

E. Process to Pre-Validation

Creation of Login

1. To create a login account for the ClimateProjects system - see www.ClimateProjects.info
-

Preparation of Documents

2. Project documents must use the predefined templates - see www.CarbonFix.info/Templates
 3. Project documents must be submitted in English.
 4. Reference documents must be in English, Spanish, French or German. Otherwise essential parts of the documents must be translated and the translation must be verified by an independent organisation.
 5. How to submit project information is explained on the ClimateProjects website.
-

Submission of Documents

6. When submitting the project information, the project developer must agree to the 'General terms & Conditions' of CarbonFix. Therefore, the template of these terms has to be submitted as project document. TEMPLATE: General Terms & Conditions
-

Pre-Validation

7. The pre-validation is executed by the technical board of the CarbonFix association.
8. It is executed as soon as all project information is submitted through the ClimateProject websystem and the pre-validation fee is received by CarbonFix. This process takes approximately 1 month.
9. During pre-validation the technical board assesses, based on the information submitted, whether a project is likely to meet the criteria of the CFS in the certification process.

Note that the assessment of the pre-validation does not influence the evaluation of the certification process. It simply aims to reduce the time - and therefore also the expenditures - of the cost-intensive third party certification process.

10. With a successful pre-validation the project can apply for its initial certification process.
-

Others

11. In case a project is located in an Annex I country which has accepted Article 3.4 of the Kyoto-Protocol, the technical board will inform the DNA of the project's host country to prevent double counting of CO₂-rights.

Annex I	Annex I is a list of industrialised countries that shall reduce their CO ₂ -emissions according to the Kyoto-Protocol.
Article 3.4	Countries which have accepted Article 3.4 of the Kyoto-Protocol must account for the CO ₂ -emissions of their land-use, land-use change and forestry.
DNA	The DNA (Designated National Authority) represents the focal point of accounting CO ₂ -emissions within every country that has ratified the Kyoto Protocol. Contact details of the DNAs are available under: http://cdm.unfccc.int/DNA

F. Certification

1. For every certification process, the project developer is free to choose any certification body.
-

2. With a successful certification, written confirmation is given by the certification body that the project complies with the CFS criteria.

Hereby the amount of CO₂-certificates is confirmed, which can thereafter be sold by the project developer.

3. VER-futures of management units can only be certified after the trees have been planted.
-

4. The means applied by the certification body in order to confirm criteria of the CFS include, but are not limited to a

- Desk review
 - Literature confirmation
 - Field visit
 - Interviews
-

5. A certification can be successful with minor Corrective Action Requests if these are
 - limited in the scale of their impact, and
 - correctable in a time span of less than 6 months.

Within these 6 months, evidence must be given to the respective certification body that the Corrective Action Request has been solved.

6. Past non-compliances to the CFS which are irreversible, must be mitigated in the future.
7. If changes to the projects settings occur which might endanger the compliance with the CFS, they must immediately be reported to the technical board.
8. Before every certification processes the project information must be updated.

F. Certification

Certification types

9. There are three types of certifications, which differ in their type of assessment.
- Initial Certification Executed with the first field visit
 - Regular Certification Executed according to pre-set intervals
 - Intermediate Certification Executed to verify new management units

Documents (Templates)		Initial Certification	Regular Certifications	Intermediate Certifications
General Terms & Conditions		✓	✓	✓
Project Participants		✓	✓	✓
A	01 Eligibility	✓		✓
	02 Additionality	✓		(✓)
B	03 Forest Management	✓	✓	
	04 Environmental Aspects	✓	✓	
	05 Socioeconomic Aspects	✓	✓	
C	06 CO ₂ -fixation	✓	✓	✓
	07 Project Emissions	✓	✓	✓
	08 Baseline	✓	(✓)	(✓)
	09 Leakage	✓	(✓)	(✓)
D	10 Capacities	✓	✓	
	11 Secured Land Tenure	✓	✓	

- ✓ Criteria to be assessed during the certification
- (✓) Criteria to be assessed in case changes of the project affect these parameters

10. Initial certification must be completed within 12 months after the date of pre-validation.

11. Regular certifications must be executed in year 0, 2 and 5.

From year 5 on, regular certification must take place every 5 years.

