



SD-GEO™

# Product Guide

**cbl**  
AN XPANSIV MARKET



# A Definitive Cookstove Benchmark with Vital Co-Benefits

Introducing the **Sustainable Development Global Emissions Offset™**, the latest benchmark to join CBL's Global Emissions Offset™ product suite. The new SD-GEO™ contract is essential to price discovery in the emerging household device market.

High-quality cookstove projects that meet at least five of the United Nation's Sustainable Development Goals (SDGs) are eligible to deliver against the contract. This ensures that credits delivered against SD-GEO have substantial co-benefits in addition to mitigating carbon emissions. Cookstove projects focus on positive impacts to local communities and often include SDGs like No Poverty (1), Good Health and Well-Being (3), Gender Equality (5), Affordable and Clean Energy (7), Responsible Consumption and Production (12), and Climate Action (13).

The SD-GEO provides the market with a standardised contract that streamlines transactions of cookstove credits from the Verra Registry and Gold Standard registry without the need to evaluate the vast universe of individual projects.

Like the existing GEO® suite, the SD-GEO contract is traded on the CBL exchange and provides liquidity, transparent price discovery, and a reliable benchmark for a key segment of global voluntary carbon markets.



# A Simple Way to Transact High-Quality Carbon Offsets

SD-GEO contracts trade alongside the GEO, N-GEO®, and C-GEO™ on Xpansiv market CBL, the world's leading environmental commodity exchange. CBL 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 navigate the vast universe of individual projects—the SD-GEO contract provides a streamlined solution. When you buy an SD-GEO contract, you purchase a specific underlying project that meets rigorous quality standards set out by CBL in its Standard Instruments Program.



**Standardisation**



**Trust**



**Reliable  
Benchmark Pricing**



**Access**



**Low Risk**

# SD-GEO Overview

The SD-GEO contract design incorporates many of the best elements of CBL's GEO, N-GEO, and C-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.

**ELIGIBLE PROJECT TYPES:** SD-GEO will allow for delivery of cookstove credits from both the Verra Registry and Gold Standard. Cookstove credits are the most actively traded credits within the broader household device segment. Basis markets may emerge for other household device credits—such as water filter and lighting credits—which are anchored to the SD-GEO price.

**SUSTAINABLE DEVELOPMENT GOALS:** Projects must have at least five Sustainable Development Goals (SDGs) that are reviewed by the associated registry. For Verra projects, the SDGs must be listed in a table in section 1.11 of VCS monitoring reports, documented in a standalone Sustainable Development Contributions report, or tagged as part of an SD VISta project. All cookstove projects in the Gold Standard registry will have SDGs tagged.

**SD-GEO, CURRENT, ROLLING VINTAGE RANGE:** To ensure currency, the SD-GEO contract has a rolling, six-year vintage range. At mid-year (beginning in 2023), credits from the oldest, 2017 vintage will become ineligible for the contract and vintage 2023 will be added. This mechanism will enable the contract to be used to price longer-dated forward contracts, among other benefits.

**EFFICIENT EXECUTION:** Leverage the largest network of carbon traders in the world to execute SD-GEO on an open and transparent electronic platform. Firms can also utilize the operational and compliance benefits that come with CBL's reported trade functionality to enter trades that have been executed bilaterally, through an intermediary, or for physically settlement of forward offtake agreements.

