelines for Criteria Interpretation*. Each question includes the paragraph number for its corresponding criterion or guideline that can be found in **Appendix A** *"Supplementary Information for Assessment of Emissions Unit Programmes"*. Compared to previous (Re-)application forms, TAB has adjusted the order and contents of the questions in light of the ICAO Council's March 2024 decision to update the *Guidelines for Criteria Interpretation*.

Re-application Form completion

The programme is expected to respond to all questions in this re-application form at the time of submission. TAB cannot initiate its assessment unless this information is provided in full as requested. Failure to provide complete information may result in delays to the assessment process.

A "complete" response involves three components: 1) a written summary response, 2) supporting evidence, and 3) any planned programme revisions.

1) Written summary responses: The programme is encouraged to construct written summary responses in a manner that provides for general understanding 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 2 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 excerpts or quotations of 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.

   Programmes are expected to provide such evidence, along with the written summary response, in the following ways:

a) copying/pasting the relevant excerpts or quotations of programme documentation directly into this form (no character limits);
b) web links to the sources of these excerpts or quotations and any supporting documentation, 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);
c) if needed, 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:
>
> [*Summary response*: Paragraph(s) introducing and summarizing specific programme procedures that are relevant to the question]
>
> [*Evidence*: Quotes/excerpts of the relevant provisions in the programme's procedures, with citations]
>
> The full contents of these procedures can be found in [Document title, page X, Section X, paragraphs X-X]. This document is publicly available at this weblink: [weblink]."

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

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

Scope of re-application

The programme may elect to submit for TAB re-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.

In **Appendix D** "*Emissions Unit Programme Registry Attestation*", the programme should update and re-submit the *Registry Attestation*, if any information therein has changed since it last submitted the Registry Attestation. If no information has changed, the programme may elect to re-submit its previous Registry Attestation form.

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 methodologies[8]. **Such methodologies may be relevant to TAB's assessment**. This could be the case where, e.g., the methodologies are developed directly by the programme (staff or contractors); the programme must refer to a methodology's requirements when describing its alignment with the EUC; and/or 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.

[8] 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

Application materials, 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 emissions unit criteria (EUC), through the ICAO CORSIA website, for consideration by the TAB in its re-assessment. All public comments that meet the submission guidelines are published as received and Programme responses to public comments are not published on the ICAO website.

SECTION III: RE-APPLICATION FORM

General information

A. Programme Information

Programme name: American Carbon Registry (ACR)

Administering Organization[9]: Environmental Resources Trust LLC (ERT), a wholly owned nonprofit subsidiary of Winrock International

Official mailing address: 325 West Capitol Avenue, Suite 350, Little Rock Arkansas 72201

Telephone #: 571.402.4235

Official web address: www.acrcarbon.org

B. Programme Administrator Information

Full name and title: Mary Grady, President & CEO, Environmental Resources Trust LLC

Employer / Company (*if not programme*): Winrock / ERT

E-mail address: mgrady@winrock.org Telephone #: 805.252.1658

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*): 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.

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:

Board of Directors of Environmental Resources Trust (all also Winrock Board members)
Maqsoda Maqsodi, President and CEO, Winrock International
William Bumpers, Winrock Honorary Director, (Retired) Baker Botts Law Firm
Michaela Edwards, Partner at Capricorn Investment Group
John Nees, Founding Partner of the Getty Land Company
Stacy Swann, CEO and founding partner of Climate Finance Advisors

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

Officers of Environmental Resources Trust LLC (ERT)
Mary Grady, President and Chief Executive Officer
Judith Weishar, CFO

ACR Senior Staff
Mary Grady, Executive Director
Jessica Bede, Managing Director
Brad Kahn, Director of Communications
Mary Jane Coombs, Director of Industrial Programs
Kurt Krapfl, Director of Forestry
Breffni Lynch, Director of Registry Operations
Ben Feldman, Director Electric Power Sector

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.

Environmental Resources Trust LLC (ERT) is a wholly-owned nonprofit subsidiary of Winrock International. ERT is governed by a Board of Directors. The President & CEO of ERT reports to the ERT Board. Each ACR functional group has a Director (Industrial, Forest, Registry, Communications, Operations and Electric Power Sector) and associated staff. The Architecture for REDD+ Transactions is a sister entity to ACR with its own staffing. Some operations and registry support is cross cutting.

Please see organization chart as Attachment A.

Questionnaire

Note—where "evidence" is requested in *Part 1* through *Part 5*, the programme is expected to provide quotes/excerpts and 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 in full) 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).

PART 1: *Governance and Safeguards*: Sustainable Development Criteria; Do no net harm; Safeguards System; Transparency and Public Participation Provisions; Governance; Legal Nature and Transfer of Units

Criterion: Legal nature and transfer of units

Q1: Does the Program… *(Paragraph 2.5)*	
(a) …define and ensure the underlying attributes of a unit?	☒ YES
(b) … and publicly disclose process by which it does so?	☒ YES
(c) …define and ensure the property aspects of a unit?	☒ YES
(d) … and publicly disclose process by which it does so?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

The publicly available ACR Standard (https://acrcarbon.org/wp-content/uploads/2023/10/ACR-Standard-v8.0.pdf) in Section 1.H defines the ACR unit of exchange as "*a verified emission reduction or removal carbon credit, serialized and registered as an Emission Reduction Ton (ERT), denominated in metric tons of CO_2e. ERTs, also referred to as offsets, carbon offsets, and carbon offset credits, include GHG emission reductions and removal enhancements (i.e., enhanced sequestration).*"

Further, Chapter 5 of the publicly available ACR Registry Operating Procedures (https://acrcarbon.org/wp-content/uploads/2024/08/ACR-Registry-Operating-Procedures_Nov-25-2024.pdf) details "*a carbon credit represents one metric ton of CO_2 equivalent GHG emission reduction or removal. The [ACR Registry] Administrator will issue carbon credits to the Project Developer for the total volume of emission reductions or removals achieved and verified, less buffer pool contributions. Carbon credits are issued in whole numbers only and no partial issuances are allowed. ACR does not define the lifetime or expiration date for carbon credits. The Administrator will issue one serialized ERT for each metric ton of verified CO2e emission reductions or removals that meet the requirements of the applicable ACR methodology and ACR Standard*."

Table 2 in Chapter 3 of the ACR Standard presents the following relevant ACR eligibility criteria against which all projects are validated and verified such that the attributes and property aspects are ensured:

- "*Real: A credit that is the result of a project action that yields quantifiable and verifiable GHG emission reductions and/or removals. ERTs shall only be issued for a GHG emission reduction or removal that has been verified against an approved ACR Methodology to have already occurred. ACR will not credit a projected stream of credits on an ex-ante basis.*
- *Title: A legal term representing rights and interests in a carbon credit. The Project Proponent shall provide documentation and attestation of undisputed title to all carbon credits prior to registration. Title to credits shall be clear, unique, and uncontested. ACR will issue ERTs into the associated Project Developer Account on ACR only if there is clear, unencumbered, and uncontested title*."

ACR Standard Section 6.H details that "*To support the GHG Project Plan's declaration of title, ACR may require one or more of the following: a legislative right; a right under local common law; ownership of the plant, land, equipment and/or process generating the GHG emission reductions/removals; or a contractual arrangement with the owner of the plant, land, equipment, or process that grants title to the Project Proponent*."

In addition, all ACR registry account holders must execute the legally-binding ACR Terms of Use (ToU) agreement prior to account approval (this agreement is publicly available here: https://acrcarbon.org/wp-content/uploads/2024/04/ACR-Terms-of-Use-April-2024.pdf).

Section 6 of the ToU agreement outlines the ownership requirements (property aspects) for offset credits, summarized as follows:

Ownership of offset credits: A General Prohibition exists on Third Party Ownership of offset credits requiring Account Holder to hold or retire in its Accounts offset credits for which it is the sole holder of legal title. There are exceptions for retail aggregators, which may retire offset credits on behalf of third-parties under specific conditions, and for Omnibus and Custodial Account Holders that are Regulated Person(s) and have approval of third-party owners of offset credits to hold, transfer, cancel or retire offset credits on their behalf. In the cases of the exceptions, Account Holder must comply with applicable laws, regulations and other legally enforceable requirements and agrees to maintain a customer identification program that contains reasonable procedures to verify the identity of any individual or organization on whose behalf Account Holder is holding offset credits.

Section 7 of the ToU, Representations and Warranties of Account Holder, states: "*Throughout the term of these Terms of Use, including without limitation upon each issuance, transfer, retirement, or cancelation of an ERT or ROC by Account Holder, Account Holder represents and warrants to Administrator as follows:*

(j) Collectively, Account Holder, Indirect Owners, and Retail Purchasers, if any, have legal Title and all Beneficial Ownership Rights with respect to the ERTs or ROCs issued or to be issued to Account Holder and/or held in Account Holder's account or sub accounts and, if Account Holder is seeking to generate ERTs or ROCs for GHG emission reductions or removals, no other person or entity can claim the right to the ERTs or ROCs or to the GHG emission reductions or removals for which Account Holder is seeking carbon credits;

(k) *If applicable, Account Holder has been authorized to act on behalf of the Indirect Owners and Retail Purchasers having legal Title to and/or a Beneficial Ownership Right in the ERTs or ROCs held in Account Holder's accounts or sub accounts;*"

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Criterion: Programme governance

Q2. Does the programme publicly disclose… (*Paragraph 2.7*)	
a) …who is responsible for the administration of the programme?	☒ YES
b) …how decisions are made?	☒ YES

Provide evidence that this information is available to the public:

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR governance is defined in the Introduction section of the ACR Standard:
"*The ACR program is built on principles of accountability, transparency, responsiveness, and participatory processes. ACR is governed by Environmental Resources Trust (ERT), a wholly-owned nonprofit subsidiary of Winrock International. The ERT Board of Managers assumes fiduciary responsibility for the organization and ensures activities contribute to its mission of harnessing the power of markets to improve the environment*."
ERT Board members, all members of Winrock's Board of Directors, are named on the ACR website "About Us" page under Governance: https://acrcarbon.org/about-us/

ACR management and staff, listed publicly on the ACR website (https://acrcarbon.org/about-us/) manage the day-to-day operations of the program. With collectively over 250 years of experience in carbon accounting, verification, climate science and policy, carbon project development, registry operations and environmental markets, all ACR team members are committed to administer the ACR program aligned with the mission of environmental integrity and transparency.

As described in the publicly available ACR Standard, ACR's overarching offset policy decisions are based on Objectives as defined in 1.B alongside the guiding principles for GHG accounting, as detailed in 2.B as consistent

with the International Organization for Standardization (ISO) 14064 Part 2 specifications from which all other ACR principles and eligibility criteria follow.

As detailed in the ACR Standard under Section 7.B, the ACR methodology approval process utilizes a blind expert peer review process in addition to internal review and public comment to determine eligibility for publication.

Project listing, verification and registration reviews and issuance determinations are conducted by relevant ACR technical experts on the forestry and industrial teams.

ACR Registry Operations staff members oversee the review of new account applications and approval of registry accounts according to its established Know Your Customer (KYC) process as referenced herein.

Validations and verifications of GHG emission reduction and removals projects for conformance with the ACR Standard and applicable methodologies, and resulting verification opinions, are conducted as described in Chapter 9 of the ACR Standard and as detailed in the ACR Validation and Verification Standard (https://acrcarbon.org/wp-content/uploads/2023/09/2023.05.29-ACR-VV-Standard_V1.1_May-31-2018.pdf). Per these documents and as on the ACR website (https://acrcarbon.org/acr-program/validation-and-verification/), validation and verification bodies (VVBs) for ACR projects must be approved by ACR and be accredited under ISO 14065 by an accreditation body that is a member of the International Accreditation Forum (IAF) and with which ACR has a Memorandum of Understanding (MoU) in place, as detailed in the ACR Validation ad Verification Standard. As of May 2018, ACR has an MoU with the ANSI National Accreditation Board (ANAB). VVBs shall be appropriately accredited for project-level validation and/or verification in the sector of the applicable methodology, and VVB teams shall meet the competence requirements as set out in ISO 14065 as considered current. ACR staff confirms the VVB applicant's accreditation as part of the broader ACR approval application review.

ACR Standard Chapter 11 addresses procedures for complaints and appeals to decisions taken by ACR.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q3. If the programme is not directly and currently administered by a public agency, can the programme demonstrate up-to-date professional liability insurance policy of at least USD$5M? (*Paragraph 2.7.4*)	☒ YES

Provide evidence of such coverage:

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):
Winrock's professional liability insurance policy for five million U.S. dollars, which covers ACR's operations, is included as Attachment B and is **BUSINESS CONFIDENTIAL**.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q4. Can the programme demonstrate that it has been… (*Paragraph 2.7.2*)	
a) …continuously governed for at least the last two years?	☒ YES

b) …continuously operational[10] for at least the last two years?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

Nonprofit American Carbon Registry® (ACR) has been continuously governed and operational since 1996 when it was founded by the Environmental Resources Trust (ERT) as the Greenhouse Gas (GHG) Registry. ACR's website Registry landing page (https://acrcarbon.org/acr-registry/) provides links to ACR's public reports of GHG projects, credit issuance, credit retirement and credit cancellations, which demonstrate ACR's multi-decadal operation.

In 2008, ERT and the GHG Registry joined Winrock International, and Winrock re-branded the registry as American Carbon Registry (ACR). ACR was approved in December 2012 by the California Air Resources Board to operate as an Offset Project Registry (OPR) for the California cap-and-trade program and in 2023 by the Washington Department of Ecology to operate as an OPR for the State's Cap-and-Invest Program. ACR was approved in March 2020 by ICAO to supply offset credits for the 2016-2020 phase of CORSIA, in March 2021 to supply offset credits for the 2021-2023 phase of CORSIA, and in March 2023 to supply offset credits for the 2024-2026 phase of CORSIA.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q5. Does the programme have in place… (*Paragraph 2.7.2*)	
a) …a plan for the long-term administration of multi-decadal programme elements?	☒ YES
b) …a plan for possible responses to the dissolution of the programme in its current form?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR is operated by Environmental Resources Trust (ERT), a wholly-owned nonprofit subsidiary of Winrock International, and Winrock stands behind ACR's long-term commitments. In the unlikely event that the ACR program is discontinued in its current form, Winrock is legally responsible for the administration of any ongoing program elements or the appointment of a comparable qualified organization to do so. Such elements include the fulfillment of obligations under the ACR Regsitry Terms of Use, per section 26 of the agreement (https://acrcarbon.org/wp-content/uploads/2024/04/ACR-Terms-of-Use-April-2024.pdf), and management of the Buffer Pool, per Section C of the Buffer Pool Terms and Conditions (https://acrcarbon.org/wp-content/uploads/2024/05/ACR-Buffer-Pool-Terms-and-Conditions-May-2024.pdf) and section 13(h) of the legal Reversal Risk Mitigation Agreement executed between Winrock and AFOLU project proponents.

[10] Note: For further explanation of the meaning of 'operational' for the purposes of the EUC and TAB's assessments, please note para. 2.7.2.1 of Appendix A of this Application form, as well as the Initial screening questions in section 7.12 of the TAB Procedures.

Winrock International was created in 1985 from the merger of three predecessor Winthrop Rockefeller organizations: the Agricultural Development Council established in 1953, the Winrock International Livestock Research and Training Center established in 1974 and the International Agricultural Development Service established in 1975. Winrock is governed by a Board of Directors with fiduciary responsibility to assure it fulfills its commitments. The Board is also responsible for management of Winrock's endowment.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
NA

Criteria: *Multiple* (re: Conflicts of interest)

Q6. Are policies and robust procedures in place[11] to… (*Paragraph 2.7.3*)	
a) … prevent the programme administrators, staff, board members, and management from having financial, commercial or fiduciary conflicts of interest in the governance or provision of programme services?	☒ YES
b) …ensure that, where such conflicts arise, they are appropriately declared, and addressed and isolated?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

As detailed in the ACR Standard Section 1.K, Winrock requires that all management and staff, including of ACR, adhere to its Code of Conduct (https://code.winrock.org/) which includes a strict and comprehensive policy against engaging in activities that present a conflict of interest. Winrock's Code of Conduct is mandatory and applies to all members of Winrock's Board of Directors and Officers, each employee and partner who works on behalf of Winrock including all staff of Environmental Resources Trust (ERT), which includes ACR. The Code specifies Winrock's Conflict of Interest Policy, key elements of which are included below. It provides clear criteria for what constitutes a conflict of interest and a comprehensive policy on addressing and reporting any and all conflicts. There is no materiality threshold. Winrock requires annual formal acceptance of the Code of Conduct including its Conflict of Interest Policy by all employees. The Policy requires all potential conflicts of interest to be identified, disclosed to Winrock's Chief Compliance Officer and mitigated. Winrock staff with potential conflicts are recused from any involvement in ACR activities or decisions where a conflict might arise.

From Winrock International's Conflict of Interest Policy in the Code of Conduct (page 41):

What is a Conflict of Interest?

A conflict of interest exists when an individual who is responsible for acting in the best interests of Winrock has another interest or loyalty that could influence or impair, or may appear to influence or impair, the individual's

[11] *Note:* For programmes staffed solely by government officials and employees who are subject to domestic laws and regulations governing conflicts of interest, the programme may refer to these laws and regulations in responding to this question.

ability to act in Winrock's best interests. Conflicts exist, for example, when a Winrock employee can either influence or make a decision on contractual, procurement, recruitment and employment, or other business transactions, and that employee has a relationship with the business or persons being hired. Conflicts of interest may be actual, potential, or even just a matter of perception. Conflicts must be approved per this policy before proceeding.

Who is Covered?

Conflicts can be caused by relationships with or among these covered persons:

- *Employees*
- *Families of employees*
- *Close personal friends*
- *Board members*
- *Families of board members*
- *Entities owned or controlled by employees, board members, or their families*

> ***Families** means (as defined by the U.S. Internal Revenue Service) spouse, ancestors, brothers and sisters (whether whole or half-blood), step-siblings, children (whether natural or adopted), step-children, grandchildren, great-grandchildren and spouses of brothers, sisters, children, grandchildren and great-grandchildren; and any person with whom the covered person shares living quarters under circumstances that closely resemble a marital relationship or who is financially dependent upon the covered person. Families may also extend to members of the same clan, tribe or communities and vary depending on the location and culture.*
>
> ***Third party** means a business entity that has a relationship with Winrock. Third parties include, but are not limited to, vendors, suppliers, consultants, and counterparts on projects.*

Conflict Review, Mitigation, and Approval

If an actual, perceived, or potential conflict is present, an employee must first try to avoid the activity--not do it. If avoidance is not in the best interest of Winrock, approval must be obtained before proceeding. Employees must disclose the conflict to the Chief Risk and Compliance Officer, with a proposed means to mitigate – or minimize – the conflict. The Chief Risk and Compliance Officer will decide whether the mitigation acceptably minimizes risk to Winrock. Approval is required under this policy prior to proceeding with the action. Submit conflict approval requests here. The Risk and Compliance Office will partner with the project and Award Management to make the necessary disclosures to funders and regulators. Specific examples of conflicts and the approval requirements are set forth below. Approval requirements vary depending on the level of risk incurred.

Disclosure and Management of a Conflict of Interest

Employees (report and obtain approval for conflicts): Seek prior approval when possible, conflicts arise before taking any conflicted action and mitigate or avoid the conflict as noted above (obtain approval from management and Risk and Compliance Office before proceeding).

Senior Directors, Directors and Chiefs of Party or Project Directors (report and obtain approval for conflicts and annually acknowledge the policy): In addition to the above, Senior Directors, Directors and Chiefs of Party or Project Directors have an enhanced obligation to report and mitigate or avoid conflicts based on their position

within Winrock. The Risk and Compliance Office shall circulate annually a Conflicts Acknowledgment Form that requires acknowledgment that each understand and adhere to Winrock's Conflict of Interest Policy. The form must be acknowledged immediately upon receipt and return signed.

Executive Team and Board of Directors (report and obtain approval for conflicts, annually acknowledge the policy and annually disclose all affiliations): Winrock's Executive Team and members of the Winrock Board of Directors also have enhanced obligations to report conflicts, as conflicts relating to this group require review by the Governance Committee and may require reporting of conflicts to regulators. In addition to addressing conflicts as they arise per this policy, both acknowledgment and affiliation disclosure is required. The Risk and Compliance Office shall circulate annually an Acknowledgment and Affiliation Disclosure Form for the Executive Team and Board to:

- *Acknowledge understanding of and adherence to Winrock's Conflict of Interest Policy.*
- *List entities in which they, or a member of their families, have a material interest or occupy a position that might create a conflict of interest under this policy.*

Principles for Evaluating Conflicts

In evaluating conflicted situations to determine an appropriate course of action, the Chief Risk and Compliance Officer shall be guided by the following:

- *Are there alternative approaches that would avoid the conflict?*
- *Is there an actual or perceived private benefit or private inurement that must be avoided?*
- *• Is the transaction being conducted transparently, with full disclosure of the conflict?*
- *Does the transaction support Winrock's mission?*
- *Is there a consequence to Winrock for not proceeding that might outweigh the reputational or other impact of the conflict?*
- *What is the nature and the risk to Winrock's reputation if the action proceeds?*
- *What is the mitigation proposed, and does it minimize risk to Winrock?*

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q7. Are policies and robust procedures in place[11] to… (*Paragraph 2.4.6*)	
a) …prevent the programme registry administrators from having financial, commercial or fiduciary conflicts of interest in the governance or provision of registry services?	☒ YES
b) …ensure that, where such conflicts arise, they are appropriately declared, and addressed and isolated?	☒ YES

Summarize and provide evidence of the policies and procedures referred to in a) and b):
A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

All ACR staff who conduct activities on the Registry adhere to the Winrock COI policy as detailed in the response to Question 6 above. Per the ACR Standard, Section 1.k Conflict of Interest Policy, ACR requires that its third-party

registry service provider maintain and adhere to Winrock's Conflict of Interest Policy. The COI provisions are also detailed in the Master Services Agreement (MSA) between Winrock and APX as executed in 2011 and amended from time to time (which is a private legal agreement between Winrock and APX and not posted publicly).

[redacted].

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q8. Are provisions in place to ensure the independence of accredited third-party entities performing validation and/or verification procedures, including… (*Paragraph 3.3.3*)	
a) …requiring accredited third-party(ies) to disclose whether they or any of their family members are dealing in, promoting, or otherwise have a fiduciary relationship with anyone promoting or dealing in, the offset credits being evaluated?	☒ YES
b) …to manage and/or prevent conflicts of interest between accredited third-party(ies) and the programme and the activities it supports?	☒ YES
c) …to address and isolate such conflicts, should they arise?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

Per the ACR Standard Chapter 9 – Section 9.D: "*Prior to commencing validation or verification work on ACR, all VVBs must be in good standing; have completed the application process described at http://acrcarbon.org/acr-program/validation-and-verification/, including submitting an application form and Attestation of Validation/Verification Body, which details requirements for conflicts of interest and makeup of the verification teams; document technical capabilities for each of the sectoral scopes in which the verifier seeks to conduct validation or verification; established their VVB account on ACR; and have submitted a Project-specific Conflict of Interest Form for ACR's approval*."

ACR requires that all VVBs apply for approval by ACR by submitting an application package in addition to a

verifier attestation, which defines the VVB role and responsibilities, ensuring technical capabilities and no conflicts of interest. Validation and verification activities may not be conducted until the VVB has received approval from ACR. Once approved, the VVB's must update ACR immediately about any changes in accreditation status or scope, enforcement activities, investigations, revocations or suspensions of the body itself, or any verifiers working on the VVB's behalf.

The **Conflict of Interest** provision, paragraph 6, in ACR Verifier Attestation section of the VVB application (https://acrcarbon.org/program_resources/vvb-application/) states: "*In connection with any ACR Validation/Verification, Validation/Verification Body will not conduct validation/verification with respect to any project where the Validation/Verification Body or any member of the validation/verification team has a financial interest in the project, has played a role in developing the project, or has any other conflict of interest. (Absent unusual circumstances, validating a monitoring or verification protocol and/or serving as a member of a scientific peer review process does not constitute having a role in developing a project.) Without limiting the foregoing, Validation/Verification Body will not conduct validation/verification with respect to a project if an independent observer could reasonably conclude that current or prior personal or business relationships between the Validation/Verification Body or validation/verification team member(s) and the project or project proponent present a conflict of interest. In a project-specific conflict of interest form prior to each ACR Validation/Verification, the Validation/Verification Body will disclose all relationships within the past three years between the Validation/Verification Body and validation/verification team members, on the one hand, and the project or project proponent , on the other, and will attest that neither the Validation/Verification Body nor any member of the validation/verification team has a conflict of interest with respect to the validation/verification work*."

In addition to the VVB Attestion, ACR requires that all verifiers execute a project-specific conflict of interest disclosure and attestation form, reviewed and approved by ACR prior to initiating any validation or verification work. VVBs must complete the conflict of interest form for each reporting period, regardless of prior approval. The form is here: https://acrcarbon.org/program_resources/project-specific-conflict-of-interest-form/.

Per the ACR Standard Chapter 6 – Section 6.A: "*ACR must approve the VVB prior to the start of validation and verification services based on proper accreditation, conflict of interest review, and rotation requirements*."
Per the ACR Validation and Verification Standard Chapter 13 – Section 13.A: "*VVBs must also complete a project-specific conflict of interest form prior to initiating any validation or verification work. VVBs must complete the conflict of interest form for each reporting period, regardless of prior approval*."

Per the ACR Validation/Verification Body Project-Specific Conflict of Interest Attestation, a conflict of interest mitigation plan is required to be disclosed in the event that a conflict is identified by a third-party VVB. Per ACR Standard Chapter 9 and ACR Validation and Verification Standard Chapter 13, ACR reviews all Conflict of Interest submittals prior to allowing a VVB to commence validation/verification services. As part of this review process, any proposed conflict of interest mitigation plan is reviewed and agreed with the VVB.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Criterion: Transparency and public participation provisions

Q9. Does the programme publicly disclose what information is captured and made available to different stakeholders? (*Paragraph 2.8*)	☒ YES

Summarize and provide evidence of the procedures referred to above:

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR's publicly available Terms of Use (ToU) Agreement (https://acrcarbon.org/wp-content/uploads/2024/04/ACR-Terms-of-Use-April-2024.pdf) describes what information is collected by ACR and APX from the Account Holder account. Provision 5 specifically addresses ACR's policies on the ownership and use of data.

Per the ACR Standard Chapter 6, Section A.4: Once a VVB has been approved, "*ACR will make public on the ACR Registry the Listing Form and will publish on its website the Project name, ACR ID, project type, and location for a thirty (30) day public comment period for local and global stakeholders impacted by the project*."

Per the ACR Standard Chapter 6, Section A.7: Once ACR has reviewed and accepted project validation and verification documents as well as comments received from stakeholders, "*ACR registers the GHG Project and makes the final validated GHG Project Plan, verified Monitoring Report, Validation Report and Validation Opinion, and Verification Report, Verification Opinion, and Supplemental Project Description (optional) public on its registry. These documents contain the content necessary to enable third parties to assess the social and environmental impacts, replicate the GHG emission reductions and removal calculations (including baseline quantification), and assess additionality and are made publicly available except for content deemed by ACR to be Commercially Sensitive Information (i.e., subject to confidentiality, proprietary, privacy and data protection restrictions).*"

Information included in the published GHG Plan, as detailed in the ACR Standard 6.B, includes:

- *Project title, purpose(s), objective(s) and non-technical executive summary with key information;*
- *Type of project;*
- *The applicable ACR methodology and a description how the methodology has been applied for the purpose of demonstrating additionality and determining the baseline;*
- *Project location, including geographic and physical information allowing for the unique identification and delineation of the specific extent of the Project. AFOLU projects must provide, at minimum, a map delineating the project area boundary within a regional context (i.e., governing jurisdictions, towns, roads, major rivers and bodies of water, and other notable features). Project Proponents implementing a Programmatic Design Approach shall include location information for all Sites known at the time of the GHG Project Plan validation;*
- *Physical conditions prior to Project initiation;*
- *For AFOLU projects, description of the inventory methodology and subsequent calculation steps used to measure and estimate carbon stocks for all relevant GHG sources, sinks, and pools;*
- *Description of how the Project will achieve GHG emission reductions and/or removal enhancements;*

- *Project technologies, products, services, and expected level of activity;*
- *Ex-ante calculations projecting estimated future GHG emission reductions and removals, stated in metric tons of CO_2e (Total GHG Emission Reductions and Removals and Net GHG Emission Reductions and Removals, if applicable);*
- *Outline of QA/QC procedures to manage data and information;*
- *Identification of risks that may substantially affect the Project's GHG emission reductions and removals, inclusive of a description of how the risk of reversal was assessed and the results of the analysis;*
- *Roles and responsibilities, including contact information of the Project Proponent, other project participants, relevant regulator(s) and/or administrators of any GHG program(s) in which the GHG Project is already enrolled, and the entities holding title and land title;*
- *Information relevant to the eligibility of the GHG Project and quantification of GHG emission reductions and removals, including legislative, technical, economic, sectoral, socio-cultural, environmental, geographic, site-specific, and temporal information;*
- *Relevant outcomes from any stakeholder consultations and mechanisms for ongoing communication, as applicable;*
- *Chronological plan for initiating project activities, project term, frequency of monitoring, reporting, and verification, including relevant project activities in each step of the project cycle;*
- *Identification of relevant local and national laws, regulations, rules, procedures and, where relevant, international conventions and agreements related to the GHG Project and a demonstration of compliance;*
- *Statement whether the Project has applied for and been listed, registered, and/or been issued GHG emission reduction or removal carbon credits through any other GHG emissions program, including detailed information on any credit issuance (volume, vintage, status), and information on any rejections of the project application, as applicable (see Section 6.C below);*
- *An environmental and social impact assessment, following ACR requirements as detailed in Chapter 8, to ensure compliance with best practices and that safeguard measures are in place to avoid, mitigate, or compensate potential negative impacts, and how such measures will be monitored, managed, and enforced;*
- *Identification and description of the Sustainable Development Goals (SDGs) to which the Project impacts are aligned and positively contribute as detailed in Chapter 8; and*
- *Attestation by the Project Proponent and Project Developer Account Holder, if not the same entity, regarding the content of the GHG Project Plan and all appendices.*

ACR Standard Section 6.G provides that "*Project Proponents may designate certain parts of the GHG Project Plan or other project documentation as Commercially Sensitive Information (subject to confidentiality, proprietary, privacy and data protection restrictions). This information must be available for review by ACR and the VVB (with non-disclosure agreements, as necessary), but will be excised from the project documentation posted publicly on the ACR registry.*

For the sake of transparency, ACR shall presume project information to be available for public scrutiny, and demonstration to the contrary shall be incumbent on the Project Proponent. The VVB shall check that any information requested as "commercially sensitive" meets the ACR definition of Commercially Sensitive Information. Synthesized project data may also be aggregated for public posting on ACR to fulfill program reporting requirements."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q10. Does the programme publicly disclose its local stakeholder consultation requirements (if applicable)? (*Paragraph 2.8*)	☐ YES

Summarize and provide evidence of the procedures referred to above:

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR Standard Chapter 8, Environmental and Social Impact Assessment, Section A requires all Project Proponents to "*prepare and disclose an environmental and social impact assessment, mitigation of any negative impacts, and monitoring of any negative impacts and risks. ACR requires the use of the most recently published ACR Environmental and Social Impact Assessment Report template on the ACR website, provided within or as an appendix to the GHG Project Plan, for the assessment of environmental and social impacts of the Project, taking into account the scope and scale of the project activity and the mitigation measures*."

"*For community-based projects, the assessment shall include a description of the environmental and social impact of the Project on communities in the immediate project area, including specific impacts to Indigenous Peoples, local communities, and cultural heritage.* ***The impact assessment must describe the process to identify community(ies) affected by the GHG Project and provide detailed information regarding the community stakeholder consultation process undertaken as part of the Project design and implementation. This includes demonstrating that the consultations with Indigenous Peoples and local communities, as applicable, were conducted in a manner that is inclusive, culturally appropriate, and respectful of local knowledge. The assessment must document meetings held, attendees and meeting minutes, as well as stakeholder comments and concerns and how those were addressed. When relevant to circumstances, the assessment must include evidence of Free, Prior and Informed Consent. Project Proponents shall confirm that project activities do not involve relocation or resettlement (voluntary or involuntary).*** *The assessment shall also include a discussion of robust benefit sharing arrangements*."

Per the ACR Standard Chapter 6, Section A.4: Once a VVB has been approved, "*ACR will make public on the ACR Registry the Listing Form and will publish on its website the Project name, ACR ID, project type, and location for a thirty (30) day public comment period for local and global stakeholders impacted by the project*."
ACR Standard Section 6.B requires that relevant outcomes from any required stakeholder consultations and mechanisms for ongoing communication must be presented in the GHG Project Plan.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q11. Does the programme…. (*Paragraph 2.8*)	

a) … conduct public comment periods for the following *(select all that apply)*? ☒ methodologies, protocols, or frameworks under development ☒ activities seeking registration or approval ☒ operational activities (e.g., ongoing stakeholder feedback) ☒ additions or revisions to programme procedures or rulesets	☒ YES
b) … disclose its public comments provisions and requirements?	☒ YES
c) … disclose how public comments are considered (*if applicable*)?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

As a key part of the process to solicit stakeholder feedback on updates / changes to the ACR Program including the approval of new methodologies and methodology revisions, ACR publicly posts the draft document on the ACR website, and ACR sends a public notice to its email list-serve soliciting comments. The public comment period for ACR Standards is stated in Section 1.J of the currently approved version of the ACR Standard as 60 days. The public comment period for methodologies is stated in the ACR Standard Chapter 7 as 30 days. In all cases, the public comment period can be extended as deemed necessary.

All public comments are responded to and posted on the relevant webpage. For example:

- The public webpage for the ACR Standard includes documentation of all public comments and responses. The comments received and responses to the update of ACR Standard 7.0 to 8.0 are here: https://acrcarbon.org/wp-content/uploads/2023/07/ACR-Standard-v8.0-Public-Comments-and-Responses-Extended.pdf
- The public webpages for ACR's methodologies include documentation of all public comments and responses under "Process Documentation." The comments received and responses to IFM 2.1 are included here: https://acrcarbon.org/wp-content/uploads/2022/07/Summary-and-Response-to-Public-Comments_IFM2_1.pdf

Examples of public comment announcements for methodologies, operational activities and program rules are included below:

- ACR Standard v8.0: https://acrcarbon.org/news/acr-announces-public-comment-period-for-acr-standard-v8-0/
- Methodology Avoided Conversion of U.S. Forests: https://acrcarbon.org/news/acr-announces-public-comment-period-for-new-methodology-for-avoided-conversion-of-u-s-forests/
- ACR Extends Public Comment Period for CCS Methodology: https://acrcarbon.org/news/acr-extends-stakeholder-consultation-for-ccs-methodology-v2-0/
- Expression of Interest to Participate in Digital Assets Consultation: https://acrcarbon.org/news/acr-call-for-expressions-of-interest-to-participate-in-digital-assets-consultation/
- [GENERAL] Submit a Complaint or Appeal an ACR Decision: https://acrcarbon.org/resources/complaints-appeals/

ACR Standard 6.A.4 clarifies that "*ACR will publish on its website the Project name, ACR ID, project type, and location for a thirty (30) day public comment period for local and global stakeholders impacted by the project. Comments on GHG projects can be submitted via email to ACR@winrock.org with an email subject line: "Comments on ACR [PROJECT NAME and/or ACR PROJECT ID#]". Comments will be forwarded to the Project Proponent and VVB and reviewed by ACR.*"

Public comments on projects requesting registration are solicited here:

Projects requesting registration: https://acrcarbon.org/acr-registry/projects-requesting-registration/

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

N/A

Criteria: Safeguards system and Do no net harm

Q12. Does the Programme have in place dedicated safeguards to address… (*Paragraph 2.9*)	
a) …environmental risks?	☒ YES
b) …social risks?	☒ YES
c) Are these safeguards publicly disclosed?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR's Environmental and Social Safeguards are detailed in the ACR Standard, Chapter 8, which states:

"*ACR supports a diverse set of GHG project activities, each with its own potential to generate both positive and negative environmental and social impacts. Positive impacts can contribute to sustainable development objectives; negative risks and impacts can be identified, evaluated, and managed through appropriate safeguard procedures.*

ACR's environmental and social impact requirements reflect the acknowledgment in the eleventh preambular paragraph of the Paris Agreement that climate change is a common concern of humankind and therefore actions to address climate change should address these impacts including on human rights, the rights of indigenous peoples, local communities, children, people in vulnerable situations, as well as gender equality, empowerment of women and intergenerational equity.

