

Modalities and Procedures for the Indigenous Peoples and / or Local Communities Engagement Forum

Certain terms used in this document are defined in the Appendix.

Purpose of this Document

- (1) The purpose of this Modalities and Procedures is to outline how the Indigenous Peoples and / or local communities Engagement Forum (the 'Forum') will operate. This document should be read with the Terms of Reference document, which outlines who is involved in the Forum and the purpose / aim of the Forum.

Governance of the Forum

- (2) The Forum is made up of representatives of Indigenous Peoples and / or local communities from around the world. The Forum is self-governing and focuses on the integration, access and coordination of Indigenous Peoples and / or local communities in the voluntary carbon market (VCM), both as beneficiaries and shareholders. The Forum aims to establish and elevate the rights and interests of Indigenous Peoples and / or local communities in relation to the VCM.
- (3) The Forum is governed by the Co-Chairs and Forum Members in accordance with the following Governance Documents:
 - (a) Modalities and Procedures;
 - (b) Terms of Reference;
 - (c) Code of Conduct; and
 - (d) Conflict of Interest Policy.

The Forum

2. The Forum

- (1) The Forum will comprise up to nine members (more detail is provided in the Terms of Reference).
- (2) All Members will be selected by the Integrity Council for the Voluntary Carbon Market (ICVCM) Governing Board or its delegates following a public recruitment process managed by the Executive Secretariat.
- (3) All Members of the Forum will serve in their individual capacity and are not participating on behalf of any organisation.

- (4) The Forum Members will select two Members to act as the Co-Chairs of the Forum.
- (5) The Forum Members will be appointed according to the following guidelines:
 - (a) Each Member that is appointed in 2024 is appointed for a two-year term (the First term).
 - (b) Upon the expiry of the First term, to establish rotation in the membership of the Forum while retaining institutional memory:
 - (i) Half the Members shall be appointed or reappointed for a two-year term, including one member from each of Africa, Asia and Latin America; and
 - (ii) Half the Members shall be appointed or reappointed for a one-year term, including one Member from each of Africa, Asia and Latin America.
 - (c) Members who served a First term that are reappointed for a one-year term per (ii) above may serve one further two year term after the one year term has expired (allowing for a total maximum of five years of service, including the First term), and Members who served a First term that are reappointed for a two-year term may not be reappointed for a further term (allowing for a total maximum of four years of service, including the First term). No Member may serve for more than five years in total on the Forum.
 - (d) For the first Members of the Forum, the First term in sub-paragraph (a) above will be deemed to have commenced on 1 July 2024.
 - (e) The term for Members filling vacant seats during any term will be considered to expire when the term for the seat expires.

3. Suspension and termination of a member of the Forum

- (1) A person shall cease to be a member of the Forum when:
 - (a) that person has completed their term or terms;
 - (b) the Co-Chairs have resolved to terminate that person's membership for reason of a breach of the Conflict of Interest Policy or the confidentiality provisions of the Code of Conduct or otherwise of their duties as a member of the Forum;
 - (c) a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
 - (d) notice is received by the Forum that the person is resigning from office and any period of notice given or agreed with the Forum expires;

- (e) that person has been absent for two or more consecutive meetings of the Forum without having provided reasonable and prior explanation to at least one Co-Chair of the Forum;
 - (f) that person has ceased to be a Fit and Proper Person in the opinion of the Forum; or
 - (g) the Forum resolves that the person should be removed from office for reasons of reputation and/or commercial or political or lobbying activities of that person.
- (2) Prior to the termination of a Member's appointment for any of the grounds in paragraph (1) above, the Forum may resolve that that person will be suspended from membership without affecting the power to terminate that person from office in accordance with paragraph (1) subsequently.

