



# Product Guide





# CCP-Aligned Benchmarks for Technology Credits

Introducing the **Core Global Emissions Offset™**, the latest evolution of CBL's Global Emissions Offset™ suite of carbon benchmarks. The C-GEO™ contracts provide new, streamlined ways to trade the energy and renewable (technology) segment of the voluntary carbon market with high-quality credits sourced from the Verra Registry.

The C-GEO contracts were developed based on input from financial institutions, trading firms, project developers, industry associations, corporations, and carbon-standards organizations.

Underlying every C-GEO contract is an offset that meets stringent eligibility criteria defined in the CBL Standard Instruments Program, which are consistent with initial Core Carbon Principles (CCP) outlined by the Taskforce for Scaling Voluntary Carbon Markets. Trading the C-GEO contracts eliminates many of the operational requirements of trading offsets, because you can trust that you're purchasing carefully vetted, high-quality projects.

Like the GEO® and N-GEO™, the C-GEO contracts are traded on Xpansiv market CBL, the largest spot exchange for trading carbon credits. CBL supports robust liquidity formation, transparent price discovery, and risk transference, ensuring the C-GEO is a reliable benchmark for high-quality technology-based offsets.



# A Simple Way to Transact Quality Carbon Offsets

The C-GEO contracts trade alongside the GEO and N-GEO on the CBL exchange, which offers access to a broad range of individual carbon-offset projects from leading registries, enabling unrivaled choice. But for those who don't want to choose—or don't have the resources to screen the vast universe of individual energy projects—the C-GEO contracts provide streamlined solutions. When you buy a C-GEO contract, you purchase an underlying energy, renewable tech-based project that meets stringent quality and integrity criteria defined by CBL.



**Standardisation**



**Trust**



**Reliable  
Benchmark Pricing**



**Access**



**Low Risk**



# C-GEO Overview

The C-GEO contract design incorporates many of the best elements of CBL's GEO and N-GEO contract specifications to enhance the contract's reliability as a benchmark, optimize the underlying high-quality credit supply to maximize liquidity and price discovery, and streamline and minimize operational requirements. The C-GEO contracts are identical except for the initial vintage ranges they cover and how the ranges change over time.

**C-GEO-2, CURRENT, ROLLING VINTAGE RANGE:** To ensure currency, the C-GEO-2 contract has a rolling, six-year vintage range. At mid-year (beginning in 2022) credits from the oldest, 2016 vintage will become ineligible for the contract and vintage 2022 will be added. This mechanism will enable the contract to be used to price longer-dated forward contracts, among other benefits.

**C-GEO-1, OLDER, EXPANDING VINTAGE RANGE:** To accommodate older credits, including those that roll off the C-GEO-2 when the vintage range advances, a second C-GEO contract, the C-GEO 1, will trade alongside the C-GEO-2. Conforming credits from 2012–2015 will be eligible for delivery into the C-GEO-1, which will provide a robust benchmark for the vintage range and sector. Unlike the C-GEO-2's rolling vintage range, the C-GEO-1 will have an expanding vintage range to ensure older credits remain eligible for delivery into the instrument.

**PLENTIFUL SUPPLY:** The pool of credits underlying the C-GEO-2 is estimated at more than 100 million, which is approximately three times the size of the eligible supply for CBL's GEO contract. The C-GEO-1's deliverable supply is estimated at 57 million credits, bringing the total for both contracts to more than 160 million credits.

**OPERATIONAL SIMPLICITY:** Like the N-GEO, the C-GEO contracts are single-registry instruments. Only eligible credits from the Verra Registry can be delivered into the new contracts. Further streamlining the contract design and differentiating the C-GEO from the GEO, no SDG reports will be required and there will be no project start-date restrictions.