ACR requires that GHG projects adhere to environmental and social safeguards best practices to:

- *Ensure that GHG projects "do no harm" by maintaining compliance with all relevant local, national, and international laws, regulations, conventions and agreements;*
- *Identify environmental and social risks and impacts and contributions to sustainable development;*

- *Detail how negative environmental and social impacts will be avoided, reduced, mitigated, or compensated, and how mechanisms will be monitored, managed, and enforced;*
- *Ensure that the rights of affected communities and other stakeholders are recognized, and that they have been fully and effectively engaged and consulted; and*
- *Ensure that effective ongoing communications and grievance redress mechanisms are in place, and that affected communities will share in the Project benefits*."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q13. Please describe, and provide evidence of, how the safeguards system in Question 12 above is used to ensure that environmental and social risks are identified, assessed and managed: (*Paragraph 3.8*)

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

Per ACR Standard 8.0, Section 8.A, ACR requires all Project Proponents to "*prepare and disclose an environmental and social impact assessment, mitigation of any negative impacts, and monitoring of any negative impacts and risks. ACR requires the use of the most recently published* ACR Environmental and Social Impact Assessment Report template *on the ACR website, provided within or as an appendix to the GHG Project Plan, for the assessment of environmental and social impacts of the Project, taking into account the scope and scale of the project activity and the mitigation measures. The assessment must include the following:*

1. *An overview of the project activity, geographic location and relevant stakeholders.*
2. *An assessment of the GHG Project's environmental and social risks and impacts for the project duration based on defined and defensible assumptions and taking into account the scope and scale of the project activity. The assessment shall include a review of risks and impact, as applicable, on terrestrial and marine biodiversity habitat and ecosystems; resource efficiency and pollution prevention including to air, water, soil and the ozone layer; the protection, conservation, or restoration of natural habitats such as forests, grasslands, and wetlands; labor rights and working conditions; gender equality; land acquisition and involuntary physical or economic displacement; and human rights and stakeholder engagement.*

   For community-based projects, the assessment shall include a description of the environmental and social impact of the Project on communities in the immediate project area, including specific impacts to Indigenous Peoples, local communities, and cultural heritage. The impact assessment must describe the process to identify community(ies) affected by the GHG Project and provide detailed information regarding the community stakeholder consultation process undertaken as part of the Project design and implementation. This includes demonstrating that the consultations with Indigenous Peoples and local communities, as applicable, were conducted in a manner that is inclusive, culturally appropriate, and respectful of local knowledge. The assessment must document meetings held, attendees and meeting minutes, as well as stakeholder comments and concerns and how those were addressed. When relevant to circumstances, the assessment must include evidence of Free, Prior and Informed Consent. Project Proponents shall confirm that project activities do not involve relocation or resettlement (voluntary or involuntary). The assessment shall also include a discussion of robust benefit sharing arrangements.

3. *The assessment shall: 1) identify each risk/impact/claim; 2) categorize the risk/impact/claim as positive, negative, or neutral and substantiate the impact category; 3) describe how any negative impacts will be avoided, reduced, mitigated or compensated, commensurate with the risk; and 4) detail how risks and negative impacts will be monitored, how often, and by whom. All negative risks and impacts must be included in ongoing Monitoring Reports*."

The Environmental and Social Impact Assessment Report is included as part of the project Validation and Verification process.

In addition, the Project Monitoring Report includes the following attestations by the Project Proponent/Project Developer Account Holder, who represents and warrants to ACR, its affiliates and supporting organizations and any assignee of substantially all of the assets comprising ACR, that:

2. *At no time during or since the development of the Project have there been any undisclosed or unmitigated adverse environmental or social impacts as a result of the development, construction, operation and/or maintenance of the Project; ongoing monitoring of risks and impacts and mitigations has been fulfilled in accordance with the Environmental and Social Impact Assessment; and any changes to the Environmental and Social Impact Assessment included in the validated GHG Project Plan have been disclosed in this Monitoring Report.*
3. *Any comments that were received from stakeholders regarding environmental or social impacts during the development, construction, operation and/or maintenance of the Project have been addressed, and when necessary, response actions have been implemented by the Project Proponent, and a true and accurate summary of any and all such communications/actions is attached hereto (as available).*

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q14. Does the programme have in place… (*Paragraph 3.8*)	
a) … institutions, processes, and procedures to implement, monitor, and enforce the environmental and social safeguards?	☒ YES
b) Are these institutions, processes, and procedures publicly disclosed?	☒ YES

Summarize and provide evidence of the institutions, processes and procedures referred to in a) above, including their public disclosure:

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

The ACR Standard, which is an Operative Document covered by the ACR ToU agreement, requires all projects to assess environmental and social impacts and to detail **how risks and negative impacts will be monitored, how often, and by whom. All negative risks and impacts must be included in ongoing Monitoring Reports, which are included in the verification process**.

ACR Standard 8.C **Ongoing Disclosure and Enforcement** states that "*Project Proponents shall disclose in their Monitoring Reports any negative environmental or social impacts or claims of negative environmental or social impacts and the appropriate mitigation measure applied. They shall also attest to no undisclosed or unmitigated adverse environmental or social impacts as a result of the GHG Project and provide confirmations and/or updates to the original assessment. ACR reserves the right to refuse to list or issue credits to a GHG project based on environmental or social impacts that have not or cannot be mitigated, or that present a significant risk of future negative environmental or community impacts*."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q15. Are procedures in place to ensure that offset projects do not violate local, state/provincial, national or international regulations or obligations? (*Paragraph 3.8*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

The ACR Terms of Use (ToU) agreement, Section 7 **Representations and Warranties of Account Holder** states: "*Throughout the term of these Terms of Use, including without limitation upon each issuance, transfer, retirement, or cancelation of an ERT or ROC by Account Holder, Account Holder represents and warrants to Administrator as follows:*

a. Account Holder is duly organized, validly existing, and in good standing under the laws of the jurisdiction of its formation;

b. Account Holder has all corporate and other authority and all regulatory and other consents, approvals, and authorizations necessary for it to legally enter into and perform its obligations under these Terms of Use and the Operative Documents; and engage in all of its activity, including the generation, receipt, transfer, retirement, and/or cancelation of ERTs or ROCs on or relating to the Registry;

c. The signatory of these Terms of Use has the authority to execute these Terms of Use on behalf of Account Holder, and these Terms of Use are binding on and enforceable against Account Holder in accordance with their terms;

(l) *If seeking to generate ERTs or ROCs**, Account Holder has acted in compliance with any relevant regulatory system or other requirements underlying the GHG emission reductions or removals for which Account Holder is seeking carbon credits, inclusive of abiding by national and local laws, objectives, programs and regulations and where relevant, international conventions and agreements***;"

In addition, the Project Monitoring Report includes the following attestation by the Project Proponent/Project Developer Account Holder, who represents and warrants to ACR, its affiliates and supporting organizations and any assignee of substantially all of the assets comprising ACR, that:

1. The Project maintained regulatory compliance with all relevant national and local laws, regulations, rules, procedures, other legally binding mandates and, where relevant, international conventions and agreements by completing all requirements at required intervals.

***Answer YES or NO. If NO**, all violations or other instances of noncompliance directly related to project activities are listed below with a statement of whether all regulatory requirements were completed at required intervals.*

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Criterion: Sustainable development criteria

Q16. Does the programme use sustainable development criteria? (*Paragraph 2.10*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR Standard Section 8.B outlines requirements for reporting on the project activity's positive contributions to the U.N. Sustainable Development Goals (SDGs) using the most recently published ACR SDG Contributions Report template, provided within or as an appendix to the GHG Project Plan. This includes providing information on how the project activity is consistent with the SDG objectives of the host country, where the SDG objectives are relevant, and such is feasible. The SDG Contributions Report includes a qualitative assessment of the positive impacts the GHG Project is delivering to SDGs in addition to SDG 13 (Climate Action), based on standardized ACR tools and methods or other method(s) or tool(s) approved by ACR.

The ACR SDG Contributions Reporting Tool https://acrcarbon.org/program_resources/acr-sdg-contributions-reporting-tool/ is designed to help project developers identify the targets and impacts that are then reported in the appropriate SDG Contributions Report. For AFOLU projects, this tool is used in tandem with the Template for ACR AFOLU Project SDG Contributions Report. For Industrial projects, this tool is used in tandem with the Template for ACR Industrial Project SDG Contributions Report. We include an example of SDG contributions reporting for project ACR 915, Tradewater OOG 2 (plugging Orphaned Oil and Gas Wells) using the ACR tool, as included in the project Monitoring Report Section F2. SUSTAINABLE DEVELOPMENT GOALS:

Direct Positive Impact to SDG Targets
SDG 12.4 – Responsible Consumption and Production: Orphaned wells can be expected to emit harmful methane and other toxic gases into the atmosphere, as well as leak other contaminants into water systems and soil. Additionally, unplugged wells impede the ability to safely utilize the surrounding area and in some cases are a mar on the landscape. Responsible consumption includes environmentally sound management throughout the entire lifecycle of a chemical or system and plugging the wells yields the most responsible and safe outcome.

SDG 13.2 – Climate Action: Methane is a short-lived climate pollutant, meaning that it does the most damage in the first years following its release into the atmosphere. For these reasons, the IPCC recognizes the reduction of methane emissions as the most effective immediate strategy for slowing

down warming. The oil and gas industry represents a significant source of methane emissions, and the plugging of orphaned oil and gas wells accelerates global strategies to mitigating near-term climate change and enabling long-term planning and impacts to develop.

Indirect Positive Impact to SDG Targets:
SDG 9.4 – Industry, Innovation, and Infrastructure: It is assumed that plugging of orphaned wells is the last step in an orphaned well's lifecycle. The current technology of plugging improves the existing state of the well by eliminating emissions entirely, thereby creating the most resource-efficient scenario. Across the world and the US, enforcement and implementation of plugging is inconsistent, but the adoption of incentive-creating methodologies is one answer to this problem facing the energy sector

Indirect Positive (Conditional)
SDG 3.9 – Good Health and Wellbeing: Orphaned oil and gas wells pose a risk to the surrounding environment as much as they emit harmful greenhouse gases. After wells are orphaned, the hydrocarbons and extraction chemicals left behind impact underground aquifers, surface waters, and surrounding lands. Plugging orphaned wells properly closes in the borehole and prevents the vertical and lateral transmission or migration of fluids and/or pollutants to the surrounding formation, rock, soil, and air. This further ensures that health and wellbeing is maintained by limiting and reversing air, water, and soil pollution in the vicinity of the wells. Please see the map below to orient the proximity of the well to nearby homes, property, farmland, and water sources. As previously mentioned, the well was located on state lands used as a recreation area for up to 12,000 visitors annually. Plugging the well ensures safe access for wildlife enjoyers at Goose Pond [MAP].

SDG 15.1 – Life on Land: Tradewater recognizes that this project type is affiliated with the conditional SDG "Life on Land" which refers to returning the land to native habitat. Tradewater acknowledges this possibility but is not claiming this SDG for this project.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q17. Does the programme have in place and publicly disclose procedures that identify a list or menu or potential sustainable development indicators that may, for example, enumerate relevant sustainable development goals (SDG) and, as appropriate, additionally include indicators that are publicly specified by a host country? (*Paragraph 2.10.2*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

See response to Q16 above. The ACR SDG Contributions Tool incorporates relevant SDG development indicators for ACR forestry and industrial project types. The SDG Contributions reporting template offers the opportunity to further elaborate on the project specific contributions (Direct, Indirect, Conditional).

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q18. Do the Program's procedures clearly state that only units that have been or will be issued to activities that report their sustainable development contributions or co-benefits according to criteria above, can be identified as CORSIA Eligible Emissions Units? (*Paragraph 2.10.2*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

Yes, ACR's Registry Operating Procedures https://acrcarbon.org/wp-content/uploads/2024/11/ACR-Registry-Operating-Procedures_Feb-28-2025.pdf), Section 8.3 Credit Labelling clearly state that only units that have been or will be issued to activities that report their sustainable development contributions as described above can be identified as CORSIA Eligible Emission Units. The following text from 8.3 explains the "CORSIA Eligible" label within the Registry:

"ACR has been approved by the International Civil Aviation Organization (ICAO) Council to supply 2016-2020 vintage carbon credits issued under ACR's methodologies active at the time of ICAO approval, as updated from time to time including publication of new methodologies, except for any exclusions as detailed in the published ICAO Eligible Emissions Unit Criteria document, for use by airlines in the 2021-2023 Compliance Period (Pilot Phase). 2016-2026 vintage carbon credits will be labeled as CORSIA Eligible when they meet the following criteria:

- *Project's first Crediting Period begins on or after 1/1/20163*
- ***Project's contribution to the UN SDGs is documented in the GHG Project Plan***
- *For projects required to contribute to the Buffer Pool or Reserve Account, the carbon credits contributed also satisfy the criteria above*

ACR has been approved by ICAO to supply post-2020 vintage carbon credits issued under ACR's methodologies active at the time of ICAO approval, as updated from time to time including publication of new methodologies, except for any exclusions as detailed in the published ICAO Eligible Emissions Unit Criteria document, for use by airlines in the 2021-2023 Compliance Period (Pilot Phase) and 2024-2026 Compliance Period (First Phase). ***Post-2020 vintage carbon credits will be labeled as CORSIA Eligible when they meet the criteria outlined above for 2016-2020 vintage carbon credits****, along with the following criteria:*

- *Credits have been authorized by the host country for use by airlines towards CORSIA compliance obligations in a Host Country of Letter of Authorization delivered to ACR and to the UNFCCC*
- *Project Proponent has submitted an ACR-approved CORSIA Double Claiming Compensation Mechanism*
- *All requirements have been met as detailed in Appendix B of the ACR Standard"*

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q19. Does the programme publicly disclose any provisions for monitoring, reporting and verification in relation to these criteria? (*Paragraph 2.10*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

Yes, the ACR Standard includes requirements for project proponents to confirm in validated design documents the sustainable development contributions and co-benefits of the project activity:

- Per Chapter 3, Table 2, "Environmental and Social Impact Assessments" row, Project Proponents shall disclose and describe positive contributions as aligned with applicable Sustainable Development Goals.
- Per Section 6.B, ACR requires that GHG projects adhere to environmental and social safeguards best practices to identify environmental and social risks and impacts and contributions to sustainable development.
- Per Section 8.B, ACR requires reporting on the project activity's positive contributions to the U.N. Sustainable Development Goals (SDGs) using the most recently published ACR SDG Contributions Report template, provided within or as an appendix to the GHG Project Plan.

GHG Project Plan Template: https://acrcarbon.org/program_resources/template-for-acr-ghg-project-plan/

- The validated GHG Project Plan and SDG Contributions Report are made public.
- Section F.2 requires identification of United Nations Sustainable Development Goals to which the project positively contributes, as assessed via the SDG Contributions Report.

ACR Monitoring Report: https://acrcarbon.org/program_resources/template-for-acr-monitoring-report/

- The verified Monitoring Report is made public.

Section III.4 requires the Project Proponent to provide updates, as applicable, to the original SDG Contributions Report included in the validated GHG Project Plan.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

PART 2: *Quantification and tracking*: Validation and Verification procedures; Quantification and MRV; Offset Credit Issuance and Retirement Procedures; Identification and Tracking; Clear and transparent chain of custody

Criterion: Are quantified, monitored, reported, and verified

Q1. Are procedures in place to ensure… (*Paragraph 3.3*)	
a) …that emissions units are based on accurate measurements and valid quantification methods/protocols?	☒ YES
b) …that emission reductions are measured, calculated and reported in a transparent manner?	☒ YES

c) …that monitoring, measuring, and reporting of both activities and the resulting mitigation is conducted at *specified intervals* throughout the duration of the crediting period?	☒ YES
d) …that mitigation is measured and verified by an accredited and independent third-party verification entity?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) Per ACR Standard (https://acrcarbon.org/wp-content/uploads/2023/10/ACR-Standard-v8.0.pdf) Chapter 2 - Section 2.A, all ACR methodologies and projects are required to adhere to rigorous accounting and data quality principles that are set out in ISO 14064 Part 2. Specifically:

   i. Relevance: selection of the GHG sources, GHG sinks, GHG reservoirs, data, and methodologies appropriate to the needs of the intended user;
   ii. Completeness: inclusion of all relevant GHG emissions and removals; inclusion of all relevant information to support criteria and procedures;
   iii. Consistency: enabling meaningful comparisons in GHG-related information; use of consistent methodologies for meaningful comparisons of emissions over time; transparently document any changes to the data, boundary, methods, or any other relevant factors;
   iv. Accuracy: reduce bias and uncertainties as far as is practical;
   v. Transparency: disclosure of sufficient and appropriate GHG-related information to allow intended users to make decisions with reasonable confidence; disclosure of any relevant assumptions and appropriate references to the accounting and calculation methodologies and data sources used; and,
   vi. Conservativeness: use of conservative assumptions, values, and procedures to ensure that GHG emission reductions or removal enhancements are not overestimated.

   Section 2.B details specifications for methodological adherence to these principles. For example Section 2.B.5 of the ACR Standard states that all emission factors employed in a methodology must:

   - Derive from a scientific peer-reviewed origin;
   - Be appropriate for the GHG source or sink concerned; and
   - Take account of quantification uncertainty.

   Lastly, the ACR methodology development process is designed to ensure that all projects apply accurate measurement and quantification methods/protocols. Per Chapter 7 of the ACR Standard, all methodologies undergo a rigorous scientific peer review process to ensure that all ACR methods will result in accurate measurement and quantification techniques employed by each registered project.

b) ACR Standard Section 6.B details information to be included in a project's GHG Plan. Section 6.A.7 specifies that ACR documents to be made publicly available (this includes the GHG Plan, Monitoring Report and Verification Report) are measured, calculated and reported in a transparent manner as the public documents "contain the content necessary to enable third parties to assess the social and environmental impacts, replicate the GHG emission reductions and removal calculations (including baseline quantification), and assess additionality."

c) Defined intervals are required for monitoring, measuring and reporting and subsequent verification of mitigation activities throughout the crediting period. Per the ACR Standard Chapter 6 – Section 6.E: "*Project Monitoring Reports shall be completed for each verified Reporting Period using the most recently published template for ACR Monitoring Report. The report shall describe the current status of project operation, and detail the data monitored, the monitoring plan and the calculation of GHG emission reductions and removals for the Reporting Period*."

d) Per ACR Standard Section 9.D, "*Validation and verification are risk-based processes carried out in conformance with ISO 14064-3 and ISO 14065, as considered current and as represented on the ACR website.* ***VVBs shall be accredited for project-level validation and verification in the sector of the applicable methodology and shall meet the competence requirements as set out in ISO 14065 as considered current. All VVBs must be approved by ACR and be accredited under ISO 14065 by an accreditation body that is a member of the International Accreditation Forum (IAF) and with which ACR has a Memorandum of Understanding (MoU) in place****, as detailed in the ACR Validation and Verification Standard*."

Per Chapter 8 Section D of the ACR Validation and Verification Standard https://acrcarbon.org/wp-content/uploads/2023/09/2023.05.29-ACR-VV-Standard_V1.1_May-31-2018.pdf and the ACR Standard Section 9.C: "***ACR requires verification of GHG statements at specified intervals in order to issue new ERTs. GHG emission reductions and removals may be verified and issued as ERTs annually, or at the Project Proponent's request, more or less frequently out to a maximum five (5) year Reporting Period duration. At each request for issuance of ERTs, the Project Proponent must submit a Verification Opinion from an approved verifier****. No less than once every five (5) years of reporting (with the exception of some AFOLU project types referenced in Section A.7.3), and upon the first verification conducted by a new VVB (per ACR's VVB rotation requirements in Section 9.G), Project Proponents must submit a Verification Opinion based on a full verification including a field visit to the project Site.*

In addition to exceptions to site visit requirements cited above, in November 2024, ACR published an Industrial Projects Desk-Based Review Policy, (https://acrcarbon.org/program_resources/ip-desk-based-review-policy/) describing the circumstances in which desk-based reviews in lieu of site visits are allowable for certain ACR methodologies. The policy applies to certain single reporting period, industrial project types where the VVB and lead verifier have previously completed a site visit at the same facility for another project developed by the Project Proponent (or Project Developer) under the same ACR methodology and version within 12 months of when validation/verification services are expected to commence for the desk-based review.

The initial Reporting Period full verification interval begins on the project Start Date and is a maximum of five (5) years in duration. The maximum interval between subsequent full verifications is five (5) years, calculated from the start date of the last Reporting Period receiving full verification to the end date of any subsequent Reporting Period receiving desk-based verification.

In the case of sequestration projects, the scope of a full verification should include an updated analysis of risk of reversal and an updated buffer determination, as applicable. ACR requires Verification Opinions to be submitted no later than two (2) years from the end of the Reporting Period being verified for non-AFOLU projects and no later than three (3) years from the end of the Reporting Period for AFOLU projects."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Criterion: Validation and verification procedures

Q2. Does the Programme have in place requirements and procedures for… (*Paragraph 2.6*)	
a) …the accreditation of validators?	☒ YES
b) …the accreditation of verifiers?	☒ YES
c) Are these standards, procedures and requirements publicly disclosed?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR has in place requirements and procedures for the accreditation of validators and verifiers (Validation and Verification Bodies or VVBs), which are publicly disclosed.

As detailed on the ACR website (https://acrcarbon.org/acr-program/validation-and-verification/), Section 13.A of the ACR Validation and Verification Standard (https://acrcarbon.org/wp-content/uploads/2023/09/2023.05.29-ACR-VV-Standard_V1.1_May-31-2018.pdf) and ACR Standard Section 9.D, "*Validation and verification are risk-based processes carried out in conformance with ISO 14064-3 and ISO 14065, as considered current and as represented on the ACR website.* ***VVBs shall be accredited for project-level validation and verification in the sector of the applicable methodology and shall meet the competence requirements as set out in ISO 14065 as considered current. All VVBs must be approved by ACR and be accredited under ISO 14065 by an accreditation body that is a member of the International Accreditation Forum (IAF) and with which ACR has a Memorandum of Understanding (MoU) in place****, as detailed in the ACR Validation and Verification Standard*." ACR has an MoU with the ANSI National Accreditation Board (ANAB).

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q3. Does the Programme have in place standards and procedures for… (*Paragraph 2.6*)	
a) …the validation of activities?	☒ YES
b) …the verification of emissions reductions and/or removals?	☒ YES
c) Are these standards, procedures and requirements publicly disclosed?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR has in place standards and procedures for the validation of activities and the verification of emission reductions and removals, and such standards are publicly disclosed.

Validation and verification processes and requirements are outlined in two key documents; the ACR Standard, Chapter 9 and the ACR Validation and Verification Standard. Both are publicly available and web links are provided below.

- ACR Standard: https://acrcarbon.org/wp-content/uploads/2023/10/ACR-Standard-v8.0.pdf
- ACR Validation and Verification Standard: https://acrcarbon.org/wp-content/uploads/2023/09/2023.05.29-ACR-VV-Standard_V1.1_May-31-2018.pdf

Chapter 9 of the ACR Standard outlines key processes and high-level requirements. The general requirements for verification and validation are described in the table below:

Item	**Definition, Process or requirement**
Validation	The systematic, independent, and documented process for the evaluation of a GHG Project Plan against applicable requirements of the ACR Standard, the applicable ACR-approved methodology, and any other applicable audit criteria (e.g., relevant errata and clarifications).
Verification	The systematic, independent, and documented assessment by a qualified and impartial third party of the GHG statement for a specific Reporting Period. The verification process is intended to assess the degree to which a GHG Project complies with the applicable ACR-approved methodology, tools, eligibility criteria, requirements and specifications, and has correctly quantified Total and Net GHG Emission Reductions and Removals.
Materiality Threshold	Set at ±5%; ACR requires that discrepancies between the emission reductions/removal enhancements claimed by the Project Proponent and estimated by the Validation and Verification Body (VVB) be immaterial.
Validation and Verification frequency	Validation occurs once per Crediting Period. Renewal of the Crediting Period requires a new validation within one (1) year from the end of the previous, expiring Crediting Period. If Project-specific changes that require revision to baseline or additionality assessments occur after the validation, these changes must be disclosed in the Project Monitoring Report and validated in conjunction with the Project's next subsequent verification. GHG emission reductions and removals may be verified and issued as ERTs annually, or at the Project Proponent's request, more or less frequently out to a maximum five (5) year Reporting Period duration. No less than once every five (5) years of reporting (with the exception of some AFOLU project types referenced in Section A.7.3) and upon the first verification conducted by a new VVB, Project Proponents must submit a Verification Opinion based on a full verification including a field visit to the project Site.

VVB requirements	All VVBs must be approved by ACR and be accredited under ISO 14065 by an accreditation body that is a member of the International Accreditation Forum (IAF) and with which ACR has a Memorandum of Understanding (MoU) in place, as detailed in the ACR Validation and Verification Standard. VVBs shall be accredited for project-level validation and verification in the sector of the applicable methodology and shall meet the competence requirements as set out in ISO 14065 as considered current. Prior to commencing validation or verification work on ACR, all VVBs must be in good standing; have completed the application process described at https://acrcarbon.org/acr-program/validation-and-verification by submitting an application form and Attestation of Validation/Verification Body, which details requirements for conflicts of interest and makeup of the verification teams; document technical capabilities for each of the sectoral scopes in which the verifier seeks to conduct validation or verification; established their VVB account on ACR; and have submitted a Project-specific Conflict of Interest Form for ACR's approval. Project-specific conflicts of interest must be disclosed and mitigated.

The ACR Validation and Verification Standard is a more detailed document which outlines the scope, describes in detail the process and ACR Standard requirements, and provides specific guidance on how to verify ACR projects. This document also describes the accreditation requirements. The below table outlines the topics covered in each section of the ACR Validation and Verification Standard:

Chapter 1	Objectives and scoping elements for validation
Chapter 2	How to validate project boundaries
Chapter 3	How to validate project baselines
Chapter 4	How to validate additionality
Chapter 5	How to validate quantification methods
Chapter 6	How to validate other eligibility criteria, such as start dates and Crediting Periods
Chapter 7	Requirements for developing and submitting a validation report
Chapter 8	Objectives and scoping elements for verification
Chapter 9	Activities to be performed while conducting a verification
Chapter 10	Verification of aggregated or programmatic develop approach projects
Chapter 11	Requirements for quality assurance and quality control
Chapter 12	Requirements for developing and submitting Verification Statements and reports.
Chapter 13	Requirements for VVBs operating on behalf of ACR
Appendix A	A list of normative references on which the ACR Validation and Verification Standard is based

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

N/A

Q4. Are procedures in place to ensure…	
a) …that validation occurs prior to or in tandem with verification? (*Paragraph 3.3.2*)	☒ YES
b) …that validation assesses and publicly documents the likely mitigation results from proposed activities supported by the programme? (*Paragraph 3.3.2*)	☒ YES
c) …that the results of validation and verification are made publicly available? (*Paragraph 3.3*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) Validation may occur prior to or in tandem with a project's first verification.
Per ACR Standard Chapter 6: *"Validation and verification may occur simultaneously and must occur prior to issuance of ERTs*."
Per ACR Standard Chapter 9 – Section 9.A: "*Validation and verification may be conducted by the same entity, and may occur simultaneously*."
Per ACR Validation and Verification Standard Chapter 12: "*Note that validation and the first verification may be conducted simultaneously, and may be conducted by the same approved VVB*."
Chapter 7 states that "*validation and the first verification may be conducted simultaneously, and may be conducted by the same approved VVB. Therefore, it is acceptable to combine the Validation Report and Verification Report into a single report*" and that the "*product of validation is a Validation Report, which is posted publicly by ACR*."

b) ACR has procedures in place to ensure that validation assesses the mitigation project against applicable requirements of the ACR Standard and the applicable ACR-approved methodology.
Per the ACR Validation and Verification Standard section 1.B, the objectives of validation are to evaluate:
- Conformance to the ACR Standard;
- GHG emissions reduction project planning information and documentation in accordance with the applicable ACR-approved methodology, including the project description, baseline, eligibility criteria, monitoring and reporting procedures, and quality assurance/quality control (QA/QC) procedures;
- Reported GHG baseline, ex ante estimated project emissions and emission reductions/removal enhancements, leakage assessment, and impermanence risk assessment and mitigation (if applicable).

Per the ACR Validation and Verification Standard Section 1.C, the Scope of the Validation shall include an assessment of:
- Project boundary and procedures for establishing the project boundary;
- Physical infrastructure, activities, technologies, and processes of the project;
- GHGs, sources, and sinks within the project boundary;
- Temporal boundary;
- Description of and justification for the baseline scenario;
- Methodologies, algorithms, and calculations that will be used to generate estimates of emissions and

emission reductions/removal enhancements;
- Process information, source identification/counts, and operational details;
- Data management systems;
- QA/QC procedures;
- Processes for uncertainty assessments; and
- Project-specific conformance to ACR eligibility criteria

Project additionality, baselines, quantification methods, start date, crediting period, leakage, legal title, reversal risk mitigation and minimum project term, and environmental and social impacts are validated per requirements in the Standard.

ACR Validation and Verification Standard Chapter 8 describes the overall goal of third-party verification as "*to review impartially and objectively a Project Proponent's claimed GHG emission reductions/removal enhancements against relevant ACR standards and the approved methodology. The VVB must independently evaluate the GHG assertion, based on supporting evidence and GHG verification best practice*."

Section 8.B cites the objectives of verification are to evaluate the following:

- *Reported GHG baseline, project emissions and emission reductions/removal enhancements, leakage assessment, and impermanence risk assessment and mitigation (if applicable);*
- *Any significant changes to the project procedures or criteria since the last verification; and*
- *Any significant changes in the GHG project's baseline emissions and emission reductions/removal enhancements since the last verification*.

The VVB shall review the GHG Project Plan, GHG assertion, and any additional relevant documentation provided by the Project Proponent to determine:

- *That the reported emissions reductions and/or removal enhancements are real;*
- *Degree of confidence in and completeness of the GHG assertion;*
- *That project implementation is consistent with the GHG Project Plan;*
- *Eligibility for registration on ACR; and*
- *Sources and magnitude of potential errors, omissions, and misrepresentations, including:*
    - *Inherent risk of material misstatement; and*
    - *Risk that the existing controls of the GHG project will not prevent or detect a material misstatement.*

Section 8.E requires that the Verification Report provide a "*reasonable level of assurance that the GHG assertion is free of material misstatement and provides a true and fair representation of the project's net GHG emission reductions/removal enhancements*."

c) Chapter 12 states that the "*end products of verification are a Verification Statement and Verification Report. ACR posts both publicly*." All validation and verification reports are made publicly available on the ACR Registry (see ACR Public Projects Report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=111 and scroll to right "documents" column).

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q5. Does the Programme have procedures in place to…	
a) …to ensure that *ex-post* verification of mitigation is required in advance of issuance of emissions units? *(Paragraph 3.3)*	☒ YES
b) …or, to transparently identify units that are issued *ex ante* and thus ineligible for use in the CORSIA? *(Paragraph 3.3.5)*	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) ACR requires ex-post verification of mitigation in advance of issuance of emissions units, as detailed in ACR Standard Chapter 3, Table 2 Eligibility Criteria:

Criterion: **Independently Validated**: *ACR requires third-party validation of the GHG Project Plan by an accredited, ACR-approved VVB once during each Crediting Period and prior to issuance of ERTs. Validation can be conducted at the same time and by the same VVB as a full verification*

Criterion**: Independently Verified**: *Verification must be conducted by an accredited, ACR-approved VVB prior to any issuance of ERTs for a given Reporting Period and must be conducted at minimum specified intervals. ACR requires verifiers to provide a reasonable, not limited, level of assurance that the GHG statement is without material discrepancy*

Requirements for ex-post verification are also detailed in ACR Standard Chapter 6, steps 5-9:

5. ***Validation and the initial verification may occur simultaneously and must occur prior to issuance of ERTs****. This results in submission to ACR of a validated GHG Project Plan, verified Monitoring Report, Validation Report, Validation Opinion, Verification Report, and Verification Opinion.*
6. *ACR reviews the project, validation, and verification documents as well as comments received from stakeholders. This results in (a) acceptance, (b) acceptance contingent on requested corrections or clarifications, or (c) rejection. See the ACR Validation and Verification Standard for further details.*
7. *Upon acceptance of the submitted documents, ACR registers the GHG Project and makes the final validated GHG Project Plan, verified Monitoring Report, Validation Report and Validation Opinion, and Verification Report, Verification Opinion, and Supplemental Project Description (optional) public on its registry. These documents contain the content necessary to enable third parties to assess the social and environmental impacts, replicate the GHG emission reductions and removal calculations (including baseline quantification), and assess additionality and are made publicly available except for content deemed by ACR to be Commercially Sensitive Information (i.e., subject to confidentiality, proprietary, privacy and data protection restrictions).*
8. *ACR serializes and issues to the Project Developer Account Holder's account ERTs for the relevant Reporting Period, in the amount listed in the Verification Opinion. The vintage year of the ERTs correspond to the year the GHG emission reductions/ removals occurred.*

b) ACR has no need to identify units that are issued ex-ante and thus ineligible for use in the CORSIA because ACR does not credit offsets on an ex-ante basis.

As stated in the ACR Standard, Chapter 1 Section I "*No Ex-Ante Crediting: A project-based carbon credit is the result of a defined and eligible GHG Project action that yields quantifiable and verifiable GHG emission reductions and/or removals. ACR will not issue ERTs for GHG emission reductions or removals when an emission mitigation activity has not yet occurred or is not yet verified.* ***ACR will not credit a projected stream of ERTs on an ex-ante basis***."

ACR Standard Chapter 3, Table 2 Eligibility Requirements defines Real: "*ERTs shall only be issued for a GHG emission reduction or removal that has been verified against an approved ACR Methodology to have already occurred.* ***ACR will not credit a projected stream of credits on an ex-ante basis***."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Criterion: Offset credit issuance and retirement procedures

Q6. Does the Programme have procedures in place defining how offset credits are… (*Paragraph 2.3*)	
a) …issued?	☒ YES
b) …retired / cancelled?	☒ YES
c) …subject to discounting (*if any*)?	☒ YES
d) Are these procedures publicly disclosed?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR's policies and procedures for offset credit issuance, retirement and cancellation are detailed in the ACR Terms of Use Agreement (https://acrcarbon.org/program_resources/terms_of_use/) and the ACR Operating Procedures (https://acrcarbon.org/wp-content/uploads/2024/08/ACR-Registry-Operating-Procedures_Nov-25-2024.pdf) as summarized below.

