

Guidelines and Requirements for Carboncers Participation in ICAO's CORSIA



Carbon programme

Version 1.0

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Acronyms and Abbreviations

BTR	Biennial Transparency Report
CCMP	Climate Change Mitigation Programme or Project
CO₂	Carbon dioxide
CORSIA	ICAO's Carbon Offsetting and Reduction Scheme for International Aviation
ICAO	International Civil Aviation Organization
ITMO	Internationally Transferred Mitigation Outcomes
LOA	Letter of Authorization for ITMO Transfers
MIGA	World Bank Group's Multilateral Investment Guarantee Agency
NDC	Nationally Determined Contributions
OIMP	Other International Mitigation Purposes
UNFCCC	United Nations Framework Convention on Climate Change

Terms and Definitions

Terms and definitions guiding the understanding of this protocol and the carbon market context have been deposited in the ***Terms and Definitions of the Voluntary Certification Programme of Cercarbono***, available at www.cercarbono.com, section: Documentation.

1 Introduction

The International Civil Aviation Organization (ICAO), has developed the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), a global market-based measure (MBM) scheme designed to address CO₂ emissions from international aviation. At its 39th Assembly, ICAO designated CORSIA as ***“the only global market-based measure applying to CO₂ emissions from international aviation, so as to avoid a possible patchwork of duplicative State or regional MBMs, thus ensuring that international aviation CO₂ emissions should be accounted for only once”***.

CORSIA supports ICAO’s long-term global aspirational goal of achieving net-zero carbon emissions from international aviation by 2050. In this context, ensuring environmental integrity and robust accounting is essential, particularly with respect to preventing double-counting of emissions units.

Emissions units intended for use under CORSIA, including those used during the Pilot Phase (2021-2023), First Phase (2024-2026), and Second Phase (2027-2035), must meet the applicable CORSIA Emissions Units Eligibility Criteria established by ICAO. These criteria must be clearly and formally stated and communicated in the regulatory documentation of Emission Unit Programmes approved by ICAO.

This document provides clarification and guidance on the application of relevant provisions and procedures within Cercarbono’s regulatory framework in the context of ICAO’s CORSIA scheme, including specific provisions to avoid double counting issues.

As part of Cercarbono’s regulatory framework, provisions in this document are mandatory for all activities seeking to be issued certified carbon emission reductions / removals (Carboncers) for use under CORSIA.

2 Scope

This document establishes the specific requirements that certified carbon credits issued by Cercarbono (Carboncers), must meet in order to be eligible for use under ICAO’s CORSIA scheme and as such, entitled to receive a CORSIA-eligible label according to the applicable implementation phase.

Cercarbono has received conditional approval for CORSIA’s first implementation phase. The following sections describe the requirements and eligibility criteria applicable to Carboncers for use under CORSIA’s first or second implementation phases, in accordance with ICAO decisions and applicable eligibility provisions.

3 Eligibility Criteria

To be eligible for use under the CORSIA scheme, Carboncers shall:

- Comply with all applicable provisions as per Cercarbono’s regulatory framework.

- Be additional and calculated based on a realistic and credible baseline; duly quantified and monitored, validated and verified; having a clear and transparent chain of custody; represent permanent emissions reductions / removals; assess and mitigate potential increases in emissions elsewhere (leakage); counted only once towards a mitigation obligation; and ensure that the underlying project activity causes no net environmental or social harm¹.
- Demonstrate that their baseline(s) are established ensuring their considered level of baseline GHG emissions is below, and level of GHG baseline removals is above, the business as usual scenario levels, by applying methodology-specific adjustments, or adhering to provisions as per in Cercarbono's Voluntary Carbon Certification Programme to baseline scenario methodology.
- Meet the scope of eligibility defined in the current version of ICAO's Document "CORSIA Eligible Emissions Units", available at: <https://www.icao.int/CORSIA/corsia-eligible-emissions-units>.
- Originate from project activities with a start date (first crediting period) not before 1 January 2016, and be issued Carboncers for CO₂ emissions reductions or removals that from 1 January 2021 through 31 December 2026 for use under the First Phase, and from 1 January 2021 through 31 December 2029 for use under the Second Phase, in accordance with the applicable vintage eligibility provisions defined by ICAO.
- Bear the CORSIA-eligible label.
- Be issued within the applicable eligibility period of the CORSIA implementation phase in which they are intended to be used.
- Be supported by a valid Letter of Authorization (LOA) duly signed by the Host Country's authorized representative, as described in **Section 5** ("Letter of authorization and associated information").
- Be supported by evidence of a corresponding adjustment applied by the Host Country and confirmed by Cercarbono; or be covered by a concurrent guarantee mechanism, comprising an appropriate insurance policy and a legally binding contract, as described in **Section 10** ("Double Claiming Avoidance Assurance"), covering all credits included in the Host Country Letter of Authorization and applicable to the relevant CORSIA compliance period.
- Be generated by a Climate Change Mitigation Programme or Project (CCMP) that has committed to a minimum reversal monitoring and compensation period of twenty (20) years where the project start date is prior to 1 January 2027, or forty (40) years where the start date is after 31 December 2026.
- Be issued for a calendar year for which a corresponding adjustment can still be applied by the Host Country.
- Be issued to Climate Change Mitigation Programmes or Projects (CCMPs) that report their sustainable development contributions or co-benefits in accordance with the applicable

¹ Excerpted from ICAO Document "CORSIA Emissions Unit Eligibility Criteria", March, 2019, available at: www.icao.int.

provisions of Cercarbono’s regulatory framework, including the Cercarbono’s Guidelines to Report Contributions from CCMPs to the SDGs and associated reporting requirements.

These eligibility conditions may be supplemented by additional requirements arising from future ICAO decisions on updates to CORSIA implementation provisions, which shall become applicable upon adoption.

4 CORSIA Labeling

Cercarbono shall grant a “CORSIA eligible” designator (label), for use under the applicable CORSIA implementation phase, clearly identifying the phase to which it applies, provided that all applicable eligibility requirements and procedural steps have been complied with.

“CORSIA eligible” labeling shall apply only to Carboncers that have already been issued for the subject project activity.

It is the responsibility of the project holder to assess whether the involved Carboncers meet the applicable requirements to be considered as CORSIA eligible, and request their labeling as CORSIA-eligible, providing all relevant information and documentation concerning the Host Country relevant communications, updates on associated processes, and the underlying CORSIA eligibility assessment outcomes and support information thereof. Application for Cercarbono’s CORSIA-eligible labeling does not impose any obligation to granting it to CCMPs not complying with any conditions or failing to provide complete and relevant information for such purpose.

