

Modalities and Procedures for the Categories Working Group (CWG)

The Integrity Council for the Voluntary Carbon Market (Integrity Council or ICVCM) is an independent governance body for the voluntary carbon market (VCM). Its purpose is to ensure that the VCM accelerates progress toward the objective of combatting climate change. To achieve this, the Integrity Council has established a global threshold standard for carbon credit quality, drawing on the best science and expertise available, with a view to ensuring that high-quality carbon credits efficiently mobilise finance towards urgent climate action.

This document sets out the Modalities and Procedures for the Categories Working Group within the ICVCM assessment procedures. This document should be read alongside the relevant supporting documentation as specified within this document, notably alongside the CWG TOR and the Assessment Procedure. This document is subject to periodic revisions by the Governing Board.

1. Role of the CWG in the assessment process

- (1) The Integrity Council's governance structure and operational functions relevant to the CWG are set out in section 1.3 of the <u>Assessment Procedure</u>
- (2) In order to enable CCP-Eligible programs to tag carbon credits as CCP-Approved, the Integrity Council will undertake an assessment of Carbon Crediting Categories¹ in the VCM against the criteria and requirements relating to Categories set out in Part II of the Assessment Framework. The procedure for assessing Categories is defined in chapter 3 of the Assessment Procedure.
- (3) The CWG's role is to perform initial analysis of whether carbon credit Categories appear to meet the criteria and requirements in the Assessment Framework. The initial analysis of the CWG will result in Categories being provisionally grouped for assessment into one of the following groups:
 - (a) Fast track consideration
 - (b) Deeper assessment
 - (c) Very unlikely to meet the criteria and requirements of part II of the Assessment Framework.
- (4) The CWG will be tasked to review Categories, based on, inter alia, public classifications of Categories², publicly available academic literature³, information from relevant carbon crediting programs, ratings agencies, and other public information relating to Categories. The CWG will take into consideration any decisions that impose restrictions

¹ A group of carbon credits that have the following characteristics in common: (1) the carbon credits are from the same type of mitigation activity as defined by the Integrity Council; (2) the mitigation activity is registered under the same carbon-crediting program and complementary standard as applicable; (3) the emission reductions or removals were quantified using the same version of the same quantification methodology, including any tools or modules referred to in the quantification methodology; and (4) the carbon credits have other common features as defined by the Integrity Council in its assessment of categories of carbon credits, as necessary, such as the geographical location or technical features.

² For example, the <u>Berkeley Voluntary Registry Offsets Database</u>

³ In relation to additionality requirements, literature may be used to support an assessment that the Category is additional in the event that the relevant carbon-crediting program documents do not meet all of the relevant criteria and requirements.



and/or changes in scope or applicability of relevant Categories that have been taken by carbon-crediting programs. The input in 1 (4) is not binding and for reasons of efficiency time will not be spent on agreeing on the accuracy of the information provided.

- (5) The CWG will review Categories of carbon credits at the highest possible level of aggregation, disaggregating as necessary to allocate to the relevant groups outlined in (5)(a) (5)(c). The Initial Analysis of the CWG will result in Categories being provisionally grouped for assessment into one of the following groups:
 - (a) Fast-track consideration
 - (b) Deeper assessment
 - (c) Very unlikely to meet the criteria and requirements of part II of the Assessment Framework.

The Chair may also agree with the CWG to narrow or subdivide the provisional Categories into a clearly defined subset or subsets to facilitate the process.

(6) Consensus is the general agreement on a substantial issue. Note that consensus need not imply unanimity. CWG members do not need to express a view and their silence will imply agreement, however the Chair may call on other views if one person dominates the discussion.

Consensus within the CWG will be considered achieved when:

- (a) there are no objections to the Category under analysis, or
- (b) there is general consensus within the CWG, with any disagreements being the exception.

Any disagreements and the associated rationale will be noted by the Integrity Council Executive Secretariat and will be forwarded along with the initial assessment as the Category moves to the next stage.

If general consensus on an analysis looks highly unlikely within the available timeframe, the Chair will allocate the Category to Deeper Assessment. All decisions by the chair, informed by the CWG discussion, are final.

(7) The CWG's initial analysis will be reviewed by the Integrity Council Executive Secretariat and recommendations on the grouping of the Categories for the assessment will be made by the Standards Oversight Committee to the Governing Board. The recommendation shall include the initial analysis and may, but is not required to, include policy considerations in respect of any one or more Categories.



