



CIX Nature X

Nature-Based Benchmark Contract

Version 1.4 (effective 6 May 2024)

Introduction

Climate Impact X (CIX) is proud to introduce **Nature X (CNX)**, a global standardised spot contract for nature-based carbon credits and a transparent market-driven benchmark price.

Designed and affirmed through an extensive market consultation, CNX provides the opportunity for market participants to trade a curated basket of the largest and most well-established nature-based projects globally.

Deliverable at launch into CNX are issued credits from 10 specific flagship projects operating under the UNFCCC's framework for Reducing Emissions from Deforestation and Forest Degradation in Developing Countries (REDD+). This tightly defined and clear delivery mechanism provides certainty and confidence to buyers and sellers of the instrument and creates price transparency for an important subset of the voluntary carbon market.

This document provides details of CNX contract specifications, the series of CNX contracts by their qualifying vintages (credit issuance years), and the criteria used to select projects eligible for delivery into CNX.

It also provides the list of specific projects qualifying for delivery into CNX at launch, and an overview of contract review and change procedures. The list of projects deliverable into CNX will evolve over time in a measured way to accommodate new supply of large and well-established REDD+ projects, ensuring the ongoing relevance and integrity of the contract and benchmark.

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Part I – CNX Contract Specifications

Product Description	CIX Nature X is a standardized tradable instrument comprising a selection of major well-established nature-based REDD+ projects
Product Code	[CNX]
Clearing and Settlement	Cash is pre-funded by buyers, and carbon credits pre-funded by sellers. Client cash is held in an omnibus account operated by a Trustee appointed by CIX, on behalf of clients. Carbon credits are held in an omnibus registry account operated by CIX, with a 'bare' trust on behalf of clients.
Lot Size	Each contract is 1,000 metric tonnes of CO2 equivalent (1,000 mtCO2e)
Currency	US dollars
Minimum Price Fluctuation	USD 0.01 per tonne
Project Credit Registries	Verra Registry
Market	CIX Exchange spot trading platform
Trading Hours	1200 to 1830h (Singapore), 0600 to 1230h (CET), 0500 to 1130h (UK) or 0400 to 1030h (UK) in British Summer Time
Pricing Session	1700 to 1730h (Singapore), 1100 to 1130h (CET), 1000 to 1030h (UK) or 0900 to 0930h (UK) in British Summer Time
Vintage Structure	Fixed, four-year vintage ranges per contract
Delivery	Standardized spot contract with immediate ('on the spot') physical delivery of carbon credits. Credits are delivered at seller's option only from the list of eligible projects. Buyers can be delivered either one or multiple projects, subject to minimum lot size of 1,000 tonnes per contract.

Part II – CNX Contracts and Vintage Eligibility

CIX offers different CNX contracts with issued credits deliverable within different ranges of four vintages (credit issuance years defined by the registry).

CIX Nature X benchmark tracks the value of the vintage range of the most prompt (recent) contract, and trading activity on this contract is prioritized in the calculation of the benchmark (**highlighted in bold below**), in accordance with published methodology.

Trading schedule for the different contracts:

Start Date	End Date	Contract Name	Project Vintage Eligibility
1 Jan 2024	31 Dec 2024	CNX v20-23	Vintages 2020 to 2023 only
		CNX v19-22	Vintages 2019 to 2022 only
		CNX v18-21	Vintages 2018 to 2021 only
		CNX v17-20	Vintages 2017 to 2020 only
		CNX v16-19	Vintages 2016 to 2019 only
A new contract representing the most prompt (recent) vintage years is added on 1 st January each year.			
1 Jan 2025	31 Dec 2025	CNX v21-24	Vintages 2021 to 2024 only
		CNX v20-23	Vintages 2020 to 2023 only
		CNX v19-22	Vintages 2019 to 2022 only
		CNX v18-21	Vintages 2018 to 2021 only
		CNX v17-20	Vintages 2017 to 2020 only
		CNX v16-19	Vintages 2016 to 2019 only

Part III – Selection Criteria for Deliverable Projects

CIX Nature X is a curated basket of large, well-established and consistent REDD+ projects with good market acceptability. CIX considers four main criteria when evaluating projects for potential delivery into CNX.

1. **Size**, specifically theoretical circulating volume as reflected by issued, unretired volumes of carbon credits.
2. **Recognition**, as defined by how well known the project is to market participants and how widely it is rated by major independent carbon rating agencies.
3. **Trading activity**, as defined by how actively the project is seen trading in the spot market.
4. **Absence of non-standard project characteristics** with a meaningful impact on tradability or price. These may include, for example, an absence of specific certifications and labels, the existence of adverse ratings or other unique criteria which might affect the projects' general market-representativeness.

