

## Modalities and Procedures for Multistakeholder Working Groups in the ICVCM assessment framework

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 Multistakeholder Working Groups (MSWGs) within the ICVCM assessment procedures. This document should be read alongside the relevant supporting documentation as specified within this document, notably alongside the MSWG TOR and the Assessment Procedure. This document is subject to periodic revisions by the Governing Board.

## 1) Role of Multistakeholder Working Groups in the ICVCM assessment process

- (1) The Integrity Council's governance structure and operational functions relevant to the MSWGs 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 Categories<sup>1</sup> 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 MSWGs' role is to assess specific Categories, including their underlying methodologies, based on, inter alia, public classifications of Categories<sup>2</sup>, publicly available academic literature<sup>3</sup>, information from ratings agencies, carbon-crediting program specific information including information submitted as part of its Application, and other public information relating to Categories. The MSWGs will take into consideration any decisions that impose restrictions and/or changes in the scope or applicability of relevant Categories that have been taken by carbon-crediting programs.
- (4) The MSWGs, with the support of the Integrity Council executive secretariat, will assess whether the relevant Category/Categories meet(s) the relevant criteria and requirements in

<sup>&</sup>lt;sup>1</sup> 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. <sup>2</sup> For example, the <u>Berkeley Voluntary Registry Offsets Database</u>

<sup>&</sup>lt;sup>3</sup> 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.



the Assessment Framework. The MSWGs may make one of the following assessments:

- (a) The Category/Categories meet(s) the criteria and requirements for CCP-approval;
- (b) The Category/Categories meet(s) the criteria and requirements for CCP-approval if the relevant carbon-crediting program(s) take(s) remedial action;
- (c) The Category/Categories does not/do not meet the criteria and requirements for CCP-approval.
- (5) Consensus within the MSWG will be considered achieved when there is broad agreement within the MSWG, with any disagreements being the exception. Any individual disagreements and the associated rationale will be noted by the Integrity Council Executive Secretariat and will be included with the initial assessment as the Category moves to the next stage of the process for review and decision. Note that consensus need not imply unanimity.<sup>4</sup>

If consensus on an analysis looks highly unlikely, the majority and minority views will be taken to the Standard Oversight Committee (SOC), with evidence to support the differing views.

MSWG members need not express a view and their silence will imply agreement, however the Facilitator(s) may call on other views if one person dominates the discussion. All decisions by the Facilitator(s), informed by the MSWG discussion, are final.

- (6) The Integrity Council will prepare a draft Evaluation Report or Reports on the basis of the MSWG assessment and any policy considerations, if any. The Integrity Council will then follow the process laid out in 3.12 of the Assessment Procedure before submission of the draft Evaluation report and a recommendation for the Decision for one of 4 (a) to (c) to the Governing Board.
- (7) The decision process taken by the Board will follow 3.13 to 3.21 of the Assessment Procedure.

## 2) Composition and selection process of the Multistakeholder Working Groups

(1) To ensure appropriate balance across multiple stakeholder groups, as approved by the ICVCM Governing Board, the ICVCM Executive Secretariat will seek MSWG membership from the ICVCM roster of experts from the following stakeholder groups:

|           | Stakeholder groups   | Seats |
|-----------|--|-------|
| External  | Carbon crediting methodology experts, including              | 8-12  |
| expertise | methodology development and project development <sup>5</sup> |       |
|           | IPs & LCs  | 1-2   |

<sup>&</sup>lt;sup>4</sup> If, after discussion, a participant disagrees with the view of others in the MSWG, and that participant represents the program whose methodology is being assessed, this will be noted in the internal report. Where there are multiple participants of the same view as the program, that will not be noted.

<sup>&</sup>lt;sup>5</sup> These may come from any sector, such as civil society, environmental non-government organisations, commercial, rating experts, carbon crediting programmes, public sector.



| ICVCM     | ICVCM Standards Oversight Committee Co-Chair & |     |
|-----------|--|-----|
| expertise | members  |     |
|           | ICVCM Experts                                  | 2-3 |

- (2) The total number of stakeholders in the ICVCM expertise group referred to in the table above shall not exceed the total number of stakeholders in the external expertise group.
- (3) The selection process is set out in the MSWG ToR. MSWG membership is at the sole discretion of ICVCM.
- (4) The ICVCM may identify the need to set up further MSWGs to address sub-categories identified during the assessment process. Such MSWGs would also be set up in accordance with these modalities and procedures. Their membership may include some of the relevant existing MSWG experts and/or other experts with relevant expertise appointed by ICVCM.
- (5) Quorum shall be at least half of the MSWG members. This will include a minimum of:

|                       | Stakeholder groups  | Quorum is at least half of the<br>MSWG and must include |
|-----------------------|---|---|
| External<br>expertise | Carbon crediting methodology<br>experts, including methodology<br>development and project<br>development, IPs & LCs | 2   |
| ICVCM<br>expertise    | ICVCM SOC   | 1   |
|                       | ICVCM Experts   |   |

- (6) Members of the MSWG are appointed as individuals. Alternates may only serve by exception based on prior application to the Secretariat and with prior approval by a MSWG Facilitator(s). 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. MSWG Facilitator(s) may also invite specific expertise into the MSWGs, as needed, to contribute to the discussions. Program representatives will be invited to participate when relevant to the discussions.
- (7) Where practical the Facilitator(s) will be affiliated with ICVCM and will be appointed by the SOC Co-Chairs.
- (8) Board, ICVCM Experts, 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.
- (9) The ICVCM reserves the right to initiate and terminate MSWGs as required.



## 3) Duties of the Multistakeholder Working Group

- (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) 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 come prepared for meetings, contribute their expertise and experience, and provide any input requested within agreed timeframes.<sup>6</sup>
- (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.
- (5) Subject to their responsibilities to the MSWG, not disclose any confidential or proprietary information coming to their knowledge by reason of their role in or duties to the MSWG. 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 MSWG.
- (6) Sign the Confidentiality agreement.
- (7) Any member of the Multistakeholder Working Group may be dismissed should they fail to undertake the duties listed in the MSWG TOR and MSWG 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 of the ICVCM Governing Board 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 MSWG as a means of direct or indirect remuneration.
- (10) For the avoidance of doubt, the following are outside the scope of the MSWG and its members:
  - (a) updating the CCPs or Assessment Framework
  - (b) changing the Assessment Procedure (and associated ICVCM policies, including but not limited to this document)

<sup>&</sup>lt;sup>6</sup> Alternates may only serve by exception based- on prior application to the Secretariat and with prior approval by a MSWG Facilitator. 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.