

## Terms and procedures for the Expert Panel of the IC-VCM

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This document sets out the terms and procedures for the Expert Panel of the Integrity Council for the Voluntary Carbon Market (IC-VCM). The document shall be read in conjunction with the modalities and procedures of the IC-VCM, the Code of Conduct, any other policies determined by the Board.

### 1. Mandate of the Expert Panel

1. **The Expert Panel** is a body of technical experts established under the IC-VCM. It makes recommendations for approval by the Board of Directors on the following matters:
  - (a) Developing high-level core carbon principles (CCPs).
  - (b) Developing an Assessment Framework (AF) to review carbon crediting programs and several types of carbon credits.
  - (c) Applying the assessment framework to specific carbon crediting programs and types of carbon credits.
  - (d) Developing an assurance model for the verification or attestation of compliance with Core Carbon Principles.
  - (e) Overseeing the granting of CCP eligibility to specific carbon credits, based on the assessment outcomes.
2. The Board of Directors may, at any time, request the Expert Panel to perform further tasks
3. The Expert Panel may make publicly available its recommendations to the Board of Directors.

### 2. Composition and structure of the Expert Panel

#### 2.1. Composition of the Expert Panel

1. The Expert Panel is a group of experts. There are three types of members within the Expert Panel:

- (a) **Expert Panel Co-Chairs** – who serve for a 3-year term and have an observer role on the Board of Directors.
  - (b) **Core Experts** – who serve for a term of to be determined by the Board of Directors and have a probation period of two months.
  - (c) **Subject Matter Experts** – who serve on specific Sub-Panels based on their individual expertise, and on an ad-hoc basis, for a duration to be determined by the Expert Panel Co-Chairs, but not exceeding a term of three years.
2. Expert panel members can continue to serve for the periods stated above for as long as:
- (a) They can fulfil their responsibilities.
  - (b) They continue to have relevant expertise for upcoming tasks assigned to the Expert Panel.
  - (c) They continue to participate in accordance with principles in this policy.
  - (d) Their appointment is not terminated or suspended in accordance with section 6, paragraph 11, the modalities, and procedures of the ICVCM.
3. Expert Panel members (i.e., Expert Panel Co-Chairs, Core Experts and Subject Matter Experts) will be supported by and work in close collaboration with staff from the Executive Secretariat, in particular the Standards staff, such as Standards Development Managers and Technical editors.
4. To ensure diversity and inclusion of all backgrounds, Expert Panel members that are not provided in kind by their home organizations or institutions are compensated for their work by the Integrity Council commensurate with role and experience.
5. Further details about the roles and responsibilities and the constituents of the Expert Panel and associated Standards staff can be found in **Section 3**.

## 2.2. Structure of the Expert Panel

1. The Expert Panel consists of three bodies:
- (a) **Expert Panel Co-Chairs:** This consists of the three Expert Panel Co-Chairs. They shall meet at least weekly.
  - (b) **Core Panel:** This consists of the Expert Panel Co-Chairs and all Core Experts. The Core Panel shall meet at a frequency to be determined by the Co-Chairs.

(c) **Sub-Panels:** Each Sub-Panel consists of at least one of the Expert Panel Co-Chairs, one to four Core Experts and one to five Subject Matter Experts. Sub-Panels focus on one or several CCP principles (e.g., additionality, permanence), or alternatively on specific types of mitigation activities (e.g., renewables). Each Sub-panel shall be managed by one of the Expert Panel Co-Chairs. Sub-Panels shall be established for a duration, and meet at a frequency, to be determined by the Expert Panel Co-Chairs.

2. Expert Panel Members can be part of several Sub-Panels depending on their expertise, the main goal being to ensure there is enough expertise in each sub-panel to provide a strong technical background and a diversity of views.

### **3. Roles and responsibilities of relevant parties within the Expert Panel**

#### **3.1. General responsibilities for all Expert Panel members**

1. Each Expert Panel member should:

- (a) Strive to attend all planned meetings and, should he or she not be able to attend a meeting, inform the Expert Panel Co-Chairs and the Executive Secretariat.
- (b) Prepare appropriately for meetings, by reading and reviewing all drafts or other documentation made available.
- (c) Complete the assigned work on schedule.
- (d) Provide written feedback or inputs within agreed timescales.
- (e) Act in their personal capacity.
- (f) Adhere to these terms and procedures and any other policies determined by the board
- (g) Update and reshare an updated conflict of interest form with the Expert Panel Co-Chairs and the Executive Secretariat if a new potential conflict arises.
- (h) Treat all information accessed through his/her role as Expert Panel member confidential and sign the confidentiality form.