ACR Operating Procedures Chapter 5 details information on credit issuance, serialization. Chapter 7 details information on credit retirement and cancellation.

a) "Issue" or "Issuance" is defined as the creation of serialized carbon credits each representing one metric ton of verified CO_2 equivalent GHG emission reduction or removal for a project over a specified period.

   Carbon credits are issued to a GHG project upon completion of a successful third-party verification and

ACR review, approval and acceptance of the verification report and statement (see the ACR Standard Chapter 6, section 6.A). Upon issuance by ACR, each offset is automatically assigned a unique serial number, is issued into the Registry account of the emissions reduction/removal project, and appears in the public issuance report. All offset credit issuances are conducted by ACR Staff in the ACR registry system upon approval of the project for issuance and cross-checking final carbon credit data for accuracy. Once credits are issued, they can be transferred to another ACR account holder, retired or canceled.

b) "Retire" or "retirement" is the permanent removal of a carbon credit from circulation as a transactable unit so that it represents a permanent reduction or removal of CO_2e from the atmosphere. A retired credit may be applied toward the emissions reduction target of the ACR account holder that retired the credit, or on behalf of a third party.

"Cancel" or "Cancellation" is the permanent removal of a carbon credit from the Registry so that it cannot be transferred, transacted, retired or applied towards any emission reduction targets as an ACR offset credit unit. The exception to this is for airplane operators who cancel units to surrender them towards their CORSIA compliance obligations. If the carbon credit has been canceled so that the equivalent can be reissued under another offset program, ACR no longer tracks the credit ownership and permanence (if applicable).

Offset credit retirements are completed by account holders when logged into the ACR registry. ACR processes all offset credit cancellations. All retirement and cancellation transactions are made publicly available on the ACR Registry. The following web link provides links to the public registry reports from ACR's website: https://acrcarbon.org/acr-registry/

The ACR Registry landing page on the ACR website https://acrcarbon.org/acr-registry/ provides links, as below, to downloadable, sortable reports of offset issuance by project, offset cancellation by project, offset retirement by project, as well as a buffer summary report, and an offset search by serial number.

i. Public issued credits report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=112
ii. Public project report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=111
iii. Public retired credits report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=206
iv. Public cancelled credits report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=208
v. Each carbon credit issued on ACR is considered equally fungible and to represent an equal benefit to the atmosphere, no matter the project type, location or vintage.

c) ACR does not implement any flat "unit discounting" procedures. Rather, each methodology outlines relevant sources of uncertainty and leakage activities that must be assessed for each project of that type. Any associated deductions are accounted for in the methodology-specific quantification approach and are unique to that project type. Per the ACR Standard (under Definitions on page 73), the definition of Net Emissions Reductions is *GHG emission reductions or removals created by a Project Activity, minus the baseline scenario and any deductions for uncertainty and leakage*. This is the amount that is serialized.

Section 2.B.3 of the Standard states that "*the Project Proponent shall reduce, as far as is practical, uncertainties related to the quantification of GHG emission reductions or removal enhancements. For methodologies based on statistical sampling (e.g., methodologies in the forestry or working land use sectors), ACR requires that the sampling error associated with the mean of the estimated emission reduction/removal not exceed ±10% of the mean at the 90% confidence interval to report the mean of the estimated emission reduction/removal. If the Project Proponent cannot meet this target, then the reportable amount shall be the mean minus the lower bound of the 90% confidence interval, applied to the final calculation of emission reductions/removal enhancements. If the sampling error is equal to or greater than 20%, the confidence deduction for the monitoring period must be 100%. Project-specific methodologies provide guidance how to calculate this uncertainty deduction. Methodologies approved by ACR shall include methods for estimating uncertainty relevant to the project and baseline scenario (as applicable)*.

If sampling is required and the statistical precision requirements are not met, project proponents must take an uncertainty deduction from their total reported offset credits for that period. The Project Proponent can elect to implement more intensive sampling to achieve the precision of ±10% of the mean at 90% confidence to avoid an uncertainty deduction and retain more net emission reductions/removals for crediting.

The use of biogeochemical or process models must also include an estimate of structural uncertainty related to the inadequacy of the model, model bias, and/or model discrepancy. This should be quantified using the best available science, and can include Monte Carlo analyses, uncertainty estimates from peer reviewed literature, and/or consulting model experts who have either developed or worked directly with the model in an academic setting."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Criteria: <u>Identification and Tracking</u>, <u>Clear and transparent chain of custody</u>

Q7. Does the programme utilize an electronic registry or registries? (*Paragraph 2.4.2*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR operates a transparent and secure Registry for GHG emission reduction and removals projects to record the issuance, transfer and retirement of serialized, independently verified carbon credits.

ACR's Registry platform is operated by APX per a private, bilateral legal Master Services Agreement between APX and ACR, and customized for ACR's project workflow and approvals process in addition to relevant regulatory requirements. Links to the registry are available on the ACR website: **<u>https://acrcarbon.org/acr-registry/</u>**

ACR staff manages and oversees all ACR Registry functions including account application reviews through a Know Your Customer (KYC) process, a day-to-day processing of project and document reviews and project phase changes, project approval and offset credit issuance and cancellation (as applicable, for example, under the California cap-and-trade program, the Washington Cap-and-Invest Program and CORSIA).

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

ACR recently announced that it will be transitioning in late 2025 from the APX registry platform to a new registry platform operated by ICE (the Intercontinental Exchange). ICE is a leading global provider of technology and data and the world's largest operator of environmental derivatives markets including operating the New York Stock Exchange.

All current ACR Registry functionality as described herein related to the carbon credit lifecycle will be supported by the new platform from project listing, verification, registration to credit issuance, transfer, retirement and cancellation.

Q8. Does the programme have procedures in place to ensure that the programme registry or registries…	
a) …have the capability to transparently identify emissions units that are deemed ICAO-eligible, in all account types ? (*Paragraph 2.4.3*)	☒ YES
b) …clearly identify unit owners or holders? *(Paragraph 2.4 (d))*	☒ YES
c) …identify, and facilitate tracking and transfer of, unit ownership/holding from issuance to cancellation/retirement? (*Paragraphs 2.4 (a) and (d) and 2.4.4*)	☒ YES
d) …identify unit status, including retirement / cancellation, and issuance status? (*Paragraph 2.4.4*)	☒ YES
e) …assign unique serial numbers to issued units? (*Paragraphs 2.4 (b) and 2.4.5*)	☒ YES
f) …identify in serialization, or designate on a public platform, each unique unit's country and sector of origin, vintage, and original (and, if relevant, revised) project registration date? *(Paragraph 2.4.5)*	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) ACR has procedures in place and ACR Registry capability, to transparently designate as CORSIA Eligible any credits that are approved in the ICAO Eligible Emissions Unit document (approved project type, start date, vintage), and for post 2020 credits, are authorized by the Host Country to avoid double counting and have a compensation mechanism in place. Links to public reports for credit issuance, retirement and cancelation are on the ACR website Registry landing page: https://acrcarbon.org/acr-registry/

b) Credit ownership and holdings for all transactions--including issuance, transfers, retirements, and cancellations—are tracked within the ACR Registry. Credit ownership and transactions are tracked in individual accounts, and the ACR administrator can view and search administrator reports for the current and

historical ownership of any serialized credits as well as track all individual transactions and retirements of credits system-wide (by project, account, date, serial number etc).

c) The ACR Registry identifies and facilitates tracking and transfer of ownership/holding of each credit from issuance through retirement or cancellation. The ACR Registry administrator has 24-hour access to system-wide reports which track the ownership/holding of any serialized credit and include a time and date stamped record of individual transactions, retirements and cancellations of credits (by project, account, date, serial number etc.). Additionally, links to public reports for credit issuance, retirement and cancelation are on the ACR website Registry landing page: https://acrcarbon.org/acr-registry/

***"Public Reports:** The use of a fully transparent registry system is fundamental to carbon market credibility. We ensure transparency by requiring that project registration and verification documents be made public. We ensure no double counting or double selling by serializing carbon credits and by linking to online credit issuance and retirement logs. View public reports here:"*

– Projects
– Retired Credits
– Issued Credits
– Canceled Credits

d) The ACR Registry identifies credit status including issuance, retirement / cancellation for all units, which are available in the public credit issuance, retirement and cancellation reports (links above).

e) The ACR Registry assigns unique serial numbers to each carbon credit upon issuance. Serialized credits are automatically issued into the project account once the Emission Reductions/Removal and Issuance record is approved by the ACR administrator. The format for ACR serial numbers includes identification references to key project information including program (ACR), country, project ID, credit vintage, batch number, unit serial number block start and unit serial number block end values that represent the volume of credits issued in the batch. For example, serial number ACR-US-192-2010-203-1-5000 indicates that the credits were issued by American Carbon Registry (ACR), from a project in the United States, with Project ID 192, with credit vintage 2010, from credit batch 203, for which the serial block begins with 1 and the serial block ends with 5000 (representing a volume issued in the batch of 5,000 credits).

f) Each unique unit's country and vintage year are identified as part of the credit's serial number. In addition, the public registry reports (projects, issued credits, retired credits, canceled credits), which are downloadable, sortable and searchable, include detailed information on all registry projects and credits including project name and ACR identification number, project type (sector), location (including country), vintage year of credits (the year in which the emission reduction / removal occurred), project developer, project verifier, CORSIA Eligibility (yes or no), quantity and date of credits issued, retired or canceled, serial numbers, and links to project documentation such as registration documentation (including any revised project registration) and verification statements.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

ACR recently announced that it will be transitioning in late 2025 from the APX registry platform to a new registry platform operated by ICE (the Intercontinental Exchange). ICE is a leading global provider of technology and data and the world's largest operator of environmental derivatives markets including operating the New York Stock Exchange (NYSE).

All current ACR Registry functionality as described herein related to the carbon credit lifecycle will be supported by the new platform from project listing, verification, registration to credit issuance, transfer, retirement and cancellation. This includes the identification of ICAO Eligible emissions units; the identification of credit ownership/ holdings; the identification, facilitation of tracking and transfer of credit ownership/holding from issuance to cancellation/retirement; the identification of unit status including issued, retired, cancelled; the assignment of unique serial numbers to credits, which includes the designation of the country of origin and vintage and public documentation of sector of origin and project documentation.

Q9. Are provisions in place for registry account screening, including…	
a) …provisions ensuring the screening of requests for registry accounts? (*Paragraph 2.4.7*)	☒ YES
b) …provisions restricting the programme registry (or registries) accounts to registered businesses and individuals? (*Paragraph 2.4.7*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) The required steps and documentation required to open an ACR Registry account are detailed on the ACR website Registry landing page: **https://acrcarbon.org/acr-registry/** ACR receives new registry account applications that are submitted via the ACR Registry platform. Account application reviews and approvals (or denials) are conducted by the ACR Registry Operations team through a Know Your Customer (KYC) due diligence process. Accounts are only approved for registered businesses / legal entities that meet ACR's KYC requirements. Individuals are not permitted to open ACR accounts.

   All ACR account applications require, at a minimum, the following documentation:

   - Execution of the legal ACR Terms of Use (ToU) agreement by an authorized corporate representative, who is named as the account manager;
   - A board resolution or official letter from a corporate officer stating that the organization has chosen to open an ACR account and that the account manager [named in the letter or resolution] is authorized to execute the Terms of Use and to manage the account on behalf of the organization;
   - A copy of the applicant's Articles of Incorporation or other legal organizational documents; and
   - A government-issued identification with a photograph of the account manager.

[redacted]

a) ACR does not approve accounts for individuals – only duly incorporated organizations that meet the KYC screening criteria. Account access via unique login ID and password is only provided to the individual approved and listed as the Account Manager. The Account Manager can choose to provide access to other individual users. Per the ACR ToU the Account Manager shall ensure that any of its owners, trustees, members, officers, directors, employees, agents appointed as Account Holder's agent ("Agents") and/or any other agents to whom it has provided access to the Registry (collectively, the "Representatives" or "Users") agree to comply with the Operative Documents and the Terms of Use.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
ACR recently announced that it will be transitioning in late 2025 from the APX registry platform to a new registry platform operated by ICE (the Intercontinental Exchange). ICE is a leading global provider of technology and data and the world's largest operator of environmental derivatives markets including operating the New York Stock Exchange (NYSE).

All current ACR Registry account screening provisions and restrictions as described herein will remain in place when ACR transitions to the ICE platform.

Q10. Does the programme have procedures in place…	

a) …to ensure that the registry is secure (i.e. that robust security provisions are in place)? (*Paragraph 2.4 (c)*)	☒ YES
b) …ensuring the periodic audit or evaluation of registry compliance with these security provisions? (*Paragraph 2.4.8*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

The MSA executed between Environmental Resources Trust (ERT) and APX for ACR Registry services, and updated from time to time, includes a description of the APX Platform Security provisions with which APX agrees to comply including provisions for periodic audits of registry compliance with security protocols. In the MSA, APX represents that it will follow best industry practice to secure, back up and recover all information stored by or on behalf of APX as part of the Registry Service. APX further commits to conducting Service Organization Controls (SOC) 2 Type II audits on at least a semi annual basis, as defined by the American Institute of Certified Public Accountants (AICPA) and shall provide a copy of such audit report(s) to ACR.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

ACR recently announced that it will be transitioning in late 2025 from the APX registry platform to a new registry platform operated by ICE (the Intercontinental Exchange). ICE is a leading global provider of technology and data and the world's largest operator of environmental derivatives markets including operating the New York Stock Exchange (NYSE).

All current ACR Registry functionality and contractual obligations as described herein related to Registry security and periodic audits for compliance with security provisions will be supported by the ICE platform and agreed by ICE for the provision of Registry services.

Q11. If the programme registry has the capability to directly transfer units to/from any other registries or equivalent tracking systems that are not operated by the programme, list any/all other registries to which the programme's registry(ies) are linked and indicate where these linkages are publicly disclosed: (*Paragraph 2.4 (e)*)

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

The ACR Registry does not have the capability to directly transfer units to/from any other registries or equivalent tracking systems that are not operated by ACR. The ACR Registry does have an API linkage with Xpansiv Connect that allows participants who have chosen to link their account to manage credits within their ACR Registry (and other registry accounts) on a single platform and transact on the CBL exchange (https://acrcarbon.org/program_resources/acr-linkage-with-cbl/). This connection, however, only facilitates trades of ACR-issued credits and does not result in the transfer of units to other registries.

ACR has authorized the sale of ACR-issued credits through other platforms "ACR-Linked Platforms" but only Xpansiv Connect has a direct link to ACR Registry infrastructure, as described above. An ACR-Linked Platform means an external exchange, trading platform, auction platform, or other marketplace approved by ACR as indicated on the List of ACR-Linked Platforms (https://acrcarbon.org/program_resources/list-of-acr-linked-platforms/) and updated from time to time. ACR Linked Platforms are individually approved for specific activities (e.g., operating an exchange platform, hosting auctions, operating a Retail Aggregator marketplace) and, as it relates to ERTs and ROCs, Account Holder may only engage with an ACR-Linked Platform for the activities that ACR has explicitly approved. Permitted activities include spot contract or exchange, standardized contract or pooling, futures or options contract, auction, over-the-counter transactions, retail aggregator, and sub-registrar.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

ACR recently announced that it will be transitioning in late 2025 from the APX registry platform to a new registry platform operated by ICE (the Intercontinental Exchange). ICE is a leading global provider of technology and data and the world's largest operator of environmental derivatives markets including operating the New York Stock Exchange (NYSE).

To facilitate greater market integration, ACR intends to offer an API linkage to the ACR Registry (ICE-operated platform) in Q4 2025. Upon making that available, ACR will continue to review and authorize participants on a case-by-case basis.

Q12. In respect of any registry linkages identified under **Q11** above, list any/all data exchange standards or systems to which the programme's registry(ies) conform and indicate where this information is publicly disclosed: (*Paragraph 2.4 (f)*)

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):
N/A as ACR has no linked registries.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
ACR is monitoring and/or participating in ongoing efforts to standardize registry data such as the Climate Action Data (CAD) Trust, World Bank Carbon Market Infrastructure Working Group, ISO Technical Committee 322/ad-hog group 3 on Sustainable Finance, the Carbon Data Open Protocol, and the IETA Digital Working Group. Upon coalescence, ACR is prepared to adapt registry content to align around a common framework.

Q13. Does the programme Registry publicly display information… (*Paragraph 2.3.1*)	
a) …on each batch of cancelled units?	☒ YES
b) …in a machine-readable format (*e.g.*, XLS, CSV) that is searchable and downloadable?	☒ YES
c) …at no cost?	☒ YES
d) …with no login credentials required?	☒ YES

Provide evidence of the registry features referred to in a) through d):

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

The ACR Registry publicly displays information on each batch of cancelled credits in a machine-readable, searchable and downloadable (CSV) format at no cost and with no login credentials required. See ACR Registry pubic cancellation report here: Canceled Credits as linked from the ACR website Registry landing page.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
ACR recently announced that it will be transitioning in late 2025 from the APX registry platform to a new registry platform operated by ICE (the Intercontinental Exchange). ICE is a leading global provider of technology and data and the world's largest operator of environmental derivatives markets including operating the New York Stock Exchange (NYSE).

All current ACR Registry functionality as described herein related to information in the ACR Cancelled Credits report will be supported by the ICE platform.

Q14. Does the machine-readable information on cancelled units contain discrete fields for each of the following, in respect of each batch of units (*please select*)? (*Paragraph 2.3.1*) ☒ Quantity of emission units cancelled ☒ Start of serial numbers ☒ End of serial numbers ☒ Date of cancellation ☒ Name of Programme *(if the Registry holds units from multiple Programmes)* ☒ Unit type ☒ Host country ☒ Methodology ☒ Start date of the activity's first crediting period ☒ Vintage year of the unit or batch of units ☒ CORSIA compliance period(s) for which each batch of units is eligible ☒ Unique identifier of the registry account where the batch was cancelled ☒ Beneficiary in whose name the unit was cancelled ☒ Unique identifier of the registry account from which the cancellation was initiated *(if applicable)*	☒ YES

Provide evidence of the registry features referred to above:

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

The ACR Registry has introduced a new Paris Agreement Article 6 and CORSIA public report (https://acr2.apx.com/myModule/rpt/myrpt.asp?r=213) that contains all of the content above as discrete fields. The report populates with credits that meet any of the following criteria:

- CORSIA Eligible (any vintage)

- CORSIA Pending (post-2020 vintage, ICAO's Emission Unit Criteria requirements have been met but designation as CORSIA Eligible is contingent upon receipt of a Host Country Letter of Authorization and Project Proponent submission of an ACR-approved CORSIA Double Claiming Compensation Mechanism)
- Host Country Letter of Authorization has been accepted

The report can be filtered within the ACR Registry User Interface or via a downloaded, machine-readable .csv file to sort exclusively for credits by any field, including: 1. Canceled for the purpose of making a claim under CORSIA (Cancelation Type field = "CORSIA Compliance"); 2. Canceled for a specific Compliance Period (CORSIA Compliance Period = "Pilot Phase 2021-2023" or "First Phase 2024-2026" and/or 3. Canceled on behalf of a particular airline (i.e., Aeroplace Operator = X).

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

ACR recently announced that it will be transitioning in late 2025 from the APX registry platform to a new registry platform operated by ICE (the Intercontinental Exchange). ICE is a leading global provider of technology and data and the world's largest operator of environmental derivatives markets including operating the New York Stock Exchange (NYSE).

All current ACR Registry functionality as described herein related to information in the ACR Cancelled Credits report will be supported by the ICE registry platform.

PART 3: *Methods and assumptions*: Additionality; Realistic and credible baselines; Clear Methodologies, Protocols, and Development Process; Scope Considerations; Quantification and MRV; Offset Credit Issuance and Retirement Procedures

Criterion: Clear methodologies and protocols, and their development process

Q1. Provide *evidence* that the programme's qualification and quantification methodologies and protocols are *in place* and *available for use* (*i.e.*, finalized and not in "draft" form), including where the programme's existing methodologies and protocols are publicly disclosed. (*Paragraph 2.1*)

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

All methodologies that are ACR approved and available for use, or in the various stages of development and approval including "in development", "open for public comment" and "in scientific peer review", are publicly available on the ACR website: https://acrcarbon.org/methodologies/approved-methodologies/ under the relevant webpage subtab. "Inactive" methodologies are also listed.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

N/A

Q2. Summarize the programme's process for developing further methodologies and protocols, including the timing and process for revision of existing methodologies, and indicate where this process is publicly disclosed. (*Paragraph 2.1*)

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

The following development and approval process is applied to new methodologies (per Chapter 7, Section B of the ACR Standard) and certain methodology revisions and modifications (per Chapter 7, Section A.2 of ACR Standard): https://acrcarbon.org/wp-content/uploads/2023/10/ACR-Standard-v8.0.pdf, whether authored internally by ACR, proposed by external sources, or a combination. The process relies on thorough engagement and internal review by ACR staff, public stakeholder comments and a blind scientific peer review, and is designed to reflect ACR's priorities: reliance on sound science; providing opportunities for stakeholder consultation to ensure that methodologies are commercially adoptable and reflect the concerns of those who will use them, while still making sure the process cannot be influenced by politics or special interests.

4. The Project Proponent submits for ACR consideration a New Methodology Intake Form using the template provided by ACR. ACR conducts this internal review at no cost. Based on review of this information, ACR will determine whether to move forward with the Concept Note submission and review (Step 2).
9. Upon ACR's invitation, the methodology developer(s) submits to ACR for review a Concept Note. The Concept Note shall be drafted using a template provided by ACR. ACR conducts this internal review at currently published fees. Based on review of this information, ACR will determine whether to move forward with the methodology review (Step 3).
10. The Project Proponent submits the proposed new or modified methodology to ACR using the most recently published template on the ACR website. Project Proponents must submit their proposed methodology using the available templates to reduce the time and cost of the approval process for both Project Proponent and ACR. At published fees, ACR reviews and evaluates the methodology against its requirements, communicates any corrections or clarifications that are immediately needed, and informs the methodology author of its judgment as to whether the methodology is ready for public consultation and peer review. If the methodology author elects to proceed, they must address any corrections and clarifications identified in the ACR review and resubmit the methodology. Based on review of draft methodology document, ACR will determine whether to move forward with the public consultation and peer review processes (Steps 4 and 5). The cost of the methodology approval process is borne by the methodology author. ACR's agreement to proceed with subsequent steps in the methodology approval process does not guarantee that the methodology will be approved for publication and use.
11. ACR coordinates a public consultation process. The methodology is posted publicly on the ACR website for a minimum of thirty (30) days, and ACR sends out a public notice inviting comments. During this period, the methodology authors may also elect to conduct a webinar with ACR to present the draft methodology and solicit additional comments. At the conclusion of the public comment period, ACR compiles all comments by methodology section and forwards a compiled report to the methodology author(s), who then incorporate revisions and/or document responses to each comment, which are posted on ACR's website.
12. The revised methodology is provided to a team of independent subject matter experts for a blind scientific peer review process. The peer review coordinator compiles comments and recommendations from the peer review team and prepares a peer review report. The peer review coordinator then delivers to the

methodology author the peer review report, organized by section of the methodology, to which the author must respond by incorporating revisions and/or documenting justifications for the proposed approach. Generally, several rounds of peer review are necessary. Timing and cost of peer review depend on the complexity and scope of the methodology and the availability and responsiveness of peer reviewers.

13. Once all required corrections have been made to the satisfaction of the peer reviewers and ACR, ACR approves the new methodology and publishes it on its website. An approved methodology may be used by any Project Proponent, including the methodology author, in preparing GHG Project Plans and registering GHG projects on ACR.
14. ACR posts process documentation—including all public comments and documented responses, and all peer review comments and documented responses—along with the public comment version of the methodology, and the final approved methodology.

Scientific peer review teams are selected from a pool of potential expert reviewers with applicable subject matter expertise, including technical and/or policy knowledge and GHG quantification experience. ACR actively identifies and qualifies candidates for inclusion in this pool. Throughout and after the peer review process, the experts selected for each review team remain unknown to the methodology author(s) and the public.

Chapter 7, Section A.2 outlines the process for modifications to existing approved methodologies:
Methodology modifications may be submitted for review by ACR, at fees per the currently published ACR fee schedule. ACR will review the extent of the modification and determine whether the internal review, public consultation, and peer review process, as described in Section 7.B of this chapter, must be implemented. In general, if the extent of the proposed modification(s) necessitates the process described in Section 7.B, a new version number for the methodology will be issued (e.g., Version 3.0 to Version 4.0). Modifications to eligibility, applicability, project activities, and/or baseline assumptions are likely to trigger the full process stipulated in Section 7.B; minor modifications or clarifications may not require the full public consultation and peer review processes.

Chapter 7, Section C outlines the process for review of ACR approved methodologies and tools:
ACR may periodically suspend the use of approved methodologies and tools for review, resulting in a methodology update, making the methodology inactive, or retiring the methodology. Such suspensions occur when significant changes to GHG accounting best practices or the legislative and/or regulatory context justify a review; when sufficient new data is available to revise eligibility and/or additionality requirements; when ACR becomes aware of clarifications that should be made; or for other reasons.

For methodologies that employ a performance standard for additionality assessment, ACR shall review the validity and underlying assumptions of the performance standard for all non-forestry projects every five (5) years, at minimum. The period for forestry projects is every ten (10) years, at minimum.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

N/A

Criterion: Scope considerations

Q3. What level of activities are allowed under the programme (e.g., project based, programme of activities, jurisdiction-scale)? Please indicate where the programme (a) defines and (b) publicly discloses the level(s) at which activities are allowed under the programme: (*Paragraph 2.2*)

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR's scope is project-based. Per ACR Standard Chapter 1 Section 1.A Scope:

ACR accepts all GHG projects validated and verified against an ACR-approved methodology, provided they comply with the current version of the ACR Standard. ACR-approved methodologies include:

- Methodologies developed by ACR and approved through the public stakeholder consultation and scientific peer review process;
- Modifications of existing ACR methodologies, provided such modifications have been approved by ACR per requirements found in Chapter 7; and
- New methodologies developed by external authors and approved by ACR through ACR's methodology development process described in Chapter 7.

Per Section 1.A.1 Scope Exclusions:

The following scope exclusions apply under the ACR program:

- Projects that convert and/or clear native ecosystems;
- Projects quantifying GHG emission reductions from electricity generation connected to a national or regional power distribution grid;
- Projects quantifying GHG emission reductions from the usage displacement of one type of fossil fuel to another type of fossil fuel;
- Projects that lock-in long-term GHG emissions;
- GHG emission reductions or removals that take place at a regulated source or have been used to meet a regulatory compliance obligation under a binding limit;
- GHG emission reductions or removals that are used in other environmental markets (such as a Low Carbon Fuel Standard);
- International project-level REDD (Reducing Emissions from Deforestation and Degradation) projects from REDD+ countries. The growing international implementation of land-based sectoral GHG accounting and crediting and/or results-based REDD finance greatly increases the risk of double claiming project-based carbon credits within a sectoral crediting scheme unless properly nested or otherwise accounted for; and
- Projects quantifying energy or life-cycle GHG accounting-based indirect GHG emission reductions and/or removals.

ACR retains the right, at its sole discretion, to reject any project type whether included in this list or not.

Further, per ACR Standard Chapter 6, Section F, ACR has established procedures for GHG projects to include multiple facilities, fields, or parcels (hereafter referred to collectively as "Sites") as an Aggregated project or as a

Programmatic Development Approach (PDA) so that they may achieve efficiencies of-scale and other potential project administrative benefits while preserving the accounting principles of the ACR Standard and its approved methodologies, and the integrity of the monitoring, reporting, and verification processes. Streamlined processes associated with documentation, registration, and verification of multiple project Sites may be available to projects applying these approaches. Section F further details requirements for Aggregation and PDAs.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

N/A

Q4. Please indicate where the programme (a) defines, and (b) publicly discloses, the eligibility criteria for each type of offset activity (e.g., methodology applicability conditions; which sectors, project types, and geographic locations are covered) (*Paragraph 2.2*)

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

Chapter 3 of the ACR Standard (https://acrcarbon.org/wp-content/uploads/2023/10/ACR-Standard-v8.0.pdf) details Project Eligibility Requirements. Specifically, Table 2 details ACR eligibility criteria for all GHG projects, defines each criterion, and articulates ACR requirements. Appendix A Table 4 details unique eligibility criteria for AFOLU carbon projects, provides a definition of each criterion, and articulates ACR requirements specific to AFOLU project types. Additional eligibility requirements for specific project types are summarized in the relevant ACR methodology. Project Proponents shall address, in their GHG Project Plan, each of the criteria below along with the project type-specific requirements.

Chapter 1 Section 1.A Scope details sectors and project types that are eligible for crediting as well as scope exclusions, as detailed in response to question 3 above.

Chapter 1, Section C Geographic Scope states that "ACR accepts GHG projects from worldwide locations, provided they conform to an ACR-approved methodology. Certain sectors and methodologies prescribe a narrower geographic scope."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

N/A

Criterion: <u>Offset credit issuance and retirement procedures</u> (Continued)

Q5. Does the programme have in place procedures defining… (*Paragraph 2.3*)	
a) …the length of crediting period(s)?	☒ YES
b) …whether crediting periods are renewable?	☒ YES
c) Are these procedures publicly disclosed?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) As specified in the ACR Standard Chapter 3, Table 2, the Crediting Period for non-AFOLU projects shall be ten (10) years, unless otherwise specified in the methodology. AFOLU projects may have different Crediting Periods, as specified in the relevant ACR sector requirements or methodology and as described in the ACR Standard Appendix A, Section A.3.3, Table 4., row heading "Crediting Period" and included in the table below.

Industrial Project type	**Crediting Period**
Advanced Refrigeration Systems	10 years
Certified Reclaimed HFC Refrigerants, Propellants, and Fire Suppressants	40 years for projects that include fire suppressants 15 years for all other projects
Destruction of Ozone Depleting Substances from International Sources	10 years
Plugging Orphaned Oil and Gas Wells	20 years or up to 22 years for a multi-well project
Capturing and Destroying Methane from Coal and Trona Mines in North America	10 years
Landfill Gas Destruction and Beneficial Use Projects	10 years
Transition to Advanced Formula Foam Blowing Agents	1-50 years depending on the leakage lifetimes for individual foam end-use categories as defined in the U.S. inventory
Carbon Capture and Storage Projects	10 years
AFOLU Project type	**Crediting Period**
Afforestation/Reforestation (A/R)	40 years
Improved Forest Management (IFM)	20 years
Active Conservation and Sustainable Management of U.S. Forests	40 years
Restoration of California Wetlands	40 years
Restoration of Pocosin Wetlands	20 years
Avoided Conversion of Grasslands	No longer than 40 years, non renewable

b) Whether crediting periods are renewable is disclosed in the ACR Standard Chapter 3, Table 2, the ACR Standard Appendix A, Section A.3.3, Table 4, and applicable methodologies.

c) ACR Standard Chapter 6 Section 6.I details the process for crediting period renewal as including "*reassessment of the baseline scenario, including whether the conditions and barriers at the start of the mitigation activity still prevail, and an update of relevant parameters used to calculate emission reductions and removals, as applicable*."
"A *Project Proponent may apply to renew the Crediting Period by:*

- *Uploading to the Registry a Renewed Crediting Period Listing Form using the most recently published template on the ACR website.*
- *Submitting a new GHG Project Plan in compliance with then-current ACR Standard and criteria;*
- *Re-evaluating the GHG Project baseline, as required by the methodology;*
- *Demonstrating additionality against then-current regulations, common practice, and implementation barriers (or against an approved performance standard and then-current regulations), as required by the methodology;*
- *Using ACR-approved baseline methods, emission factors, tools, and methodologies in effect at the time of Crediting Period renewal; and*
- *Completing validation of the new GHG Project Plan within one (1) year from the end of the previous Crediting Period*."

If an AFOLU Project Proponent chooses not to renew a Project's Crediting Period, it must continue monitoring, reporting, and verification activities for the duration of the Minimum Project Term.

To date there have been no projects to apply for a crediting period renewal in the ACR program. If this occurs in the future this will appear on the project's registry page and will also appear in all required project reporting and verification documentation.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Criterion: <u>Carbon offset programmes must generate units that represent emissions reductions, avoidance, or removals that are additional</u>

Q6. Does the Programme have procedures in place to ensure, and to support activities to analyze and demonstrate, legal or regulatory additionality[12]?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

All ACR additionality tests require regulatory surplus. As detailed in ACR Standard (https://acrcarbon.org/wp-content/uploads/2023/10/ACR-Standard-v8.0.pdf) Chapter 4, ACR's additionality requirements are intended to ensure that GHG emission reductions and removals are surplus to the "business as usual" scenario. To quality as additional, ACR requires every project to either 1) exceed an approved performance standard, as defined in the applicable methodology, and a regulatory additionality test, or, 2) pass a three-pronged additionality test, which includes regulatory additionality. The method for determining additionality is specified in each methodology.

[12] Legal or regulatory additionality means that the programme's carbon offsets 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

Per ACR Standard Section 4.A: "*The three-pronged test requires GHG projects to demonstrate **that they exceed currently effective and enforced laws and regulations**; exceed common practice in the relevant industry sector and geographic region; and face at least one of three implementation barriers (financial, technological, or institutional). The three-pronged test is described in Table 3. The GHG Project Plan must present a credible demonstration, acceptable to ACR and the VVB, that the GHG Project passes all of these tests*."

Section 4.A.1 states: "***The regulatory surplus test requires the Project Proponent to evaluate existing laws, regulations, statutes, legal rulings, or other regulatory frameworks that directly mandate the project action, or which require specific technical, performance, or management actions inclusive of the project action. These legal requirements may require the use of a specific technology, meeting a certain standard of performance (e.g., new source performance standards), or managing operations according to a certain set of criteria or practices (e.g., forest practice rules). In determining whether an action is surplus to regulations, the Project Proponent does not need to consider voluntary agreements without an enforcement mechanism, proposed laws or regulations, optional guidelines, or general government policies.***

If a regulatory requirement (or similar requirement such as a permit condition) comes into force during the Crediting Period and effectively mandates the project activity, the GHG Project will no longer be eligible for crediting from the date the regulatory requirement takes effect, unless otherwise specified in the applicable methodology."

ACR Standard Section 4.B describes the Performance Standard additionality test: "*In lieu of the three-pronged test, ACR also recognizes the "performance standard" approach, in which additionality is demonstrated by showing that a proposed project activity is 1) **surplus to regulations**, and 2) exceeds a performance standard as defined in an approved methodology*."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q7. Identify one or more of the methods below for which 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

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR's additionality tests are detailed in the ACR Standard Chapter 4.