Cercarbono performs a comprehensive review of such assessment to confirm compliance with all applicable requirements. Where material findings are identified, Cercarbono requests the project holder to address and resolve such findings.

The project holder shall request and obtain a Letter of Authorization (LOA) from the Host Country’s authorized representative (normally the United Nations Framework Convention on Climate Change (UNFCCC)’s focal point), which shall meet all applicable CORSIA requirements and the provisions set out in Cercarbono’s regulatory framework.

At this stage, as applicable² the project holder is required to provide either evidence of a corresponding adjustment applied by the Host Country (such as through the relevant Biennial Transparency Report (BTR)), or an insurance policy issued by a Cercarbono-approved insurance company, serving as a guarantee mechanism for compensation in the event of, *inter alia*, double claiming of Carboncers, non-application of corresponding adjustments, changes to the LOA (not reconciled with the Host Country), implying reduction in the number of CORSIA-eligible credits, or revocation of the LOA, as described in **Section 9**, “Double counting avoidance”.

² See **Section 8**, “Considerations on First Transfer and Corresponding Adjustments”.

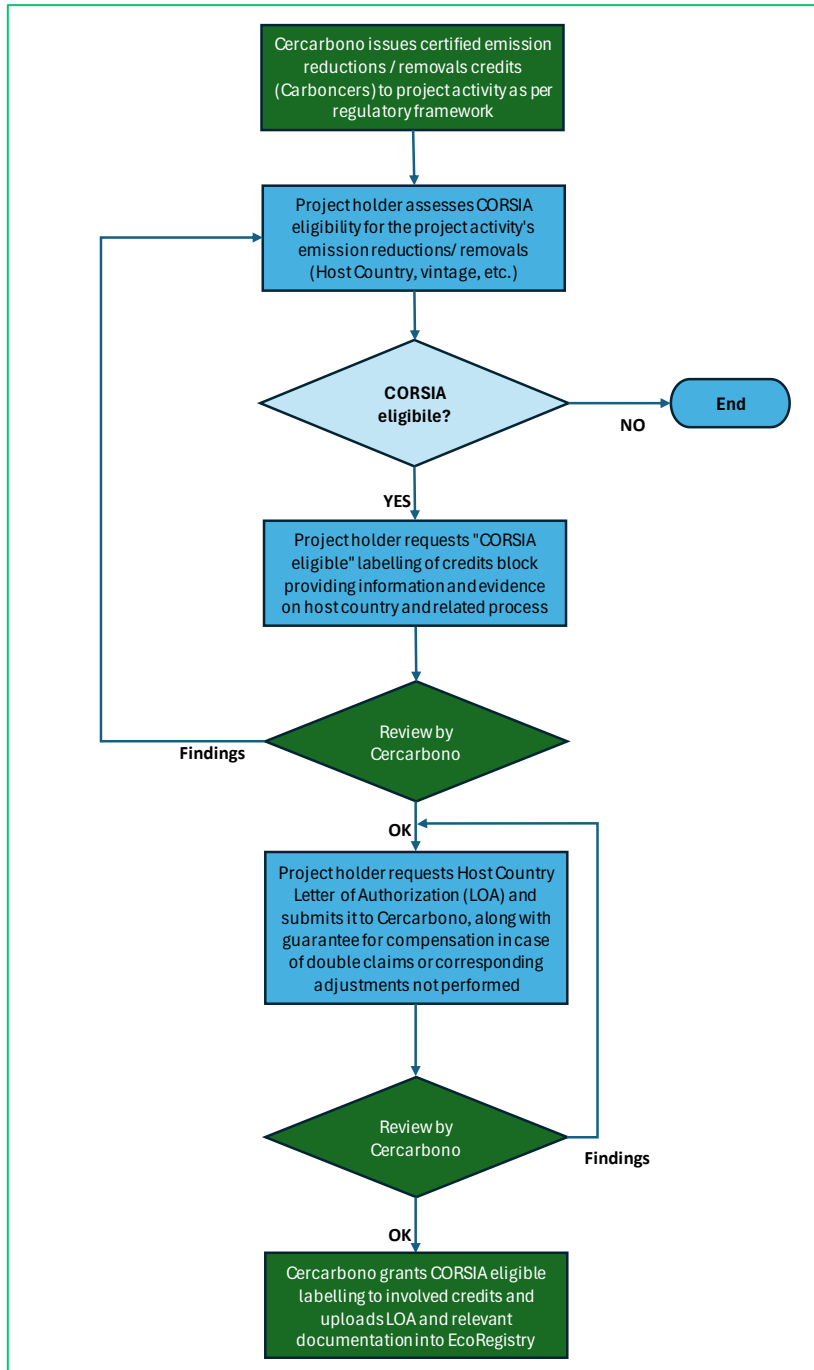
Cercarbono assesses the LOA and the guarantee mechanism to confirm compliance with all relevant requirements. Where findings are identified, the project holder is required to address and resolve such findings. Upon completion of the review process, Cercarbono grants the “CORSIA-eligible” label to the relevant Carboncers and uploads the LOA and associated documentation to a publicly accessible repository within Cercarbono’s registry platform, EcoRegistry. Carboncers may be used for CORSIA compliance only after the CORSIA-eligible label has been granted.

Under the current CORSIA implementation phases, the following CORSIA-eligible labels may be granted:

- CORSIA-Pilot Phase (2021 – 2023) label
- CORSIA First Phase (2024 – 2026) label
- CORSIA Second Phase (2027 – 2029) label

The general process for obtaining the CORSIA-eligible label is described in **Figure 1**.

Figure 1. “CORSIA-eligible” labeling process.



Carboncers are released in the Ecoregistry platform for transfer and use for CORSIA compliance only after the “CORSIA eligible” label has been granted.

5 Letter of Authorization and Associated Information

As mentioned in the previous section, a Letter of Authorization (LOA) shall be issued by the Host Country’s authorized representative to the project holder of the relevant project activity or programme of activities, authorizing the use of certified environmental outcomes

(Carboncers) as internationally transferred mitigation outcomes (ITMOs) for use under CORSIA and other international mitigation purposes (OIMP).