# C-GEO-1 Contract Specification

PRODUCT DESCRIPTION	The C-GEO represents a standardized, cleared contract for spot delivery of Verified Carbon Units (VCUs) issued by Verra’s Verified Carbon Standard (VCS) with the exclusion of (1) hydroelectric power plants using CDM Methodology ACM0002 Grid-Connected electricity generation from renewable sources, with electrical generation capacity larger than 20MW, with the exception of Run of River Hydroelectric Power Plant, and (2) AFOLU projects. Complete defining criteria is available in the CBL Standard Instruments Program.
ELIGIBLE UNITS	See <a href="#">Schedule 4</a> of CBL's Standard Instruments Program
ELIGIBLE VINTAGES	2012-2015, adds one year annually
PRODUCT CODE	C-GEO-1
CLEARING & SETTLEMENT	Asset Units associated with Products that are the subject of Transactions are pre-cleared and physically settled through Market Operator’s Delivery versus Payment Clearing and Settlement structure. Asset Units are delivered on a spot basis at the moment of Transaction execution into the Participant’s Registry Account linked to EMA.
LOT SIZE	1 C-GEO-1—one metric ton of CO2 equivalent (1 mtCO2e)
CURRENCY	USD
MINIMUM PRICE FLUCTUATION	The price convention shall be \$0.01 per C-GEO-1
REGISTRY	Verra Registry
MARKET(S)	CBL
TRADING HOURS	23 hours per day, 365 days per year



# C-GEO-2 Contract Specification

PRODUCT DESCRIPTION	The C-GEO represents a standardized, cleared contract for spot delivery of Verified Carbon Units (VCUs) issued by Verra’s Verified Carbon Standard (VCS) with the exclusion of (1) hydroelectric power plants using CDM Methodology ACM0002 Grid-Connected electricity generation from renewable sources, with electrical generation capacity larger than 20MW, with the exception of Run of River Hydroelectric Power Plant, and (2) AFOLU projects. Complete defining criteria is available in the CBL Standard Instruments Program.
ELIGIBLE UNITS	See <a href="#">Schedule 5</a> of CBL's Standard Instruments Program.
ELIGIBLE VINTAGES	2016-2021, rolls annually
PRODUCT CODE	C-GEO-2
CLEARING & SETTLEMENT	Asset Units associated with Products that are the subject of Transactions are pre-cleared and physically settled through Market Operator’s Delivery versus Payment Clearing and Settlement structure. Asset Units are delivered on a spot basis at the moment of Transaction execution into the Participant’s Registry Account linked to EMA.
LOT SIZE	1 C-GEO-2—one metric ton of CO2 equivalent (1 mtCO2e)
CURRENCY	USD
MINIMUM PRICE FLUCTUATION	The price convention shall be \$0.01 per CGEO-2
REGISTRY	Verra Registry
MARKET(S)	CBL
TRADING HOURS	23 hours per day, 365 days per year



# Frequently Asked Questions





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## 1. What is the Core Global Emissions Offset (C-GEO)?

Like the original GEO contract, the new Core Global Emissions Offset (C-GEO) contracts provide streamlined access and operational efficiencies for purchasers and developers of non-AFOLU project types. Also, like the GEO, the C-GEO instruments provide price benchmarks for their underlying market segment and vintage ranges.

The C-GEO contracts are composed of non-nature based VCS VCUs, but exclude large hydro projects<sup>1</sup>. However, all Run-of-River-type hydro projects are eligible.

This criteria complements CBL's Nature-Based Global Emissions Offset (N-GEO) contract, which is based on Verra's AFOLU methodologies and CCB accreditation. With both contracts actively trading on the CBL exchange, participants have access to broad benchmark contracts that cover Tech and Nature-Based projects.

The CCP can be applied to eligible tech-based projects, promoting innovation from early-stage project design through development and implementation.