Part IV – Projects Deliverable into CNX

VCS Project ID	Project Name	Country of Origin
1477	Katingan	Indonesia
934	Mai N'Dombe	DRC
985	Cordillera Azul	Peru
674	Rimba Raya	Indonesia
2252	Rio Anapu-Pacaja	Brazil
1650	Keo Seima	Cambodia
1382	Envira Amazonia	Brazil
1622	Conservation Coast	Guatemala
1067	Tambopata	Peru
1566	Mataven	Colombia
612	Kasigau Phase 2	Kenya

The project credits of which are eligible at seller's option for delivery into CNX contracts are listed below. These projects are eligible for delivery into all four CNX contracts.

Batched credits

Multi-year batched credits may be delivered into CNX contracts provided all the credit vintage years fall within the defined range of eligible vintage years of the given contract. For instance, a batched credit of vintage 2019-2020 is deliverable into CNX v19-22 contract, but a batched vintage 2018-2019 cannot be delivered into CNX v19-22.

Additional Certification Labels

CIX currently defines eligible credits based on Project ID and vintage year, irrespective of whether the specific credits have additional certification labels such as CCBs or Social Carbon. Evaluation of the suitability of credits for inclusion into CNX (based on the criteria detailed in Part III) is performed at project level, rather than at specific credit batch level.

Part V – Process for Review and Change of Projects deliverable into CNX and other contract specifications

In order to respond to changes in prevailing market conditions, the list of projects deliverable into CNX will evolve over time. CIX recognizes the importance of stable and predictable basket composition and looks to make adjustments only when needed to maintain the relevance and integrity of the contract.

Changes to the CNX deliverable basket are conducted in accordance with a detailed contract governance framework. Contract change proposals may be event-driven – i.e., triggered by market events, or could result from regular reviews conducted by CIX. The governance framework also addresses rare situations where changes must be made to CNX contract specifications other than its deliverable projects, such as those relating to any new or amended project eligibility criteria, trading days, vintages, or registry eligibility. The table below provides an overview of the some of the major types of changes within this framework.

Change type	Trigger of change	Example	Change urgency	Formal feedback sought
Project addition	Routine, or event-driven	New projects meeting eligibility criteria	low or medium	Yes
Project removal	Routine, or event-driven	CNX-deliverable project no longer meeting eligibility criteria	low or medium	Yes
CNX contract specifications change	Routine, event-driven, or seasonal	Changes to other specifications such as relating to new or other project eligibility criteria, vintages, registries, trading calendars, etc.	low or medium	Yes
Project addition	Event-driven, emergency	Urgent project additions needed to underpin contract liquidity	high	Not necessarily
Temporary project suspension	Event-driven, emergency	Urgent and temporary project suspension due to adverse event or loss of market acceptance - triggers a formal project removal review	high	Not necessarily
Response to trading disruption	Event-driven, emergency	Technology-related outages, war, act of God, etc.	high	Not necessarily

CIX conducts regular and ad hoc formal market consultations with the market. Sufficiently long lead times will be provided to ensure adequate feedback is received, and to minimize potential disruption for market participants and users of the contracts. There may be occasions where changing market conditions necessitate urgent changes. Such changes will be communicated publicly through CIX market notices.

In addition, CIX has put in place three distinct layers of market monitoring which occur on an ongoing basis to help raise CIX's risk awareness, provide additional data and context in support of decision-making, and to act as early-warning systems. These include market monitoring, media and legal monitoring, and project integrity monitoring.

Market participants are encouraged to communicate any feedback regarding CNX contract design to the following mailbox: pricing@climateimpactx.com.

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Document Revision History

Published	Summary of Changes	Market Notice No.
6 May 2024	Reinstated Kasigau Phase 2 (VCS 612) to list of projects qualifying for CNX	MN 2024/15
2 January 2024	Added Mataven (VCS 1566) to list of projects qualifying for CNX.	MN 2024/2
2 January 2024	Made annual update to vintages available for trading	MN 2024/1
1 December 2023	Removed Southern Cardamon REDD+ (VCS 1748) from list of projects qualifying for CNX following suspension of the project (see MN 2023/18)	MN 2023/18
21 November 2023	Removed Kasigau Phase 2 (VCS 612) from list of projects qualifying for CNX following suspension of the project (see MN 2023/16)	MN 2023/16