If the LOA is required to comply with specific formatting requirements under CORSIA, including additional attestations, the project holder shall ensure compliance with such requirements.

LOA shall be issued as irrevocable, featuring at a minimum, the following pieces of information:

- Host Country information (official name).
- Identification of the Host Country as a Party to the Paris Agreement, and that it has in place the necessary arrangements and mechanisms for the authorization and transfer of ITMOs.
- Host Country's national point of contact, host country and authorized representative (normally the focal point) issuing the authorization.
- Issuance date.
- Identification of the project or programme of activities for which ITMO transfer authorization is granted, including:
 - Project name, ID or Code under Cercarbono, and a description of the project.
 - Authorized activity type(s).
 - Applicable sectoral scope(s).
 - Authorized crediting period.
- Identification of the document as a LOA for ITMOs under cooperative approaches pursuant to Article 6.2 of the Paris Agreement for use under CORSIA, including:
 - Number of Carboncers authorized for use under CORSIA.
 - Applicable CORSIA compliance period for authorized units.
 - Authorized unit vintages.
- Definition of "First transfer", including the timing and milestones triggering the application of the corresponding adjustment. Such "first transfer" could be either considered as:
 - The date of issuance of the LOA (authorization date).
 - The date of issuance of relevant Carboncers.
 - The date of the cancellation of the mitigation outcome for use towards a CORSIA obligation.
- Statement from the Host Country, confirming that authorized ITMOs shall not be used to achieve, nor counted towards, its Nationally Determined Contribution (NDC) or any other national GHG emissions targets.
- Commitment from the Host Country to perform the required corresponding adjustments in accordance with the Paris Agreement, as applicable, including:

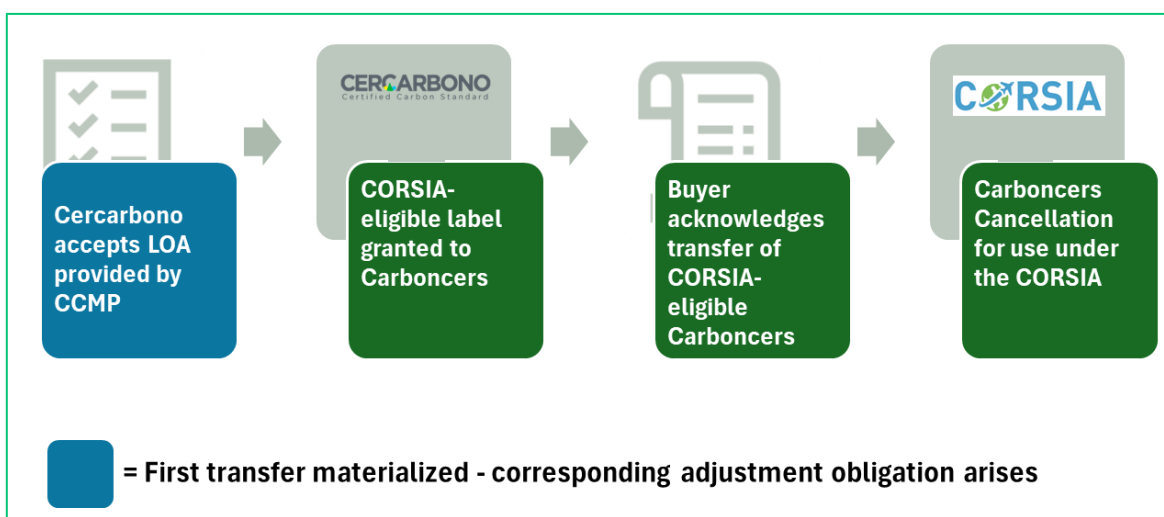
- A statement committing to document, apply, and report the relevant corresponding adjustments in its Biennial Transparency Reports (BTRs)³.
- A statement committing to report, in its BTRs, the use of the authorized Carboncers for CORSIA, consistent with the granted authorizations and in accordance with the transparency provisions in accordance with Article 13 of the Paris Agreement or as required by any future additional, complementary or substitutive decision(s) of the CMA.
- A statement describing the accounting method, in line with relevant provisions of Annex to Decision 2/CMA.3, “Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement.

6 Considerations on First Transfer and Corresponding Adjustments

As stated in the previous section, for mitigation outcomes authorized by the Host Country for use as ITMOs for other international mitigation purposes, the “first transfer” definition must be specified by the Host Country and may occur at the time of authorization, or issuance, or use or cancellation of the mitigation outcome⁴.

Depending on the Host Country’s definition of “first transfer”, the obligation to apply a corresponding adjustment may be triggered at different moments prior to or upon the cancellation of the Carboncers referred to in the LOA. The corresponding adjustment shall be applied at the moment defined as the first transfer of the ITMO⁵. Figures 2 to 4 illustrate timelines and milestones corresponding to each possible case.

Figure 2. First transfer at authorization selected.



³ As per Article 13 of the Paris Agreement and CMA’s current relevant decisions (Such as Section C of Decision 18/CMA.1, “Modalities, procedures and guidelines for the transparency framework for action and support referred to in Article 13 of the Paris Agreement”, Decision 2/CMA.3, “Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement”), and those complementing or substituting them in this regard.

⁴ Decision 2/CMA.3 Annex, Section I, paragraph 2.

⁵ Decision 2/CMA.3 Annex, Section III.C, paragraph 16.

Figure 3. First transfer at use/cancellation selected.