Method from Paragraph 3.1.2	**ACR application**
Barrier analysis	Yes, as part of the ACR Three-pronged additionality test
Common Practice / market penetration	Yes, as part of the ACR Three-pronged additionality test

Performance Standards / benchmarks	Yes, if specified in the applicable methodology
Investment, cost or other financial analysis	Yes, as one of three potential implementation barriers in the Three-pronged additionality test. Projects must meet at least one implementation barrier (the others are technology and institutional)

As detailed in ACR Standard Section 4.A, the three-pronged additionality test combines three tests to determine whether projects are additional. Projects must pass all three tests to be deemed additional and are considered additional for the duration of the project's crediting period. The three-prong test consists of the following three tests:

1. *Regulatory Surplus Test: Project activities that reduce or remove emissions may not be mandated by any existing law, regulation, statute, legal ruling, or other regulatory framework in effect as of the project Start Date. This test is detailed in ACR Standard Section 4.A.1.*
2. *Common Practice Test: Project activities must be distinct from predominant technologies or practices in a particular industry, sector and/or geography as determined to be common practice. Project activities must also reduce or remove more GHGs than common practice activities, practices or technologies within a comparable environment (e.g., geographic area, regulatory framework, investment climate, access to technology/financing). This test is described in ACR Standard Section 4.A.2.*
3. *Implementation Barriers Test: Project activities must face at least one implementation barrier, such that it could prevent the adoption of the project activity. Projects must demonstrate that they face one of the following three barriers as described in ACR Standard Section 4.A.3:*
    - *Financial barriers; includes high costs, limited access to capital, or an internal rate of return in the absence of carbon revenues that is lower than the Project Proponent's established and documented minimum acceptable rate. Financial barriers can also include high risks such as unproven technologies or business models, poor credit rating of project partners, and project failure risk. If electing the financial implementation barriers test, Project Proponents shall include solid quantitative evidence such as net present value and internal rate of return calculations.*
    - *Technology barriers; includes research and development (R&D) deployment risk, uncorrected market failures, lack of trained personnel and supporting infrastructure for technology implementation, and lack of knowledge on practice/activity. If electing the technological barriers test, Project Proponents shall provide documentation regarding the development status of the technology being implemented by the project activity and evidence that carbon market incentives are a key element in overcoming these barriers.*
    - *Institutional barriers; includes institutional opposition to technology implementation, limited capacity for technology implementation, lack of management consensus, aversion to upfront costs, and lack of awareness of benefits. If electing the institutional implementation barriers test, Project Proponents shall provide documentation of the Project Proponent or project participant, management policies or guidelines that corroborate the claim of an organizational or institutional barrier and evidence that carbon market incentives are a key element in overcoming these barriers.*

As detailed in ACR Standard Section 4.B, the performance standard approach consists of 1) demonstrating regulatory surplus and 2) demonstrating that the project scenario exceeds a performance standard as defined in the applicable methodology. Performance standards must be reviewed at least every five (5) years by ACR to ensure continued validity. The performance standard threshold may be:

- ***Practice-Based,*** *developed by evaluating the adoption rates or penetration levels of a particular practice in a relevant industry, sector, or sub-sector. If these levels are sufficiently low that it is determined the Project Activity is not common practice, then the activity is considered additional. Specific thresholds may vary by industry, sector, geography, and practice, and are specified in the relevant methodology.*
- ***Technology Standard:*** *Installation of a particular GHG-reducing technology may be determined to be sufficiently uncommon that simply installing the technology is considered additional.*
- ***Emissions Rate or Benchmark:*** *per unit of output (e.g., tons of CO_2e emissions) with examination of sufficient data to assign an emission rate that characterizes the industry, sector, subsector, or typical land management regime, the net GHG emissions/removals associated with the Project Activity, more than this benchmark, may be considered additional and credited.*

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q8. If the Programme provides for the use of non-traditional or new additionality analysis/tests (*i.e.* method(s) *not* listed in Q7 above and *not* a positive list per Q10 below), describe the alternative procedures and how they ensure that activities are additional: (*Paragraph 3.1*)

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):
All of ACR's additionality tests are described in response to Q6 and Q7 above.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q9. For activities that use the additionality tests/analysis/methods listed in Q7 and/or Q8 above, is additionality and baseline-setting… (*Paragraph 3.1*)	
a) assessed by an accredited and independent third-party verification entity, including for activities that use non-traditional or new additionality tests/analysis/methods?	☒ YES
b) reviewed by the programme?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) Additionality and project baselines are assessed in all third-party validations and verifications. Validations and verifications are conducted by approved and accredited VVBs, as described in ACR Standard Section 9.D.

Per ACR Standard Section 9.A, *Validation is the systematic, independent, and documented process for the evaluation of a GHG Project Plan against applicable requirements of the ACR Standard and the applicable ACR-approved methodology, including additionality and establishment of baselines*.

ACR Validation and Verification Standard (https://acrcarbon.org/wp-content/uploads/2023/09/2023.05.29-ACR-VV-Standard_V1.1_May-31-2018.pdf) Chapter 4 details the validation of additionality and Chapter 3 details the validation of baselines.

VVBs are required to evaluate each project's additionality assessment to ensure that all claimed emission reductions are **surplus to "business as usual"** (i.e., the baseline scenario). VVBs are required to analyze baseline assumptions, models, and quantification including through interviews with project proponents, review of legal and financial constraints, data checks, and analysis of common practice.

Per ACR Standard Section 9.A, *Verification is the systematic, independent, and documented assessment by a qualified and impartial third party of the GHG statement for a specific Reporting Period. The verification process is intended to assess the degree to which a GHG Project complies with the applicable ACR-approved methodology, tools, eligibility criteria, requirements and specifications, which includes additionality and baselines (per ACR Standard Chapter 3, Table 2) and has correctly quantified Total and Net GHG Emission Reductions and Removal*s.

ACR Validation and Verification Standard Section 8.C details the scope of verification.

b) ACR conducts a review of each project prior to credit issuance. This review is conducted after a project has been validated and verified by an accredited third-party VVB and includes a review of all validated/verified assumptions, including additionality and baselines. The ACR review includes an evaluation of the Verification and/or Validation Report, as well as supporting documentation and calculations to ensure accuracy and adherence to ACR Standard requirements as well as conformance against the applicable ACR Methodology. The ACR review process is stated at Section 9.G of the ACR Standard as follows:

   "*ACR will review the project documents and validation and/or verification documents and accept them, request corrections and/or clarifications, or reject them. If ACR requests corrections or clarifications, the Project Proponent and VVB shall make all necessary corrections and clarifications and resubmit updated documents for subsequent review.*

   If ACR accepts the validation and verification documents, and the GHG Project has already completed all other required steps, then ACR will post the Validation Report, Validation Opinion, Verification Report, Verification Opinion, and other public documentation to the ACR Registry, and issue ERTs to the Project Developer Account Holder's account. GHG projects must be validated and verified without reservation, with Project Proponents having addressed all clarifications and corrections required by the VVB. ACR reserves the right to accept or reject a validation or verification from an approved VVB."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q10. If the programme designates certain activities as automatically additional (e.g., through a "positive list" of eligible project types)(*Paragraph 3.1*):	
a) Are the criteria for such positive lists conservative?	☒ YES
b) Are these criteria publicly disclosed?	☒ YES
c) Does the Program provide clear evidence on how each activity included on a positive list was determined to be additional?	☒ YES

Summarize and provide evidence of the policies and procedures for determining the automatic additionality of activities, including a) the criteria used to determine additionality and how these are conservative, b) their availability to the public, and c) how item on the list was determined to be additional, in line with the criteria:

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR Standard Section 4.B details performance standard approaches for additionality including a Technology Standard, where the installation of a particular GHG-reducing technology is determined to be sufficiently uncommon that simply installing the technology is considered additional. The term "sufficiently uncommon" as a specific threshold for commonality may vary by industry, sector and/or geography and is required to be specified and peer reviewed in the relevant methodology. These stand-alone technology standards, also referred to as a "positive list" still require the technology to pass the regulatory surplus test and are subject to ACR review at least every 5 years. ACR does not currently have any "positive lists" approved or in development.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Criterion: <u>Are based on a realistic and credible baseline</u>

Q11. Are procedures in place…	
a) …to ensure that *methods of developing baselines*, including modelling, benchmarking or the use of historical data, use assumptions, methodologies, and values do not over-estimate mitigation from an activity? (*Paragraph 3.2.2*)	☒ YES
b) …requiring activities to ensure and demonstrate that emissions baselines are set in a conservative way and below business-as-usual emission projections? (*Paragraph 3.2.4*)	☒ YES
c) …requiring any non-traditional baselines (*e.g.*, sector-wide performance benchmarks or standards, which do not rely on business-as-usual analysis) to deliver and demonstrate equivalently conservative and below business-as-usual outcomes? (*Paragraph 3.2.4*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) The ACR Standard details requirements to ensure that methods of developing baselines use assumptions and values that do not overestimate mitigation from an activity. In ACR Standard (https://acrcarbon.org/wp-content/uploads/2023/10/ACR-Standard-v8.0.pdf) Chapter 2, ACR affirms a set of guiding principles, based on the International Standards Organization (ISO) 14064 Part 2 (2019) specifications from which all other ACR principles and eligibility criteria follow, as summarized in Table 1. Three of these principles are relevance, accuracy, and conservativeness. Relevance requires the selection of GHG sources, GHG sinks, GHG reservoirs, data, and methodologies appropriate to the needs of the intended user. Accuracy requires the reduction of bias and uncertainties as far as is practical. Conservativeness requires the use of conservative assumptions, values, and procedures to ensure that GHG emission reductions or removals are not overestimated.

Section 2.B.4 of the ACR Standard states the following: *"**The methodology shall define assumptions and specify quantification methods and monitoring requirements to ensure that GHG emission reductions and removals are not overestimated, particularly in cases where estimation methods, not direct measurement, are used to populate parameters**."* The ACR methodology development process, through initial ACR review, public consultation, and scientific peer review, ensures that a relevant, accurate, and conservative baseline scenario or baseline selection process is applied by each project.

In addition to the principles and processes related to conservativeness, ACR has defined requirements for uncertainty, accuracy, and precision applied, as relevant, in each methodology, which are found in Section 2.B.3 of the ACR Standard.

ACR requires that the "*Project Proponent shall reduce, as far as is practical, uncertainties related to the quantification of GHG emission reductions and removals. **Methodologies submitted for ACR approval shall include methods for estimating uncertainty relevant to the baseline and with-project scenario**. For methodologies based on statistical sampling (e.g., methodologies in the AFOLU sector), ACR requires that the sampling error associated with the mean of the estimated GHG emission reduction/removal not exceed ±10% of the mean at the 90% confidence interval to report the mean of the estimated GHG emission reduction/removal. If the Project Proponent cannot meet this target, then the reportable amount shall be the mean minus the lower bound of the 90% confidence interval, applied to the final calculation of Total GHG Emission Reductions/Removals, or must be calculated as specified in the applied methodology. Project Proponents are responsible for deciding if potential additional revenues from reporting the mean without an uncertainty deduction justify the additional costs of more intensive sampling to achieve precision of ±10% of the mean at 90% confidence. **If the sampling error is equal to or greater than 20%, the uncertainty deduction for the Reporting Period must be 100%.** ACR-approved methodologies provide more specific guidance on how to calculate the associated uncertainty deduction*."

"*The use of biogeochemical or process models, when employed as the sole estimator of emissions and/or removals, must also include estimates of input uncertainty and structural uncertainty related to the inadequacy of the model, model bias, and model discrepancy. Structural uncertainty should be quantified using the best available science, and can include Monte Carlo analyses, uncertainty estimates from peer reviewed literature, and/or consulting model experts who have either developed or worked directly with the model in an academic setting*."

Finally, for methodologies focused on mitigation activities that quantify emission reductions of short-lived climate forcers such as methane or hydrofluorocarbons, which comprise all of ACR's industrial methodologies with the exception of CCS (for which no credits have yet been issued), ACR's program utilizes 100-year global warming potentials (GWPs) from AR5. This is a very conservative requirement and, in practice, significantly under reports the actual impact of non-CO_2 emission mitigation activity. These projects could argue (and have) that it would be scientifically accurate to quantify emission reductions using 20-year GWPs (or less). However, crediting on a 100-year GWP scale is an inherently very conservative requirement that ensures that there can be no overestimation of emission mitigation activity.

b) ACR's requirements for baseline setting are directly linked to requirements for additionality, both as detailed in the ACR Standard, which requires activities to ensure and demonstrate that baselines are set in a conservative way and below business-as-usual emission projections.

TAB has noted its interpretation of baselines that are set "in a conservative way and below the business-as-usual emissions projections" as referenced in the reporting requirements in the Article 6.2 Guidance Decision 2/CMA.3, Annex, paras. 18(h)(ii) and 22(b)(ii). ACR's requirements align with TAB referenced Paris Agreement Article 6.2 Guidance, which states that mitigation activities must ensure environmental integrity including "*through conservative reference levels, baselines set in a conservative way and below 'business as usual' emission projections (**including by taking into account all existing policies and addressing uncertainties in quantification and potential leakage***)." An associated TAB Guideline states that crediting programmes should have **procedures in place to "ensure that methods of developing baselines… use assumptions, methodologies, and values that do not over-estimate mitigation from an activity."**

ACR's crediting baseline and additionality requirements ensure that mitigation from an activity is not overestimated (per TAB Guidelines) and beyond BAU through conservative assumptions throughout the baseline setting, validation and verification process. Baselines are also assured to be below BAU based on the additive nature of 1) regulatory additionality (not required by law or regulation or exceeding regulatory requirements), 2) the conservatism of the baseline assumptions (low penetration / adoption rates) and 3) the conservativeness of the baseline emissions calculations including (as applicable) requirements for deductions for uncertainty (within an interval for very high statistical confidence or 100% deduction), leakage and buffer pool contribution as detailed in the ACR Standard and approved methodologies.

Per Chapter 4 of the ACR Standard: "*ACR's additionality requirements are intended to ensure that GHG emission reductions and removals are **in excess of what would have occurred under current laws and regulations, current industry practices, and without carbon market incentives**. Project Proponents must demonstrate that the project-based GHG emission reductions and removals are **above and beyond the "business as usual" scenario***."

As outlined in ACR Standard Chapter 3, Table 2, Additionality: *"GHG emission reductions and removals are additional if they **exceed those that would have occurred** in the absence of the project activity and **under a business-as-usual scenario**. Every GHG project shall demonstrate that it meets an ACR-approved performance standard and pass a regulatory surplus test, as detailed in the applicable methodology, or*

*"**passes a three-pronged test of additionality in which the GHG Project exceeds regulatory/legal requirements; goes beyond common practice and overcomes at least one of three implementation barriers: institutional, financial, or technical**."*

In addition, ACR Chapter 4 Validating additionality states that "*Project Proponents must demonstrate that the GHG emission reductions and removals associated with an offset project are **above and beyond the "business as usual" scenario**. The Project Proponent must demonstrate in the GHG Project Plan that the project activity achieves a level of performance with respect to emission reductions and/or removals that **is significantly better than business as usual**."*

VVBs are required to analyze baseline assumptions, models, and quantification to ensure that they are credible. This can include interviews with project proponents, review of legal and financial constraints, data checks, and analysis of common practice. VVBs also must evaluate each project's additionality assessment to ensure that all claimed emission reductions are surplus to baseline "business as usual."

The ACR Validation and Verification Standard (https://acrcarbon.org/wp-content/uploads/2023/09/2023.05.29-ACR-VV-Standard_V1.1_May-31-2018.pdf) requires the validation of both the baseline (Chapter 3) and additionality (Chapter 4). In Chapter 3, VVBs are instructed that the "*objective of baseline validation is to check that technically sound baseline emissions have been established and subsequently applied*." "*Validation of the project baseline should include the explanation provided for how the baseline scenario was selected, including assessment of alternative baseline scenarios and their associated barriers and benefits*."

In Chapter 4, validating additionality, VVBs are instructed that "*Project Proponents must demonstrate that the GHG emission reductions and removals associated with an offset project are above and beyond the "business as usual" scenario. To qualify as additional, ACR requires every project to pass either 1) an approved performance standard and a regulatory additionality test, or 2) a three-pronged test of additionality in which projects demonstrate that the activity exceeds currently effective regulations, exceeds common practice in the relevant industry sector and geographic region, and faces at least one of three implementation barriers: financial, technological, or institutional. The VVB should evaluate each component of the additionality demonstration as required by the ACR Standard and chosen methodology*."

For the performance standard approach, Section 4.D states that the "*Project Proponent must demonstrate in the GHG Project Plan that the **project activity achieves a level of performance with respect to emission reductions and/or removals that is significantly better than business as usual**. This is done by comparing the project activity to a performance threshold specific to each project type and established by examining data from similar recently undertaken practices in the same geographic region and industry/sector*."

For the Section 4.B states that the "*common practice test requires Project Proponents to evaluate the predominant technologies implemented or industry practices undertaken in a particular industry sector and/or geographic region, as determined by the degree to which those technologies/practices have*

penetrated the market, ***and demonstrate that the proposed project will reduce GHG emissions below levels produced by common technologies or practices within a comparable environment*** *(e.g., geographic area, regulatory framework, investment climate, and access to technology/financing).*

To validate the results of the common practice test, the VVB shall review the documentation provided by the Project Proponent to demonstrate that the GHG project is not common practice. In addition to this documentation, the VVB should review all original reference sources cited in the Project Proponent's documentation, such as independent consultants' reports designed to describe common practice technologies/practices, to confirm the raw data and conclusions drawn thereupon."

Project baselines are also subject to verification pursuant to requirements as detailed in ACR Standard Chapter 9 and detailed in the ACR Validation and Verification Standard Chapter 8. Finally, qualified ACR staff also assess both the baseline and additionality during the project review prior to credit issuance. This review process ensures that the project meets the ACR additionality and baseline requirements.

We provide below an example in practice of how baseline setting requirements for ACR Improved Forest Management (IFM) projects delivers conservative, below BAU mitigation results.

Improved Forest Management (IFM)

The ACR IFM baselining process is a prescriptive process that layers multiple management constraints, each representing an additional degree of conservatism in relation to business as usual (BAU), to be used as a collective suite of modeling constraints. First, the underlying assumption of the IFM baseline is that, in the absence of the carbon project, the property would be managed to generate profits from its timber revenue on a continuous, forward looking basis. This is a conservative assumption in itself because landowners can and often do choose to liquidate a property's timber resources for short term financial gain, prior to then selling it to maximize profits from the sale of the land in addition to its timber.

ACR conservatively requires a long-term (100-year) financial model based exclusively on long-term timber revenue, such that baselines that resemble more aggressive short-term management and disregard sustainable forestry are ineligible. For many landowners, this "cut-and-sell" business model is business-as-usual, and it can be expected to result in increased emissions relative to an eligible IFM baseline, therefore it is NOT an eligible IFM baseline scenario.

To model an eligible IFM baseline, Project Proponents must first identify all legal constraints that restrict forest management in the project area. These include laws and regulations as well as easements, deed restrictions, and other property-specific legal restrictions. Projects Proponents also identify any other remaining constraints, such as regional market (e.g., mill) capacity, operational constraints (e.g., steep terrain), and access constraints (e.g., unavailability of roads or other necessary infrastructure).

Next, Project Proponents identify and substantiate the silvicultural practices that are common practice in the region and relevant to the project area. This process produces a list of silvicultural prescriptions available for selection by the baseline model. Other more aggressive silvicultural prescriptions may be legal, commonly

performed throughout the region, and financially optimal at different points in time, but if they are not substantiated as required by the ACR IFM methodology, they are unavailable for selection by the baseline model. This is another instance of exceeding business-as-usual, because few landowners would ignore the full range of legally permissible and operationally feasible silvicultural options and work from a strictly substantiated list. The ACR approach takes management options that may resemble BAU for the region/landowner and are legally and physically possible but not substantiated according to the rigor of the ACR IFM methodology off-the-table for use in the carbon project.

Project Proponents must also incorporate as baseline modeling constraints all voluntary Best Management Practices (BMPs) to protect water, soil stability, forest productivity, and wildlife, as published or prescribed by applicable federal, state, or local government agencies. Rates of adherence to voluntary BMPs vary by ownership and geography, but requiring baseline models to always be constrained by voluntary Best Management Practices exceeds business-as-usual.

Project Proponents must also calculate a Harvest Intensity constraint. This constraint represents an explicit upper limit on the quantity of biomass harvested per unit time, and it is required by the methodology solely for the purpose of conservatism. Inclusion of the Harvest Intensity constraint is in excess of business-as-usual, because no landowner would unnecessarily limit their harvesting per year if not for the requirements of the methodology. It is business as usual for landowners to make financial decisions based on management intentions (which can and do change over time) and the resources available for them to leverage at a given point in time. The ACR IFM methodology takes this optionality off the table and forms a legally binding requirement that the Project Proponent must continually grow its carbon stocks over the full 40 year project term, far above BAU.

Lastly, Project Proponents identify and substantiate all the relevant costs and timber prices associated with the range of forest management activities that could be modeled. A financial optimization model determines the minimum baseline carbon stock change, which represents a projection of emissions below BAU.

Crediting is further constrained by requirements for deductions for uncertainty, leakage (30%) and reversal risk compensation through the non-refundable contribution to the Buffer Pool, which cumulatively reduce crediting by a minimum 40%.

Figure 1 below is a demonstration of an ACR IFM baseline that credits ‘below business-as-usual’ (BAU). The BAU baseline represents an IFM baseline depicting net present value maximization while respecting all legal and operational constraints to forest management. Additional constraints imposed by the ACR IFM methodology (best management practices (BMP’s), silvicultural practices as substantiated by a professional forester, and the ACR harvest intensity threshold.

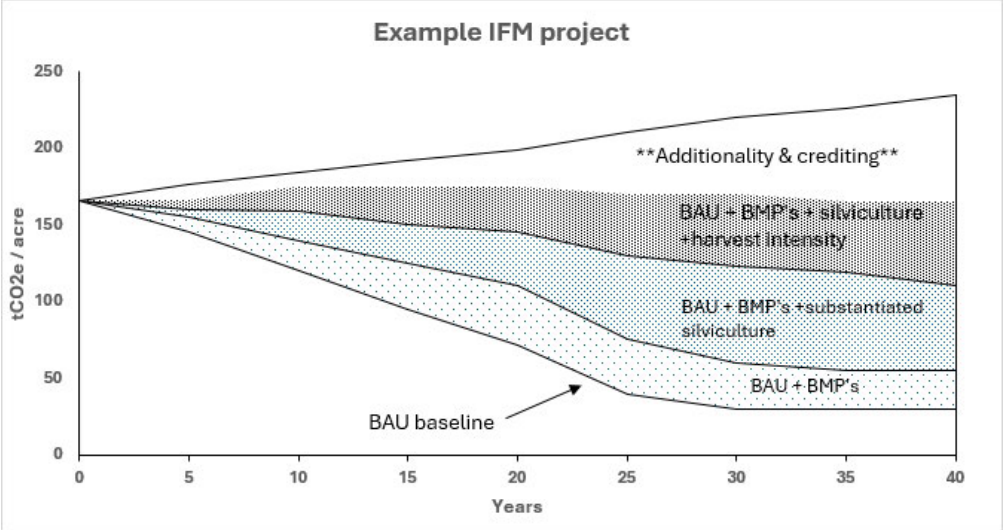


Figure 1

c) ACR's requirements for baseline setting that rely on performance standards, as described in response to b) above, deliver equivalently conservative and below BAU outcomes as traditional baseline setting.

ACR's crediting baseline and additionality requirements ensure that mitigation from an activity is not overestimated (per TAB Guidelines) and beyond BAU through conservative assumptions throughout the baseline setting, validation and verification process. Baselines are also assured to be below BAU based on the additive nature of 1) regulatory additionality (not required by law or regulation or exceeding regulatory requirements), 2) the conservatism of the performance standards (very low penetration / adoption rates) and 3) the conservativeness of the baseline emissions calculations including (as applicable) requirements for deductions for uncertainty (within an interval for very high confidence or 100% deduction), leakage and buffer pool contribution as detailed in the ACR Standard and approved methodologies.

VVBs are required to analyze baseline assumptions, models, and quantification to ensure that they are credible. This can include interviews with project proponents, review of legal and financial constraints, data checks, and analysis of common practice. VVBs also must evaluate each project's additionality assessment to ensure that all claimed emission reductions are surplus to baseline "business as usual."

As detailed in the ACR Validation and Verification Standard, Chapter 3 Validating Project Baselines, for performance standards, "*baseline emissions may be assumed to be the average emissions of similar project activities undertaken in the recent past in similar social, economic, environmental, and technological circumstances, and whose performance is among the top specified percentage in their category. Project actions that, with respect to emission reductions or removal enhancements, or technologies or practices,* ***achieve significantly better performance*** *(e.g., lower emissions or higher removals per unit output) than the pre-established performance standard benchmark* ***are considered additional or beyond that which would be expected under a business-as-usual scenario***."

In the ACR Validation and Verification Standard, Chapter 4, validating additionality, VVBs are instructed that "*Project Proponents must demonstrate that the GHG emission reductions and removals associated with an offset project are above and* ***beyond the "business as usual" scenario****. To qualify as additional, ACR requires every project to pass either 1)* ***an approved performance standard and a regulatory additionality test****, or 2) a three-pronged test of additionality in which projects demonstrate that the activity exceeds currently effective regulations, exceeds common practice in the relevant industry sector and geographic region, and faces at least one of three implementation barriers: financial, technological, or institutional. The VVB should evaluate each component of the additionality demonstration as required by the ACR Standard and chosen methodology*."

For the performance standard approach, Section 4.D states that the "*Project Proponent must demonstrate in the GHG Project Plan that the* ***project activity achieves a level of performance with respect to emission reductions and/or removals that is significantly better than business as usual****. This is done by comparing the project activity to a performance threshold specific to each project type and established by examining data from similar recently undertaken practices in the same geographic region and industry/sector*."

We provide below examples in practice of how baseline setting requirements for several ACR performance standard-based methodologies ensure conservative, below BAU mitigation results.

ACR Active Conservation of U.S. Forests

The ACR methodology for Active Conservation and Sustainable Management on US Forestlands incorporates many measures to ensure baseline emission projections are below business-as-usual throughout the methodology. First, the methodology conservatively excludes several pools and sources from project accounting for certain project scenarios, which reduces the number of credits generated to below business-as-usual. For example, the soil organic carbon pool is only eligible for inclusion where the identified baseline land use is conversion to agriculture. And, where 'included', the SOC pool stocks are conservatively held at steady state as opposed to crediting SOC increases over time from continued forest use, as supported by literature. The other eligible baseline conversion scenarios (i.e., mining, development) most certainly lead to loss of the soil organic carbon, however this carbon stock change is conservatively excluded. The most notable and easiest to conceptualize example is a mining baseline land use, where significant soil organic carbon loss is all but guaranteed. By not accounting for these emissions, the baseline conservatively exceeds business-as-usual.

The quantification of SOC also includes several conservative assumptions that effectively produce projections of baseline emissions below BAU. For example, the regression curve to estimate loss of carbon in mineral soils (Equation 41) conservatively utilizes the lower 90% confidence interval from the supporting data analysis. Similarly, the curve to estimate loss of carbon in organic soils (Equation 42) is similarly deducted resulting in less baseline total carbon emissions than values observed in the literature.

As in IFM, Project Proponents must also incorporate as baseline modeling constraints all voluntary Best Management Practices (BMPs) to protect water, soil stability, forest productivity, and wildlife, as published or prescribed by applicable federal, state, or local government agencies. Rates of adherence to

voluntary BMPs vary by ownership and geography, but requiring baseline models to always be constrained by voluntary Best Management Practices exceeds business-as-usual.

And, the Project Proponent must determine a temporal land conversion rate. Project Proponents may either provide verifiable land conversion planning documentation, or they may utilize default values. The default temporal rates (Table 1) were assigned to simulate a slower than business-as-usual and therefore more conservative baseline land conversion. The default assumption of 90% carbon stock loss was selected for conservatism.

Every project is also assessed for whether a conversion probability discount should be applied. Projects occurring on properties legally assessed highest and best use value is below the determined threshold (1.8 times the forested value) are required to apply a discount (up to 30%) onto their crediting projections. All eligible projects (i.e., projects meeting the additionality performance standard) are required to have a substantially more profitable highest and best use value than the current forested value, when in reality the project proponent may be incentivized to convert the land at much lower rate of return. In this way, the conversion probability discount applies an extra layer of conservatism. Projects setting baselines eligible for this methodology are assumed to have a baseline below business-as-usual.

In setting the baseline, the Project Proponent must also identify the highest and best land use for the project area via an approved appraisal, and the project action is to avoid this demonstrably more profitable land use. As a significant layer of conservatism and certainty, Project Proponents are also required to obtain a legally documented conservation commitment, in the form of a conservation easement, a transfer of surface and/or mineral rights to a land trust or conservation organization, or, for projects located on tribal lands, a comparable legal commitment to prevent conversion of the project area. The conservation commitment provides assurance of additionality beyond the financial analysis for highest and best use that the project activity will endure potential changes in ownership and management priorities over the project term.

This conservative suite of methodology requirements and data assumptions assumes that the methodology sets baselines below business-as-usual. Crediting is further constrained by requirements for deductions for uncertainty, leakage and reversal risk compensation through the non-refundable contribution to the Buffer Pool, which cumulatively reduce crediting by a minimum 40%.

Figure 2 below is a demonstration of an ACR Active Conservation of Forests (ACoF) baseline that credits 'below business-as-usual' (BAU). The BAU baseline represents an ACoF baseline depicting a legally permissible and substantiated land use conversion from forest to a permissible alternate use as defined by the methodology (such as mining, for example). Adherence to BMP's are voluntary but are required by the ACR methodology, which raises baseline carbon stocks and decreases crediting. A similar baseline adjustment and conservative effect on crediting is applied for the methodology's conversion probability discount. The methodology also conservatively excludes crediting of soil carbon that is accumulated in the with-project scenario.

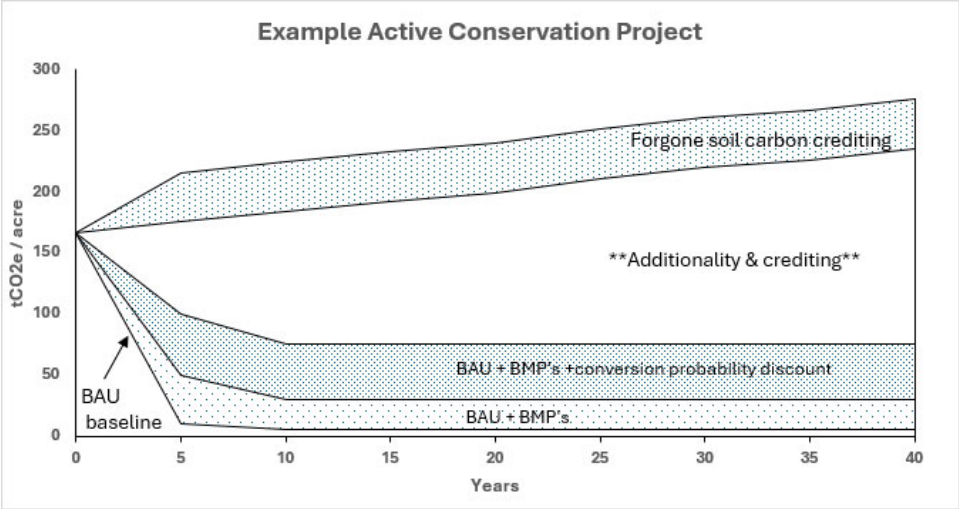


Figure 2.

ACR's Industrial methodologies that employ performance standards result in baselines that are below business-as-usual (BAU) based on the additive nature of 1) regulatory additionality (not required by law or regulation or exceeding regulatory requirements), 2) the conservatism of the performance standards (low penetration rates) and 3) the conservativeness of the baseline emissions calculations including the use of 100-year GWPs, which for activities focused on non-CO_2 emission mitigation activities such as methane or hydrofluorocarbons, in practice, significantly under reports the actual impact of these short-lived climate forcers.

Advanced Refrigeration Systems (ARS)

The ARS methodology credits for the use of ultra-low-GWP (GWP<15) and low-GWP refrigerants (GWP<1,300) in certain commercial refrigeration applications. The ARS performance standard (section 3.2 of the methodology) outlines how the penetration rates of ultra-low GWP and low-GWP refrigerants in these commercial refrigeration applications are less than 7% in the United States and even lower in Canada and Mexico, meaning that any projects are well below BAU of refrigerant GWPs, which typically range from ~2,000-4,000. Additionally, the values required to be used to calculate baseline emissions either utilize data about the refrigerant being replaced or utilize conservative assumptions about what refrigerant would have been used (e.g., for a new facility) based on what state (for those with refrigerant regulations) or country the project occurs in. For instance, projects that involve installation of a new facility in a U.S. state that does not have a SNAP or other refrigerant regulation would have to calculate their baseline emissions using a GWP that was calculated by ACR based on refrigerant GWPs and penetration rates of those refrigerants used throughout the U.S., as outlined in the U.S EPA's Greenhouse Gas Emissions Inventory. Because these baseline GWPs utilize both refrigerant GWPs and penetration rates, they result in GWPs that would be lower than BAU.

Certified Reclaimed HFC Refrigerants, Propellants, and Fire Suppressants (HFC Reclaim)

The HFC Reclaim Methodology credits for the reclamation of HFCs. This reclamation displaces the new production of virgin HFC that would otherwise be manufactured to meet that demand. As noted in the

HFC Reclaim Methodology Performance Standard Supplemental, the extremely low adoption rate of reclaimed HFCs (<2% of all HFCs utilized in the United States, and similar in Canada and Mexico) demonstrates that any reclamation of HFCs is well below BAU.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q12. Are procedures in place for activities to respond, as appropriate, to changing baseline conditions that were not expected at the time of registration? (*Paragraph 3.2.3*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

A project baseline is typically fixed for the duration of a crediting period and re-assessed during crediting period renewal. Per Chapter 3 of the ACR Standard, a project proponent may apply to renew the Crediting Period by complying with all then current ACR requirements, re-evaluating the baseline scenario, reassessing additionality, and using emission factors, tools, and methodologies in effect at the time of renewal.

An exception to this policy was adopted by ACR in 2024 in a new version of the Improved Forest Management (IFM) for Non-Federal U.S. Forestlands Methodology (version 2.1) in which the baseline is no longer considered fixed for the duration of the Crediting Period and must be re-assessed for each (5-year) Reporting Period based on legal constraints on the property, site accessibility and operability, harvest intensity and regional timber market capacity. Project baselines, additionality, and other criteria must still be re-evaluated at the time of crediting period renewal.

Regarding additionality, which is directly linked to baselines, projects that are deemed to meet all ACR additionality criteria upon validation are considered additional for the duration of their Crediting Period, with the exception of regulatory changes that effectively mandate the project activity after a Crediting Period has begun. If a regulatory requirement comes into force during the Crediting Period and such requirement effectively mandates the project activity, the GHG Project is no longer be eligible for crediting from the date the regulation takes effect, unless otherwise specified in the applicable methodology.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q13. Are procedures in place to ensure the public disclosure of baselines and underlying assumptions? (*Paragraph 3.2*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

The ACR methodology development process, through initial ACR review, public consultation, and scientific peer review, ensures that a relevant, accurate, and conservative baseline is applied. ACR Validation and Verification Standard Chapters 3 and 4 respectively require validation and verification of a project's baseline including assumptions and data.