# SD-GEO Contract Specification

<b>PRODUCT DESCRIPTION</b>	The Sustainable Development Global Emissions Offset Standard Spot Product represents a standardized, cleared contract for immediate (“spot”) physical delivery of voluntary emissions meeting a defined criterion (“SD-GEOs”). SD-GEOs acceptable for delivery meet the Defining Criteria and other requirements identified and described in the CBL Standard Instruments Program.
<b>ELIGIBLE UNITS</b>	See <a href="#">Schedule 7</a> of CBL's Standard Instruments Program. Cookstove projects with 5 Sustainable Development Goals (SDGs).
<b>ELIGIBLE VINTAGES</b>	2017-2022, rolls annually
<b>PRODUCT CODE</b>	SD-GEO
	Units associated with Products that are the subject of Transactions are pre-cleared and physically settled through the Market Operator’s Payment versus Delivery Clearing and Settlement Structure. Units are delivered on a spot basis (intra-day based on netted end of day positions) into the Participant’s Market Registry Account, an account exclusively dedicated for use in connection with the Market.
<b>LOT SIZE</b>	1 SD-GEO—one metric ton of CO2 equivalent (1 mtCO2e)
<b>CURRENCY</b>	USD
<b>MINIMUM PRICE FLUCTUATION</b>	The price convention shall be \$0.01 per SD-GEO
<b>REGISTRY</b>	Verra Registry, Gold Standard Registry
<b>MARKET(S)</b>	CBL
<b>TRADING HOURS</b>	24 hours per day, 365 days per year



# Frequently Asked Questions

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## 1. What is the Sustainable Development Global Emissions Offset (SD-GEO)?

Like the original GEO contract, the Sustainable Development Global Emissions Offset (SD-GEO) contract provides streamlined access and operational efficiencies for purchasers and developers. Also, like the GEO, the SD-GEO provides a price benchmark for their underlying market segment and vintage ranges.

The SD-GEO contract is composed of cookstove credits with at least five Sustainable Development Goals (SDGs) from the Verra Registry and the Gold Standard registry.

## 2. Why is Xpansiv launching the contracts?

The SD-GEO contract was developed with a wide range of market participants who were seeking a standardized benchmark instrument for cookstove credits with co-benefits. While the current deliverable cookstove supply is relatively low compared to benchmarks like N-GEO and C-GEO, which each have more than 100M tons in available supply, there is an extensive pipeline of cookstove projects that will issue in the coming years.

More buyers are also looking at co-benefits, such as SDGs, when purchasing offset credits. These attributes demonstrate how a project is positively impacting local community beyond mitigating carbon emissions. Including co-benefits in standardized contract specifications is not new for CBL products, as the GEO contract requires at least one SDG and the N-GEO contract requires at least one of Verra's Climate Community and Biodiversity (CCB) accreditations.

## 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 are Sustainable Development Goals?

SDGs were defined in United Nations' [2030 Agenda for Sustainable Development](#) with the goal of serving as a “plan of action for people, planet, and prosperity.” There are currently 17 SDGs and a dedicated [Division for Sustainable Development Goals](#) (DSDG) in the United Nations Department of Economic and Social Affairs (UNDESA). Examples of SDGs that are associated with existing cookstove projects include, but are not limited to:

- 1 – No Poverty
- 3 – Good Health and Well-Being
- 5 – Gender Equality
- 6 – Clean Water and Sanitation
- 7 – Affordable and Clean Energy
- 8 – Decent Work and Economic Growth
- 9 – Industry, Innovation, and Infrastructure
- 12 – Responsible Consumption and Production
- 13 – Climate Action
- 15 – Life on Land

Qualifying SDGs for the SD-GEO contract have been reviewed by the applicable registry's staff. For Verra projects, the SDGs must be either listed in a table in section 1.11 of VCS monitoring reports, documented in a standalone Sustainable Development Contributions report, or tagged as part of an SD VISta project. All cookstove projects in the Gold Standard registry will have SDGs tagged.

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

SD-GEO bids, offers, transactions, and daily settlement prices will provide a transparent, benchmark price signal for cookstove credits with associated co-benefits. The SD-GEO contract 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 financing or hedging activities.

For market participants, many additional SD-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 "SD-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, C-GEO, and MPC contracts.