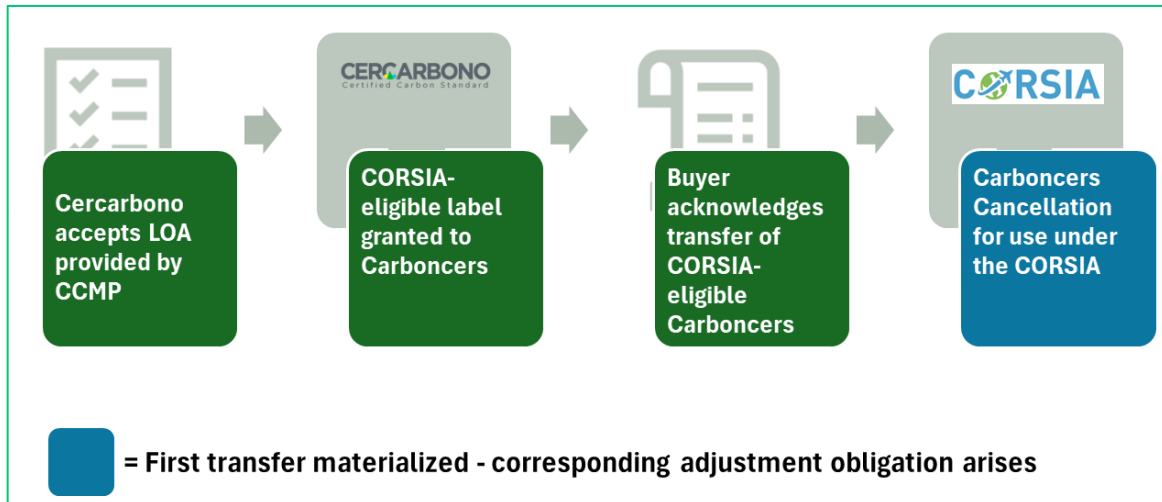
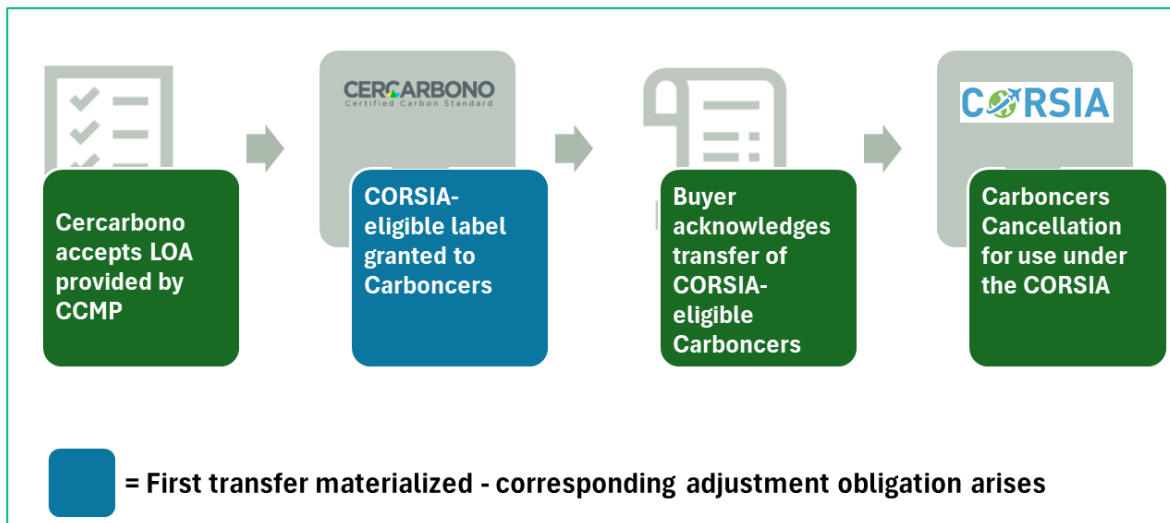


Figure 4. First transfer at issuance selected.



In each of the scenarios described above, Cercarbono has full visibility over the processes related to LOA authorization, the granting of the CORSIA-eligible label, and the cancellation of Carboncers. The first two form part of the labeling process under Cercarbono’s control, while cancellation events are monitored and recorded through EcoRegistry, which provides real-time information to the standard. Cercarbono will notify the Host Country when the condition defined as “first transfer” has been met, in order to trigger the application of the corresponding adjustment in accordance with the selected definition of “first transfer”.

In addition, the first transfer process involves multiple actors and coordinated, each bearing different responsibilities to ensure that the process is properly supervised and the relevant stakeholders are duly notified. These responsibilities are essential to ensure the integrity of CORSIA-eligible credits at all times.

Therefore, a mapping of actors, actions, responsibilities, and triggers related to first transfer conditions and corresponding adjustments obligation is presented in **Table 1**.

Even though the above discussion refers in general to ITMOs arising from emission reductions and removals covered by the Host Country's NDC, in the case they are not covered by its NDC, the obligation to apply corresponding adjustments persists in accordance with Decision 2/CMA.3, "Guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement"⁶.

⁶ Decision 2/CMA.3 Annex, Section III.B, paragraph 15.

Table 1. First transfer- and corresponding adjustment-related actions.