ACR Standard Section 6.A.7 requires that all projects have the following documents made public on the ACR Registry upon acceptance of a completed validation and verification of the project: The final validated GHG Project Plan, verified Monitoring Report, Validation Report and Validation Opinion, and Verification Report, Verification Opinion, and Supplemental Project Description (optional). The GHG project plan, validation report and verification report all disclose a project's baseline and any relevant assumptions related to the baseline and/or the application of the baseline in the project activity.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q14. Please provide any additional information on how the programme ensures that all offset credits are issued against realistic, defensible, and conservative baseline estimations of emissions, including how "conservativeness" and "below business-as-usual" are defined and ensured in practice.

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR's response to 11 a), b) and c) above details how ACR ensures that all offset credits are issued against realistic, defensible and conservative baselines including how "conservativeness" and "below business-as-usual" are defined and ensured in practice. ACR's crediting baseline and additionality requirements ensure that mitigation from an activity is not overestimated (per TAB Guidelines) and beyond BAU through conservative assumptions throughout the baseline setting, validation and verification process.

As defined by ACR conservativeness requires the use of conservative assumptions, values, and procedures to ensure that GHG emission reductions or removals are not overestimated. Section 2.B.4 of the ACR Standard states the following: *"**The methodology shall define assumptions and specify quantification methods and monitoring requirements to ensure that GHG emission reductions and removals are not overestimated, particularly in cases where estimation methods, not direct measurement, are used to populate parameters**."*

Baselines are also assured to be below BAU based on the additive nature of 1) regulatory additionality (not required by law or regulation or exceeding regulatory requirements), 2) the conservatism of the baseline assumptions (very low penetration / adoption rates) and 3) the conservativeness of the baseline emissions calculations including (as applicable) requirements for deductions for uncertainty (within an interval for very high confidence or 100% deduction), leakage and buffer pool contribution as detailed in the ACR Standard and approved methodologies.

Uncertainty: ACR requires that for methodologies based on statistical sampling (e.g., methodologies in the forestry

or working land use sectors), the sampling error associated with the mean of the estimated emission reduction/removal not exceed **±10% of the mean at the 90% confidence interval** to report the mean of the estimated emission reduction/removal. If the Project Proponent cannot meet this target, then the reportable amount shall be the mean minus the lower bound of the 90% confidence interval, applied to the final calculation of emission reductions/removal enhancements. **If the sampling error is equal to or greater than 20%, the confidence deduction for the monitoring period must be 100%.**

ACR leakage deductions, where applicable, range from 10% - 40% depending on the methodology, and are conservative and over-compensate for leakage. For example, the ACR IFM methodologies apply leakage rate (%) estimates in the most conservative way possible, by applying the percentage to total credit volume versus applying the percentage to differences in harvested wood volumes (which is the context in which the majority of the scientific literature views and reports leakage). Applying percentage deductions to total credit volume (as opposed to harvested volume) in undeniably the most conservative way to apply literature-based deductions in estimation of leakage emissions. In addition, ACR IFM methodologies conservatively do NOT account for negative leakage.

Finally, for methodologies focused on non-CO_2 emission mitigation activities (for instance, those methodologies that quantify emission reductions of short-lived climate forcers such as methane or hydrofluorocarbons), which comprise all of ACR's industrial methodologies with the exception of CCS (for which no credits have yet been issued), ACR's program utilizes 100-year global warming potentials (GWPs) from AR5. This is a very conservative requirement and, in practice, significantly under reports the actual impact of non-CO_2 emission mitigation activity. These projects could argue (and have) that it would be scientifically accurate to quantify emission reductions using 20-year GWPs (or less). However, crediting on a 100-year GWP scale is an inherently very conservative requirement that ensures that there can be no overestimation of emission mitigation activity.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q15. Are procedures in place requiring that the renewal of a crediting period includes a re-evaluation of the baseline, procedures and assumptions for quantifying, monitoring, and verifying mitigation, including the baseline scenario? (*Paragraph 3.3.4*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

Per Chapter 3 of the ACR Standard, a project proponent may apply to renew the Crediting Period by complying with all then current ACR requirements, re-evaluating the baseline scenario, reassessing additionality, and using emission factors, tools, and methodologies in effect at the time of renewal.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q16. Do the procedures in Q15 above also apply to activities that wish to undergo verification but have not done so within the programme's allowable number of years between verification events?	☐ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR's requirements for any project that misses a verification deadline are more punitive than simply imposing the requirements of a crediting period renewal (such as re-evaluation of the baseline). Per the ACR Standard, adhering to the verification deadlines is required. If Project Proponents do not perform the required MRV on the required timeline, the project terminates. ACR has terminated projects for not adhering to these requirements.

The verification timeline is stated in the ACR Standard Section 9.3: *"No less than once every five (5) years of reporting (with the exception of some AFOLU project types referenced in Section A.7.3), and upon the first verification conducted by a new VVB (per ACR's VVB rotation requirements in Section 9.G), Project Proponents must submit a Verification Opinion based on a full verification including a field visit to the project Site".* In addition *"ACR requires Verification Opinions to be submitted no later than two (2) years from the end of the Reporting Period being verified for non-AFOLU projects and no later than three (3) years from the end of the Reporting Period for AFOLU projects."*

However, if the Project Proponent notifies ACR of extenuating circumstances, we can grant deviations to extend the verification deadline. They would need to summarize the issue and propose a reasonable date of completing the verification in our Deviation template. The ACR team would then need to approve: "*ACR may permit Project-specific deviations to an existing approved methodology where they do not negatively affect the conservativeness of an approved methodology's approach to the quantification of GHG emission reductions and removals."*

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

NA

Q17. Please provide any additional information to demonstrate how the procedures described under **Questions 5 to 16 above** provide a reasonable assurance exceed any greenhouse gas reductions or removals that would otherwise occur: (*Paragraph 3.1*)

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

N/A

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

N/A

PART 4: Permanence and Leakage

Criterion: Permanence

Q1.a) List all emissions sectors (if possible, activity types) supported by the Programme that present a potential risk of reversal of emissions reductions, avoidance, or carbon sequestration:

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

All project types that claim offset credits from carbon sequestration (in vegetation, soil or geologic) inherently have a risk of reversal. ACR project types for which this is relevant include:

- Afforestation and Reforestation of Degraded Lands
- Improved Forest Management (IFM)
- Active Conservation and Sustainable Management of Forests
- Wetland Restoration (California Deltaic and Coastal Wetlands, Pocosin Wetlands)
- Avoided Conversion of Grasslands and Shrublands to Crop Production
- Carbon Capture and Storage (CCS)

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q1.b) What is the minimum scale of reversal for which the Programme provisions or measures require a response? (Quantify if possible)

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR Permanence and Reversal Risk Monitoring, Reporting and Compensation requirements are detailed in Chapter 5 of the ACR Standard (https://acrcarbon.org/wp-content/uploads/2023/10/ACR-Standard-v8.0.pdf). As defined in the ACR Standard, a Reversal is "*An intentional or unintentional event that results in the emissions into the atmosphere of stored or sequestered CO2 e for which carbon credits were issued to AFOLU or geologic sequestration projects*." There is no minimum threshold for reversal reporting and compensation. ACR requires reporting and compensation of reversals of any nature (intentional or unintentional) and of any scale as detailed in the ACR Buffer Pool Terms and Conditions (https://acrcarbon.org/wp-content/uploads/2024/05/ACR-Buffer-Pool-Terms-and-Conditions-May-2024.pdf) and Section 5.4 and 6.3 of the ACR CCS methodology: (https://acrcarbon.org/wp-content/uploads/2023/03/ACR-CCS-v1.1-2024-08-13.pdf)

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q2. For sectors/activity types identified in question 1(a) above, are procedures and measures in place to require and support these activities to…	

a) undertake a risk assessment that accounts for, *inter alia*, any potential causes, relative scale, and relative likelihood of reversals? (*Paragraph 3.5.2*)	☒ YES
b) monitor identified risks of reversals? (*Paragraph 3.5.3*)	☒ YES
c) mitigate identified risks of reversals? (*Paragraph 3.5.3*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) Descriptions and requirements for reversal risk assessment, monitoring and mitigation are included in the ACR Standard, Chapter 5 Permanence, which defines two types of reversals: intentional and unintentional. "*Intentional reversals are those that arise from willful acts that release sequestered CO_2e back into the atmosphere. Examples of intentional reversals include over-harvesting timber stocks or converting forest land or grassland into agriculture, and, for geologic sequestration, the release of stored CO_2 that is intentional or that is a collateral effect of any planned activities affecting the storage volume. These willful, intentional acts result in the release of stored carbon and must be compensated by the project proponent. Unintentional reversals are those that arise from natural disturbances including, fire, disease, pest infestation, or floods, among others for terrestrial activities and unanticipated release of CO_2 for geologic projects*."

For terrestrial sequestration projects, ACR requires risk to be assessed using the ACR *Tool for Reversal Risk Analysis and Buffer Pool Contribution Determination* (the Risk Tool), which is found here: https://acrcarbon.org/wp-content/uploads/2016/01/ACR-Risk-Tool-v2.0-2024-11-19.pdf. The *Risk Tool* provides an assessment framework for Agriculture, Forestry, and Other Land Use (AFOLU) carbon projects to perform a Reversal Risk Analysis. A project's Reversal Risk Analysis determines its Buffer Pool Contribution Percentage, which is the proportion of credits deposited at each issuance into the ACR Buffer Pool to mitigate the risk of unintentional reversals.

The risk assessment requires scoring risks in categories including financial risk, social and political risk and the likelihood of natural disasters by assigning a higher risk to areas more prone to fire, disease, pests and water table changes. A deduction in the overall risk percentage is reduced if verifiable evidence can be provided of a legally binding and enforceable conservation easement that requires the protection of carbon stocks for the life of the project. Further reduction can be applied if the conservation commitment requires annual monitoring by a non-project participant. A deduction in the overall risk percentage can also be reduced for aggregated and PDA projects if they demonstrate sufficient diversification across ecological regions, number of parcels, and project area acreage.

The ACR Buffer Terms and Conditions is on the ACR website (https://acrcarbon.org/program_resources/acr-buffer-pool-terms-and-conditions-may-2024/) and included as an annex to the ACR Reversal Risk Mitigation Agreement. The Buffer Terms and Conditions outline the ACR requirements and procedures related to risk mitigation and reversal. Section 4.I of the Buffer Terms and Conditions states the following:

"ANALYSIS OF RISK. *For AFOLU projects that have risk of Reversal, Project Proponent shall conduct a Reversal Risk Analysis addressing both general and project-specific risk factors using the* ***ACR Tool for***

***Reversal Risk Analysis and Buffer Pool Contribution Determination**. The output of the tool is the Buffer Pool Contribution Percentage, an overall risk rating for the GHG Project, which is applied to determine the number of carbon credits that must be deposited in the Buffer Pool at the time of each issuance to mitigate the risk of unintentional reversals. The initial Reversal Risk Analysis and Buffer Pool Contribution Percentage shall be included in the GHG Project Plan. Any subsequent Reversal Risk Analysis, Buffer Pool Contribution Percentage, and calculated Buffer Pool Contribution amount shall be included in their respective Monitoring Reports. The Validation and Verification Body (VVB) evaluates whether the risk analysis has been conducted correctly and ACR evaluates the proposed overall risk rating and corresponding Buffer Pool Contribution. If no Reversal occurs, the GHG Project's Buffer Pool Contribution Percentage may remain unchanged for up to five years. The Reversal Risk Analysis must be re-evaluated coincident with a site visit verification, at the interval required by the ACR Standard, except in the event of a Reversal, in which case the Buffer Pool Contribution Percentage shall be re-evaluated and re-verified according to these Terms and Conditions."*

Further, each project proponent must execute the ACR Reversal Risk Mitigation Agreement, a legally binding contract, prior to offset credit issuance. This agreement lays out the obligations of the project proponent to monitor, report to ACR and compensate for intentional and unintentional reversals throughout the life of the project (40 year minimum project term).

For geologic sequestration projects (CCS), ACR does not require a project-specific risk assessment, which would depend on factors including the geologic formation, fault structure, the age and extent of subsurface penetrations as well as the temporal nature of the injection since the risk of releases decreases as the injection period ceases and field pressure stabilizes. In addition, there are physical limits to how much and how fast CO_2 can be released from an underground formation. During the active injection phase, releases will be detected quickly from changes in pressure and a range of corrective actions can be taken to minimize the size of a release. Research and experience from decades of EOR demonstrate low risk of releases to the atmosphere from geologic sequestration for EOR at properly mapped and managed sites. To date there have been no known releases exceeding 1% of the CO_2 injected for EOR. Therefore, ACR conservatively assesses reversal risk during the injection and post-injection monitoring period to be 10% and requires either an ACR-approved insurance policy or a contribution to an ACR-managed Reserve Account in this amount, which will be cancelled to compensate for an unintentional reversal (atmospheric leaks of CO_2 during the Project Term). (To summarize, post injection monitoring is required for at least five years until CO_2 plume stability is demonstrated ensuring no atmospheric leakage / reversal of the stored CO_2.

b) All ACR projects with reversal risk must adhere to ongoing monitoring requirements as detailed in relevant methodologies, including ongoing verification during the Minimum Project Term. For terrestrial sequestration projects, the Risk Assessment is subject to review at every verification, no less than every five years. This is stated in Section 9.C of the ACR Standard, as well as in Section 6.E of the ACR Validation and Verification Standard. This Section states: *"GHG reductions/removals from terrestrial sequestration or carbon storage activities are impermanent in the sense that they may be subject to some risk of future reversal, including unintentional reversals (e.g., fire, flood, and insect infestation for terrestrial projects) and intentional reversals (e.g., landowners or project participants choosing to discontinue project activities).*

For AFOLU projects with a risk of reversal of GHG emission reductions/removals, Project Proponents must assess risk using an ACR-approved risk assessment tool and enter into a legally binding Reversal Risk Mitigation Agreement with ACR. Project Proponents must then mitigate reversal risk by contributing offsets to the ACR Buffer Pool (either from the project itself, or ERTs of any other type and vintage); by providing evidence of sufficient insurance coverage with an ACR- approved insurance product to recover any future reversal; or by using another ACR-approved risk management mechanism[13].

The VVB shall review the AFOLU Project Proponent's project-specific risk assessment, which must be conducted using the ACR Tool for Risk Analysis and Buffer Determination, and its chosen risk mitigation mechanism, supporting documentation, and analytics. The VVB shall also review the risk reversal mitigation measures implemented to ensure they are consistent with the terms set forth in the ACR AFOLU Carbon Project Reversal Risk Mitigation Agreement.

Note that ACR requires that the risk analysis and corresponding buffer contribution (if applicable) be evaluated in the GHG Project Plan. This will be included in ACR's eligibility screening report. The VVB shall independently evaluate whether the risk assessment has been conducted correctly."

For Geologic Sequestration, ACR requires a project-specific plan to monitor the field pressures and the underground plume of CO_2. Project Proponents are required to demonstrate that the CO_2 captured and stored is permanently sequestered underground through detailed post-injection monitoring, required until it can be verified that no migration of injected CO_2 is detected across the boundaries of the storage volume and the modeled failure scenarios indicate that the CO2 will remain contained within the storage volume. The Risk Mitigation Covenant details ongoing monitoring requirements. These requirements are detailed in the CCS methodology Section 5.4

c) For terrestrial sequestration projects, ACR mitigates reversal risks through the legally binding AFOLU Carbon Project Reversal Risk Mitigation Agreement and Buffer Pool Terms and Conditions. The Reversal Risk Mitigation Agreement is a legally binding agreement that must be executed prior to any offset credit issuance and outlines the requirement to 1) Assess risk 2) Mitigate risk through an ACR mechanism 3) Comply with the risk mitigation requirements including notifying ACR of the reversal, completing a verification to quantify the reversal amount, and 4) compensating for the reversal as applicable. In addition to requiring a buffer pool contribution, ACR allows projects to propose alternative risk mitigation mechanisms, such as an approved insurance product. However, at this time, there are no ACR-approved insurance products for reversal risk mitigation.

   Further, as detailed in the ACR Risk Tool, AFOLU Project Proponents can reduce the reversal risk rating and associated Buffer Pool contribution for certain risks if they can demonstrate they have implemented reversal specific risk mitigation measures as detailed in the Risk Tool. For example, Projects may opt to

[13] Please note that while ACR has a provision allowing for approved insurance mechanisms in lieu of the buffer pool, no insurance products are currently approved for use. For any approved insurance product, ACR would have a legal agreement in place with the insurer defining all terms and conditions and requirements for reversal risk compensation.

reduce their base wildfire risk deduction by demonstrating through verifiable records that recent qualifying fuel treatments have occurred. And projects that include flood tolerant species which are included in GHG project stocking may reduce their hydrologic risk rating by demonstrating both the presence of the species and their flood tolerance.

For CCS, to mitigate reversal of stored CO_2, ACR requires a complete characterization of the formation in which CO_2 injections will occur and a **project specific monitoring plan** as detailed in the CCS methodology Section 5.4 (https://acrcarbon.org/wp-content/uploads/2023/03/ACR-CCS-v1.1-2024-08-13.pdf). The characterization must demonstrate that the targeted formation possesses sufficient volume and injectivity to contain the proposed storage volume of CO_2 and map geologic faults, fractures and fissures as well as operating, closed and abandoned wells. During the active injection phase, when leaks are most likely to occur, required monitoring systems detect leaks quickly from changes in field pressures. When releases are detected, there is a range of corrective actions that can be taken to minimize the size of a release. Companies have strong financial incentives to act quickly. The underground plume of CO_2 is also closely monitored. A stable plume shows the CO_2 is permanently sequestered underground. The reversal risk mitigation mechanism for CCS is either an ACR approved insurance policy or the Reserve Account, to which 10% is contributed to compensate for any reversals during injection and post-injection phases.

Mitigation post project-term is covered under a Risk Mitigation Covenant filed in the real property records of each county, parish and other governmental subdivision that maintains real property records showing ownership of and encumbrances on real property in the jurisdictions in which the CO_2 storage volume is located, prohibiting any intentional reversal (e.g., release of stored CO_2 that is intentional or that is a collateral effect of any planned activities affecting the storage volume) unless measures are taken in advance to compensate for the reversal by replacing the reversed offset credits for ACR's retirement pursuant to a plan acceptable to ACR.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q3. Are provisions in place that… (*Paragraph 3.5.5*)	
a) confer liability on the activity proponent to monitor, mitigate, and respond to reversals in a manner mandated in the programme procedures?	☒ YES
b) require activity proponents, upon being made aware of a material reversal event, to notify the programme within a specified number of days?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) For terrestrial sequestration projects, ACR requires all project proponents to execute a legally binding Reversal Risk Mitigation Agreement (a proprietary and confidential legal document included as a

BUSINESS CONFIDENTIAL attachment. This agreement must be executed jointly by Environmental Resources Trust LLC (ERT), the legal entity that operates ACR, and the Project Proponent, and submitted to ACR prior to any offset credit issuance. The Risk Mitigation agreement and the Buffer Pool Terms and Conditions included as an Annex outline the following:

- Requires proponent to assess risk of reversal.
- Requires proponent to update risk of reversal at regular intervals.
- Requires proponent to contribute to the buffer pool (or other approved mitigation mechanism).
- Requires proponent to report and estimate reversal within 10 days of discovery.
- Requires proponent to verify estimated reversal within 18 months.
- Requires proponent to fully compensate for reversal when intentional or pay a deductible when buffer contribution to date is insufficient to cover an unintentional reversal.
- Defines default and remedies.

Geologic sequestration projects, must monitor, report and compensate reversals by contributing ACR offset credits to the ACR Reserve Account; providing evidence of sufficient insurance coverage with an ACR-approved insurance product to recover any future reversal; or using another ACR-approved risk mitigation mechanism. ACR requires geologic sequestration Project Proponents to use approved methodologies that assure permanence including ongoing QA/QC and long-term monitoring and reversal risk mitigation measures. Monitoring, reporting and compensation for reversals post project-term are covered under a Risk Mitigation Covenant filed in the real property records of each county, parish and other governmental subdivision that maintains real property records showing ownership of and encumbrances on real property in the jurisdictions in which the CO2 storage volume is located, prohibiting any intentional reversal (e.g., release of stored CO2 that is intentional or that is a collateral effect of any planned activities affecting the storage volume) unless measures are taken in advance to compensate for the reversal by replacing the reversed offset credits for ACR's retirement pursuant to a plan acceptable to ACR. Reversal mitigation procedures are outlined in table 6.4 in the ACR CCS methodology.

b) The ACR AFOLU Carbon Project Reversal Risk Mitigation Agreement requires project proponents to report a reversal immediately, but no later than 10 days of becoming aware of it. There is no materiality threshold – all reversals must be reported.

Geologic sequestration projects must follow procedures in the CCS methodology (https://acrcarbon.org/wp-content/uploads/2023/03/ACR-CCS-v1.1-2024-08-13.pdf) Section 6.3 Permanence, Liability and Mitigation including per Table 6 (Atmospheric Leakage Mitigation Procedures). Project Operators must notify ACR within 45 days of discovery of a reversal (per section 5.4 of the CCS methodology that details requirements of the Risk Mitigation Covenant). The Risk Mitigation Covenant shall require that the Project Proponent and the owner of the property notify ACR upon discovery of the occurrence of or plans to conduct any activity that results in a reversal, shall require that the Project Proponent and owner of the property submit an annual attestation of compliance to ACR, and shall afford ACR an access right to the property in order to conduct inspections. ACR retains the right to freeze the Proponent's project account and retire any existing offset credits to mitigate the unreconciled quantity.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q4. Are provisions in place that 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? (*Paragraph 3.5.5*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

AFOLU reversals must be reported and compensated following requirements detailed in the ACR AFOLU Carbon Project Reversal Risk Mitigation Agreement and the Buffer Pool Terms and Conditions. ACR's stringent procedures and legally binding Risk Mitigation Agreement ensures that all reversals are compensated in a timely manner.

Section 4 of the Reversal Risk Mitigation Agreement, and section 5 of the ACR Buffer Pool Terms and Conditions describe the ACR requirements related to compensation of reversals, which are summarized here:

i. *A project proponent must notify ACR of a reversal (intentional or unintentional) immediately upon discovery or knowledge of the reversal.*
ii. *In all cases (regardless of the type of reversal) the project proponent must comply with ACR requests for additional information and analyses relating to the reversal and must have the reversal volume verified by an accredited verification body with 18 months of reporting the reversal. The final volume is referred to as the "Verified Lost Credit Amount".*
iii. *In the case of an unintentional reversal, ACR will then cancel a volume of credits equal to the "Verified Lost Credit Amount" from the ACR Buffer Pool. If the volume of the Reversal exceeds the Proponent's Buffer Contributions to date, the Project Proponent shall pay a "deductible" of 10% of the Verified Lost Credit Amount, depositing this additional amount in the ACR Buffer Pool within ninety (90) days of ACR's completion of the Reversal verification, and the Buffer Pool covers the remainder. The deductible contribution may be made up of ACR carbon credits of any type with vintage limited to no more than five (5) years prior to the date of deposit of the deductible into the Buffer Pool (e.g., if the deductible contribution deposit occurs in 2024, earliest vintage of credits is 2019). Following an Unintentional Reversal, the Project Proponent is not required to replenish the Buffer Pool, however, the GHG Project is subject to a Reversal Risk Analysis update, which may result in an increased Buffer Pool Contribution Percentage for future issuances.*
iv. *In the case of an intentional reversal caused by Early Project Termination, which is assumed to affect all GHG Project carbon stocks, ACR will cancel a volume of carbon credits equal to the total volume of carbon credits that have previously been issued to the GHG Project. Within thirty (30) days of Project Proponent's notice to ACR of the Early Project Termination decision, Project Proponent or ACR Administrator shall transfer to the Buffer Pool all non-transacted carbon credits previously issued to the GHG Project, as applicable, as well as volume of carbon credits equivalent to the volume of carbon credits that have previously been issued to the GHG Project and that have already been transacted and/or*

retired or canceled. Cancellation equivalent to the volume of carbon credits issued to the GHG Project to-date will occur within the Buffer Pool.

In the case of an intentional reversal not caused by Early Project Termination, ACR will cancel a volume of carbon credits equal to the Verified Lost Credit Amount. The Project Proponent shall contribute the Verified Lost Credit Amount to the Buffer Pool Account within ninety (90) days of completion of ACR review of the verification of the Reversal. Cancellation equivalent to the Verified Lost Credit Amount will occur within the Buffer Pool.

v. *Projects will terminate automatically if a Reversal, Intentional or Unintentional, causes the project stocks to decrease below baseline levels prior to the end of the forty (40) year Minimum Project Term for monitoring, reporting and verification ("Minimum Project Term"). In cases where this decrease is caused by intentional reductions to carbon stocks (e.g., forest conversion or over-harvesting), which is considered an Intentional Reversal, the Project Proponent shall compensate for all issued carbon credits to that project. In cases where this decrease is unintentional the buffer pool will be used to compensate.*

vi. *Project proponents that choose to terminate early (i.e., prior to the Minimum Project Term of 40 years) ACR assumes that all credits issued to the project to date are lost due to an Intentional Reversal and must be compensated by the project proponent*.

Geologic sequestration reversals must be reported and compensated following requirements as detailed in applicable methodology (e.g. Section 5.4 and 6.3 in the CCS methodology). To cover liability of reversals during the project term, Project Proponents can purchase private insurance designed to cover damages associated with releases, including third-party liability and liability to ACR, and those resulting from lost credits due to reversals. Insurance premiums would be paid by the Project Proponent to the insurance company, and, in the event of CO_2 leakage to the atmosphere, the insurance company would cover obligations to compensate for reversals in GHG emissions reductions (e.g., purchase and retire ACR offset credits). There are no currently approved insurance products for CCS.

In lieu of insurance, Project Proponents must contribute 10% of credits to an ACR-managed Reserve Account. In the event of a reversal, the volume shall be measured and reported, verified, and reconciled by the Account by cancelling credits from the Reserve Account. ACR's 10% Reserve Account contribution is a highly conservative estimate of the potential risk of reversal of stored CO_2. To date there have been no known releases exceeding 1% of the CO_2 injected for EOR. The Reserve Account contribution is not designed to compensate for reversals post project-term.

Reversal compensation post project-term is covered under a Risk Mitigation Covenant filed in the real property records of each county, parish and other governmental subdivision that maintains real property records showing ownership of and encumbrances on real property in the jurisdictions in which the CO_2 storage volume is located, prohibiting any intentional reversal (e.g., release of stored CO_2 that is intentional or that is a collateral effect of any planned activities affecting the storage volume) unless measures are taken in advance to compensate for the reversal by replacing the reversed offset credits for ACR's retirement pursuant to a plan acceptable to ACR.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

N/A

Q5. Does the Programme have procedures in place which provide for reversal monitoring and compensation requirements to be applied by an activity that generates CORSIA-eligible units for … (*Paragraph 3.5.4*) [14]	
a) …at the very least, twenty (20) years from the start of their first crediting period, in the case of activities that started crediting before 1 January 2027?	☒ YES
b) …at least forty (40) years from the start of their first crediting period, for activities that start crediting after 31 December 2026?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

Yes, as defined in Section 5 of the ACR Standard and ACR Standard definitions and as operationalized through the ACR Buffer Pool Terms and Conditions and ACR Reversal Risk Mitigation Agreement, all ACR AFOLU projects must commit to continue to monitor, report and verify project activity for a Minimum Project Term of forty (40) years and compensate for reversals during this period. This includes projects that began crediting before 1 January 2027 or after 31 December 2026.

Sections 5.4 and 6.3 of the CCS methodology details requirements for geologic sequestration projects to monitor and compensate for reversals during the project term (the injection and post-injection monitoring period) and long-term post project term through the Risk Mitigation Covenant filed in the county's property records.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q6. Does the programme have the capability to ensure that any emissions units which compensate for the material reversal of mitigation issued as emissions units and used toward offsetting obligations under the CORSIA are fully eligible for use under the CORSIA? (*Paragraph 3.5.6*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

The ACR Registry allows the labelling of credits at the batch and unit level as CORSIA Eligible, therefore, ACR can ensure that all offset credits contributed to the Buffer Pool or Reserve Account and used for reversal compensation for ICAO-Eligible units are also ICAO Eligible.

[14] Procedures for jurisdiction-scale activities must alternatively ensure that the volume of emissions units contributed by a given activity to a reversal risk pool will, at a minimum, fully compensate for the activity's reversal risk for the same timeframe.

Section 8.3 Credit Labelling of the ACR Registry Operating Procedures (https://acrcarbon.org/wp-content/uploads/2024/11/ACR-Registry-Operating-Procedures_Feb-28-2025.pdf) details requirements for credits to be labelled as CORSIA Eligible in the ACR Registry. It states that:

"ACR has been approved by the International Civil Aviation Organization (ICAO) Council to supply 2016-2020 vintage carbon credits issued under ACR's methodologies active at the time of ICAO approval, as updated from time to time including publication of new methodologies, except for any exclusions as detailed in the published ICAO Eligible Emissions Unit Criteria document, for use by airlines in the 2021-2023 Compliance Period (Pilot Phase). 2016-2026 vintage carbon credits will be labeled as CORSIA Eligible when they meet the following criteria:

- *Project's first Crediting Period begins on or after 1/1/20163*
- *Project's contribution to the UN SDGs is documented in the GHG Project Plan*
- *For projects required to contribute to the Buffer Pool or Reserve Account, the carbon credits contributed also satisfy the criteria above*

ACR has been approved by ICAO to supply post-2020 vintage carbon credits issued under ACR's methodologies active at the time of ICAO approval, as updated from time to time including publication of new methodologies, except for any exclusions as detailed in the published ICAO Eligible Emissions Unit Criteria document, for use by airlines in the 2021-2023 Compliance Period (Pilot Phase) and 2024-2026 Compliance Period (First Phase). Post-2020 vintage carbon credits will be labeled as CORSIA Eligible when they meet the criteria outlined above for 2016-2020 vintage carbon credits, along with the following criteria:

- *Credits have been authorized by the host country for use by airlines towards CORSIA compliance obligations in a Host Country of Letter of Authorization delivered to ACR and to the UNFCCC*
- *Project Proponent has submitted an ACR-approved CORSIA Double Claiming Compensation Mechanism*
- *All requirements have been met as detailed in Appendix B of the ACR Standard"*

The ACR Buffer Pool Terms and Conditions (https://acrcarbon.org/program_resources/acr-buffer-pool-terms-and-conditions-may-2024/) Section 5 IV states that: *"only CORSIA Eligible carbon credits may be used to compensate for CORSIA Eligible carbon credits associated with an Intentional Reversal, including Early Project Termination."*

The ACR Buffer Pool Terms and Conditions Section 5 Viii , **Buffer Credit Use Criteria**, states that: *"ACR will refer to the following set of criteria in determining the cancellation of carbon credits from the Buffer Pool for relevant Reversal events ….. Reversals for projects that contributed CORSIA Eligible carbon credits will be compensated for with CORSIA Eligible carbon credits in the Buffer Pool."*

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q7. Would the programme be willing and able, upon request, to demonstrate that its permanence provisions can fully compensate for the reversal of mitigation issued as emissions units and used under the CORSIA? (*Paragraph 3.5.7*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

Yes, ACR is confident to demonstrate that the suite of reversal risk mitigation measures in place can fully compensate for any future reversal of Eligible Emissions Units used under the CORSIA. ACR has a science-based *Tool for Reversal Risk Analysis and Buffer Pool Contribution Determination* (as described in Q2 of this section), a rigorous ruleset in the **Buffer Pool Terms and Conditions** and the legally-binding **Reversal Risk Mitigation Agreement**, which together detail the requirements for compensating for unintentional reversals via the Buffer Pool and intentional reversals directly by the Project Proponent. Buffer Pool contributions are never refunded, therefore the Pool continues to grow. Allowing Buffer Pool contributions to be made with non-reversible credits further strengthens the Pool and its adequacy to meet compensation requirements for unintentional reversals. (Whereas it is more likely that a Buffer Pool comprised solely of reversible project-based credits could be depleted with only a few large reversal events).

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

N/A

Q8. Please provide any additional information to demonstrate how the program's procedures ensure full compensation for material reversals of mitigation issued as emissions units and used toward offsetting obligations under the CORSIA:

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

As described above.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

N/A

Criterion: Assess and mitigate against potential increase in emissions elsewhere

Q9.a) List all emissions sectors (if possible, activity types) supported by the programme that present a potential risk of material emissions leakage:

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR Standard Table 2 Eligibility Requirements for GHG Projects includes the requirement for the activity to be net of leakage by requiring "*Project Proponents to address, account for and mitigate certain types of leakage, according to the relevant sector requirements and methodology conditions. Project Proponents must deduct for leakage that reduces the GHG emission reduction and/or removal benefit of a GHG project in excess of any applicable threshold specified in the methodology*."

As detailed in the response to question 11 below, ACR activity types that present potential risk of material emissions leakage and require leakage deductions include Improved Forest Management (IFM), Active Conservation of U.S. Forests and Avoided Conversion of Grasslands. Other project types present a potential for

leakage in limited instances, and associated methodologies include requirements for leakage accounting, and others asses a de minimis or zero chance of leakage.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A except to note that new methodologies and methodology updates continue in normal course of business and, as applicable, incorporate measures to account for leakage as described in our ICAO application.

Q9.b) What is the minimum scale of leakage that that would trigger the Programme's applicable provisions or procedures? (Quantify if possible)

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR Standard Table 2 Eligibility Requirements for GHG Projects includes the requirement for the activity to be net of leakage by requiring "*Project Proponents to address, account for and mitigate certain types of leakage, according to the relevant sector requirements and methodology conditions. Project Proponents must deduct for leakage that reduces the GHG emission reduction and/or removal benefit of a GHG project in excess of any applicable threshold specified in the methodology*." The ACR Standard Section A.4.7 also describes requirements for AFOLU projects to account for market and activity shifting leakage following the applicable methodology.

As an example, the ACR IFM methodology Section 5.4, as below, specifies a threshold of 5% for market leakage. While not a common scenario (it has not yet been the case for any ACR IFM project), if the with-project and the baseline scenarios are harvesting wood within 5% of each other, or the project is harvesting more than the baseline for that Reporting Period, it is illogical that harvests would be displaced elsewhere, therefore there is no required deduction for market leakage. Note that the requirement for forest certification to safeguard against activity shifting leakage is additional to the market leakage deduction.

5.4 Estimation of Emissions Due to Market Leakage

Reductions in product outputs due to project activity may be compensated by other entities in the marketplace. Those emissions must be included in the quantification of project benefits. Market leakage shall be quantified by one of the following:

- Applying the appropriate default market leakage discount factor (Equations 16, 17, 18, or 19):
  - Where project activities decrease total wood products produced by the project relative to the baseline by less than 5% over the Crediting Period, the market leakage deduction is 0%.

Equation 16: Less than 5% Market Leakage

$$LK = 0$$

ACR Validation and Verification Standard Section 6.F **Validation of Leakage** details the requirements for Project Proponents to assess, account for, and mitigate leakage, and provide documentation to support mitigation assertions. "*The VVB shall confirm whether a leakage assessment is required. If one is required, it shall confirm that the leakage analysis and leakage deduction in the GHG Project Plan conforms to the requirements of the chosen methodology and the ACR Standard*."