"Tech-based credits" are defined as the following:

1. Energy (renewable/non-renewable)
  - a. Excluding Large Hydro<sup>1</sup>
2. Energy distribution
3. Energy demand
4. Manufacturing industries
5. Chemical industry
6. Construction
7. Transport
8. Mining/Mineral production
9. Metal production
10. Fugitive emissions from fuels (solid, oil and gas)
11. Fugitive emissions from industrial gases (halocarbons and sulphur hexafluoride)
12. Solvents use
13. Waste handling and disposal
14. Livestock and manure management

<sup>1</sup> Large Hydro defined as Hydroelectric Power Projects with generation capacity 20MW or larger.



## 2. Why is Xpansiv launching the contracts?

The new C-GEO contracts were developed with a wide range of market participants who were seeking a standardized benchmark instrument to cover market segments not covered by CBL's existing GEO and N-GEO benchmarks.

C-GEO contracts were designed to align with the Core Carbon Principles and provide the market with a benchmark contract for a larger pool of non-nature-based, or “tech-based,” credits than the GEO contract.

## 3. What is the CBL Standard Instruments Program?

CBL, as Market Operator of the CBL spot market exchange, has established the first-of-its-kind Standard Instruments Program (SIP) to accompany and govern the launch of spot contracts for the settlement and physical delivery of standardized environmental commodities that meet defined criteria for quality and performance.

The objectives of the SIP are to assure CBL Market Participants and other buyers and sellers that they are purchasing and procuring environmental commodities that meet a level of acceptable and transparent quality and to protect and promote the scaling of development and implementation of qualifying projects and activities generating high-quality environmental commodities.

## 4. What is the Integrity Council for the Voluntary Carbon Markets and what are the Core Carbon Principles?

After a year of meetings and working groups between its 250+ members, the Taskforce on Scaling Voluntary Carbon Markets (TSVCM) created a governance board comprised of leading Non-Governmental Organizations (NGOs) and private-sector participants from around the globe in October of 2022. The newly formed Integrity Council for Voluntary Carbon Markets (IC-VCM) recently listed its initial recommendation for Core Carbon Principles (CCP), with the goal of ensuring “carbon credits that deliver additional, high-quality emissions reductions with real environmental and social impact [that] will allow the market to scale with integrity.”

## 5. In addition to minimizing project due diligence, what benefits do the C-GEOs offer market participants?

C-GEO bids, offers, transactions, and daily settlement prices will provide a transparent, benchmark price signal for CCP-aligned offsets with associated co-benefits. The C-GEO contracts will also enable intraday market price monitoring, and a reliable daily settlement price participants can use for a host of purposes, including the ability to mark open positions to market, as a mark for other OTC spot or derivatives contracts, and as a basis for project financings or hedging activities.



For market participants, many additional C-GEO benefits stem from the contract being traded on CBL's open exchange platform:

- A simplified membership process enables exchange trading without the extensive documentation required to trade OTC
- Equal market access for all market participants (not credit dependent)
- Transparent pricing on the exchange's central limit order book
- Diverse participation from companies, producers, financial institutions, and trading firms
- Live market data
- Minimal/zero counterparty, credit, and delivery risks
- Post-trade, straight-through processing to registries

## 6. How does CBL reduce counterparty and delivery risk?

Our clearing-and-settlement process ensures against settlement risk, as we pre-clear both the product and cash sides of the transaction. This ensures that a buyer is guaranteed delivery of units offered on the exchange. Furthermore, sellers are guaranteed payment on a T+0 basis as we require buy-side participants to post cash in an escrow account before a bid can enter the order book, and therefore before a trade can occur.