Milestone	Involved actors	Selected first transfer condition		
		Authorization	Issuance	Use/Cancellation
LOA authorized and published by Cercarbono	Cercarbono	- Reviews CCMP holder's LOA submission and issues change requests as applicable. - Authorizes LOA version for uploading into EcoRegistry. - Notifies CORSIA LOA has been authorized. <i>- Notifies Host Country, obligation for corresponding adjustment is on, starting surveillance process.</i>	- Reviews CCMP holder's LOA submission and issues change requests as applicable. - Authorizes LOA version for uploading into EcoRegistry. - Notifies CORSIA LOA has been authorized.	- Reviews CCMP holder's LOA submission and issues change requests as applicable. - Authorizes LOA version for uploading into EcoRegistry. - Notifies CORSIA LOA has been authorized.
	Host country	- Issues LOA fulfilling Cercarbono's CORSIA eligibility requirements. <i>- First transfer materializes - Corresponding adjustment obligation in place.</i>	- Issues LOA fulfilling Cercarbono's CORSIA eligibility requirements.	- Issues LOA fulfilling Cercarbono's CORSIA eligibility requirements.
	CCMP holder	- Requests LOA to Host Country - Provides feedback to Host Country on Cercarbono review's findings. - Uploads authorized LOA into EcoRegistry.	- Requests LOA to Host Country - Provides feedback to Host Country on Cercarbono review's findings. - Uploads authorized LOA into EcoRegistry.	- Requests LOA to Host Country - Provides feedback to Host Country on Cercarbono review's findings. - Uploads authorized LOA into EcoRegistry.
	EcoRegistry	- At Cercarbono's request, makes LOA publicly available at CCMP's minisite.	- At Cercarbono's request, makes LOA publicly available at CCMP's minisite.	- At Cercarbono's request, makes LOA publicly available at CCMP's minisite.
	Credits buyer/user	N/A	N/A	N/A
	CORSIA	- Receives Cercarbono notification on LOA authorization.	- Receives Cercarbono notification on LOA authorization.	- Receives Cercarbono notification on LOA authorization.
CORSIA-eligible label granted	Cercarbono	- Labels Carboncers as "CORSIA-eligible". - Ensures subject Carboncers are properly identified and shown in EcoRegistry's units accounting record. - Notifies CORSIA and the Host Country on CORSIA-eligible Carboncers' issuance and labeling.	- Labels Carboncers as "CORSIA-eligible". - Ensures subject Carboncers are properly identified and shown in EcoRegistry's units accounting record. - Notifies CORSIA and the Host Country on CORSIA-eligible Carboncers' issuance and labeling.	- Labels Carboncers as "CORSIA-eligible". - Ensures subject Carboncers are properly identified and shown in EcoRegistry's units accounting record. - Notifies CORSIA and the Host Country on CORSIA-eligible Carboncers' issuance and labeling.
	Host country	- Receives Cercarbono notification on CORSIA-eligible Carboncers' issuance.	- Receives Cercarbono notification on CORSIA-eligible Carboncers' issuance. <i>- First transfer materializes - Corresponding adjustment obligation in place.</i>	- Receives Cercarbono notification on CORSIA-eligible Carboncers' issuance.
	CCMP holder	- Receives Cercarbono notification on issuance.	- Receives Cercarbono notification on issuance.	- Receives Cercarbono notification on issuance.
	EcoRegistry	- At Cercarbono's request, identifies and records labeled credits and makes relevant information public.	- At Cercarbono's request, identifies and records labeled credits and makes relevant information public.	- At Cercarbono's request, identifies and records labeled credits and makes relevant information public.
	Credits buyer/user	- Able to check for CORSIA-eligible Carboncers at EcoRegistry	- Able to check for CORSIA-eligible Carboncers at EcoRegistry	- Able to check for CORSIA-eligible Carboncers at EcoRegistry
	CORSIA	- Receives Cercarbono notification on CORSIA-eligible Carboncers' issuance and labeling	- Receives Cercarbono notification on CORSIA-eligible Carboncers' issuance and labeling	- Receives Cercarbono notification on CORSIA-eligible Carboncers' issuance and labeling
CORSIA-eligible Carboncers cancelled for use under the CORSIA	Cercarbono	- Receives EcoRegistry's notification on Carboncers' cancellation for use in the CORSIA. - Notifies CORSIA and the Host Country on Carboncers' cancellation.	- Receives EcoRegistry's notification on Carboncers' cancellation for use in the CORSIA. - Notifies CORSIA and the Host Country on Carboncers' cancellation.	- Receives EcoRegistry's notification on Carboncers' cancellation for use in the CORSIA - Notifies CORSIA and the Host Country on Carboncers' cancellation. <i>- Notifies Host Country, obligation for corresponding adjustment is on, starting surveillance process.</i>
	Host country	- Receives EcoRegistry and Cercarbono notification on Carboncers' cancellation for use in the CORSIA.	- Receives EcoRegistry and Cercarbono notification on Carboncers' cancellation for use in the CORSIA.	- Receives EcoRegistry and Cercarbono notification on Carboncers' cancellation for use in the CORSIA. <i>- First transfer materializes - Corresponding adjustment obligation in place.</i>
	CCMP holder	- Confirms cancelled credits are properly accounted for in EcoRegistry.	- Confirms cancelled credits are properly accounted for in EcoRegistry.	- Confirms cancelled credits are properly accounted for in EcoRegistry.
	EcoRegistry	- Notifies Cercarbono, CORSIA and the Host Country on Carboncers' cancellation for use in the CORSIA.	- Notifies Cercarbono, CORSIA and the Host Country on Carboncers' cancellation for use in the CORSIA.	- Notifies Cercarbono, CORSIA and the Host Country on Carboncers' cancellation for use in the CORSIA.
	Credits buyer/user	- Uses CORSIA-eligible Carboncers in the CORSIA, cancelling them.	- Uses CORSIA-eligible Carboncers in the CORSIA, cancelling them.	- Uses CORSIA-eligible Carboncers in the CORSIA, cancelling them.
	CORSIA	- Performs cancellation process	- Performs cancellation process	- Performs cancellation process

7 Reporting on CORSIA-eligible Carboncers' use and status

Cercarbono has established a public reporting mechanism to provide, at least annually and, where applicable, upon publication of relevant BTRs, information on the status of CORSIA-eligible Carboncers to Host Countries, ICAO and the UNFCCC, including:

- Number of CORSIA-eligible Carboncers issued (Issuances), by Host Country, project, calendar year, and vintage, including their serial numbers.
- Number of CORSIA-eligible Carboncers retired (Retirements), by Host Country, project, calendar year vintage and aeroplane operator, including their serial numbers.
- Number of active and cancelled CORSIA-eligible Carboncers, including their serial numbers.
- Status of corresponding adjustments for CORSIA-eligible Carboncers.
- Number of CORSIA-eligible Carboncers identified in double-claiming situations, including their serial numbers, their compensation status, and details of the credits used to compensate the Host Country claimed outcomes.
- Information on LOAs relevant to the associated projects and Carboncers, including their publication at each project's minisite within EcoRegistry.
- Decisions pertaining to LOAs contents, including changes to the scope of authorization, authorized activities, allowable vintages, or revocation of authorization.
- Comparison of reported Host Country information with its BTRs and other relevant national reports.

This reporting shall include all relevant information regarding the accounting of Carboncers in accordance with Section IV of Annex to Decision 2/CMA.3, "Reporting" including initial reports, annual information and regular information, as applicable.

Publication of findings and comparison between attestation statements and the relevant national reports shall occur no later than 15 working days after publication of the final official version of such reports at UNFCCC's website.

The main features of the surveillance mechanism supporting this reporting system are described in **Section 8**, "Surveillance and Management of Corresponding Adjustments".

Identification of credits for which a corresponding adjustment has been performed is required in order to precisely report on their status.