ACR Validation and Verification Standard Section 9.H details Requirements for Verification of Leakage Assessments. "*Verification of estimates of leakage as part of a GHG project verification is integrally related to the validation of project assessment boundaries per Chapter 3. The VVB shall use the results of the project assessment boundaries validation, the Project Proponent's estimation of the GHG project leakage, leakage guidance in the approved methodology, and the VVB's sectoral knowledge to make an independent assessment of leakage. If there is a material discrepancy between the leakage assessment and deduction included in the GHG Project Plan or GHG assertion and the VVB's independent assessment, this discrepancy must be resolved with the Project Proponent and corrected prior to issuance*."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q10.a) Are measures in place to assess and mitigate incidences of material leakage of emissions that may result from the implementation of an offset project or programme? (*Paragraph 3.6*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):
For the project types listed above in response to question 9, leakage mitigation is addressed in each methodology (as detailed in the response to question 11 below) by requiring deductions of a volume of credits prior to each issuance. Deductions range from 10% - 40% depending on the methodology, and in all cases, are deemed conservative and likely to over-compensate for leakage.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q10.b). Are procedures in place requiring and supporting activities to monitor identified leakage? (*Paragraph 3.6.3*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

All projects with a material risk of leakage must account for this at each verification as detailed in the relevant methodology. Chapter 3 Table 2 of the ACR Standard states the following: "*ACR requires Project Proponents to address, account for, and mitigate certain types of leakage, according to the relevant sector requirements and methodology conditions. Project Proponents must deduct leakage that reduces the GHG emissions reduction and/or removal benefit of a project in excess of any applicable threshold specified in the methodology*."

ACR Standard Section A.4.7 and defines requirements for AFOLU projects to account for activity shifting leakage either by quantifying actual emissions that result for leakage or by applying a verifiable default and to account for or mitigate market effects leakage as detailed in the applicable methodology.

ACR Validation and Verification Standard Section 6.F **Validation of Leakage** details the requirements for Project Proponents to assess, account for, and mitigate leakage, and provide documentation to support mitigation assertions. "*Project Proponents must deduct leakage that significantly reduces the GHG emissions reduction and/or removal benefit of the project. The VVB shall confirm whether a leakage assessment is required. If one is required, it shall confirm that the leakage analysis and leakage deduction in the GHG Project Plan conforms to the requirements of the chosen methodology and the ACR Standard*."

ACR Validation and Verification Standard Section 9.H details Requirements for Verification of Leakage Assessments. "*Verification of estimates of leakage as part of a GHG project verification is integrally related to the validation of project assessment boundaries per Chapter 3. The VVB shall use the results of the project assessment boundaries validation, the Project Proponent's estimation of the GHG project leakage, leakage guidance in the approved methodology, and the VVB's sectoral knowledge to make an independent assessment of leakage. If there is a material discrepancy between the leakage assessment and deduction included in the GHG Project Plan or GHG assertion and the VVB's independent assessment, this discrepancy must be resolved with the Project Proponent and corrected prior to issuance*."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q11. Are procedures in place requiring activities to deduct from their accounting emissions from any identified leakage that reduces the mitigation benefits of the activities? (*Paragraph 3.6.4*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

Relevant ACR approved project types that require deductions for leakage as detailed in the methodology:

Improved Forest Management (IFM) for Non-Federal U.S. Forestland	For market leakage: When baseline wood products exceed project wood products by 5-25%, leakage deduction equals 10%. When baseline wood products exceed project wood products by >25%, leakage deduction equals 30% to 40%, depending on methodology version. For activity shifting leakage: All projects conducting commercial harvesting must demonstrate sustainable forest management across ownership.

Improved Forest Management (IFM) on Canadian Forestlands	For market leakage: When baseline wood products exceed project wood products by 5-25%, leakage deduction equals 10%. When baseline wood products exceed project wood products by >25%, leakage deduction equals 40%. For activity shifting leakage: All projects conducting commercial harvesting must demonstrate sustainable forest management across ownership.
Improved Forest Management (IFM) on Small Non-Industrial Private Forestlands	For market leakage: Where project activities decrease total wood products produced by the project relative to the baseline by more than 5% over the crediting period, the market leakage deduction is 20%. For activity shifting leakage: If the project decreases wood product production by >5% relative to the baseline, project proponent and all associated landowners must demonstrate sustainable forest management across project proponent and all enrolled lands and associated ownerships.
Active Conservation and Sustainable Management of U.S. Forests	For market leakage: Where the project consists of multiple small private landowners (each owning less than 5,000 forested acres), the market leakage deduction is 20%. Where the project consists of one or more large private landowners (owning more than 5,000 forested acres) or any non-private landowners, the market leakage deduction is 30% For activity shifting leakage: GHG projects located within certain regions are expected to induce higher rates of activity shifting leakage than projects located elsewhere. Activity-shifting leakage shall be quantified by applying a conservative discount factor (4.31%; Equation 12), which assumes all projects are located within regions of high land use demand. All projects conducting commercial harvesting must demonstrate sustainable forest management across ownership.
Avoided Conversion of Grasslands	20% combined market leakage and activity shifting deduction for all projects.

Description of basis for leakage deduction for ACR Improved Forest Management (IFM) projects

Leakage estimates from the forestry sector have been primarily limited to product flow models of no-harvest conservation scenarios or ex-ante simulations narrowly examining specific market processes, both of which are not directly relatable to carbon leakage (Murray et al. 2004; Wear and Murray 2004). Such estimates are

expected to be inflated because forest carbon projects often include extensive harvest activities and age class management, which decreases the difference in baseline versus project scenario harvest levels and potential leakage. Such estimates are known to be inflated because 1) forest carbon projects often include extensive harvest activities and age class management, which decreases the difference in baseline versus project scenario harvest levels and leakage potential compared to a no-harvest scenario and 2) U.S. based timber leakage fundamentally differs from carbon leakage due to regional differences in forest carbon density.

Studies examining leakage specifically in a carbon context have quantified leakage ranging from 2 to 42% of reduced project harvest levels (Sedjo and Sohngen 2000; Wu 2000; Sohngen and Brown 2004; US EPA 2005; Lasco et al. 2007; Hooda 2007; Kuik 2013; Warman and Nelson 2015; Daigneault et al 2023). ACR IFM Methodologies apply leakage estimates well within the range of relevant literature.

The ACR IFM Methodologies also apply leakage rate (%) estimates in the most conservative way possible, by applying the percentage to total ERT's, versus applying the percentage to differences in harvested wood volumes (which is the context in which the majority of the scientific literature views and reports leakage estimates). Applying percentage deductions to total ERT's (as opposed to harvested volume) in undeniably the most conservative way to apply literature-based deductions in estimation of leakage emissions.

And, nearly all estimates of leakage in the literature have been inclusive of and do not distinguish between activity-shifting and market sources. Still, the ACR IFM Methodology conservatively recognizes and addresses these two types of leakage separately and in a robust way. Were the literature to account for and estimate activity-shifting and market leakage percentages separately, market leakage estimates would be markedly lower. Nevertheless, to control for leakage to the extent possible, ACR project proponents are required to demonstrate there is no activity-shifting leakage occurring within their operations AND to apply deductions to account for market leakage via significant, standardized deduction factors based on the literature that are robust and conservative in light of uncertainty.

In addition, ACR IFM methodologies conservatively do NOT account for negative leakage.

The ACR IFM Methodology applies a leakage deduction to the total emission reduction value (pre-buffer contribution) for each reporting period, rather than deducting a leakage percentage from the difference between baseline and project scenario harvested wood quantities. This results in a highly conservative leakage deduction of up to 40% applied to the total emissions reductions in each reporting period, regardless of harvest levels. This deduction is comparable to a more than a 60% leakage deduction if applied to differences in harvested wood. Hence, the ACR IFM leakage deduction is conservative under even the highest estimates of leakage in the literature.

A**CR project types for which leakage is assessed as likely de minimis or accounting is not required**:

Restoration of Pocosin Wetlands	Leakage is excluded from accounting via an applicability condition stipulating the absence of any productive land use (that could be displaced or result in commodity shortages) in the project area within five years prior to the project start date.

Restoration of California Deltaic and Coastal Wetlands	Only if active agricultural land is converted to wetland and is above 35,000 acres (which is unlikely to ever occur and has not occurred to date).
Afforestation and Reforestation of Degraded Lands	Only when baseline is agricultural land, which is unlikely to ever occur (because it would not be economically feasible and has not occurred to date).
Advanced Refrigeration Systems	Leakage is excluded from accounting since there is no market leakage (a project is not changing overall market demand for refrigeration systems by installing an advanced system) and any activity shifting leakage is already addressed in accounting for project emissions associated with the destruction, decommissioning or disposal of replaced equipment (see response to question 13 below).
ODS Destruction	Leakage is excluded from accounting since there is no market or activity shifting leakage by a net reduction in remaining global ODS bank due to an almost three-decade ban on creation of new chlorofluorocarbons (CFCs), a prohibition on creation of new hydrochlorofluorocarbons (HCFCs), and limitations on importing or exporting ODS.
Certified Reclaimed HFC Refrigerants, Propellants and Fire Suppressants	Leakage is excluded from accounting since projects involving certified reclaimed HFC would not cause an increase in virgin HFC production or increase HFC emission rates.
Plugging Orphaned Oil and Gas Wells	Leakage is excluded from accounting since plugging of orphaned wells will not increase overall emissions from orphaned wells.
Landfill Gas Destruction and Beneficial Use Projects	Leakage is excluded from accounting since the capture and destruction / use of methane from landfills will not cause an increase in emissions outside of the project boundary.
Capturing and Destroying Methane from Coal and Trona Mines in North America	Leakage is excluded from accounting since the destruction of mine methane from coal and trona mines will not cause an increase in emissions outside of the project boundary.
Carbon Capture and Storage (CCS)	Leakage is excluded because all possible sources of GHG emissions, including use of electricity for the capture of anthropogenic CO_2 (among many other sources), is included in the baseline and project emissions accounting.
Transition to Advanced Formulation Blowing Agents in Foam Manufacturing and Use	Activity-shifting leakage is assessed on a project level only if hydrofluorocarbon foam dispensing equipment is moved/replaced as part of a project activity and continues to be used outside of the offset project boundary (this has not occurred in any projects to date).

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

ACR is working with leading experts to better quantify leakage dynamics in the specific context of forest carbon emission reduction and removals credits, a subject in need of more research, with the goal to continually reassess our leakage deduction rates as pertinent data becomes available.

Q12. Are provisions in place requiring activities that pose a risk of leakage when implemented at the project level to be implemented at a national level, or on an interim basis on a subnational level, in order to mitigate the risk of leakage? (*Paragraph 3.6.2*)	☐ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

At this time ACR does not implement sectoral, national or subnational level crediting. Industrial project types are focused on mitigation actions that do not pose a risk of leakage such as ODS destruction, methane capture from mines and landfills and transition to low GWP refrigerants. ACR's forestry projects throughout the U.S., and to a limited extent Canada, mitigate leakage through the application of a scientifically-based, conservative deduction from crediting. The deduction is based on principles of market elasticity and peer reviewed studies examining leakage across varying geographic scales (Chomitz 2002; Gan and McCarl 2007; Wear and Murray 2004).

B. Any planned/forthcoming changes, including their expected timelines: (*if none, "N/A"*):

ACR is developing a sectoral crediting standard for emission reductions from the transformation of the electric power sector, applicable globally, expected to be published for public comment in mid-to-late 2025. The standard accounts for emissions across the entire electric power sector of a country or subnational grid, including imports and exports, and as such mitigates the risk of leakage that may occur when accounting for avoided emissions from a project-specific intervention that are displaced by an increase in emissions outside the project boundary.

Q13. List all activity types supported by the programme that involve replacing equipment or other physical systems such that these comprise the activity's baseline:

The only ACR emission reduction project activities that involve replacing equipment are:

- *Methodology for the Quantification, Monitoring, Reporting and Verification of Greenhouse Gas Emission Reductions and Removals from Advanced Refrigeration Systems* (current version 3.0): https://acrcarbon.org/methodology/advanced-refrigeration-systems/
- *Methodology for the Quantification, Monitoring, Reporting and Verification of Greenhouse Gas Emissions Reductions and Removals from the Transition to Advanced Formulation Blowing Agents in Foam Manufacturing and Use* https://acrcarbon.org/methodology/transition-to-advanced-formulation-blowing-agents-in-foam-manufacturing-and-use/ This methodology was made inactive on December 31, 2024 for new projects, but listed projects will continue to credit for vintages through 2024. ACR is including the methodology in the ICAO assessment scope because post-2020 vintage credits have been issued.

For the activity types listed above, does the programme have procedures ensuring that *(select all that apply)*: (*Paragraph 3.6.4*)	
(a) the baseline equipment is demonstrably decommissioned, destroyed, or scrapped, or otherwise demonstrated to no longer be in use,	☒ YES
(b) emissions from equipment disposal are discretely assessed, mitigated where possible, and deducted from the verified results of the activity,	☒ YES
(c) where procedures enable the baseline equipment to potentially be re-sold or otherwise remain in use, equivalent procedures for assessment, mitigation, and accounting deductions apply to emissions resulting from its continued use.	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) Yes, for Advanced Refrigeration Systems (ARS), which involves replacing equipment or other systems, ACR has procedures requiring the baseline equipment to be decommissioned, destroyed, scrapped or no longer in use. See below relevant excerpts from Advanced Refrigeration Systems v3.0.

2 Eligibility Conditions

"*For a project activity in which an existing refrigeration system is decommissioned or retrofitted, the refrigerant in the original refrigeration system must be recovered and managed in accordance with applicable rules and regulations. For refrigeration systems decommissioned or retrofitted in the U.S., this includes U.S. EPA regulations (40 CFR Part 82, Subpart F) under Section 608 of the Clean Air Act (Clean Air Act, 2024) and any relevant state rules and regulations. For systems decommissioned or retrofitted in Canada, the Ozone-Depleting Substances and Halocarbon Alternatives Regulation (ODSHAR, 2016) and any relevant provincial rules and regulations. For refrigeration systems decommissioned or retrofitted in Mexico, this includes the General Law for Waste Prevention and Integrated Waste Management (Ley General para la Prevención y Gestión Integral de los Residuos) (General Law, 2003) and any relevant state rules and regulations.*

For a project activity in which an existing refrigeration system is replaced, the parts that are not reused in the advanced refrigeration system (in the case of Large Commercial Refrigeration systems and Remote Condensing Units) must be scrapped or the equipment (in the case of Stand-Alone Commercial Refrigeration equipment) must be sent for destruction, decommissioning, or disposal."

4.1 Physical Boundary

"*The project boundary is intentionally drawn broadly to avoid unaccounted emissions associated with refrigeration system or equipment initial charging (first-fill), operation, servicing, recharge, and disposal. To ensure the emissions reduction calculation approach reflects the relevant change in emissions due to the GHG Project, the physical boundary shall incorporate all GHG sources affected by the project in the baseline and with-project scenarios. It includes the physical location where the advanced refrigerant system is installed or manufactured, as well as the locations involved in disposal of the older technology, including management of any recovered refrigerant in the older system that is replaced or retrofitted*."

7 Monitoring and Data Collection

"*Data collection and monitoring includes documentation of the following:*

- *For projects in which existing refrigeration equipment is decommissioned or retrofitted, documentation showing proof of recovery and management of the displaced refrigerant and replaced system parts and equipment (for replacement of Large Commercial Refrigeration systems, Remote Condensing Units, and Stand-Alone Commercial Refrigeration equipment). This documentation shall include the following:*
    - *Job order or other technical report submitted by the certified technician that recovered the refrigerant in accordance with relevant rules and regulations (see Chapter 2); and*
    - *Job order or other technical report submitted by the certified technician should include equipment name and type (per Methodology application and sub-applications), equipment model number, equipment refrigerant full charge size, refrigerant name, amount of refrigerant recovered, date of recovery, and what was done with the recovered refrigerant (e.g., stored at same location, transferred to a different location for same owner, sent/sold for reclamation to a certified reclaimer, or sent/sold for destruction).*
    - *For replaced Large Commercial Refrigeration systems and Remote Condensing Units, proof that the system parts being replaced or removed have been scrapped.*
    - *For replaced Stand-Alone Commercial Refrigeration equipment at an existing facility, proof that the refrigeration equipment being replaced was sent for destruction, decommissioning, or disposal*."

For *Transition to Advanced Formulation Blowing Agents* (FBA), which may involve replacing equipment, ACR has does not have procedures requiring the baseline equipment to be decommissioned, destroyed, scrapped or no longer in use. However, in the event the equipment used in the baseline is transferred to another location or activity in which a Foam Blowing Agent with a GWP greater than 30 is used, a leakage deduction is required (as detailed below in response to b). As stated above, this methodology is now inactive and in practice, none of the projects that have been credited have replaced or decommissioned the existing foam dispensing equipment nor was any equipment moved to a different location. Rather, as verified by the VVBs and noted in the verification reports, modifications were made to existing foam dispensing equipment to work with the low-GWP Foam Blowing Agents at the time of transition.

b) Yes, for Advanced Refrigeration Systems (ARS), which may involve replacing equipment or other systems, ACR has requirements that the emissions from equipment disposal are discretely assessed, mitigated where possible, and deducted from the verified results of the activity.

Disposal of refrigerants are assessed. There are not specific equations for this, rather the disposal emissions are a component of the annual amortized emission rates. They are discretely assessed in the sense that they are represented in a column in Table 6 below from Section 5.2 of the methodology.

Through inclusion in the annual amortized emission rate, these emissions are accounted for and effectually deducted by being multiplied by the quantity of refrigerant, refrigerant GWP, and years within the crediting period.

Disposal emissions are mitigated by including as an eligibility requirement the need to recover and manage refrigerants in the original system in accordance with applicable rules and regulations (see excerpt in 2 below)

5.2 Annual Amortized Emission Rate

"*Refrigerants are also released at first fill and when refrigeration equipment and refrigerants are disposed of at the end-of-life. First-fill, disposal, and annual servicing and other leaks over the lifetime of the equipment are summed, and this number divided by the equipment lifetime and multiplied by the market penetration rate10 for each refrigerant used in the application or sub-application; the products of multiplication for each refrigerant are then summed to calculate the annual amortized emission rate for each application or sub-application. These inputs and resulting values are displayed in Table 6. The Annual Amortized Emission Rate is used in Equations 1 and 2*."

Table 6: Annual Amortized Refrigerant Emission Rates

APPLICATION AND SUB-APPLICATION	LIFETIME (YEARS)	REFRIGERANT EMISSION RATES (%)			ANNUAL AMORTIZED EMISSION RATE (%)[11]
		FIRST FILL	ANNUAL SERVICING & OTHER LEAKS	DISPOSAL	
Large Commercial Refrigeration – Retail Food Refrigeration (HFC Refrigerants)	18	2%	21% through 2025; 20% starting 2026[12]	10%	22% through 2025; 21% starting 2026
Large Commercial Refrigeration – Retail Food Refrigeration (Ozone-Depleting Substance Refrigerants[13])	18	2%	20%	10%	21%
Large Commercial Refrigeration – Cold Storage Warehouses	23	1%	11%	10%	12%
Remote Condensing Units	20	0.5%	11%	15%	12%

For *Transition to Advanced Formulation Blowing Agents* (FBA), which may involve replacing equipment, ACR has requirements that the emissions from equipment disposal are discretely assessed, mitigated where possible, and deducted from the verified results of the activity. See below from the methodology:

"*4.3.2 ACTIVITY-SHIFTING LEAKAGE EMISSIONS. If the Project Activity results in the equipment used in the baseline being transferred to another location or activity in which a BA with a GWP greater than 30 is used, leakage effects are to be considered.*

"ACTIVITY SHIFTING LEAKAGE EMISSIONS ASSOCIATED WITH THE FOAM MANUFACTURING, USE AND DISPOSAL. These emissions are calculated as the total quantity of Blowing Agent with a GWP greater than 30 that is being used at the new location with the baseline equipment, multiplied by the Leakage Lifetime emission rate associated with the foam application (Tables 5 and 6), multiplied by the GWP of the Blowing Agent."

Equation 4

$$LE_{LBA} = (Q_{LBA} \times LL_{LBA}) \div 2204.62 \times GWP_{LBA}$$

WHERE

LE_{LBA}	Activity shifting leakage emissions (MT CO_2e)
Q_{LBA}	The quantity of BA (in pounds) that is used at the new location
LL_{LBA}	The Leakage Lifetime emission rate associated with the foam application of the BA used at the new location (See Tables 5 and 6)
2204.62	Pound to metric ton conversion
GWP_{LBA}	The GWP of the BA used at the new location

From section 5.2.1:

"For all projects, the process for monitoring the project's emission reduction parameters includes:

- *Equipment log for all equipment used in the project.*
- *Identification and log of any equipment modified, replaced, or decommissioned as a result of the Project Activity and any equipment moved for use outside of the project boundaries (leakage).*"

All the above must be mentioned in the GHG Project Plan and the Monitoring Report, and the VVB must verify that baseline equipment has not been transferred to a new location.

c) For Advanced Refrigeration System, which may involve the re-sale or continued use of the baseline equipment, ACR has requirements for assessment, mitigation, and accounting deductions that apply to emissions resulting from its continued use. If baseline equipment is retrofitted and continues to be in use at the project facility, the emissions from the continued use of the equipment is factored into the baseline and project via the annual amortized emission rate (i.e., annual amortized emission rate) as detailed in response to b) above. Otherwise, this is not applicable since resale/use of the baseline equipment at another facility is not permitted under the methodology.

For *Transition to Advanced Formulation Blowing Agents* (FBA), which may involve the re-sale or continued use of the baseline equipment, ACR's requirements for assessment, mitigation, and accounting deductions that apply to emissions resulting from its continued use outside of the project are implemented through the leakage deduction described in response to b) above. (Noting that in the case of modifying the existing foam dispensing equipment for use in the project, which has been the case in all projects to date, there is no associated increase in emissions). As stated above, this methodology is now inactive and in practice, none of the projects that have been credited have re-sold for use or moved equipment to a different location.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

PART 5: *Double counting*: Avoidance of Double Counting, Issuance and Claiming; Only counted once towards a mitigation obligation

Criteria: Avoidance of Double Counting, Issuance and Claiming and Are only counted once towards a mitigation obligation

Q1. Does the Programme have measures in place …	
a) …to ensure the transparent transfer of units between registries, if applicable?*(Paragraph 3.7.1 and 3.7.5)*	☒ YES
b) …to ensure that only one unit is issued for one tonne of mitigation? *(Paragraph 3.7.1 and 3.7.5)*	☒ YES
c) …to ensure that one unit is issued or transferred to, or owned or cancelled by, only one entity at any given time? *(Paragraphs 3.7.2 and 3.7.6)*	☒ YES
d) …to discourage and prohibit the double-selling of units, which occurs when one or more entities sell the same unit more than once? *(Paragraph 3.7.7)*	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

As detailed in the ACR Standard, Chapter 10, double counting can occur in different ways, including double issuance, double use, and double claiming. ACR has program rules and operational processes, transparent registry infrastructure and oversight to mitigate these double counting risks.

a) ACR ensures the transparent transfer of units between registries through requirements as detailed in the ACR Standard Chapter 10, Section 10.A.1 and 10.A.2 as below.

> *"ACR allows for project registration simultaneously on ACR and other GHG crediting programs in only two circumstances: 1) the simultaneous registration is disclosed and approved by both programs, including explicitly through regulation and 2) credits issued for the same unique GHG emission reductions/removals (project activity, boundary and vintage) do not reside concurrently on more than one program registry.*
>
> *To prevent double issuance and double use of carbon credits for projects registered simultaneously on ACR and another GHG crediting program, 1) credits representing the same GHG emission reduction/removal must be publicly cancelled from one program registry before they can be converted and re-issued on another program registry or 2) credits can be issued to a project by both programs as long as the registration of the project under more than one program is disclosed in writing to the GHG program and the verifier, and the credits represents a unique vintage of emission reductions and removals for the project boundary. ACR AFOLU projects that have a risk of reversal are not eligible for simultaneous registration on ACR and another GHG crediting program."*
>
> For example, ACR issues ROCs under the rules of the California cap-and-trade regulation. Prior to those credits being issued by California ARB, the State regulatory agency, as compliance offset credits for use by capped entities, ACR cancels the credits and reports the cancelation to ARB.

Further requirements detail that "For projects transferring from another GHG crediting program to ACR, the Project must be validated and verified by an ACR-approved VVB to comply with the ACR Standard and relevant methodology. To avoid double issuance and double use of the same GHG emission reduction or removal, any credits that had been issued that were not transferred, sold, or retired must be cancelled from the other program's registry before conversion and re-issuance by ACR.

For projects transferring from ACR to another GHG crediting program, Project Developer Account Holders must cancel from ACR all credits that have not been transferred, sold, or retired to allow for conversion and re-issuance of credits by the other GHG program on its registry."

b) c) and d) ACR Standard Standard Section 10.A details requirements to ensure that only one unit is issued for one tonne of mitigation; that one unit is issued or transferred to, or owned or cancelled by, only one entity at any given time; and to prohibit the double-selling of units, which occurs when one or more entities sell the same unit more than once, as below.

"Double issuance occurs when more than one unique unit is issued for the same GHG emission reduction or removal, within the same program/registry or involving concurrent issuance under more than one carbon program(s)/registry(ies). This includes any mandatory GHG mitigation schemes, independent carbon credit crediting programs, as well as other compliance or voluntary environmental markets or regulatory programs.

ACR has rules and procedures in place to mitigate the risk of double issuance, including checks of duplicate registration (project activity, location/boundary, vintage) on ACR or under other programs and requirements for disclosure of any other registrations, as well as for cancellation of the units on one registry prior to re-issuance on another.

Double use refers to either 1) an instance in which a single GHG emission reduction or removal is sold to more than one entity at a given time (also referred to as double selling) due to double issuance or fraudulent sales practices, which may or may not be detectable, or 2) an instance in which an issued unit is used by the same buyer toward more than one target (e.g., under systems that are not linked, do not coordinate, or may have inconsistent rules for reporting and/or retirement).

ACR requires execution of ACR's legal Terms of Use (ToU) Agreement by authorized account representatives, clear proof of ownership upon registration, tracking of ownership of credits within the registry by serial number and account, and an attestation prior to each issuance of unique, uncontested ownership and legal rights to the GHG emission reductions as well as that no GHG emission reductions/removals issued by and registered on ACR for a specific activity in a specific location/project boundary have been concurrently issued, or registered on ACR or by another carbon crediting program or regulatory body, including for other environmental markets (e.g., Renewable Energy Certificates) or programs based on carbon intensity of fuels (e.g., Low Carbon Fuel Standards), nor have they been transferred, retired, cancelled or otherwise used or disposed of other than as duly recorded on the ACR registry."

ACR's (ToU) Agreement (https://acrcarbon.org/wp-content/uploads/2024/04/ACR-Terms-of-Use-April-2024.pdf) has clear rules against double use and selling as detailed in ToU Section 7, excerpts included below, which detail rules against double registration of unique emissions reductions on any other registry or database and duplicate use of emissions reductions including a prohibition on the transfer or use of credits off-registry as well as requirements for retailers to retire credits on the registry if they are being claimed to satisfy voluntary or regulatory emissions reduction obligations.

The following are requirements of all ACR account holders in the legal ACR ToU Agreement Section 7 to prevent double issuance, double use and double selling:

(d) Account Holder will only use the Registry for generating, transferring, receiving, retiring, and/or canceling ERTs or ROCs that are attributable to the GHG projects included in the Registry and specifically acknowledges that it shall not use any other database for the same purpose at the same time as such GHG projects are registered in the Registry;

(e) Neither the Account Holder nor any Indirect Owner, if any, has listed or registered nor will it list or register any GHG emission reduction or removal simultaneously both in the Registry and in any other system that tracks the emissions, emission reductions or removals, emission offsets, or other environmental attributes related to GHG projects listed on the Registry nor will any transaction of the same emissions, emission reductions and/or removals, emission offsets, or other environmental attributes related to the GHG projects listed on the Registry be conducted outside of the Registry, other than in another ACR approved registry.

(f) Other than an ACR-Linked Platform conducting the specific activities for which it is approved, Account Holder will not operate an External Marketplace on which ERTs or ROCs are transacted or managed outside of the Registry, will not place ERTs or ROCs on such an External Marketplace, and will not hold nor retire ERTs or ROCs on behalf of Indirect Owners, Retail Purchasers, or others to place on such an External Marketplace;

(g) If seeking to generate ERTs or ROCs, Account Holder commits not to list GHG projects or claim ERTs or ROCs for GHG emission reductions or removals which have already been or are expected to be listed or registered on the Registry or with another compliance or independent GHG emission reduction and removal program, inclusive of instances where the GHG accounting boundaries overlap with the GHG accounting boundaries for carbon crediting of another mitigation activity and where the mitigation activities that generate GHG emission reductions or removals overlap with mandatory domestic mitigation schemes. For the avoidance of doubt, this does not preclude ROCs to be converted to compliance offset credits issued by a regulatory or governing body to whom ACR serves as an Offset Project Registry;

(i) Neither Account Holder nor any Indirect Owner, if any, has – outside of the Registry – retired, sold, claimed, represented elsewhere, or used to satisfy emission reduction targets or obligations in any jurisdiction, nor will it – outside of the Registry – retire, sell, claim, represent elsewhere, or use to satisfy emission reduction targets or obligations in any jurisdiction, any of the GHG emission reductions or removals associated with Account Holder's ERTs or ROCs without reporting such disposition within the Registry;

(j) *Collectively, Account Holder, Indirect Owners, and Retail Purchasers, if any, have legal Title and all Beneficial Ownership Rights with respect to the ERTs or ROCs issued or to be issued to Account Holder and/or held in Account Holder's account or sub accounts and, if Account Holder is seeking to generate ERTs or ROCs for GHG emission reductions or removals, no other person or entity can claim the right to the ERTs or ROCs or to the GHG emission reductions or removals for which Account Holder is seeking carbon credits*.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q2. Does the Programme have procedures in place…	
a) …requiring mitigation from emissions units used by operators under the CORSIA to be appropriately accounted for by the host country when claiming achievement of its target(s) / pledges(s) / mitigation contributions / mitigation commitments, in line with the relevant and applicable international provisions? *(Paragraph 3.7.10.1)*	☒ YES
b) …that provide for the use of any other method(s) to avoid double-claiming? (*Paragraph 3.7.10.2*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) ACR Standard Section 10. B details requirements to prevent double claiming of emission reductions by host countries when claiming achievement of its target(s)/pledge(s)/mitigation contributions/mitigation commitments with units used by operators in the CORSIA in line with relevant international provisions under the Paris Agreement and the CORSIA.

" In the global carbon market context in which all signatories to the Paris Agreement ("Parties") have GHG emission reduction target(s)/pledge(s)/contributions/commitments (collectively "targets") as formulated in the nationally determined contributions (NDCs), and aeroplane operators ("non-Parties") have an offsetting obligation under the International Civil Aviation Organization (ICAO) Carbon Reduction Offsetting Scheme for International Aviation (CORSIA), double claiming occurs when two or more Parties or non-Parties claim the same GHG emission reduction/removal (ERR) to comply with their mitigation targets/pledges/commitments /obligations."

Transparent reporting and accounting procedures at both the national and international level, including the UNFCCC Centralized Accounting and Reporting Platform (CARP: https://unfccc.int/process-and-meetings/the-paris-agreement/cooperative-implementation/carp), will support the tracking of GHG emission reductions/removals transferred to/from other Parties or non-Parties to meet NDC targets per Paris Agreement 6.2 and 6.4 and to meet CORSIA obligations.

"In these instances, the host country of the ERR activity shall authorize the transfer through a Host Country Letter of Authorization and agree to report the authorization in an initial report to the UNFCCC and to make associated corresponding adjustments in biennial transparency report to the UNFCCC. ACR requires notification by the owner of the ERR of the intent to transfer the credits for these purposes and to obtain a Host Country Letter of

Authorization from the national UNFCCC focal point for the use of the ERR by another Party or non-Party. ACR will request that Host Country(ies) include in their Letter(s) of Authorization how they define "first transfer" in terms of when they will apply a Corresponding Adjustment for other international mitigation purposes upon 1) authorization, 2) issuance or 3) the use or cancellation of the mitigation outcome, as specified by the participating Party. This information will facilitate ACR's ability to obtain evidence that a Corresponding Adjustment has been made and reported to the UNFCCC.

The ACR Registry facilitates the transparency of the process for all transactions by providing the registry infrastructure to publish Host Country Letters of Authorization, to label ERRs that are associated with a Letter of Authorization, as well as to label ERRs for which a corresponding adjustment has been applied. ACR will make public on the registry all retirements/cancellation of units toward a Paris Agreement target, a CORSIA offsetting obligation or for Other International Mitigation Purposes. In addition, ACR will report such information to Parties, to ICAO and to Host Countries."

b) In addition to the rules in the ACR Standard, the ACR Terms of Use Agreement includes legal provisions to avoid double claiming of emission reductions.

And ACR Standard Appendix B defines ACR's specific requirements for avoiding double counting in ICAO's CORSIA including Section B.3, which details the functionality of the ACR Registry to support this objective.

Per Appendix B *"A key element to avoid double counting in all of its forms is a robust and transparent registry platform, including a project database, that is publicly accessible, transparent and easily searchable, and provides relevant information needed to avoid double counting under CORSIA.*

The robust registry and database platform must support project registration including providing a unique identifier for each project that can be cross-referenced with carbon credits issued in a program's carbon credit registry, so that project information can be identified for every carbon credit issued within the registry. ACR's registry platform is operational with all functionality and transparency needed to avoid double counting for CORSIA including:

1. *Securely and transparently effectuating the issuance, transfer, retirement and cancellation of carbon credits;*
2. *Serialization and tagging of issuances so that each carbon credit is clearly associated with a specific Project, country, issuance block and vintage and so that information for avoiding double counting can be assigned to each carbon credit;*
3. *Public, downloadable, sortable reports on all carbon credits including Projects, issuances, retirements and cancellations with project information including:*
    a. *A description of the Project, including information on the mitigation technologies;*
    b. *The emission sources, sinks, and reservoirs and greenhouse gases included in the calculation of the Project's GHG emission reductions or removals;*
    c. *The Host Country and geographical location where the Project is implemented;*
    d. *The Project Proponent;*
    e. *The year(s) in which the GHG emission reduction/removal occurred (vintage);*

f. *Any other information needed for the Project to be unambiguously identified, and distinguished from other projects that may occur in the same location;*

g. *An indication whether the Project's mitigation activities and GHG emission reductions/removals are covered by the Host Country NDC targets (sector and target years) (for post 2020 credits);*

h. *A Letter of Authorization from the Host Country, which will be posted on the registry once obtained (for post 2020 credits);*

i. *Designation of the credits as Eligible for CORSIA once the Host Country Letter of Authorization has been obtained (for post 2020 credits); and*

j. *Notice that the Host Country has applied an adjustment, once evidence obtained (for post 2020 credits).*

4. *Retirement and cancellation procedures that ensure the removal of the unit is clearly indicated, irreversible, and unambiguously designated for an intended purpose. For cancellations of units for the CORSIA, the cancellation information will specify the aeroplane operator for which the carbon credits were cancelled and the calendar year for which an offsetting requirement is fulfilled through the cancellation.*"

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q3. Does the Programme have procedures in place for the following: (*Paragraph 3.7.8*)	
a) to obtain, or require activity proponents to obtain and provide to the programme, written attestation from the host country's national focal point or focal point's designee?	☒ YES
b) for host country attestations to be obtained and made publicly available prior to the use of units from the host country in the CORSIA?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) Yes, ACR requires a written attestation from the host country's national focal point (or designee) authorizing the units for use for CORSIA.
ACR Standard Appendix B requires that to "*avoid double claiming with progress towards mitigation targets pledged by countries in their Paris Agreement Nationally Determined Contributions (NDCs), countries must authorize the use of carbon credits by aeroplane operators under the CORSIA and provide assurance that they will report the use to the UNFCCC and make corresponding accounting adjustments*."