- (8) The Governing Board will take a Decision in relation to the groupings for assessment in accordance with 5 above.
 - (a) For Categories grouped per "(a) Fast track consideration," the Standards Oversight Committee will make a recommendation for a Decision to the Governing Board pursuant to 3.13 in the Assessment Procedure.
 - (b) For Categories grouped per "(b) Deeper assessment," the Integrity Council will appoint and convene Multi-Stakeholder Working Groups (MSWGs), that will operate pursuant to terms of reference that will be made public on the ICVCM website.

2. Composition and selection process of the CWG

(1) To ensure appropriate balance across multiple stakeholder groups, as approved by the ICVCM Governing Board, the ICVCM Executive Secretariat will seek nomination of CWG members from the following, in alphabetical order:

	Stakeholder groups	Seats	
External	Buyers	1 nominated by MCC	
expertise	Carbon crediting	4 major programs within the market	
	programs		
	Data Provider	1 nominated by IETA	
	IPs & LCs	1 nominated by the ICVCM IPs & LCs Taskforce	
		Committee	
	Intermediary/Rating	1 nominated by IETA	
	Agency		
	Project Developers	1 nominated from the Project Developer	
		Forum	
	UNFCCC	1 UNFCCC nomination specialising in Article 6	
ICVCM	ICVCM Expert Panel	3 (one co-chair and 2 nominations from the	
expertise		co-chairs)	
	ICVCM Standards	3 (one co-chair and 2 nominations from the	
	Oversight	co-chairs)	
	Committee (SOC)		
	co-chair & members		

(2) The selection process is set out in the CWG ToR. CWG membership is at the sole discretion of ICVCM.



(3) Quorum shall be at least 9 CWG members. This will include a minimum of:

	Stakeholder groups	Quorum is 9 CWG members and must include	
External	Buyers	1	
expertise	Data Provider		
	IPs & LCs		
	Intermediary/Rating Agency		
	Project Developers		
	UNFCCC Article 6 expert		
	Carbon crediting programs	1	
ICVCM	ICVCM Expert Panel	1	
expertise	ICVCM Standards Oversight Committee (SOC) co-chair & members	1	

- (4) The CWG will be chaired by the Governing Board Chair with assistance from coordinating chairs (EP and SOC Co-chairs). The chair may delegate the chair function if unavailable for a meeting.
- (5) Board, EP and SOC members can only occupy internal ICVCM seats. This will allow for a for a well-balanced working group with internal and external expertise.

3. Duties of CWG members in executing the role set out in section 1

- (1) Adhere to the Code of Conduct and sign that they agree with the mission and mandate of the Integrity Council.
- (2) Comply with and sign the Conflicts of Interest Policy.
- (3) Attend meetings, come prepared for meetings, contribute their expertise and experience, provide input, meet deadlines.
- (6) Contribute to the discussion and represent the interest and concerns on behalf of their stakeholder group. As sole representatives of their stakeholder group, they are expected to attend all meetings and ensure they provide any input requested within agreed timeframes⁴.
- (4) Avoid bias and take a constructive approach to removing obstacles to progress, solving problems and achieving consensus around an analysis. Achievement of consensus entails recognition of this wider interest and willingness to make reasonable compromises.

⁴ Alternates may only serve by exception based on prior application to the Secretariat and with prior approval by a CWG chair. It Is the responsibility of the member appointing an alternate to fully brief the alternate on prior discussions and to ensure they agree to comply with all ICVCM policies.



- (5) Subject to their responsibilities to the CWG, not disclose any confidential or proprietary information coming to their knowledge by reason of their role in or duties to the CWG. The duty of such person not to disclose confidential information constitutes a personal obligation of that person and shall remain an obligation after the expiration or termination of that person's function for or role in the CWG.
- (6) Sign the Confidentiality agreement.
- (7) Any member of the Category Working Group may be dismissed should they fail to undertake the duties listed in the CWG TOR and CWG Modalities & Procedures or if they breach the Code of Conduct and applicable ICVCM policies. If concerns are raised about a member's ability to undertake these duties, members will review the concerns and take a decision on whether to remove the group member and seek a replacement.
- (8) Not express individual opinions as being representative of ICVCM.
- (9) Not use their role on the CWG as a means of direct or indirect remuneration.
- (10)For the avoidance of doubt, the following are outside the scope of the CWG and its members:
 - (a) assessing categories requiring deeper assessment
 - (b) updating the CCPs or Assessment Framework
 - (c) changing the Assessment Procedure