

MEDIA RELEASE

Climate Impact X furthers bid for carbon market transparency and certainty with new nature-based removal contracts

- CIX ARR X is the third global standardised spot contract series to launch on CIX Exchange
- Two contracts available at launch: CAX is a curated delivery basket of 12 global ARR projects, while CAX-C is composed of China projects issued by Verra
- ARR trading activity enhanced by CIX's signature on-exchange pricing session, delivering transparent, precise and market-driven benchmarks

Singapore and London, 5 April 2024 – [Climate Impact X](#) (CIX), a global marketplace, auctions house and exchange for trusted carbon credits, has launched a new series of standardised contracts for nature-based carbon removal credits. Validated through industry consultation, the latest physical spot contracts will enable market participants to trade and price the most liquid and relevant segments of the Afforestation, Reforestation and Revegetation (ARR) market today.

Branded CIX ARR X, this is the first carbon removals contract series to launch on CIX Exchange. Available at launch are two tradeable contracts comprising market-accepted ARR credits, grouped based on geographical coverage: CIX ARR X ("CAX") and CIX ARR X – China ("CAX-C").

Contract	Project Location	Registry	Project Inclusion
[CAX]	Global	Gold Standard, Verra	Selected projects – CAX represents a curated delivery basket of 12 global well-accepted ARR projects with generally attractive attributes
[CAX-C]	China	Verra	All eligible verified ARR projects in China

By close of trading on 4 April 2024, 10,000 tonnes of carbon credits had traded and cleared on CIX ARR X contracts. On screen, a total of 21,000 tonnes were bid and offered with a spread of around US\$0.40. Assessed prices for the CAX and CAX-C benchmarks were \$13.10 and \$4.36 per tonne, respectively.

According to the [IPCC](#), all pathways to limit global warming to 1.5°C involves the use of carbon removals. Around half of these efforts can be supported by natural climate solutions, with ARR projects making up the majority. While retirements of ARR credits with considerable co-benefits reached an all-time high in January 2024, the variance and opacity in pricing alongside liquidity fragmentation continue to be major barriers to broader market participation.

CIX ARR X contracts are designed to be precise enough to give buyers confidence and certainty in the projects delivered, while remaining broad enough for ample liquidity and to give sellers optionality.

Ellery Sutanto, Head of Exchange at CIX, said, "Contract standardisation plays a key role in enhancing the functionality of carbon markets by addressing challenges such as illiquidity, delivery certainty and pricing opacity. Our decision to launch CIX ARR X is backed by global demand for nature-based removal projects, with Europe and Asia Pacific being the biggest retirees of ARR credits. By concentrating trading

activity, we are building a deeper, more efficient and transparent ARR market – all of which are critical ingredients for scaling investment, confidence and new participants in carbon markets.”

To generate sharper and more transparent market prices, CIX will leverage its signature on-exchange spot pricing session to concentrate ARR trading activity within a weekly 30-minute window every Thursday. Taking place at the intersection of Asian and European time zones, this not only helps to pool liquidity from some of the most active ARR markets to generate more order depth, but also build market-driven price benchmarks.

Julien Hall, Pricing Director at CIX, said, “Given the complexity and differences in the underlying traits of ARR projects, pricing for ARR credits is inherently stratified. As with our existing REDD+ and cookstoves prices, CIX ARR X benchmarks are intended as robust and consistent bellwethers to track price movements across the ARR market, providing a ‘base price’ on which premiums and discounts can be applied – for example, to account for project characteristics or for vintage or volume differences. In the long-term, our hope is that they will help bring about enhanced price transparency and new risk management tools such as market-linked pricing mechanisms.”

In addition to standardised contracts, individually listed ARR projects will also be available for trade on CIX Exchange, helping shed new light on project-level price differentials. This includes all projects eligible for delivery into CIX ARR X contracts.