"*For ACR emissions units determined by ICAO to be CORSIA-eligible (project type, Start Date, vintage etc.), the steps detailed in workflow Figure 1 will be necessary in order for the units to be eligible for use under CORSIA. ACR plans to delegate some steps, as indicated, to Project Proponents, noting that ACR will review and approve all determinations and associated documentation. The information and documentation will also be reviewed and confirmed by VVBs as part of the validation and verification process*."

The first step requires that the "***Host Country Letter of Authorization will be obtained from the country's UNFCCC Focal Point to designate post 2020 vintage units as eligible for CORSIA***."

b) Yes, host country attestations will be obtained and made publicly available prior to the use of units from the host country in the CORSIA

ACR Standard Appendix B states that "*ACR will make all Letters of Authorization publicly available by posting on the registry. For post 2020 units,* ***ACR will only designate carbon credits as eligible for CORSIA once such a letter is received, only to any limit established in the letter and as long as all other ACR and CORSIA requirements are met*** *including contributing to the ACR CORSIA Buffer Pool and executing the CORSIA Double Claiming Risk Mitigation Agreement*."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q4. Does the Programme have procedures in place in place to guide the contents of host-country attestations? (*Paragraph 3.7.9*)	☒ YES
If YES, do the Programme's procedures on the contents of host-country attestations facilitate countries to identify each of the following:	
(i) the national point of contact,	☒ YES
(ii) authorized unit vintages,	☒ YES
(iii) authorized activity types, if applicable,	☒ YES
(iv) the CORSIA compliance period for which the units are authorized,	☐ YES
(v) the expected timing and processes for applying and reporting adjustments that are informed by the host country's specified definition of "first transfer";	☒ YES
(vi) the country's chosen accounting method consistent with the relevant provision of 2/CMA.3 Annex I "Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement.	☐ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

Yes, ACR has procedures in place in place to guide the contents of host-country attestations as detailed in ACR Standard Appendix B and as included in the sample letter of Authorization included as Exhibit 1 to Appendix B, which states that "*The letter should explicitly:*

a. *Identify the specific Project and activity or group of project activities and acknowledge that the Project may reduce emissions and/or enhance removals in the country;*
b. *Acknowledge that ACR has issued, or intends to issue, carbon credits for [a stated volume in CO_2e] emission reductions and/or removals that occur within the country;*
c. *Authorize the use of the Project's GHG emission reductions and/or removals, issued as carbon credits, by aeroplane operators in order to meet offsetting requirements under CORSIA;*
d. *Declare that the country will not use the Project's associated GHG emission reductions and/or removals to track progress towards, or for demonstrating achievement of, its NDC and will account for their use by aeroplane operators under CORSIA by applying relevant adjustments in the structured*

summary of the country's biennial transparency reports, as referred to in paragraph 77, sub-paragraph (d), of the Annex to decision 18/CMA.1, and consistent with decisions in 2/CMA.3 and relevant future decisions by the CMA;

e. *Define "first transfer" in terms of when a Corresponding Adjustment will be applied for other international mitigation purposes upon [SPECIFY either upon: 1) authorization, 2) issuance, or 3) the use or cancellation of the mitigation outcome, as specified by the participating Party]; and*

f. *Declare that the country will report on the authorization and use of the Project's GHG emission reductions and/or removals 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.*

The letter may also:

a. *Authorize the use of the Project's GHG emission reductions and/or removals, issued as carbon credits, by other countries towards achieving their NDCs and/or by voluntary market buyers towards climate targets;*

b. *Provide a limit for the maximum number of the Project's GHG emission reductions and/or removals, issued as carbon credits, that the country authorizes for use, including any limits on the time period over which the country provides such authorization and/or other limitations on use (e.g., only for CORSIA)."*

The letter should:

(i) identify the focal point, as presented in the sample letter

(ii) (iii) identify details of the authorized project(s) including activity types, if applicable and vintages, as presented in the sample letter, which states "*With regard to project Y, as described in the project documentation attached to this letter, we hereby acknowledge that the project may reduce greenhouse gas emissions in country X by [describe activity] and that ACR has issued, or intends to issue, carbon credits for these GHG emission reductions/removals*" and "*We authorize only the use of the project's GHG emission reductions/removals, for which ACR has issued or will issue carbon credits, that occur in the period from [DATE] to [DATE].*"

(iv) ACR does not specifically require that the authorization letter state the CORSIA compliance period for which the units are authorized. This is because the ACR Standard v8.0 was published in mid-2023, and at that time (and currently), the authorization requirements were only applicable in practice to the 2024-2026 compliance period (given that there was an ample supply of pre-2020 vintage credits for the 2021-2023 compliance period). However, any restrictions on use could be included by the host country.

(v) ACR does require the host country's specified definition of "first transfer" in terms of *"when a Corresponding Adjustment will be applied for other international mitigation purposes upon [SPECIFY either upon: 1) authorization, 2) issuance, or 3) the use or cancellation of the mitigation outcome, as specified by the participating Party]."* The expected timing and process for applying the adjustments will be informed by the definition of first transfer. For example, in the case of first transfer on authorization, the timing for applying the adjustments is immediately upon authorization (as reported to the UNFCCC in an initial report, as published on the CARP) and for reporting the adjustments is in the next annual report (as published on the CARP) and Bienniel Transparency Report (BTR) submitted to the UNFCCC.

ACR requires that the adjustments be reported "*in the structured summary of the country's biennial transparency reports, as referred to in paragraph 77, sub-paragraph (d), of the Annex to decision 18/CMA.1, and consistent with decisions in 2/CMA.3 and relevant future decisions by the CMA.*"

(vi) While ACR does not specifically require the host country authorization letter to state its chosen accounting method for the **Application of Corresponding Adjustments** consistent with 2/CMA.3 Annex I, this information is included in the Article 6, Paragraph 2 Initial Report (AIR) Referred to in Decision 2/CMA.3, Annex, Chapter IV.A (Initial Report) in Respect of Authorisation of ITMOs. The AIR Section 4 includes information on ITMO metrics, method for applying corresponding adjustments and method for quantification of the NDC (para. 18(c–f)). See example AIR from Guyana, which was reviewed by ACR's sister crediting program ART as one requirement to labelling TREES Credits as CORSIA Eligible: https://www4.unfccc.int/sites/SubmissionsStaging/Documents/202402221554---Guyana_Initial%20Report_Feb%202024%20Final.pdf?_gl=1*ynib4v*_ga*MTAzODE1MTAyMC4xNzM5MjE3MDU5*_ga_7ZZWT14N79*MTc0MjM0NjM4MS4xNy4xLjE3NDIzNDY2MjUuMC4wLjA.#page=7

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

ACR is developing updated guidance for Host Country Authorizations to align with the most recent UNFCCC decisions in addition to an updated sample Authorization letter, which we intend to publish by summer 2025. The Requirements in the ACR Standard will be updated at the next opportunity. Nevertheless, ACR's current requirements were designed to be forward looking and enable the adoption of "*relevant future decisions by the CMA"* and will be implemented as such.

Q5. Does the Programme have procedures in place…	
a) …requiring host country attestations to confirm the use of the applicable approach(es) referred to in Question 2 above?	☒ YES
b) …requiring host country attestations to specify and describe the steps taken to prevent double-claiming (in line with these approaches / requirements)?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

Click or tap here to enter text.

Yes, ACR has procedures in place requiring host country authorizations to confirm that units authorized and used for CORSIA will be appropriately accounted for by the host country when claiming achievement of its target(s) / pledges(s) / mitigation contributions / mitigation commitments pursuant to Article 6 including the steps taken to avoid double claiming.

The ACR Standard Appendix B provides requirements for host-country attestations including that they "*should explicitly:*

- *Declare that the country will not use the Project's associated GHG emission reductions and/or removals to track progress towards, or for demonstrating achievement of, its NDC and will account for their use by aeroplane operators under CORSIA by applying relevant adjustments in the structured summary of the country's biennial transparency reports, as referred to in paragraph 77, sub-paragraph (d), of the Annex to decision 18/CMA.1, consistent with decisions in 2/CMA.3 and relevant future decisions by the CMA;*

- *Declare that the country will report on the authorization and use of the Project's GHG emission reductions and/or removals 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."*

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

ACR is developing updated guidance for Host Country Authorizations to align with the most recent UNFCCC decisions, which we intend to publish by summer 2025. The Requirements in the ACR Standard will be updated at the next opportunity. Nevertheless, ACR's current requirements were designed to be forward looking and enable the adoption of "*relevant future decisions by the CMA"* and will be implemented as such.

Q6. Please provide any additional information about the programme's measures 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.

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

Q7. Does the Programme have measures in place to…	
a) make publicly available <u>any national government decisions</u> related to accounting for units used in ICAO, including decisions related to the contents of host country attestations described in paragraph 3.7.8 of Appendix A? *(Paragraph 3.7.11)*	☒ YES
b) update information pertaining to host country attestation as often as necessary to avoid double-claiming? *(Paragraph 3.7.11)*	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) Yes, ACR Standard Appendix B details ACR's requirement to make host country authorization letters public, including accounting for units used for CORSIA. Step 1 stipulates that "*The Host Country Letter of Authorization will be obtained from the country's UNFCCC Focal Point to designate post 2020 vintage units as eligible for CORSIA. ACR will make all Letters of Authorization publicly available by posting on the registry*."

b) ACR will update information pertaining to host country attestation per ACR Standard Appendix B Section 4.3, which details ACR Annual Reporting on the eligibility designation and use of Units for CORSIA.

"*ACR will publish annual reports that provide aggregated information related to the issuance, CORSIA-eligible designation, and cancellation of carbon credits. ACR will publish these reports within six (6) months after the end of a calendar year and will transmit the reports to ICAO and to all countries in which the GHG emission reductions and/or removals associated with issued and CORSIA-eligible carbon credits occurred. Reported information will include:*

a. *Quantity of CORSIA-eligible carbon credits issued by country, calendar year, cancelled for CORSIA and cancelled for other purposes.*

b. *Quantity of CORSIA-eligible carbon credits cancelled by aeroplane operator for each CORSIA compliance period.*

c. *The maximum number of GHG emission reductions and/or removals from ACR projects authorized by countries for use by other countries or entities, by country and calendar year*."

Appendix B section 4.4 details ACR's role in obtaining evidence of the application of adjustments, noting that "*ACR will take action to obtain evidence of the appropriate application of adjustments from the Host Country of GHG emission reductions and/or removals in the country's biennial transparency reports to the UNFCCC. The reports should clearly reference the carbon credits (e.g., using unique identifiers or serial numbers or a specific reference to the authorization letter) for which the country has applied the adjustments. Once evidence has been obtained, ACR will post such evidence on the registry and indicate that the adjustment has been made*."

Current ACR Registry functionality includes a label for units for which a corresponding adjustment has been reported.

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q8.a) Does the Programme have procedures in place to compare countries' accounting for emissions units in national emissions reports against the volumes of eligible units issued by the programme and used under the CORSIA which the host country's national reporting focal point or designee otherwise attested to its intention to not double claim? (*Paragraph 3.7.12*)	☒ YES
Q8.b). Do the procedures referred to above… *(Paragraph 3.2.12)*	
(i) …specify the relevant accounting information in each report submitted in accordance with Section IV of Annex I to Decision 2/CMA.3?	☐ YES
(ii) …specify the expected timing and processes by which the programme will compare the host country's reported information on authorizations in its national reports with the information provided by the country in its attestation ?	☒ YES
iii) …require publication of all host-country attestations and related documentation generated by the emissions unit programme (e.g., results from the comparison)?	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

a) ACR Standard Appendix B details ACR's procedures to compare countries' accounting for emissions units in national emissions reports against the volumes of eligible units authorized and used for the CORSIA and for which the host country agreed not to double claim.

Section 4.4 describes ACR's process to obtain evidence of the application of adjustments noting that "*ACR will take action to obtain evidence of the appropriate application of adjustments from the Host Country of GHG emission reductions and/or removals in the country's biennial transparency reports to the UNFCCC.*

The reports should clearly reference the carbon credits (e.g., using unique identifiers or serial numbers or a specific reference to the authorization letter) for which the country has applied the adjustments. Once evidence has been obtained, ACR will post such evidence on the registry and indicate that the adjustment has been made." Current ACR Registry functionality includes a label for units for which a corresponding adjustment has been reported.

b) (i) While ACR's procedures do not specifically cite review of the relevant accounting information for the **Application of Corresponding Adjustments** consistent with 2/CMA.3 Annex I, ACR would review this information as part of the ongoing confirmation of reporting to the UNFCCC. Any authorizations of ITMOs or for OIMP, including for CORSIA, would be reported in an Initial Report (AIR), published on the CARP. The AIR Section 4 includes information on ITMO metrics, method for applying corresponding adjustments and method for quantification of the NDC (para. 18(c–f)).

ACR would also review Annual Reports submitted to the UNFCCC no later than 15 April of the following year and posted on the CARP. Reports include the annual information on the authorization of ITMOs for use towards NDCs and OIMP (including CORSIA), which specify the for each cooperative approach the first transferring participating Party, the using participating Party or authorized entity or entities, as soon as known, the year in which the mitigation occurred, the sector(s) and activity type(s), and the unique identifiers.

This information will be used to confirm that corresponding adjustments have been made.

(ii) Appendix B Section 4.4 describes ACR's process to obtain evidence of the application of adjustments including the expected timing noting that "*ACR will take action to obtain evidence of the appropriate application of adjustments from the Host Country of GHG emission reductions and/or removals* ***in the country's biennial transparency reports to the UNFCCC.*** *The reports should clearly reference the carbon credits (e.g., using unique identifiers or serial numbers or a specific reference to the authorization letter) for which the country has applied the adjustments. Once evidence has been obtained, ACR will post such evidence on the registry and indicate that the adjustment has been made*." Current ACR Registry functionality includes a label for units for which a corresponding adjustment has been reported and documentary evidence will be uploaded and made public on the registry.

Appendix B Section 4.5 further details that "*In the event that the adjustment has not been made or credible evidence cannot be obtained within a year after the adjustment was due to be reported to the UNFCCC by the Host Country, Project Proponent shall compensate for the double claimed volume following its selected compensation mechanism. ACR will inform the UNFCCC and ICAO accordingly and will evaluate possible revisions to the country's risk classification or whether to cease designating as eligible carbon credits from the respective country for CORSIA*."

(iii) ACR requires publication of all host country authorizations. Current ACR Registry functionality includes a label for units for which a corresponding adjustment has been reported and documentary evidence (such as the Authorization, the Initial Report (AIR), Annual Report and/or Bienniel Transparency Report) will be uploaded and made public on the registry.

Example reports to the UNFCCC that have been cross-checked by ACR's sister crediting program ART for Guyana include the authorization (also uploaded to the ART Registry): https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement/cooperative-implementation/carp/authorizations

the AIR initial report: https://www4.unfccc.int/sites/SubmissionsStaging/Documents/202402221554---Guyana_Initial%20Report_Feb%202024%20Final.pdf?_gl=1*1cfa3hp*_ga*MTAzODE1MTAyMC4xNzM5MjE3MDU5*_ga_7ZZWT14N79*MTc0MjM0NjM4MS4xNy4xLjE3NDIzNDY5MzAuMC4wLjA.

Guyana's annual report: https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement/cooperative-implementation/carp/submitted-reports#Annual-information-reports

Guyana's Biennial Transparency Report (BTR): https://unfccc.int/sites/default/files/resource/Guyana_First%20Biennal%20Transparency%20Report_February%202024%20-%20Final.pdf

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):

To align with the most recent UNFCCC decisions and reporting requirements, ACR is developing updated guidance for the process to confirm that corresponding adjustments have been made in reports to the UNFCCC for units authorized for CORSIA. We intend to publish this guidance by summer 2025. The Requirements in the ACR Standard will be updated at the next opportunity. Nevertheless, ACR's current requirements were designed to be forward looking and enable the adoption of *"relevant future decisions by the CMA"* and will be implemented as such including as described above.

Q9. Would the Programme be willing and able, upon request, to report to ICAO's relevant bodies, as requested, performance information related to, *inter alia*, any material instances of and programme responses to country-level double claiming; the nature of, and any changes to, the number, scale, and/or scope of host country attestations; any relevant changes to related programme measures? (*Paragraph 3.7.13*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

Yes, of course, ACR would be willing and able, upon request, to report to ICAO's relevant bodies performance information related to any material instances of and our response to country-level double claiming; changes to host country authorizations and any changes to program measures (as we would be required to report as material changes regardless). ACR Standard Appendix B Section 4.5 currently details that "*In the event that the adjustment has not been made or credible evidence cannot be obtained within a year after the adjustment was due to be reported to the UNFCCC by the Host Country, Project Proponent shall compensate for the double claimed volume following its selected compensation mechanism. ACR will inform the UNFCCC and ICAO accordingly and will evaluate possible revisions to the country's risk classification or whether to cease designating as eligible carbon credits from the respective country for CORSIA*."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

Q10. 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, including in the instance that the attestation is withdrawn.? (*Paragraph 3.7.14*)	☒ YES

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

A. Information reflecting the current state of the programme and its documentation (i.e., as of the time that this form was completed):

ACR Standard Appendix B.2 details ACR requirements for a CORSIA Double Claiming Compensation Mechanism to replace or otherwise reconcile double claimed mitigation associated with units used for CORSIA, which the Host Country authorized and agreed not to claim towards NDC achievement. This includes instances in which the authorization is withdrawn.

"ACR requires Project Proponent to compensate for, replace or otherwise reconcile instances of units used under the CORSIA and also claimed by the Host Country towards meetings its NDC ("compensation mechanism"). Project Proponents must present, in a form acceptable to ACR, a mechanism to compensate for double claims of GHG emission reduction and removal units between aeroplane operators for the CORSIA and host countries towards NDC achievement. Compensation is required in the event that the adjustment has not been made or credible evidence cannot be obtained by ACR within a year after the adjustment was due to be reported to the UNFCCC by the Host Country.

Options include:

a. *Evidence of the application of the adjustment, as detailed in the Host Country Letter of Authorization, in country reports to the UNFCCC, in the Article 6 database or by other means (e.g. an irrevocable electronic certificate) from the Host Country indicating that the required adjustments have been applied within the relevant accounting system and an attestation that such adjustments will be reported to the UNFCCC in the next reporting period, before the unit could be cancelled for use by an aeroplane operator for CORSIA.*[15]
b. *A guarantee, in a form acceptable to ACR,*[16] *that any double-claimed units (those for which an adjustment has not been made) will be replaced with a volume of ICAO-eligible credits corresponding to the number of units that were double claimed by the Host Country ("Replacement Contribution"). These units must be ACR units, or comparable CORSIA-eligible units as approved by ACR, that have not been sold or otherwise committed. ACR will cancel the associated Replacement Contribution to*

[15] The option of allowing an irrevocable electronic certificate will apply only in cases in between UNFCCC reporting periods and only when a Host Country has a robust GHG accounting system with functionality, such as a distributed ledger registry technology, to enable reporting of this type of real-time, transparent, immutable, irrevocable transaction information. When adjustments are demonstrated by an entry in the Article 6 database or via an irrevocable electronic certificate, ACR requires that the information on the adjustment also be recorded in country reports to the UNFCCC in the next reporting period.

[16] Any guarantee must be legally secure and binding, offered by a highly reputable third-party (i.e., a sovereign or corporate with a high grade or prime rating by Moody's, S&P and/or Fitch) and include sufficient remedies to cover ACR's costs for replacement units in the event of a default.

mitigate the Host Country's double claim of GHG emission reductions and/or removals. This guarantee could be from a reputable third-party, an entity such as the Multilateral Investment Guarantee Agency (MIGA) or an ACR-approved insurance mechanism.

c. *A guarantee,[17] in a form acceptable to ACR, that the guarantor will fully financially compensate ACR for the procurement of a Replacement Contribution for the double-claimed units. The Replacement units must be ACR units, or comparable CORSIA-eligible units as approved by ACR, that have not been sold or otherwise committed. ACR will cancel the associated Replacement Contribution to mitigate the Host Country's double claim of GHG emission reductions and/or removals. This guarantee could be from a reputable third-party, an entity such as the Multilateral Investment Guarantee Agency (MIGA) or an ACR-approved insurance mechanism.*

Contribution to the ACR CORSIA Double Claiming Buffer Pool and execution of the CORSIA Double Claiming Risk Mitigation Agreement which details the requirement of the Project Proponent to replace the double-claimed credits with a volume of replacement CORSIA-eligible credits corresponding to the number of units that were double claimed by the Host Country. These units must be ACR units that have not been sold or otherwise committed or other CORSIA-eligible credits as approved by ACR. ACR will cancel the associated Replacement Contribution to mitigate the Host Country's double claim of GHG emission reductions and/or removals. The CORSIA Double Claiming Buffer Pool ("CORSIA Buffer Pool") contribution volume will be a percentage of the Project's credits as determined by the published Organization for Economic Co-Operation (OECD) Prevailing Country Risk Classification of the Host Country at the time of requesting CORSIA-eligible designation for the units, whereby a rating of 0-2 = 5% contribution, 3-4 = 20% contribution, 5-6 = 30% contribution and 7 = 40% contribution. Buffer pool contributions will be refunded once the corresponding adjustment has been applied."

B. Any planned/forthcoming changes, including their expected timelines (*if none, "N/A"*):
N/A

[17] Ibid.

PART 6: Programme comments

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

ERT would like to thank ICAO for its leadership role in ensuring integrity in the first global, Paris Agreement-aligned compliance carbon market. We appreciate the opportunity to submit our reapplication for the CORSIA 2027-2029 phase and are available to engage with ICAO and the TAB as needed during the review process.

SECTION IV: SIGNATURE

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

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

As the Programme Representative, I acknowledge that:

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

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

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

Signed:

Mary Grady — March 20, 2025

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

DocuSigned by:
Mary Grady
094067A209D24C4...
March 20, 2025

Programme Representative (*Signature*)

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

SHEET A: DESCRIBED ACTIVITIES *(Here, list activities supported by the programme that are described in this form and submitted for assessment be TAB, whether or not these acitvities are currently within the programme's Scope of Eligibility for the 2024-2026 assessment cycle)*

Sector	Supported activity type(s)	Implementation level(s)	Geography(ies)
e.g. Waste, Energy	e.g., Landfill methane capture; Coal mine methane capture;	e.g., Project-level only; Programmes of activities; Sector-sca	e.g., Global; Non-Annex I-only; Country X only
Land Use, Land Use Change and Forestry	Forest carbon; wetland restoration; Grassland management	Project level, Programs of Activities	North America (A/R Global)
GHG Emissions from Industrial Processes	Destruction of ozone depleteing substances; Recycling /reclamation of high GWP refrigerants; Advanced Refrigeration Systems; Low GWP Foam Blowing Agents; Plugging Orphaned Oil & Gas Wells	Project level, Programs of Activities	North America (ODS Destruction Global)
Waste Handling and Disposal	Landfill gas capture and combustion; Mine Methane Capture and destruction	Project level	North America
Geologic Sequestration	Carbon Capture and Storage	Project level	North America

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

Methodology name	Unique Methodology / Protocol Identifier	Applicable methodology version(s)	Date of entry into force of most recent version	Prior versions of the methodology that are credited by the Programme (if applicable)	Greenhouse / other gases addressed in methodology	Web link to methodology
e.g. "Methodology to XYZ…"	e.g., ABC-123-V.20-XXX	e.g., V2.0	1/1/2018			
Afforestation and Reforestation of Degraded Lands		v1.2	May 2017	v1.1	CH_4, CO_2	https://acrcarbon.org/methodology/afforestation-and-reforestation-of-degraded-lands/
Active Conservation and Sustainable Management on U.S. Forestlands		v1.0	November 2023		CH_4, CO_2	https://acrcarbon.org/methodology/active-conservation-us/
Improved Forest Management (IFM) on Canadian Forestlands		v1.0	September 2021		CH_4, CO_2	https://acrcarbon.org/methodology/improved-forest-management-ifm-on-canadian-forestlands/
Improved Forest Management (IFM) on Non-Federal U.S. Forestlands		v2.1	July 2024	v1.3, v2.0	CH_4, CO_2	https://acrcarbon.org/methodology/improved-forest-management-ifm-on-non-federal-u-s-forestlands/
Improved Forest Management (IFM) on Small Non-Industrial Private Forestlands		v1.0	September 2021		CH_4, CO_2	https://acrcarbon.org/methodology/improved-forest-management-ifm-on-small-non-industrial-private-forestlands/
Restoration of Pocosin Wetlands		v1.0	October 2017		CH_4, CO_2, N_2O	https://acrcarbon.org/methodology/restoration-of-pocosin-wetlands/
Restoration of California Deltaic and Coastal Wetlands		v1.1	November 2017		CH_4, CO_2, N_2O	https://acrcarbon.org/methodology/restoration-of-california-deltaic-and-coastal-wetlands/
Avoided Conversion of Grasslands and Shrublands to Crop Production		v2.0	October 2019	v1.0	CH_4, CO_2	https://acrcarbon.org/methodology/avoided-conversion-of-grasslands-and-shrublands-to-crop-production/
Advanced Refrigeration Systems		v3.0	November 2024	v1.0, v2.0, v2.1	CFCs, HCFCs, HFCs, lower-GWP alternatives, ultra-low-GWP alternatives	https://acrcarbon.org/methodology/advanced-refrigeration-systems/
Certified Reclaimed HFC Refrigerants, Propellants, and Fire Suppressants		v2.0	April 2022	v1.0, v1.1, v1.2	HFCs	https://acrcarbon.org/methodology/certified-reclaimed-hfc-refrigerants-propellants-and-fire-suppressants/
Transition to Advanced Formulation Blowing Agents in Foam Manufacturing and Use		v3.0	March 2022	v1.0, v2.0, v2.1	HFCs, low-GWP blowing agents	https://acrcarbon.org/methodology/transition-to-advanced-formulation-blowing-agents-in-foam-manufacturing-and-use/
Destruction of Ozone Depleting Substances and High-GWP Foam		v2.0	February 2023	v1.0, v1.1, v1.2	CFCs, HCFCs, halons, HFCs (insulation foam only), CO_2	https://acrcarbon.org/methodology/destruction-of-ozone-depleting-substances-and-high-gwp-foam/
Destruction of Ozone Depleting Substances from International Sources		v1.0	April 2021		CFCs, CO_2	https://acrcarbon.org/methodology/destruction-of-ozone-depleting-substances-from-international-sources/
Plugging Orphaned Oil and Gas Wells		v1.0	May 2023		CH_4, CO_2, N_2O	https://acrcarbon.org/methodology/plugging-orphaned-oil-and-gas-wells/
Carbon Capture and Storage Projects		v1.1	September 2021	v1.0	CH_4, CO_2, N_2O	https://acrcarbon.org/methodology/carbon-capture-and-storage-projects/
Capturing and Destroying Methane from Coal and Trona Mines in North America		v1.1	August 2022	v1.0	CH_4, CO_2	https://acrcarbon.org/methodology/capturing-and-destroying-methane-from-coal-and-trona-mines-in-north-america/
Landfill Gas Destruction and Beneficial Use Projects		v2.0	April 2021	v1.0	CH_4, CO_2	https://acrcarbon.org/methodology/landfill-gas-destruction-and-beneficial-use-projects/

SHEET A: EXCLUDED ACTIVITIES *(Here, list activities supported by the programme that the programme wishes to* ***exclude*** *from TAB's assessment, whether or not these were previously excluded from the programme's Scope of Eligibility for the 2024-2026 compliance period)*

Sector	**Project/programme type(s)**	**Implementation level(s)**	**Geography(ies)**
e.g. Waste, Energy	e.g., Landfill methane capture; Coal mine methane capture;	e.g., Project-level only; Programmes of activities; Sector-sca	e.g., Global; Non-Annex I-only; Country X only
N/A	N/A - no exclusions		

SHEET B: EXCLUDED METHODOLOGIES *(Here, list all methodologi*

Methodology name	Unique Methodology / Protocol Identifier
e.g. "Methodology to XYZ…"	e.g., ABC-123-V.20-XXX
N/A - no exclusions	

es / protocols that support activities described in Sheet A)

Applicable methodology version(s)	Date of entry into force of most recent version	Prior versions of the methodology that are credited by the Programme (if applicable)
e.g., V2.0	1/1/2018	

Greenhouse / other gases addressed in methodology	Web link to methodology

Emissions Unit Programme Registry Attestation (Version 3, January 2023)

PART A. Applicability and Instructions

1. Relevance and definitions:

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

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

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

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

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

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

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

2. Programme - registry relationship:

2.1. The ICAO Council's Technical Advisory Body (TAB) conducts its assessment of emissions unit programme eligibility including an assessment of the programme's provisions and procedures governing the programme registry, as represented by the programme. The ICAO Council determines CORSIA eligible emissions units upon recommendations by TAB and consistent with the EUC. The programme registry is not separately or independently considered throughout this process. The TAB may periodically review and report to the ICAO Council regarding the continued consistency of programme's registry and its

administration with terms contained in this document's Part B.

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

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

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

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

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

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

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

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

3.3.1. Forward the signed attestation to the TAB; and

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

PART B: Emissions Unit Programme Registry Attestation

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

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

      4.1.1. The instructions and terms of this attestation;

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

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

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

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

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

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

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

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

[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[3];

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*"[4]. 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

[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] Except as for compliance with Applicable Export / Sanctions Laws as detailed in Registry Attestation Attachment A Section 7.2.

[4] 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.

cycle;

7.5. The Programme Registry will, within 1 – 3 business days of receipt of formal instruction[5] 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;

[5] "Formal Instruction" for ACR is defined as when the Unit cancellation request is received on the Registry Administrator's dashboard for approval.

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.

DocuSigned by: Mary Grady 094067A209D24C4...	DocuSigned by: Mary Grady 094067A209D24C4...
Programme Representative Signature	Registry Representative Signature
Mary Grady	Mary Grady
Programme Representative Name	Registry Representative Name
ACR	ACR Registry
Programme Name	Registry Name
March 20, 2025	March 20, 2025
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*[6].

PART 2: PROGRAMME AND REGISTRY REPRESENTATIVE INFORMATION

1. Programme Representative Information

A. Programme Information

Programme name: ACR

Administering Organization[7]: Environmental Resources Trust LLC (ERT), a wholly owned nonprofit subsidiary of Winrock International

Official mailing address: 325 West Capitol Avenue, Suite 350, Little Rock Arkansas 72201

Telephone #: 571 402 4235

Official web address: acrcarbon.orgl

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

Full name and title: Mary Grady, President & CEO, Environmental Resources Trust LLC

Employer / Company (*if not programme*): ERT / Winrock International

E-mail address: mgrady@winrock.org Telephone #: 805.252.1658

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

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

[7] **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 Information[8]

A. Registry Information

Registry / system name: ACR Registry

Administering Organization: ACR

Official mailing address: 325 West Capitol Avenue, Suite 350, Little Rock Arkansas 72201

Telephone #: 571 402 4235

Official web address: acrcarbon.org

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

Full name and title: Mary Grady, President & CEO, Environmental Resources Trust LLC

Employer / Company (*if not Registry Administering Organization*): Winrock / ERT

E-mail address: mgrady@winrock.org Telephone #: 805.252.1658

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

Full name and title: Click or tap here to enter text.

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.

[8] **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

7.1	Does the Programme Registry fully meet the objectives of any and all Programme provisions and procedures related to the Programme Registry that the Programme is required to have in place in the manner represented by the Programme in the application form that the Programme has provided to the ICAO Secretariat and, if applicable[9], as acknowledged by the Programme in the signed "Programme acceptance to terms of eligibility for inclusion in the ICAO document "*CORSIA Eligible Emissions Units"*?	☒ YES
	Describe how the Registry ensures its ability to implement these provisions:	
	ACR manages its own ACR Registry Platform with ACR staff overseeing all ACR Registry operations. The ACR Registry is an online, secure, logic-based platform developed and supported by APX, owned by Xpansiv, per a private, bilateral legal Master Services Agreement between APX and ERT, and customized for ACR's project workflow and approvals process. As ACR internally manages and oversees all registry functions we are able to ensure alignment with the objectives of all of ACR's provisions and procedures as represented in the ACR Program application submitted to the ICAO Secretariat and as acknowledged in the "Programme acceptance to terms of eligibility for inclusion in the ICAO document 'CORSIA Eligible Emissions Units'" signed by ACR.	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	The ACR Terms of Use Agreement (https://acrcarbon.org/program_resources/terms_of_use/) specifies that the Program Registry is operated and administered in-house by ACR. All credit issuances, retirements and cancellations are made publicly available on the ACR Registry. The following web provides links to the public registry reports from ACR's website: https://acrcarbon.org/acr-registry/ The ACR public registry reports provide downloadable, sortable reports of credit issuances, projects, credit status, credit cancellations, credit retirements, as well as a buffer pool report, Paris Agreement Article 6 and CORSIA report, and a credit search by serial number report. CORSIA Eligibility is labelled in select public reports (when credits are displayed at a holding level, rather than issuance batch level) within the CORISIA Eligible column, with additional details provided upon clicking hyperlinks within reports. Individual links to each of these reports are provided below. i. Project Credits Issued public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=112 ii. Projects public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=111 iii. Credit Status public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=309 iv. Retired Credits public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=206	

[9] 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.

	v. Canceled Credits public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=208 vi. Buffer Pool Account Balance public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=219 vii. Paris Agreement Article 6 and CORSIA public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=213

7.2	Will the Programme Registry ensure that a CORSIA participant's request for a registry account will not be denied solely on the basis of the country in which the requestor is headquartered or based?	☒ YES
	Describe how the Registry does or will implement this provision:	
	ACR receives new registry account applications via the ACR Registry platform. Account application reviews and approvals (or denials) are conducted by ACR administrators through a Know Your Customer (KYC) due diligence process that assesses the full list of an applicant's requested and researched details. Accounts are only approved for registered businesses / legal entities that meet ACR's KYC requirements. ACR does not deny Registry account applications solely based on the country in which the applicant is headquartered or based, noting that, pursuant to US law, ACR can deny a request for a registry account to a Restricted Person: an entity or individual (A) ordinarily resident in or located in, incorporated in, headquartered in, or organized under the laws of a Sanctioned Territory[10], (B) targeted by trade or financial sanctions or export control restrictions under Applicable Export /Sanctions Laws[11], or (C) directly or indirectly owned or controlled by or acting for or on behalf of anyone covered by the foregoing, where providing an ACR Registry account is or would reasonably be expected to result in a violation of Applicable Export/Sanctions Laws.	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	Please see a description of ACR's KYC policy included as business confidential information in ACR's *Application Form for Emissions Units Programs*, page 47, in response to question 9 under the section for **Criteria: Identification and Tracking, Clear and transparent chain of custody.**	

7.3	Will the Programme Registry (in the case of applicants to be assessed to determine their eligibility)/Does the Programme Registry (when the Programme is determined to be eligible by a decision of the ICAO Council) identify / label its CORSIA eligible emissions units as defined in the ICAO Document "*CORSIA Eligible Emissions Units*"?	☒ YES
	Describe how the Registry does or will implements this provision:	
	The ACR Registry includes ICAO-related functionality including labelling of units as "CORSIA Eligible." This functionality is currently operational.	