## 7. Operationally, how are volumes being flagged as "C-GEO" compliant in the CBL system/screen?

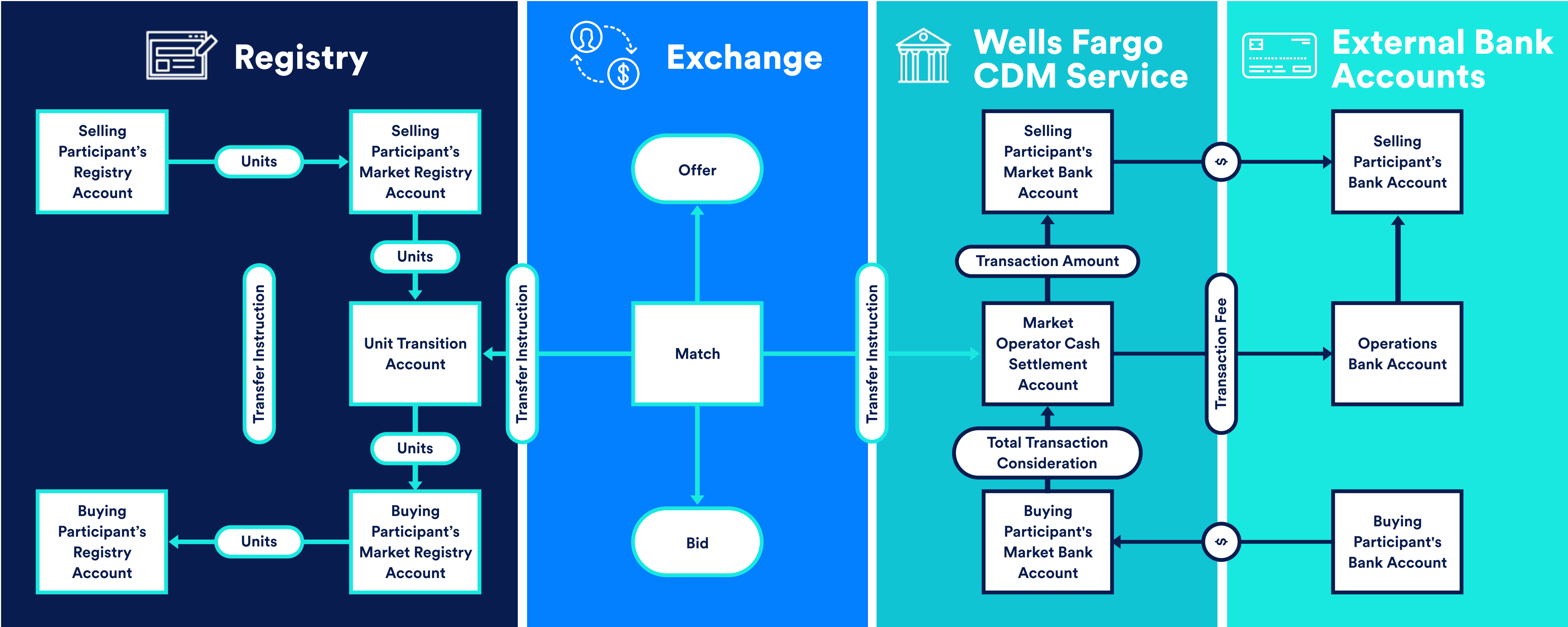
The C-GEO spot contracts will be listed in the "SIP" workspace on the CBL platform, alongside the GEO, N-GEO, and MPC contracts. As with CBL's GEO and N-GEO contracts, participants transfer eligible C-GEO units into their Market Registry Account account at Verra. CBL systems then validate the eligibility of the project and accept/reject accordingly. If credits are accepted, the participants C-GEO Holdings are updated within the CBL Platform. Participants can then place offers as desired.

## 8. What are the fees associated with trading the C-GEO contracts?

There are no membership fees to join CBL. The buyer and seller each pay a \$0.05 per contract transaction fee that covers matching, clearing, and delivery/settlement.



# Clearing and Settlement





# CBL Is Part of the Xpansiv Digital Commodity Ecosystem

Xpansiv is the global marketplace for ESG-inclusive commodities. These Intelligent Commodities bring transparency and liquidity to markets, empowering participants to value energy, carbon, and water to meet the challenges of an information-rich, resource-constrained world.

Put CBL to work for you—contact us today at [geo@cblmarkets.com](mailto:geo@cblmarkets.com) to learn more and schedule a demo.