Jonathan Gan, Carbon Originator at Vitol, said, “Globally, pricing of ARR credits face significant variance due to the differences in the underlying project attributes, impeding its scaling potential. The curation of CIX ARR X to represent globally well-accepted projects with generally attractive attributes is a positive step towards building market confidence and fostering deeper participation from both buyers and sellers in the ARR category.”

CAX Benchmark Contract

In curating projects for contractual delivering into the CAX contract, CIX firstly considers the world’s largest ARR projects by issued, retired and circulating volume. CIX then employs a consistent points matrix that takes into account criteria including the number and types of species being planted at the projects; how actively retired the projects are; whether there are co-benefits to the projects and whether they have specific labels or certificates; as well as how the project is viewed in the market.

Projects with credits eligible for delivery into CAX:

- VCS 2512: Afforestation of Degraded Grasslands in Vichada, Colombia – *Colombia*
- VCS 2410: Reforestation of Degraded Forest Reserve Areas in Ghana, West Africa – *Ghana*
- GS 4240: Bagepalli CDM Reforestation Programme – *India*
- GS 4220: Reforestation Program in the Southeastern Region of Nicaragua on degraded pastureland – *Nicaragua*
- VCS 737: TIST Program in Kenya, VCS005 – *Kenya*
- VCS 1530: Grouped Project for Commercial Forest Plantations Initiatives in the Department of Vichada – *Colombia*
- VCS 2401: Reforestation of Degraded Lands in Sierra Leone – *Sierra Leone*
- GS 4210: WithOneSeed Timor Leste Community Forestry Program – *Timor-Leste*
- GS 2940: CO2OL Tropical Mix – *Panama*

- VCS 987: Reforestation of Degraded Forest Reserves in Ghana – *Ghana*
- GS 4221: Vichada Climate Reforestation Project (PAZ) – *Colombia*
- GS 2913: BaumInvest Reforestation Project – *Costa Rica*

CIX spot market assessments are distributed via the CIX Carbon Daily market intelligence: register your interest [here](#).

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Note to Editors:

- CIX Exchange trading hours are Mondays to Fridays, 12:00-18:30 SGT. A weekly ARR pricing session will take place from 5:00pm-5:30pm SGT every Thursday – this will complement the daily pricing session for CIX Nature X and weekly Tuesday session for CIX Cookstoves X.
- Credits eligible for delivery into CIX ARR X contracts are issued within a fixed four-year vintage range, starting at launch with vintages 2020-2023. New contracts are created each year on the first working day of January, reflecting the most recent four-year vintage range.
- Each lot of CIX ARR X contract equates to 1,000 carbon credits, where each credit represents one tonne of removed carbon dioxide from eligible projects.
- ARR projects help to restore and enhance the Earth's natural ability to sequester carbon. They are one of the most readily available and relatively cost-effective carbon removal solutions, with broader social and biodiversity benefits beyond climate mitigation.
- Retirements data cited is based on analysis by Trove Research (now MSCI).

About Climate Impact X

[Climate Impact X](#) (CIX) is a global marketplace, auctions house and exchange for trusted carbon credits and a growing suite of environmental commodities. Headquartered in Singapore with offices in London, the company is funded by DBS Bank, GenZero (a decarbonisation-focused investment platform founded by Temasek), Mizuho Financial Group, Singapore Exchange (SGX Group), and Standard Chartered.

CIX's mission is to create real climate impact by turning trust in carbon credits into tangible and actionable outcomes. The company is uniquely positioned to cater to all major user requirements in the carbon markets ecosystem, with its suite of solutions customised for the widest range of corporate end-user, investor and intermediary needs.

CIX Marketplace simplifies the work corporate buyers need to do before procuring carbon credits by offering seamless access to curated projects, reducing frictions for companies that do not yet have the resources or expertise to perform a complete due diligence in-house. **CIX Auctions** is a specialised digital venue for discovering the market value of unique and desirable, newly issued credits or customised portfolios of projects. **CIX Exchange** facilitates two-way trading of market-accepted standardised spot contracts and single project listings, concentrating liquidity and providing the market with price transparency, certainty and risk management solutions. Follow us on [LinkedIn](#).

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