[10] *"Sanctioned Territory" means a country or territory subject to comprehensive United States sanctions*

[11] *"Applicable Export/Sanctions Laws" means applicable sanctions, economic sanctions laws, export control and other trade control laws, regulations, edicts, orders, or resolutions administered or enforced by the United States, UK, European Union, any EU Member State, or any other country from which Account Holder accesses the services.*

	The ACR administrator designates units as "CORSIA Eligible" if they have been approved as Eligible for use for CORSIA by ICAO as in the published *CORSIA Eligible Emissions Units* document (approved program, project type, vintage etc.), have met other CORSIA and ACR requirements (including a CORSIA Eligible buffer pool contribution, as applicable) and, for post 2020 vintage credits, have obtained a Host Country Letter of Authorization for use of the units for CORSIA and has delivered an ACR-approved CORSIA Double Claiming Compensation Mechanism.
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*
	ACR displays the "CORSIA Eligible" label within ACR's public credit reports that display credits at the holding level. Individual links to each of these reports are provided below. i. Paris Agreement Article 6 and CORSIA public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=213 ii. Credit Status public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=309 iii. Retired Credits public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=206 iv. Canceled Credits public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=208 v. Holding-level Credit Details screen, accessed by clicking on the hyperlinked Quantity of Credits field within such public reports The CORSIA Eligible label ("Yes" or "No") is indicated in the CORSIA Eligible column of these reports. For units that will be required to submit a Host Country Letter of Authorization and an ACR-approved Double Claiming Compensation Mechanism, such documents are accessible to view from certain reports by clicking hyperlinks therein. To demonstrate functionality for post-2020 vintage CORSIA Eligible credits, please see the attached example of a record displayed in the Paris Agreement Article 6 and CORSIA public report as captured from the internal ACR Registry test environment.

7.4	Will the Programme Registry, upon request of the CORSIA participant account holder or participant's designee, designate the participant's cancellation of emissions units for the purpose of reconciling offsetting requirements under the CORSIA, including by compliance cycle?	☒ YES
	Describe how the Registry does or will implement these provisions:	
	ACR account holders manage their own transactions within their accounts. Upon initiating the cancellation of emissions units for the purpose of reconciling offsetting requirements under CORSIA, an account holder will designate the reason for the cancellation as CORSIA Compliance and reference the appropriate CORSIA Compliance Period and CORSIA participant (i.e., aeroplane operator) for whom the credits are being cancelled for the record. Only offset credits that have been tagged as CORSIA Eligible will have the option of choosing CORSIA Compliance as the cancellation reason. ACR staff can facilitate this process with the Account Holder upon their request.	

	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	Upon ACR approving the credit cancellation, they are visible as such in the Paris Agreement Article 6 and CORSIA public report and Canceled Credits public report (with all pertinent details available in the latter). Individual links to each of these reports are provided below. i. Paris Agreement Article 6 and CORSIA public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=213 ii. Canceled Credits public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=208 To demonstrate functionality, please see the attached example of the Transfer Credits screen from which credit cancellations are initiated.	

7.5	a. Will the Programme Registry, within 1 – 3 business days of receipt of formal instruction from a duly authorized representative of the owner of an account capable of holding and cancelling CORSIA Eligible Emission Units within the registry, and barring system downtime that is scheduled in advance or beyond the control of the registry administrator, make visible on the Programme Registry's public website the account owner's cancellations of CORSIA Eligible Emission Units as instructed.	☒ YES
	b. Will such cancellation information (row a) include all fields that are specified for this purpose in Annex 16, Volume IV, and ETM, Volume IV?	☒ YES
	Describe how the Registry does or will implement these provisions:	
	a. ACR confirms that the cancellation record will be displayed within the ACR Registry's public reports within 1-3 business days upon receipt of the cancellation request on the ACR Registry Administrator dashboard (i.e., the formal instruction). The information will be displayed in the Canceled Credits public report and Paris Agreement Article 6 and CORSIA public report. b. ACR confirms that the Paris Agreement Article 6 and CORSIA public report includes all fields that are specified for this purpose in Annex 16, Volume IV and ETM Volume IV (i.e., content in Field 5 of Table A5-7 in Annex 16, Volume IV).	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	Upon ACR approving the credit cancellation, they are visible as such in the Paris Agreement Article 6 and CORSIA public report and Canceled Credits public report (with all pertinent details available in the latter). Individual links to each of these reports are provided below. i. Paris Agreement Article 6 and CORSIA public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=213 ii. Canceled Credits public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=208	

	To demonstrate functionality for post-2020 vintage CORSIA Eligible credits, please see the attached example of a record displayed in the Paris Agreement Article 6 and CORSIA public report as captured from the internal ACR test environment.

7.6	Will the Programme Registry, upon request of the CORSIA participant account holder or participant's designee, generate report(s) containing the information specified for this purpose in Annex 16, Volume IV, and ETM, Volume IV?	☒ YES
	Describe how the Registry does or will implement this provision:	
	All credit reports are downloadable and sortable from the registry interface. The Paris Agreement Article 6 and CORSIA public report contains all fields that are specified for this purpose in Annex 16, Volume IV and ETM Volume IV (i.e., content in Field 5 of Table A5-7 in Annex 16, Volume IV). ACR staff can facilitate the generation of reports as requested.	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	The ACR Registry landing page on the ACR website provides downloadable, sortable reports. The specific information required for these provisions are available from the Paris Agreement Article and CORSIA public report: https://acr2.apx.com/myModule/rpt/myrpt.asp?r=213. To demonstrate functionality for post-2020 vintage CORSIA Eligible credits, please see the attached example of a record displayed in the Paris Agreement Article 6 and CORSIA public report as captured from the internal ACR test environment.	

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

	a. The Master Service Agreement (MSA) executed between ERT and APX, and updated from time to time, includes a description of the APX Platform Security provisions with which APX agrees to comply including provisions for periodic audits of registry compliance with security protocols. In the MSA, APX represents that it will follow best industry practice to secure, back up and recover all information stored by or on behalf of APX as part of the Registry Service and will maintain the systems and processes described in the detailed APX Registry Platform Security Overview. APX is subject to regular Service Organization Controls (SOC) audits related to security, availability and processing integrity principles defined by the American Institute of Certified Public Accountants (AICPA). b. On request ACR coordinates with APX to provide documentation and/or demonstration of the security procedures that are implemented on the ACR Registry platform. c. ACR receives new registry account applications via the ACR Registry platform. Account application reviews and approvals (or denials) are conducted by ACR administrators through a Know Your Customer (KYC) due diligence process. Accounts are only approved for registered businesses / legal entities that meet ACR's KYC requirements. ACR does not approve accounts for individuals – only duly incorporated organizations that meet the KYC screening criteria. Account access via unique login ID and password is only provided to the individual approved and listed as the Account Manager. The Account Manager can choose to provide access to other individual users. Per the ACR ToU the Account Holder shall ensure that any individuals accessing the Registry via a login ID associated with the Registry account, including owners, trustees, members, officers, directors, employees, consultants, and/or and/or any other agents to whom it has provided access to the Registry (collectively, the "Representatives" or "Users") agree to comply with the Operative Documents & Terms of Use. d. Upon granting access to a user, the Account Manager determines the level of access that individual should have and selects the permissions level and the user's Registry access is governed accordingly. The permissions for any user can be revised at any time by the Account Manager. e. Users are prompted to confirm their action before it is recorded. Furthermore, a transfer of units between two ACR accounts requires both account so take action to confirm, and credit cancellations are not logged as final until approved by ACR. f. APX has committed to conducting Service Organization Controls (SOC) audits on an annual basis and shall provide a copy of such audit report(s) to ACR for review.
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*
	Please find attached the APX SOC 3 Report dated April 26, 2024. To demonstrate functionality, please see the attached example of the confirmation prompt after submitting a credit cancellation from the Transfer Credits screen.

	ACR's policies and procedures for designation and rights of the Account Manager are detailed in the ACR Terms of Use Agreement, Section 4. Per the definitions, "Account Manager" means the individual within the Account Holder's organization who is authorized to denote the Account Holder's agreement to the Terms of Use, create additional Registry logins and assign access privileges for Users, and have full access to account activity.

7.8	a. Will the Programme Registry, upon identifying any breach of Programme Registry data security or integrity that affects a CORSIA participant account holder or participant's designee, notify the CORSIA participant account holder or their designee?	☒ YES
	b. Will the Programme Registry, upon identifying any breach of Programme Registry data security or integrity that affects a CORSIA participant account holder or participant's designee, notify the Programme, which will inform and engage with the ICAO Secretariat on the matter in the same manner as required for material deviations from the Programme's application form?	☒ YES
	Describe how the Registry does or will implement each provision in rows a and b:	
	a. As ACR Registry administrator, ACR maintains contact details for all Registry Account Managers and. in the event of a breach of registry data or security affecting a CORSIA participant account holder, will notify impacted ACR account holders. b. The Registry the Program are managed by the same staff so all relevant staff would be notified at the same time. ACR will inform the ICAO Secretariat as required.	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	ACR Program and Registry Staff are listed on the ACR website: https://acrcarbon.org/about-us/our-team/.	

7.9	Does the Programme Registry ensure the irreversibility of emissions unit cancellations and the designation of the purpose of emissions units cancellations, as per the requirements contained in Annex 16, Volume IV, and ETM, Volume IV[12]?	☒ YES
	Describe how the Registry implements these provisions:	
	Once a cancellation record has been finalized in the Registry there is no link or field available to any account holder to further transact the serial numbers encompassed by the cancellation record. In order to initiate a cancellation of credits on ACR the account holder must indicate the reason for the cancellation from a drop-down list, which includes "CORSIA Compliance", and must then identify the CORSIA Compliance Period and the Aeroplane Operator on whose behalf it is being cancelled.	
	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	

[12] 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.

	Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*
	The ACR Standard (https://acrcarbon.org/acr-program/acr-standard/) states in Appendix B Section B.3.4: "Retirement and cancellation procedures that ensure the removal of the unit is clearly indicated, irreversible, and unambiguously designated for an intended purpose. For cancellations of units for the CORSIA, the cancellation information will specify the aeroplane operator for which the offset credits were cancelled and the calendar year for which an offsetting requirement is fulfilled through the cancellation." To demonstrate the absence of the ability of an account holder to further transact please see the attached screenshot showing the different views for active and cancelled credits.

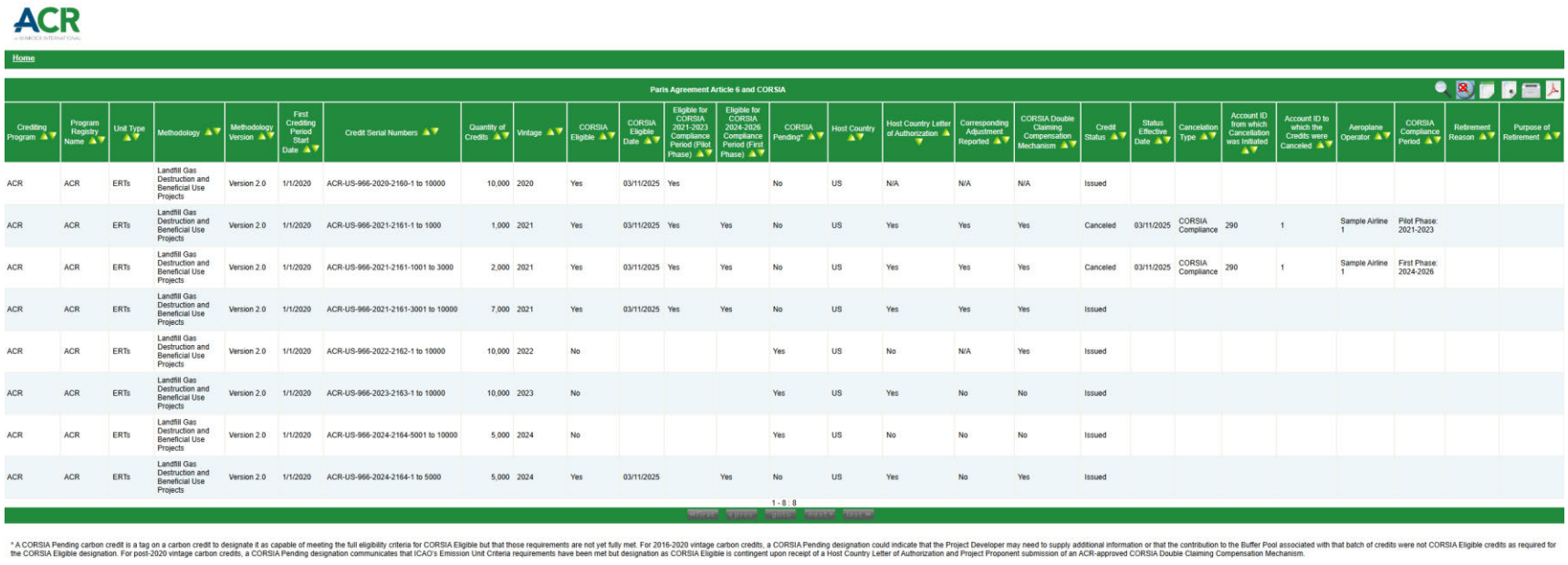
7.10	a. Does the Programme Registry ensure that all cancellation information on its website is presented in a user-friendly format?	☒ YES
	b. Does the Programme Registry ensure that all cancellation information on its website is available at no cost and with no credentials required?	☒ YES
	c. Does the Programme Registry ensure that all cancellation information on its website is capable of being searched based on data fields?	☒ YES
	d. Does the Programme Registry ensure that all cancellation information on its website can be downloaded in a machine-readable format, e.g., .xlsx?	☒ YES
	Describe how the Registry implements each provision in rows a – d:	
	ACR provides all public data, including cancellation records and information of specific interest to CORSIA participants, on our web-based registry platform where it is searchable by field and downloadable in .csv format. Anyone can access public reports free of charge at the click of the link, with no credentials required.	
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*	
	Links to the ACR Canceled Credits public report and Paris Agreement Article 6 and CORSIA public report are on the ACR website registry landing page and directly from the ACR Regsitry here https://acr2.apx.com/myModule/rpt/myrpt.asp?r=208 and https://acr2.apx.com/myModule/rpt/myrpt.asp?r=213.	

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

	Describe how the Registry does or will implement each provision in rows a and b:
	All data and documents associated with the issuance and any subsequent transactions, including cancellations, of all serialized emission reductions / removals credits on the ACR Registry are retained within the online Registry platform. At no time would a registered project be deleted, and therefore records for all CORSIA Eligible Emissions Units will be retained. The ACR Canceled Credits public report is also retained on the online Registry platform and all cancellations, once confirmed, are considered final. In the event that ACR is no longer operational, the Registry will be managed by ACR's parent organization, Winrock International ("Winrock") or a comparable, qualified organization of Winrock's election, to ensure data and documents relevant to CORSIA Eligible Emissions Units and cancellations are maintained and retained for at least three years beyond the end date of the latest compliance period in which ACR is determined to be eligible.
	In the field below, provide link(s) to any web-based evidence of existing registry functionalities and/or of documents demonstrating business practices and procedures for the Programme Registry's implementation of these provisions. Alternatively, or in addition, confirm that such evidence is included as an attachment to this *Emissions Unit Programme Registry Attestation.*
	Historical data on ACR-issued credits is maintained in the various Registry Public Reports, links to which are on the ACR website registry landing page: https://acrcarbon.org/acr-registry/

ACR Registry Screenshots to Demonstrate Functionality

Screenshot of Paris Agreement Article 6 and CORSIA public report from internal ACR Registry test environment to demonstrate functionality for post-2020 vintage CORSIA Eligible credits (7.3)



Home

Paris Agreement Article 6 and CORSIA

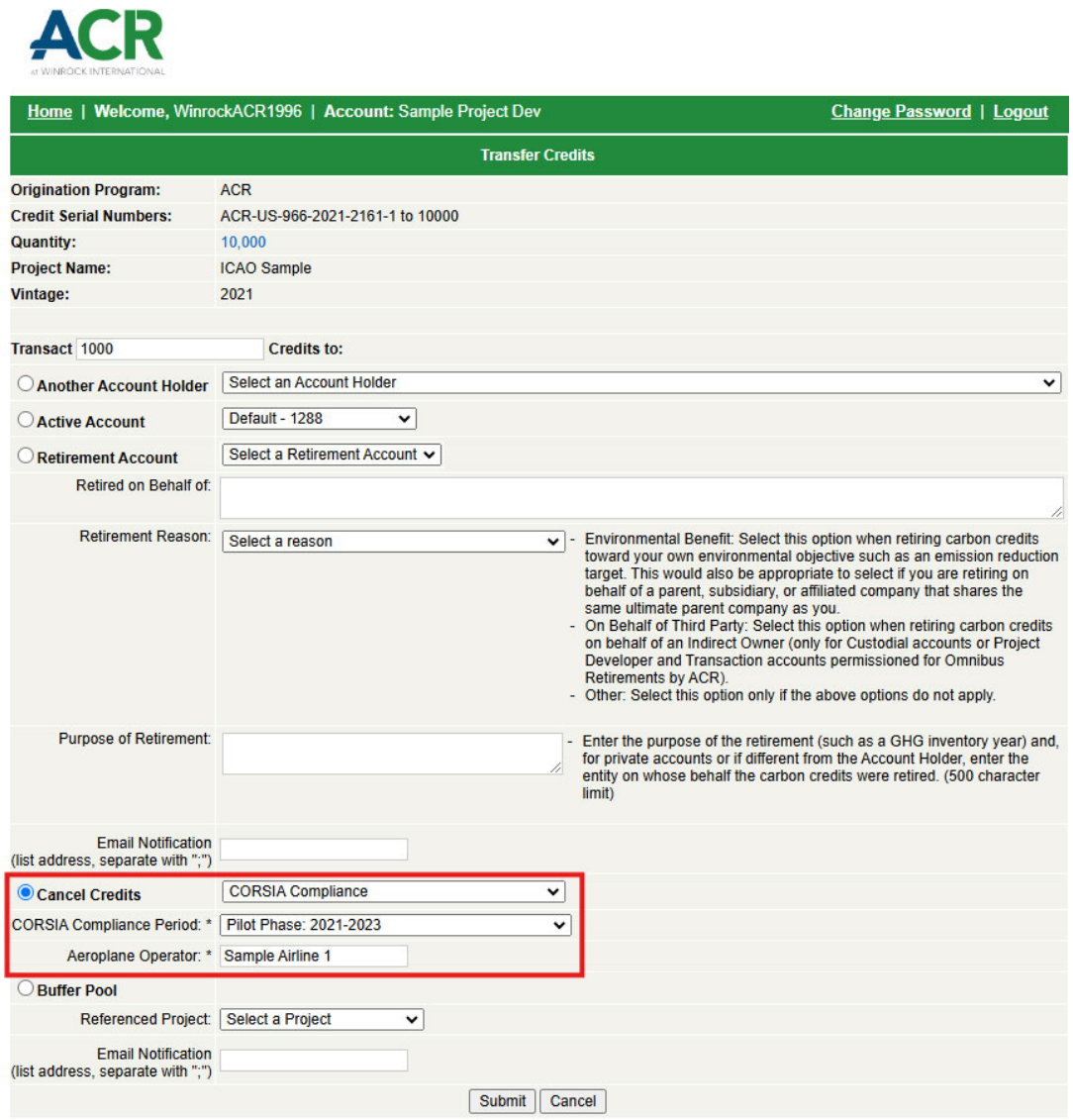
Crediting Program	Program Registry Name	Unit Type	Methodology	Methodology Version	First Crediting Period Start Date	Credit Serial Numbers	Quantity of Credits	Vintage	CORSIA Eligible	CORSIA Eligible Date	Eligible for CORSIA 2021-2023 Compliance Period (Pilot Phase)	Eligible for CORSIA 2024-2026 Compliance Period (First Phase)	CORSIA Pending*	Host Country	Host Country Letter of Authorization	Corresponding Adjustment Reported	CORSIA Double Claiming Compensation Mechanism	Credit Status	Status Effective Date	Cancelation Type	Account ID from which Cancellation was Initiated	Account ID to which the Credits were Canceled	Aeroplane Operator	CORSIA Compliance Period	Retirement Reason	Purpose of Retirement
ACR	ACR	ERTs	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	1/1/2020	ACR-US-966-2020-2160-1 to 10000	10,000	2020	Yes	03/11/2025	Yes		No	US	N/A	N/A	N/A	Issued									
ACR	ACR	ERTs	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	1/1/2020	ACR-US-966-2021-2161-1 to 1000	1,000	2021	Yes	03/11/2025	Yes	Yes	No	US	Yes	Yes	Yes	Canceled	03/11/2025	CORSIA Compliance	290	1	Sample Airline 1	Pilot Phase: 2021-2023		
ACR	ACR	ERTs	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	1/1/2020	ACR-US-966-2021-2161-1001 to 3000	2,000	2021	Yes	03/11/2025	Yes	Yes	No	US	Yes	Yes	Yes	Canceled	03/11/2025	CORSIA Compliance	290	1	Sample Airline 1	First Phase: 2024-2026		
ACR	ACR	ERTs	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	1/1/2020	ACR-US-966-2021-2161-3001 to 10000	7,000	2021	Yes	03/11/2025	Yes	Yes	No	US	Yes	Yes	Yes	Issued									
ACR	ACR	ERTs	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	1/1/2020	ACR-US-966-2022-2162-1 to 10000	10,000	2022	No				Yes	US	No	N/A	Yes	Issued									
ACR	ACR	ERTs	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	1/1/2020	ACR-US-966-2023-2163-1 to 10000	10,000	2023	No				Yes	US	Yes	No	No	Issued									
ACR	ACR	ERTs	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	1/1/2020	ACR-US-966-2024-2164-5001 to 10000	5,000	2024	No				Yes	US	No	No	No	Issued									
ACR	ACR	ERTs	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	1/1/2020	ACR-US-966-2024-2164-1 to 5000	5,000	2024	Yes	03/11/2025		Yes	No	US	Yes	No	Yes	Issued									

1 - 8 : 8

* A CORSIA Pending carbon credit is a tag on a carbon credit to designate it as capable of meeting the full eligibility criteria for CORSIA Eligible but that those requirements are not yet fully met. For 2016-2020 vintage carbon credits, a CORSIA Pending designation could indicate that the Project Developer may need to supply additional information or that the contribution to the Buffer Pool associated with that batch of credits were not CORSIA Eligible credits as required for the CORSIA Eligible designation. For post-2020 vintage carbon credits, a CORSIA Pending designation communicates that ICAO's Emission Unit Criteria requirements have been met but designation as CORSIA Eligible is contingent upon receipt of a Host Country Letter of Authorization and Project Proponent submission of an ACR-approved CORSIA Double Claiming Compensation Mechanism.

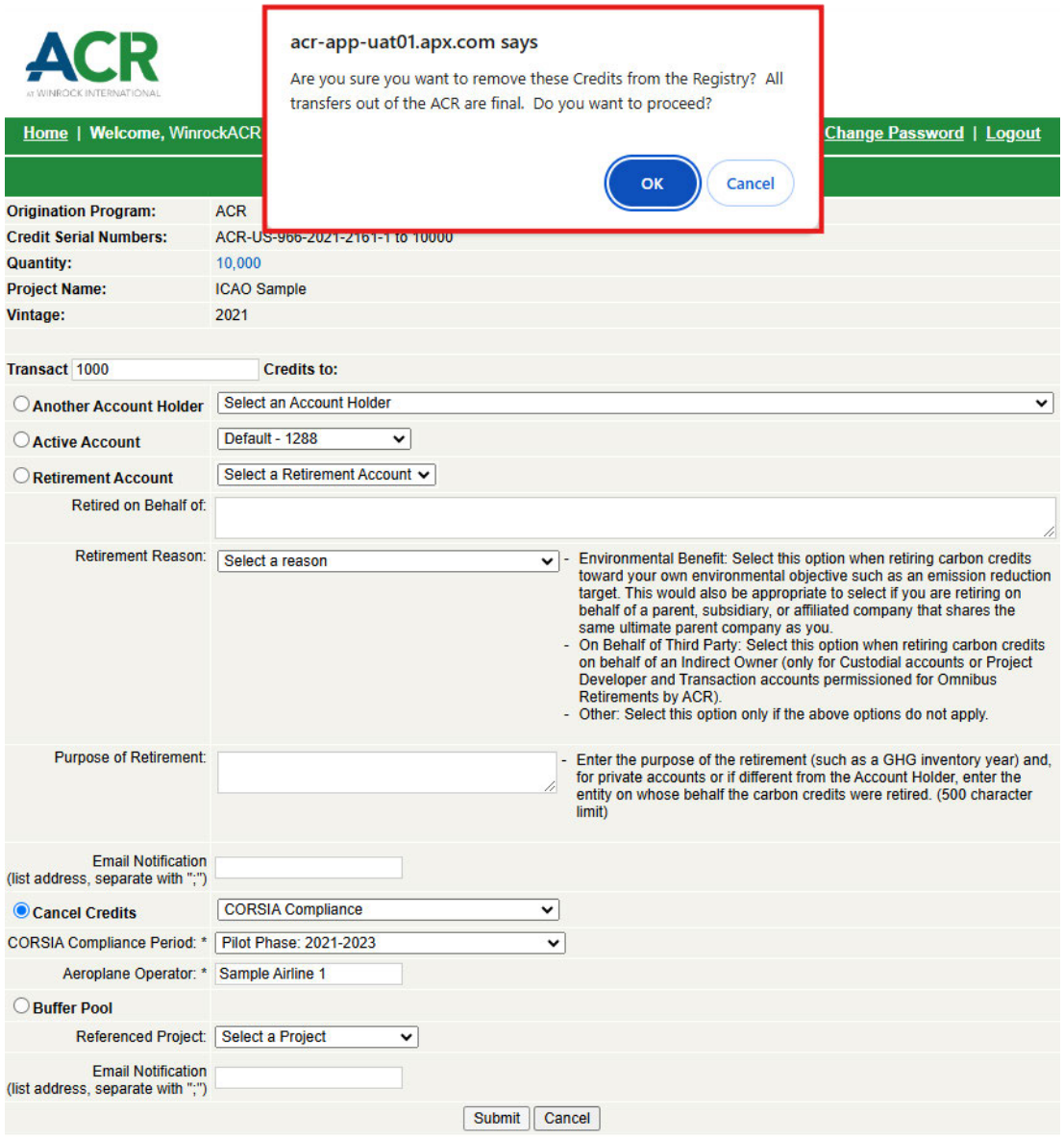
ACR Registry Screenshots to Demonstrate Functionality

Screenshot of Transfer Credits screen from which credit cancellations are initiated (7.4)



ACR Registry Screenshots to Demonstrate Functionality

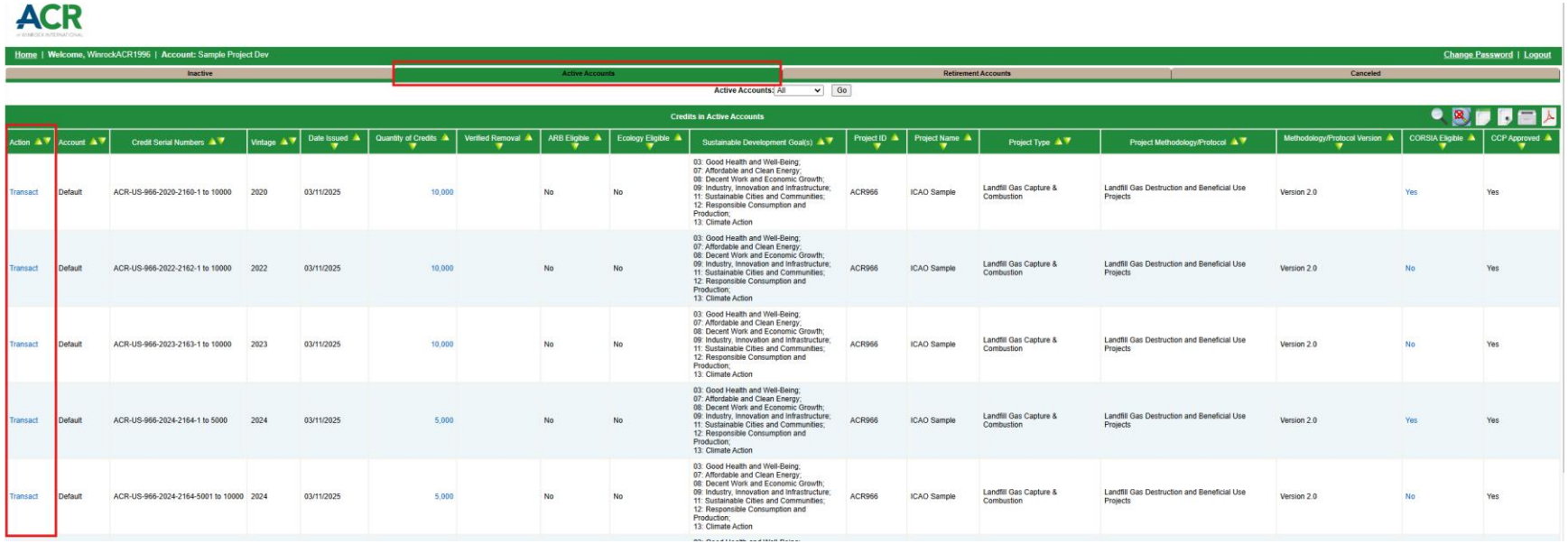
Screenshot of prompt to confirm cancellation action (7.7)



ACR Registry Screenshots to Demonstrate Functionality

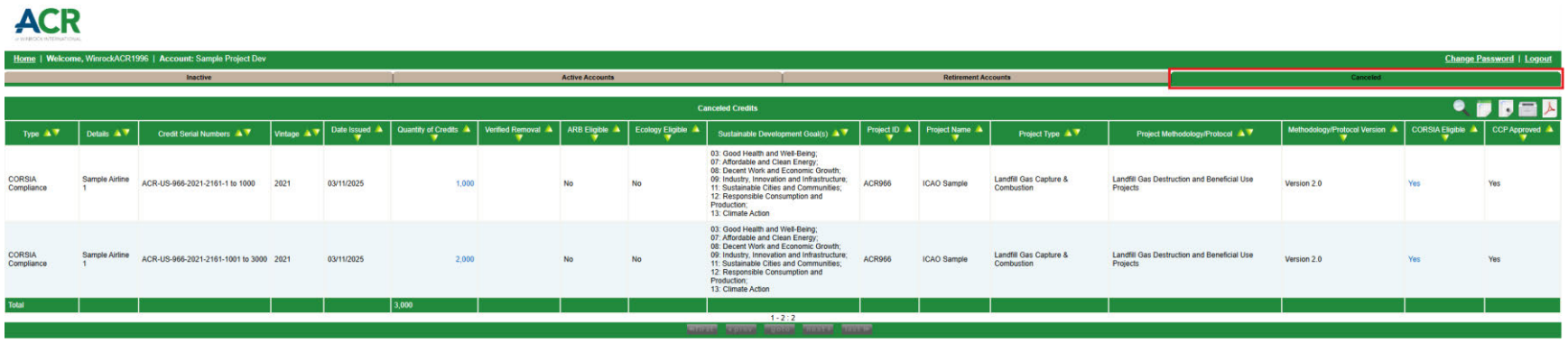
Screenshots comparing the account holder view for active and cancelled credits to demonstrate the absence of the ability of an account holder to further transact canceled credits (7.9)

Active credits:



Action	Account	Credit Serial Numbers	Vintage	Date Issued	Quantity of Credits	Verified Removal	ARB Eligible	Ecology Eligible	Sustainable Development Goal(s)	Project ID	Project Name	Project Type	Project Methodology/Protocol	Methodology/Protocol Version	CORSIA Eligible	CCP Approved
Transact	Default	ACR-US-966-2020-2160-1 to 10000	2020	03/11/2025	10,000		No	No	03: Good Health and Well-Being; 07: Affordable and Clean Energy; 08: Decent Work and Economic Growth; 09: Industry, Innovation and Infrastructure; 11: Sustainable Cities and Communities; 12: Responsible Consumption and Production; 13: Climate Action	ACR966	ICAO Sample	Landfill Gas Capture & Combustion	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	Yes	Yes
Transact	Default	ACR-US-966-2022-2162-1 to 10000	2022	03/11/2025	10,000		No	No	03: Good Health and Well-Being; 07: Affordable and Clean Energy; 08: Decent Work and Economic Growth; 09: Industry, Innovation and Infrastructure; 11: Sustainable Cities and Communities; 12: Responsible Consumption and Production; 13: Climate Action	ACR966	ICAO Sample	Landfill Gas Capture & Combustion	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	No	Yes
Transact	Default	ACR-US-966-2023-2163-1 to 10000	2023	03/11/2025	10,000		No	No	03: Good Health and Well-Being; 07: Affordable and Clean Energy; 08: Decent Work and Economic Growth; 09: Industry, Innovation and Infrastructure; 11: Sustainable Cities and Communities; 12: Responsible Consumption and Production; 13: Climate Action	ACR966	ICAO Sample	Landfill Gas Capture & Combustion	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	No	Yes
Transact	Default	ACR-US-966-2024-2164-1 to 5000	2024	03/11/2025	5,000		No	No	03: Good Health and Well-Being; 07: Affordable and Clean Energy; 08: Decent Work and Economic Growth; 09: Industry, Innovation and Infrastructure; 11: Sustainable Cities and Communities; 12: Responsible Consumption and Production; 13: Climate Action	ACR966	ICAO Sample	Landfill Gas Capture & Combustion	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	Yes	Yes
Transact	Default	ACR-US-966-2024-2164-5001 to 10000	2024	03/11/2025	5,000		No	No	03: Good Health and Well-Being; 07: Affordable and Clean Energy; 08: Decent Work and Economic Growth; 09: Industry, Innovation and Infrastructure; 11: Sustainable Cities and Communities; 12: Responsible Consumption and Production; 13: Climate Action	ACR966	ICAO Sample	Landfill Gas Capture & Combustion	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	No	Yes

Cancelled credits:



Type	Details	Credit Serial Numbers	Vintage	Date Issued	Quantity of Credits	Verified Removal	ARB Eligible	Ecology Eligible	Sustainable Development Goal(s)	Project ID	Project Name	Project Type	Project Methodology/Protocol	Methodology/Protocol Version	CORSIA Eligible	CCP Approved
CORSIA Compliance	Sample Airline 1	ACR-US-966-2021-2161-1 to 1000	2021	03/11/2025	1,000		No	No	03: Good Health and Well-Being; 07: Affordable and Clean Energy; 08: Decent Work and Economic Growth; 09: Industry, Innovation and Infrastructure; 11: Sustainable Cities and Communities; 12: Responsible Consumption and Production; 13: Climate Action	ACR966	ICAO Sample	Landfill Gas Capture & Combustion	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	Yes	Yes
CORSIA Compliance	Sample Airline 1	ACR-US-966-2021-2161-1001 to 3000	2021	03/11/2025	2,000		No	No	03: Good Health and Well-Being; 07: Affordable and Clean Energy; 08: Decent Work and Economic Growth; 09: Industry, Innovation and Infrastructure; 11: Sustainable Cities and Communities; 12: Responsible Consumption and Production; 13: Climate Action	ACR966	ICAO Sample	Landfill Gas Capture & Combustion	Landfill Gas Destruction and Beneficial Use Projects	Version 2.0	Yes	Yes
Total					3,000											

1 - 2 : 2