#### **3.2. Expert Panel Co-Chairs**

1. The Expert Panel Co-Chairs are responsible for:

- (a) Making recommendations to the Board of Directors on the work and deliverables of the Expert Panel, including the proposed priorities and timelines.
  - (b) Regularly updating the Board of Directors on progress on the work and deliverables.
  - (c) Establishing and suspending Sub-Panels and determining their roles and assignments.
  - (d) Deciding on the frequency of meetings of the Core Panel and Sub-Panels.
  - (e) Approving the agenda for meetings of the Core Panel and Sub-Panels.
  - (f) Presiding over meetings of the Core Panel and Sub-Panels, including by driving the content development and by integrating different views with the view to achieving consensus.
  - (g) Making recommendations to the Board of Directors on the nomination of Core Experts, based on the evaluation of candidates by the Executive Secretariat.
  - (h) Appointing Subject Matter Experts, based on the evaluation of candidates by the Executive Secretariat.
  - (i) Allocating core and subject matter experts to each sub-panel.
2. The Expert Panel Co-Chairs shall be supported by the Executive Secretariat and work closely with the Executive Secretariat on all matters, including consultation of the Executive Secretariat on all key matters.

### **3.3. Core Panel**

1. The Core Panel is responsible for:
- (a) Developing the deliverables agreed by the Board of Directors, considering any prioritization or guidance provided by the Board of Directors and comments received from stakeholder consultations and public consultations.
  - (b) Making recommendations to the Board of Directors on the approval of these deliverables.

- (c) Ensuring strong coordination of issues arising in Sub-Panels to ensure consistency of policy decisions and coherence of the framework and guidelines.
2. The Executive Secretariat shall support the work of the Core Panel. The Core Panel members shall work closely with the Executive Secretariat in developing these deliverables. The Core Panel work is led and guided by the Expert Panel Co-Chairs.

### 3.4. Sub-Panels

1. The Sub-Panels are responsible for:
  - (a) Supporting the Core Panel in achieving the deliverables agreed by the Board of Directors, for example, by conducting specific assignments as determined by the Expert Panel Co-Chairs, such as drafting specific parts of the assessment framework or undertaking or reviewing assessments of specific carbon crediting programs or specific types of carbon credits, taking into account any prioritization or guidance provided by the Board of Directors and comments received from stakeholder consultations and public consultations;
  - (b) Making recommendations to the Core Panel on these assignments.
2. The Executive Secretariat shall support the work of Sub-Panels. The Sub-panel members shall work closely with the Executive Secretariat in implementing these assignments. The Sub-panel's work is led and guided by the Expert Panel Co-Chairs.

### 3.5. Technical author(s)

1. The technical author(s) is(are) an individual or small group of individuals, identified and appointed by mutual agreement between Expert Panel Co-chairs, responsible for drafting the relevant documents. The technical authors may be Expert Panel members or staff from the Executive Secretariat supporting the Expert Panel.

### 3.6. Executive Secretariat

1. The Executive Secretariat shall support the Expert Panel. This includes:
  - (a) **Strategic recommendations:** Making recommendations to the Expert Panel Co-Chairs on the work and priorities of the Expert Panel, including the proposed priorities and timelines.
  - (b) **Process management:** Organizing the meetings of the bodies of the Expert Panel, including scheduling the timing of the meetings in consultation with the Expert Panel Co-Chairs, inviting members to

participate in the meetings, preparing draft agendas for meeting, preparing draft minutes of the meetings, and preparing draft presentations on agreed outcomes or progress updates.

(c) **Content development:** Supporting the development of the deliverables, by serving as technical author of deliverables, as deemed necessary by the Expert Panel Co-Chairs, and by supporting the Expert Panel Co-Chairs in driving the content development and achieving consensus during meetings.

(d) **Selection of Expert Panel members:** Supporting the selection of expert panel members by launching calls for experts agreed by the Expert Panel Co-Chairs, evaluating candidates against the criteria, and managing the process of on-boarding selected experts.

(e) **Operations:** Project planning to ensure deliverables are met, budgeting the project, setting contracts where relevant, and performing analysis to support assessment and oversight.

#### 4. Nomination and selection of Expert Panel members

##### 4.1. Selection criteria

1. Expert Panel members should be selected based on the following criteria:

(a) **Expertise:** The Expert Panel should be composed primarily of individuals with deep, technical, and methodological expertise relevant to the assessment of quality criteria for carbon credits. This expertise should cover different sectors and types of mitigation activities. Additionally, the Expert Panel should be complemented by a sub-set of individuals with other relevant backgrounds (e.g., financial markets, assurance) to bring complementary perspectives and maximize diversity and legitimacy.

(b) **Diversity:** The Expert Panel should be composed of individuals from a wide variety of domains (e.g., researchers, non-governmental organizations (NGOs), international and multilateral organizations,). In addition, a sufficient diversity in gender and geographical background and representation from the Global South should be aimed for. Overall, this should result in a collective diversity within the Expert Panel.

(c) **Independence:** Expert Panel Co-chairs and Core experts must have limited actual or perceived pecuniary or non-pecuniary conflict of interest (see conflict of interest policy). This is defined as having a score ranging from 1 to 3 according to the conflict-of-interest matrix in Annex A. In Sub-Panels, three quarter of the members must have a limited actual or perceived pecuniary or non-pecuniary conflict of interest (meaning a score from 1 to 3 according to the conflict-of-interest matrix in Annex A). Employees of carbon crediting programs may not serve as Expert Panel members.

(d) **Availability:** The Expert Panel members should have the necessary time availability, as determined by the Board of Directors or, where applicable, the Expert Panel Co-Chairs in the selection process.

