

Structuring the SAFE Outcome Bond

Question 1: Bond Issuer & Credit Support Alliance

The Root System: Shifting from Monolithic to Networked Issuance

The Precedent: Spekboom



Global Multilateral

Issued by a single AAA multilateral institution.

Security Structure

100% principal protection based on global sovereign backing.

The Evolution: Samar Pilot



Project
SAFE

Localized Network

A joint cooperative framework between the Philippine Coconut Authority (PCA), CONFED, and the Province of Samar.

Security Structure

Credit support provided by a national government-depository bank.

Question 2: Target Bond Size & Marginal Abatement Capital

The Sap Flow: Maximizing Capital Efficiency for Direct Abatement

Indirect Foregone Coupon Model (Spekboom)

Indirectly funds ground-level planting.
Capital inefficient for direct abatement.

Up to \$25M
(Foregone Coupon)

Standard
Institutional
Lending

\$120M
Total Bond

Direct Use-of-Proceeds Model (Samar Pilot)

Fully deployed to cover \$12/tCO₂e
marginal abatement cost.

**Target: 4M tCO₂e sequestered over
20 years across 20,000 hectares.**

100% Direct
Use-of-Proceeds

\$50M
Target Bond

Question 3: Article 6.2 ITMO Offtake & Singapore Buyers

The Canopy Exchange: Upgrading to Sovereign Compliance Demand

Voluntary Corporate Offtake



Precedent Model

Private corporate buyer purchasing voluntary carbon credits.

Primary Driver: Internal corporate climate goals and CSR mandates.

Vulnerability: Subject to corporate budget shifts and voluntary market pricing.

Sovereign Compliance Offtake



Samar Pilot Proposal

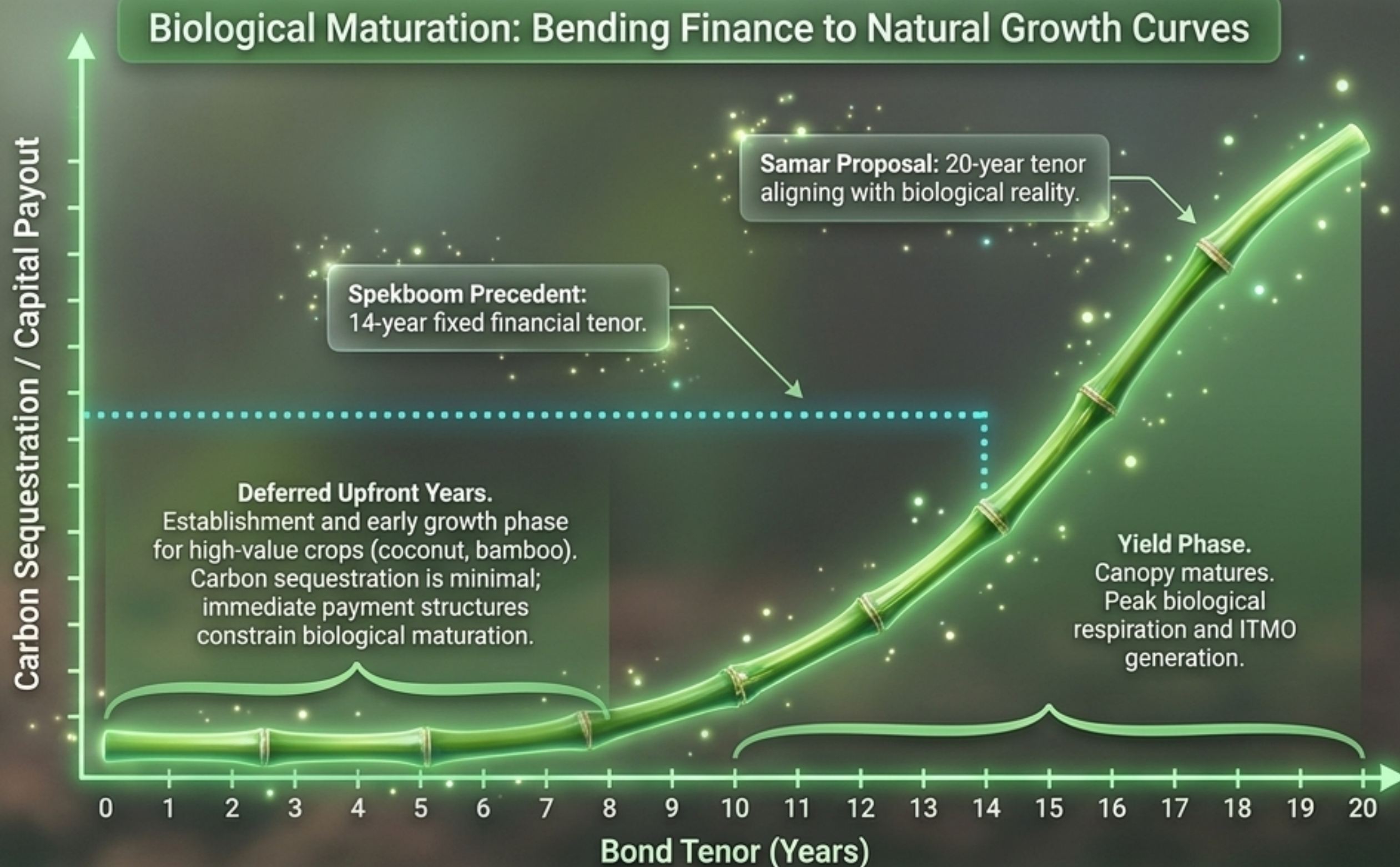
Sovereign-backed Article 6.2 compliance mechanism.

Asset Transacted: Carbon Removal Units (CRUs) as Internationally Transferred Mitigation Outcomes (ITMOs).

Primary Driver: Government of Singapore (or Singaporean entity) for strict NDC compliance.

Advantage: Highly resilient, compliance-grade bilateral demand.

Question 4: 20-Year Tenor & Deferred Upfront Years



Question 5: Digital MRV Workflow & Automated Technology

The Mycorrhizal Network: An Open Digital Verification Pipeline

The Legacy Precedent

Manual Field Audits

Paper-based
Verification Bodies

Periodic Site Visits &
Slow Registry Issuance

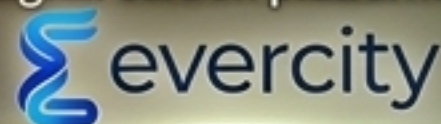
The Samar Pilot Ecosystem

Data Capture

Localized technology providers track carbon fixation in real-time under VM0042 (soil carbon) and VM0047 (reforestation).

Digital Processing

Automated digital MRV workflow utilizing international digital carbon platforms.



On-Chain Settlement

Immutable, automated verification eliminating specific entity silos to ensure a fully scalable pipeline.