4. Duties of the Members of the Forum

- (1) The Members will:
- (a) Adhere to the Code of Conduct and sign that they agree to adhere to the vision and values of the Forum.
 - (b) Comply with the Conflicts of Interest Policy.
 - (c) Subject to their responsibilities to the Forum, not disclose any confidential or proprietary information coming to their knowledge by reason of their role in or duties to the Forum. The duty of the Member not to disclose confidential information constitutes a personal obligation of that member and will remain an obligation after the expiration or termination of that Member's function for or role in the Forum. **These responsibilities are included in the Forum's Conflict of Interest Policy.**
 - (d) Be Fit and Proper Persons.
- (2) The Forum will be led by the Co-Chairs for a term that matches the terms of the Forum. A person may serve a maximum two terms as Co-Chair.

5. 4(2)Decision-making of the Forum

- (1) The Forum will meet **physically or virtually** as often as necessary but not less than four times in a calendar year. Any member of the Forum may call a meeting of the Forum by giving at least 20 days' notice of the meeting to the other members. Meetings may be called on shorter notice if it is agreed by at least two-thirds of the members of the Forum.
- (2) At a meeting, a minimum of five Forum Members, from at least three different regions, must be present to constitute a quorum. If the Co-Chairs of the Forum are

unable to attend, the Forum will select one of the Members to act as Chair for that meeting. Where a meeting is not quorate, no decisions may be taken, except the decision to call another meeting.

- (3) The decisions of the Forum will be taken by consensus, whenever possible. If efforts at reaching a consensus have been exhausted and no agreement has been reached, decisions will be taken by a two-thirds majority of the Members present and voting. The Co-Chairs have the authority to rule that efforts at reaching a consensus have been exhausted. A vote by a Member as a proxyholder of another Member in accordance with clause 5(4) will be counted in addition to the proxyholder's vote in their own capacity. Members abstaining from voting will be considered as not voting.
- (4) If a Member of the Forum is unable to attend a meeting of the Forum that is conducted in accordance with clause 5(2), such Member may appoint another Member of the Forum as their proxy to vote on their behalf on the matters transacted at the meeting. A Member who wishes to appoint a proxy will be required to communicate such appointment in writing (including in any electronic form) by way of a proxy notice to one of the Co-Chairs at least 24 hours in advance of the meeting, unless a shorter time is otherwise agreed by one of the Co-Chairs. A proxyholder will be treated as having the discretion as to how to vote on the matters transacted at the meeting unless otherwise indicated in the proxy notice. A Member who has appointed another Member as their proxyholder is entitled to revoke such appointment by notice in writing to one of the Co-Chairs ahead of the start of the relevant meeting.
- (5) Where it is not practical to vote on a proposal at a meeting of the Forum, a resolution in writing signed by a two-thirds majority of the Members of the Forum, who are at the relevant time entitled to receive notice of a meeting of the Forum and who would be entitled to vote on the matter and whose vote would have been counted had it been proposed at a meeting of the Forum, will be as valid and effectual as a decision taken at a meeting of the Forum properly called and constituted. Such written consent to the decision or the resolution may be contained in one or more documents or communications in any electric form each signed by one or more of the Members of the Forum concerned. A decision may not be taken in accordance with this clause 5(5) if the Members of the Forum who have signed the resolution would not have formed a quorum at a meeting of the Forum in accordance with clause 5(2).
- (6) A Member of the Forum who is not permitted to vote on a matter by reason of a conflict of interest in accordance with the Conflicts of Interest Policy adopted by the Forum will continue to count towards the quorum but will be considered as non-voting. Such Member will not be entitled to vote by way of a written resolution in accordance with clause 5(5).
- (7) A vote by a proxyholder in accordance with clause 5(4) will not be counted if the proxyholder and/or the Member who has appointed the proxyholder are not permitted to vote on the matter by reason of a conflict of interest in accordance with

the Conflicts of Interest Policy adopted by the Forum.