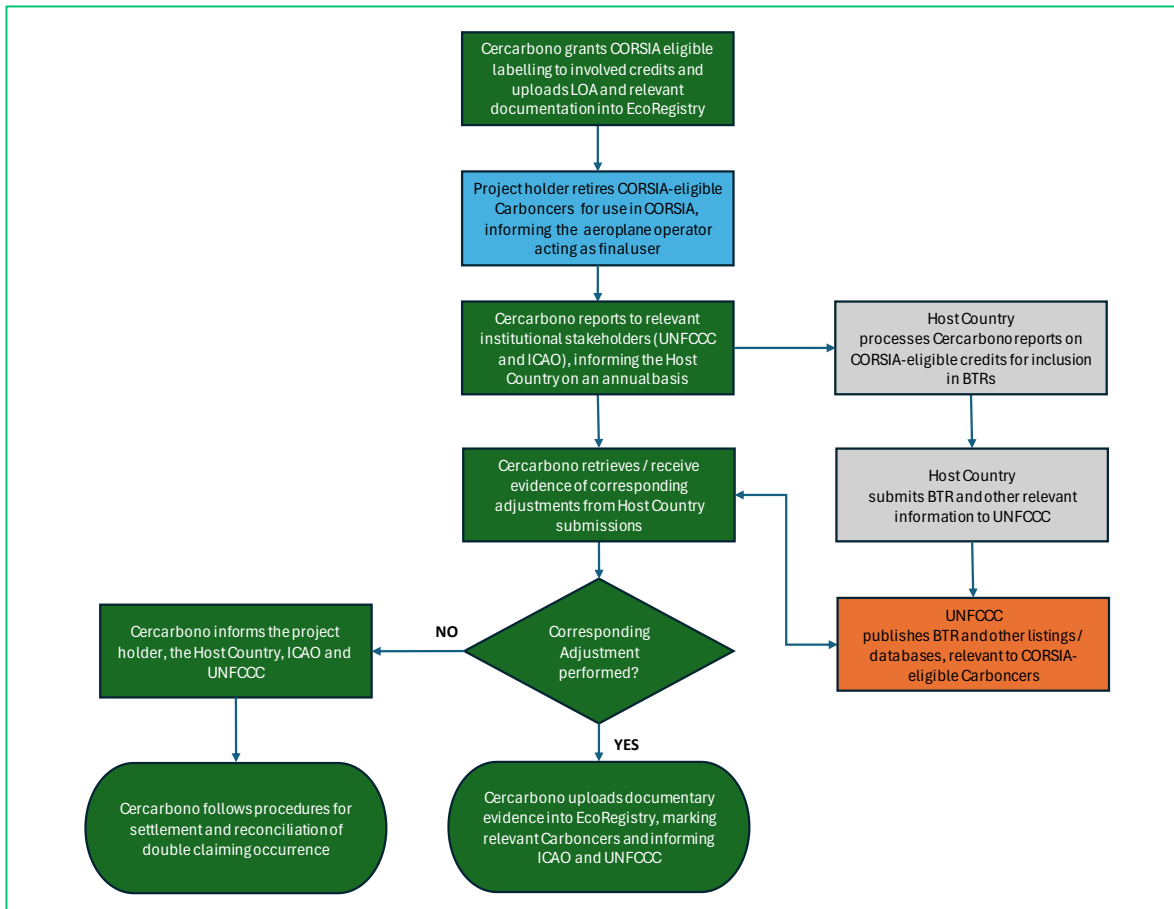
Documentary evidence of corresponding adjustments applied will be made publicly available and uploaded to each project's minisite within fifteen (15) working days after being obtained.

Documentary evidence of relevant events (*inter alia*, changes to or revocation of LOAs, or failure to apply corresponding adjustments) will be made publicly available and uploaded to each project's minisite in the term of fifteen (15) working days after being obtained.

The aeroplane operator acting as final user of the CORSIA-eligible Carboncredits will also be published at each project’s minisite under “Unit’s accounting” section.

The general reporting process is outlined in **Figure 5**.

Figure 5. CORSIA-eligible Carboncredits retirement and reporting process.



8 Surveillance and Management of Corresponding Adjustments

As described in the previous section, Cercarbono will proactively notify the Host Country, in accordance with the selected definition of first transfer, when the relevant milestone has been met. That milestone constitutes the trigger generating the obligation of the Host Country, for the application of the corresponding adjustment in respect of the relevant Carboncredits.

Such information will be made publicly available on the relevant CCMP minisite within EcoRegistry, which Host Countries and project holders may consult.

When the corresponding adjustment trigger is activated for a certain block of Carboncredits from a specific CCMP, Cercarbono will initiate the surveillance process determine whether the corresponding adjustment is applied in a timely manner and properly documented. To this end, Cercarbono will notify the relevant project holders, to allow them to request from

the Host Country the application of such corresponding adjustments within the applicable timeframe.

Such surveillance will also encompass relevant information submitted electronically by the Host Country to the Article 6 database under the Paris Agreement, as well as any other listings or reports pursuant to existing or future CMA decisions.

The surveillance process consists of periodic (biweekly) reviews of relevant official information, including *inter alia*, Host Countries' BTRs and other information described in Sections IV.A, IV.B, and IV.C of the Annex to Decision 2/CMA.3, concerning the status of corresponding adjustments relevant to CORSIA-eligible Carboncers. The results of this surveillance will be incorporated into a publicly available document updated on a monthly basis.

Such surveillance also serves to identify potential non-compliance with established timelines and to trigger remediation mechanisms as described in **Section 12**, "Procedures for settlement and reconciliation of Double Claiming Occurrence". To this end, Cercarbono will require project holders to check potential risks of non-compliance affecting the involved Carboncers, particularly in relation to the applicable corresponding adjustments deadlines.

Even when Cercarbono undertakes the relevant communication tasks, the project holder remains responsible for ensuring that the Host Country is duly informed and for following-up on corresponding adjustments obligations and status. The project holder shall inform Cercarbono of any updates or changes, especially those affecting the eligibility of the Carboncers' or those potentially representing a risk of double-counting. Accordingly, full responsibility for compensating Carboncers in the event of a double counting remains with the CCMP holder.

When no valid evidence of the application of a corresponding adjustment is publicly available or submitted to Cercarbono by the CCMP holder, with sufficient supporting evidence, within twenty-four (24) month following the publication of the relevant BTR in which such adjustment was due to be reported, the corresponding adjustment is deemed "Not applied", thereby triggering the procedures for settlement or reconciliation of double claiming occurrence⁷.

9 Double Counting Avoidance

Extensive provisions for the avoidance of double counting (i.e., double issuance, double use, and/or double claiming) in the Voluntary Carbon Markets environment (where corresponding adjustments are not required) are set out in **Section 7** of **Cercarbono's Procedures**. These provisions are fully aligned with definitions provided by ICAO under Criterion 7 of the CORSIA Emissions Unit Eligibility Criteria⁸.