## **8. How is the SD-GEO physically settled?**

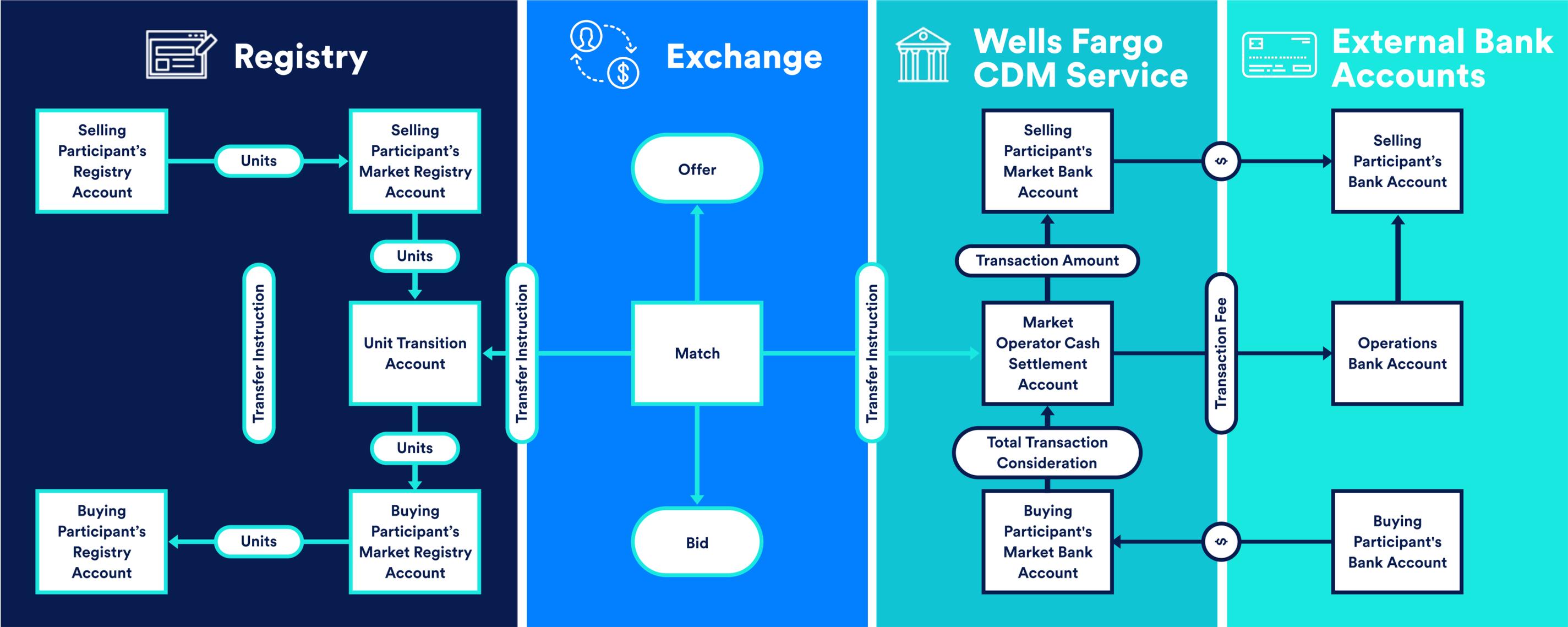
Participants will work with CBL Client Service and On-Boarding to establish accounts for SD-GEO transactions with both the Verra Registry and the Gold Standard registry. For more information on this process, please reach out to [toexchange@cblmarkets.com](mailto:toexchange@cblmarkets.com). These accounts will be used for the sole purpose of transacting SD-GEO trades and CBL Market Operations will have exclusive administrative rights over the accounts. Sellers will transfer qualifying credits into

these accounts to either facilitate on-market or reported transactions on the SIP screen. Product and funds move immediately at the time of execution on CBL Market. The trading day ends each day at 00:00 UTC. Physical settlement, meaning the transfer of units from seller to buyer in the registry, will occur once a day starting at 08:00 ET. At that time, Participants may request units be withdrawn from CBL Market and transferred from the dedicated SD-GEO registry accounts to their primary accounts. This is the temporary workflow for the physical settlement of the SD-GEO contract. Once all eligible registries are fully connected to CBL via API, SD-GEO will be managed in EMA, similar to N-GEO, GEO, and C-GEO.

## **9. What are the fees associated with trading SD-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 premier market-infrastructure provider for environmental 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.