In case a certification expires it will lead to the immediate stop of the sale of CO₂-certificates. Furthermore, all CO₂buyers of the project will be informed.

Example of a project which had its initial certification 3 years after the project start.

Year	Type of certification	
Year 0 = <u>Project start</u> = Planting of first trees	2005	
Year 2		
	2008	Initial certification
Year 5	2010	Regular certification
	2012	Intermediate certification
Year 10	2015	Regular certification

Intervals of regular certifications must be seen in relation to the year of project start - NOT to the year of submission of the documents or the year of pre-validation.

12. Projects must be certified for at least 30 years after the project start or up to the last year of delivery of their CO₂-certificates.

13. Intermediate certifications can serve the purpose of
- verifying VERs of a management unit
 - validating VER_{future}s of new management units

G. Project Exclusion

1. A project will be excluded by the technical board when clear evidence is found that the project is not acting according to the criteria of the CFS or the General Terms & Conditions of CarbonFix.

Information that leads to the presumption of a projects non-compliance will be investigated by the technical board. Depending on the strength of presumption a stop of the sale of CO₂-certificates may be applied.

2. The exclusion of a project leads to the cancellation of all its CO₂-certificates (assigned, not yet assigned and buffer).
3. Prior to a projects exclusion, all CO₂buyers from the project will be informed about the reason of the potential exclusion. In case these reasons are
 - limited in scale +
 - correctable in a time span of less than 6 monthsthe project will be given the possibility to implement corrective measures.

During this time span no sale of CO₂-certificates is possible.

H. CFS Buffer

1. As soon as CO₂-certificates are issued (see chapter 'F - Certification', Point 2) 30% of the VER_{futures} and VERs from each management unit are allocated into the CFS buffer fund.
2. The CFS buffer fund becomes operational in case a project is excluded - see chapter 'G - Project exclusion'.
3. In case the CFS buffer fund is used, up to 100% of the CO₂-certificates available in the buffer fund at the time of project exclusion, will be used to compensate possible shortfalls.

Information on the amount of CO₂-certificates in the buffer fund is available through the CarbonFix website - see www.CarbonFix.info/Buffer

4. Compensation depends of the type of CO₂-certificates:
 - VERs can only be compensated by VERs
 - VER_{futures} can be compensated by VER_{futures} or VERs
5. CO₂-certificates allocated by other projects as compensation activity (see '11 Compensation Activities', Point 2b and 7b) are to be replaced first.

Secondly, CO₂-certificates purchased by CO₂-buyers are replaced.

6. The order of compensation depends on the date of purchase. First purchases are served first.
7. CO₂-certificates that are not assigned to a CO₂-recipient within the CO₂-registry of CarbonFix (see chapter 'K - Sales / Purchases') at the time of project exclusion will not be compensated by the buffer fund.

I. Adaptation of the CFS

1. The CarbonFix Standard can be adapted by two types of processes:

- Full reviews
- Intermediate reviews

As preset by the statues of CarbonFix, any review of the standard requires the final approval by the technical board of the association.

2. Full reviews are executed by a public review process that lasts a minimum of 4 weeks.
3. Intermediate reviews are executed by the technical board. This type of review only allows minor adaptations to the standard.

Intermediate reviews are made visible by the numbering after the notation (e.g. 2.1, 2.2, etc.)

- 4: Project information based on a past version of the CFS can be submitted for certification up to 3 months after the release of the latest version.

In case a project was successfully pre-validated with a past version, it can also be certified with that version.

5. Project developers will be updated via email about any new versions of the CFS.

J. Fees

1. CarbonFix charges the project developer a fee of €0.50 (excl. VAT) for every CO2-certificate sold.
 2. Fees imposed by CarbonFix are used to:
 - ensure the quality of the CarbonFix Standard
 - further develop, promote and finance the administration of CarbonFix
-
3. For every pre-validation process of a project, CarbonFix charges a fee of €1500 (excl. VAT).
 4. In case the pre-validation process requires several rounds of Corrective Action Requests additional charges can occur. In this case, the project developer is informed in advance.

K. CO₂ Sales & Retirement

1. CarbonFix does not sell any CO₂-certificates from the climate projects.

Parties interested in buying CO₂-certificates must contact the project developer directly.