⁷ In line with ICVCM's requirements for the CCP attribute 1 as stated in page 101 of Section 4 of the Assessment Framework of the Core Carbon Principles, January 2024, version 1.1, available at: <https://icvcm.org/wp-content/uploads/2024/02/CCP-Section-4-V1.1-FINAL-15May24.pdf>.

⁸ ICAO Document "CORSIA Emissions Unit Eligibility Criteria", March, 2019, available at: <https://www.icao.int>.

Among the overarching provisions and systems described in Cercarbono's Procedures to prevent and address double counting events are:

- Publicly accessible information hosted within EcoRegistry for each registered project activities, including Carboncers' issuance, transfer, retirement and cancellation records, kept and maintained in a secure manner.
- Detailed serialization and use of Blockchain technology ensuring duly identification and uniqueness of each Carboncer issued, allowing precise classification of involved Carboncers' and individual traceability through its entire chain of custody.
- Retirement and cancellation procedures, with public disclosure in EcoRegistry, including, where applicable under CORSIA, identification of the final user of cancelled credits, and the date and calendar year in which the offsetting requirement is fulfilled.

In addition, provisions addressing double claiming prevention where international transfers of mitigation outcomes are required (e.g., for Article 6 related mechanisms and schemes) are established in Cercarbono's ***Procedural Guidance for Preventing Double Claiming*** document.

These documents are available at: www.cercarbono.com, section "Documentation". Given that double claiming in the context of CORSIA presents the highest potential risk of double counting, a specific and detailed framework applicable to CORSIA is further provided below.

Consistent with its principles of transparency and traceability, and to ensure that stakeholders of projects generating CORSIA-eligible Carboncers have access to relevant information, Cercarbono, through its registry platform EcoRegistry, will make publicly available all LOAs issued by Host Countries for the relevant projects. The status of corresponding adjustments, once confirmed, will also be disclosed for the relevant Carboncers. In addition, the CORSIA-eligible labels will be clearly displayed within EcoRegistry platform and on the Carboncers issuance certificate. These measures provide enhanced transparency and additional opportunities for identifying potential double-counting issues.

10 Double Claiming Avoidance Assurance

A fundamental condition for avoiding double claiming, is that mitigation outcomes in the form of retired Carboncers toward a CORSIA commitment, must not simultaneously be counted toward the Host Country's NDC⁹. Accordingly, the Host Country must acknowledge and authorize such mitigation outcomes for OIMP, specifically for use under CORSIA. This requires the application of a corresponding adjustment.

Recognizing that administrative or procedural timelines may not always align with the timing of international transfer transactions, and that awaiting formal publication of a corresponding adjustment may in certain cases be impractical, Cercarbono established two alternative routes for providing assurance double claiming, as follows:

⁹ As provided under the Paris Agreement.

Route 1 – Provision of evidence of application of a corresponding adjustment

The preferred route for ensuring avoidance of double claiming is for the project holder to provide evidence that the corresponding adjustment has been applied prior to the retirement of the relevant CORSIA-eligible Carboncers.

Such application can be documented through the Host Country's Biennial Transparency Report(s) and/or UNFCCC's Article 6 database, as applicable, ensuring clear identification of the relevant mitigation outcomes and allowing full traceability.

In addition, the project holder shall execute a legally binding contract committing to compensate any Carboncers involved in a double-claiming event, as requested by Cercarbono, or any other designated beneficiary. The requirements of such contract are described in detail in **Section 6.3.1** of *Cercarbono's Procedural Guidance for Preventing Double Claiming*.

Route 2 – Provision of a suitable guarantee

While the standard expectation is that a corresponding adjustment will be applied following authorization for international transfers of mitigation outcomes, situations may arise where such adjustment has not yet been applied or publicly disclosed, including cases of delay, withdrawal of the authorization, or non-performance by the Host Country.

In such circumstances, where no corresponding adjustment has been applied and publicly disclosed, a guarantee mechanism shall be required prior to the retirement of the relevant CORSIA-eligible Carboncers to ensure compensation in the event of double claiming.

To that end, Cercarbono requires the project holder to provide, prior to the retirement of the relevant Carboncers', two concurrent assurances as follows:

- A legally binding contract committing the project holder to compensate any Carboncers involved in a double-claiming event, as requested by Cercarbono (or another designated beneficiary), in accordance with **Section 6.3.1** of *Cercarbono's Procedural Guidance for Preventing Double Claiming*.
- Evidence of issuance of a Cercarbono-approved insurance policy, issued by a Cercarbono-approved insurance company, backing the obligations established under the legally binding contract, in compliance with **Section 6.3.3** of *Cercarbono's Procedural Guidance for Preventing Double Claiming*.

The guarantee mechanism shall apply in circumstances where the Host Country fails to apply the corresponding adjustment in respect of specific Carboncers, including cases where a Letter of Authorization has been issued and commitment to apply such adjustments has been made.

The guarantee mechanism shall also apply to cases in which due to a change in LOA's, resulting in the number of units authorized as ITMO being reduced as compared to those originally authorized or those arising from a permanent LOA revocation.

The insurance policy shall provide coverage for Breach of Contract or Contract Default situations arising from the Host Country failure to fulfill its legally-binding commitment to apply the corresponding adjustment.

A guarantee issued by World Bank Group's Multilateral Investment Guarantee Agency (MIGA), is considered acceptable for this purpose under Cercarbono's framework.

Documentation required under either route Route, may be provided to Cercarbono at any time during certification or after Carboncers' issuance process by the project holder. However, any CORSIA labeling and any related transactions are only permitted once such documentation has been reviewed, confirmed as complete and compliant, and uploaded to the EcoRegistry platform.

11 Host Country LOA-related Issues

Given its sovereign authority, a Host Country may, in the context of a specific LOA, either:

- Modify the scope or terms of such authorization, or;
- Revocation of the authorization.

If any of such situations arises, the affected project holder must notify Cercarbono as soon as it becomes aware of the change or withdrawal.

When the authorization is modified, an updated version of the LOA, reflecting all applicable requirements described above, must be submitted to Cercarbono. Cercarbono will assess the impact of such modification on the eligibility conditions and on the amount of eligible Carboncers.

If, as a result of such modification, some or all of Carboncers are found to no longer meet CORSIA eligibility conditions, those Carboncers shall be blocked for CORSIA use, and the CORSIA-eligible label may be withdrawn following completion of the resolution process described below. At a minimum, the project holder, the Host Country, and ICAO shall be informed of such action.