## 4.2. Selection process

1. Expert Panel members are appointed as follows:
  - (a) The Board of Directors appoint Expert Panel Co-Chairs.
  - (b) Core Experts are appointed by the Board of Directors, based on recommendations by the Expert Panel Co-Chairs.
  - (c) Subject Matter Experts are appointed by the Expert Panel Co-Chairs.
2. To select Core Experts and Subject Matter Experts, the Expert Panel Co-Chairs may launch calls for experts. Interested individuals responding to such calls should submit an Expression of Interest to the Executive Secretariat and provide all requested information. The Executive Secretariat should evaluate the candidates by assessing them against the selection criteria. The Expert Panel Co-Chairs shall consider the evaluation by the Executive Secretariat and appoint Subject Matter Experts or, in the case of Core Experts, make recommendations on the appointment for approval by the Board of Directors.
3. When making recommendations or decisions on the selection of experts, the Expert Panel Co-Chairs should seek to achieve consensus; if consensus cannot be achieved, the Expert Panel Co-Chairs may decide by majority. In the event of a strong disagreement amongst the Expert Panel Co-Chairs, the matter of question should be brought to the attention of the Board of Directors.

## 5. Decision making within the Expert Panel

1. All bodies of the Expert Panel shall make all efforts to achieve consensus and resolve conflicting views, both amongst experts and in the case of any issues that arise from public or stakeholder consultation. Consensus means that there is no objection to a proposal. Where consensus cannot be achieved in a Sub-panel, the different view or options should be reported to the Core Panel for its consideration.
2. Where consensus cannot be achieved in the Core Panel, the Co-Chairs may decide to proceed as follows:
  - (a) **Voting:** The Co-Chairs may decide to vote. Decisions shall be taken by a two-thirds majority of the members present and voting at the meeting. Members abstaining from voting shall be considered as not voting. If a decision can be taken by voting, the expert Panel Co-

Chairs will present a single view or option to the Board of Directors, indicating that the recommendation was not achieved by consensus; or

(b) **Consideration of the matter by the Board of Directors:** If voting does not resolve the matter, or if the Co-Chairs are of the view that the different views or options should be brought to the attention of the Board of Directors, the Expert Panel Co-Chairs may put the different views or options to the consideration of the Board of Directors, with arguments in favours and against each view or option.

3. Whenever Expert Panel members have a conflict of interest in association to a specific assignment, the experts are required to recuse themselves from the discussion and abstain from decision-making.



## Annex A: Conflict of Interest policy

Conflict of interest is defined as any actual or perceived pecuniary or non-pecuniary interest which could impair the individual's objectivity in conducting her or his functions in relation to the Expert Panel.

The conflict of interest of each candidate for the Expert Panel should be assessed based on the matrix set out below, considering the nature of the activities the expert is engaging in. Where an expert has conflicts about several of the activity types, the highest applicable score should be considered as the relevant score.

For formerly conflicted individuals to qualify as "non-conflicted," a minimum of 2 years cooling off period must have passed since individuals have been engaged in the relevant activity.

Three types of guardrails are put in place to address conflict of interest:

- 1. Composition:** The provisions set out in the term and procedures for the Expert Panel in relation to the composition of the Core Panel and Sub-Panels ensure that conflict of interest is limited.
- 2. Disclosure:** Candidates submitting an Expression of Interest shall fill out a conflict-of-interest form to disclose any conflict of interest. Selected Expert Panel members are required to update and reshare an updated conflict of interest form with Co-Chairs if a potential conflict arises.
- 3. Mitigation measures:** Whenever Expert Panel members have a conflict of interest in association to a specific assignment, the experts are required to recuse themselves from the discussion and abstain from decision-making.

Additionally, all experts should serve on their personal capacity and sign confidentiality agreements.

## Conflict of Interest –Mapping of Activities and Compensation Categories

Activity type #	Activity type, conducted either as individual (e.g. self-employed), or as employee or owner of an institution or company	Sub-category	Compensation category	Score
<b>1</b>	<b>Research in the VCM space</b>		Unpaid	1
			Paid	2
<b>2</b>	<b>Consulting in the VCM space</b>	Supply-side (e.g., studies supporting project development)	Unpaid	2
			Paid - on success fees	4
			Paid - not on success fees	3
		Demand-side (e.g. advisory services to companies/brokers/traders on which carbon credits to purchase or the composition of portfolios)	Unpaid	1
			Paid - on success fees	3
			Paid - not on success fees	2
<b>3</b>	<b>Membership on a personal capacity in Technical Committee/Expert Panel/Board of a carbon crediting program</b>		Paid or unpaid	3
			Unpaid	2
<b>4</b>	<b>Equity holder</b> in companies for which the VCM is a substantial part of the business income and whose income may be directly affected by decisions of the Board of Directors	Large equity share / material influence	NA	5
		Small equity shares (e.g. shares in ETFs or broadly diversified funds) / no material influence	NA	1
<b>5</b>	<b>Market participant</b> (e.g. project developer, or a trader offering carbon credits on the market)		Paid	5