2. In case CO₂-certificates are sold, the project developer must provide the following information to the CO₂-registry of CarbonFix - www.CarbonFix.info/Registry
 - Amount of CO₂-certificates
 - Type of CO₂-certificates (VERs or VER_{future}s)
 - Name of the CO₂-buyer (company name is optional)
 - Email of the CO₂-buyer

This information will be used to

- assign the CO₂-certificates to the CO₂-buyer
- deduct the amount of CO₂-certificates from the CO₂-stock of the project
- send the CO₂-recipient an email

The email contains information which gives the CO₂-buyers the possibility to

- make their name publicly available (by default the CO₂-recipients name is displayed in an anonymous way)
- to retire their CO₂-certificates (retirement message is optional)

3. All options from this chapter are free of charge.
4. The status (assigned, transferred, retired, cancelled) of all CO₂-certificates of a project is made publicly available through the CO₂-registry.

-
5. In case of the revocation of CO₂-certificates, CarbonFix must have written confirmation from the project developer as well as from the CO₂-buyer to cancel the CO₂-certificates from the CO₂-registry.
 6. The reimbursement of fees to the project developer is only possible within 2 months of registration.

-
7. Any sale of CO₂-certificates must fully comply and expressly agree with the CFS as well as the General Terms & Conditions of CarbonFix.

Templates for sales contracts are available in the login area of the project developer.

L. Brokerage & Traceability

In order to extend the services offered by the CFS, the CarbonFix association has gone into partnership with the organisations TZ1 and greenEye.

1. In addition to assigning CO₂-certificates to the CO₂-registry of CarbonFix (see chapter 'K - CO₂ Sales & Retirement'), the project developer can transfer these CO₂-certificates to the TZ1 or greenEye account of a CO₂-recipient.

In this case the CO₂-certificates are automatically retired within the CO₂-registry of CarbonFix.

TZ1

2. With the transfer to TZ1, the CO₂-recipient gains the possibility to trade (transfer) its certificates to other CO₂-accounts. See www.TZ1market.com
3. For the initial transfer to the CO₂-buyers TZ1 account no extra costs occur.

If CO₂-certificates are thereafter traded (transferred) to another account, a fee of 0.05€ per CO₂-certificate and per transfer will be charged by the organisation of TZ1 to the account holder that transfers the CO₂-certificates.

4. The transfer to other trading platforms (ACR, APX, etc.) is also possible under the TZ1.
-

greenEye (available as of December 2009)

5. With the transfer to greenEye, the CO₂-recipient gains the possibility to make the carbon-neutrality of its products traceable and transparent.

To learn more about the vast possibilities offered by this system visit www.green-Eye.info

M. Labelling policy

1. The wording 'CarbonFix Standard', 'CFS' and the CarbonFix logo are registered trademarks and may not be used or reproduced without authorization by CarbonFix.
2. Authorisation for the use of the trademarks is given to
 - a. Project participants to express the quality of their project or CO₂-certificates
 - b. CO₂-buyers to promote products or services which have been made climate-neutral through the purchase of CO₂-certificates
 - c. Assistants - see www.CarbonFix.info/Assistants - or certification bodies to advertise their services

-
3. The trademarks must never be used in a misleading manner.
 4. In case trademarks are used on websites, they must be linked to 'www.CarbonFix.info'.
 5. The label (CFS logo in combination with the words 'CarbonFix Standard') may be in colour (colours of the logo) or in black and white.
 6. The label must be displayed in high-resolution - min. 72 dpi for websites and 300 dpi for printing.

Templates can be downloaded from www.CarbonFix.info/Media

7. The label may be used together with the following slogans:

English

- Quality CO₂-certificates from new forests
- Because Forests are more than just Carbon
- Geographically divided. Climatically united.

Spanish

- Certificados de calidad de las reforestaciones
- Un bosque es más que un reductor de CO₂
- Primero reducir y luego compensar

German

- Qualitätszertifikate aus Aufforstung
- Wald ist mehr als nur ein CO₂-Speicher
- Erst reduzieren. Dann kompensieren.

In other languages slogans may be used which have the same meaning.