If the modification results in additional Carboncers becoming CORSIA eligible, CORSIA eligible labeling may be granted to such additional Carboncers upon request by the project holder, and submission of a revised LOA, or a new LOA covering such additional units.

When the authorization is fully revoked or otherwise withdrawn, the CORSIA-eligible label must be withdrawn for all remaining Carboncers in the project holder's account within EcoRegistry.

In cases where CORSIA eligibility is reduced or eliminated, in terms of number of eligible Carboncers, Cercarbono will make reasonable efforts to reach a resolution with the Host Country aimed at preserving eligibility for the affected Carboncers where possible. If a final agreement is reached, the outcome shall be implemented accordingly. If no resolution is achieved within 120 days Cercarbono will definitely withdraw the CORSIA-eligible label for all involved Carboncers, and provisions as per **Section 12**, “Procedures for Settlement and Reconciliation of Double Claiming Occurrence”, shall enter into force regarding Carboncers in a double-claiming situation.

In all cases, information regarding LOA modifications or withdrawals, and the actions arising therefrom, will be made publicly available on the relevant the project minisite within EcoRegistry.

12 Procedures for Settlement and Reconciliation of Double Claiming Occurrence

When a corresponding adjustment is deemed “Not applied” (as described in **Section 8**, “Surveillance and Management of Corresponding Adjustments”), a warning is issued to the project proponent requesting credible and official evidence regarding the status of the corresponding adjustments process, provided that such corresponding adjustment remains legally and procedural possible.

Where the Host Country provides an updated timeline for applying the corresponding adjustment, Cercarbono will assess whether such timeline is reasonable and duly justified. If deemed reasonable, Cercarbono will grant a special extension of no more than twelve (12) months beyond the original due date. If the revised timeline is not considered justified by Cercarbono, the affected Carboncers will be deemed in double-claim status and subject to the applicable procedures set out below.

As established in **Section 10**, “Double Claiming Avoidance Assurance” above, a guarantee mechanism must have been provided by the project holder at the time the “CORSIA-eligible” label was requested. Such guarantee ensures that any Carboncers deemed to be double-claimed (namely those for which a corresponding adjustment was not applied within the applicable timeframe) shall be replaced with an equivalent number of CORSIA-eligible credits corresponding to the same CORSIA compliance phase, or alternatively, that full financial compensation shall be provided to Cercarbono for the procurement of equivalent replacement CORSIA-eligible credits.

Such CORSIA-eligible credits must consist of either Carboncers that have not been previously transferred or cancelled, or credits from other carbon certification standards or programmes authorized for migration into Cercarbono. Such credits will be cancelled to compensate for the relevant outcomes claimed by the Host Country.

A project holder may propose an alternative compensation mechanism for CORSIA-eligible Carboncers, subject to approval by a dedicated committee established under Cercarbono

Governance Overview framework. Nevertheless, such alternative mechanism does not substitute the obligation to provide the guarantees required under **Section 10**, “Double Claiming Avoidance Assurance”. Rather, it provides the project holder with the opportunity to make first use of the proposed mechanism with the aim of compensating involved CORSIA-eligible Carboncers.

If compensation is not effectively delivered within the required timeframe, and the CCMP holder fails to compensate Cercarbono with CORSIA-eligible credits of equivalent quality, activity type, and CORSIA phase eligibility, the following measures will be taken:

1. Immediate blocking of all available Carboncers in the relevant CCMP account, including both CORSIA-eligible and non-CORSIA-eligible units.
2. Temporary withdrawal of the CORSIA-eligibility label for all available CORSIA-eligible Carboncers in the CCMP holder account.
3. Formal notification to ICAO and relevant Carboncers user regarding the double-claiming issue and the applicable compensation and reconciliation procedures.
4. Convening a dedicated high-level special purpose committee in accordance to Cercarbono Governance Overview framework.
5. Execution of the insurance guarantee and initiation of legal action pursuant the legally binding contract, as applicable.
6. Upon receipt of replacement credits, Cercarbono will cancel such credits to reconcile the mitigation outcomes affected by the double-claiming situation.
7. Formal notification to ICAO and the relevant Carboncer user confirming that compensation has been effected and that the double-claiming issue has been resolved from an accounting standpoint.
8. Following completion of the compensation process (steps 1-7 above), and depending on the underlying causes of the double-claiming event, the special purpose committee might recommend one of the following actions:
 - a. Release of blocked credits and reinstatement of CORSIA-eligible label, where applicable.
 - b. Release of blocked credits and permanently retiring CORSIA-eligibility for Carboncers generated by the CCMP.
 - c. Suspension or Cancellation of the CCMP for non-compliance with Cercarbono’s regulatory framework.
 - d. Suspension or termination of the project holder’s participation in Cercarbono, including account cancellation on Ecoregistry and termination of services.

13 Validity and Updating of this Document

This document is valid from the date of its publication, and is of mandatory compliance for any project participating in Cercarbono’s voluntary carbon certification programme, seeking to obtain CORSIA-eligible Carboncers for use under International Mitigation Purposes.

Cercarbono may revise the content, approach and procedures described herein at any time, in response to new mandatory provisions, guidance, or recommendations issued by ICAO, UNFCCC or other relevant stakeholders regarding double claiming avoidance or related matters.

Any updates to the documents referred herein, as well as any future instruments that may be issued, shall be duly assessed for their relevance and, where appropriate, incorporated into updated versions of this document.

As such revisions may affect eligibility requirements or other aspects relevant to CORSIA eligible credits, users are strongly advised to consult the most current version of this document as published on Cercarbono's official website (www.cercarbono.com).

14 Disclaimer

Cercarbono shall be held harmless against any and all claims regarding CORSIA labeling or eligibility assessment, regardless of the nature of the damages or any labeling or assessment inaccuracies.

Cercarbono's assessment and labeling of CORSIA-eligible Carboncers are conducted in accordance with its regulatory framework and based on the information available at the time of review, including information provided by Host Countries, international bodies, and other relevant authorities.

Cercarbono shall not be liable for changes in eligibility status or other consequences arising from actions, omissions, or decisions taken by Host Countries, international institutions, or other third parties that are beyond its control.

This document may be updated periodically to maintain alignment with ICAO policies, UNFCCC decisions, and other relevant international requirements. Users are responsible for consulting the most current version of this document as published on Cercarbono's official website.

15 Document History

Version	Date	Comments or changes
1.0	08.03.2026	Initial version.