- (8) The Members of the Forum will be expected to attend meetings of the Forum themselves and may not delegate attendance to other persons.
- (9) The Forum may:
 - (a) establish committees with such terms of reference and membership as it may deem appropriate;
 - (b) establish one or more stakeholder groups with such terms of reference and membership as it may deem appropriate; and
 - (c) delegate to such committees or the Executive Secretariat or any other person actions and authority to take steps on its behalf.

Executive Secretariat

6. Role of the Executive Secretariat

- (1) The Executive Secretariat will carry out operational tasks (e.g. coordinating work, supporting experts, managing stakeholder relationships, communications and engaging market participants). The Executive Secretariat will support the Forum in the course of their work and ensure coordination with the ICVCM Governing Board and ICVCM Indigenous Peoples and / or local communities Committee. The Executive Secretariat will also manage the budget of the Forum, in accordance with the rules applicable to it.
- (2) Under the oversight of the Forum, in consultation with the Co-Chairs, the Executive Secretariat will, subject to available resources:
 - (a) prepare and / or commission research and reports and provide recommendations to inform the decisions of the Forum or as may be requested by the Forum;
 - (b) carry out operational tasks;
 - (c) provide bi-annual updates on the work of the ICVCM and how it may impact the Forum, its members and any associated communities; and
 - (d) report periodically on strategy, risks, status and progress of the actions taken by the Forum and budgets and plans of the Forum.

7. Transparency

- (1) The Forum will operate transparently and make information on its work publicly available.

- (2) The Forum will request the Executive Secretariat to recommend and implement appropriate consultation processes with stakeholders and the public.
- (3) The Forum will commission, from time to time, an independent review by a third-party organisation to assess the following:
 - (a) the effectiveness and impact of the Forum;
 - (b) the transparency measures adopted by the Forum; and
 - (c) such other matters as the Forum may determine.

8. Meeting frequency of the Indigenous Peoples and / or local communities Forum

- (1) The Forum will meet, usually on a virtual basis, at least four times a year. Occasionally, additional virtual meetings may be held, following consultation by the Co-Chairs with members.
- (2) Virtual Meetings will be held at hours that are reasonable for most time zones, with rotation to ensure fairness for members.

9. Revision of the Indigenous Peoples and / or local communities Modalities and Procedures

- (1) The Forum may amend or revise this Modalities and Procedures with the consent of two-thirds of the members of the Forum.
- (2) Upon such variation, the Executive Secretariat will prepare a written version of the Modalities and Procedures document and have it initialled by the Co-Chairs.

Appendix

(3) In this document, unless the context requires otherwise:

“Co-Chairs” means the Co-Chairs of the Forum;

“Code of Conduct” means a code of conduct including, among others, confirmations and undertakings consistent with the duty to disclose conflicts of interest and the duty of confidentiality;

“Constitutional Documents” means the Vision, Values and Ways of Working; the various documents containing the governing principles of the Forum; and this modalities and procedures document;

“Executive Secretariat” means the staff of the Integrity Council and other co-hosts of the Forum;

“Executive Secretariat Organisation” means each of the Integrity Council for the Voluntary Carbon Market, and any other Co-host Organisations;

“Forum Governing Board” means the Forum Governing Board of the Forum constituted in accordance with the Vision, Values and Ways of Working and this document;

“Fit and Proper Person” means a person who, in the opinion of the Forum, as applicable, is fit and proper for their role in the Forum, and for this purpose, the Forum will consider whether such person: (i) has demonstrated by experience and training that they are suitable for their role in the Forum; (ii) has adequate time to perform their role in the Forum; (iii) has been convicted of a serious criminal offence in any jurisdiction; (iv) has been found guilty of misconduct or breach of any regulatory, professional or ethical obligations in any jurisdiction; (v) has been dismissed or asked to resign for cause and resigned from employment or from a position of trust, fiduciary appointment or similar appointments; and

“Voluntary carbon market” or “VCM” means a market in which carbon credits are traded apart from the compliance markets.