



THE INTEGRITY COUNCIL
FOR THE VOLUNTARY CARBON MARKET

Continuous Improvement Work Program report: Sustainable Development Benefits and Safeguards

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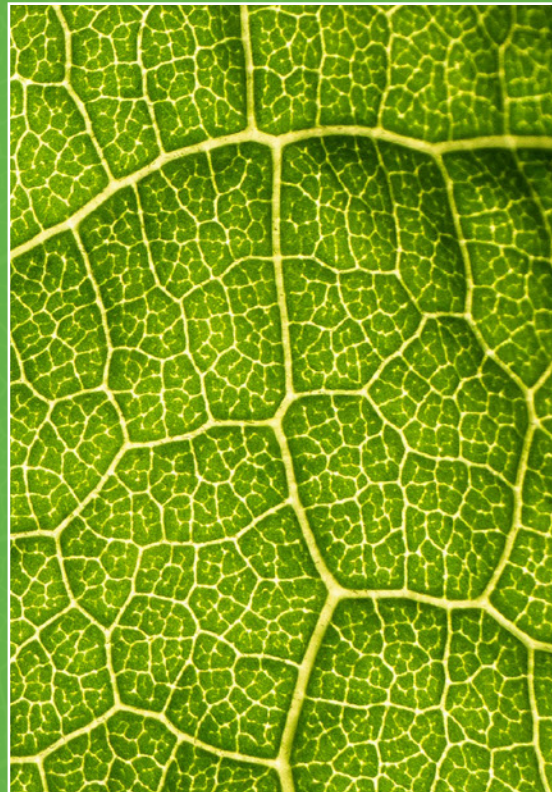
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The ICVCM's Continuous Improvement Work Programs

The Integrity Council for the Voluntary Carbon Market's (ICVCM) Continuous Improvement Work Programs (CIWPs) ensure that carbon markets continue to evolve by bringing together leading experts and key stakeholders in a collaborative effort to address complex challenges, provide thought leadership and chart the next generation of solutions to accelerate high-integrity carbon markets that benefit both people and the planet. The CIWPs harness the latest science, emerging technologies and innovative approaches from across the market to inform the next generation of carbon market integrity systems and standards.

The recommendations of these multi-stakeholder, expert working groups will inform further refinement and development of the ICVCM rulebook, particularly the Core Carbon Principles Assessment Framework. They may also refer to actions more appropriately implemented by entities other than the ICVCM but which are nonetheless crucial for future market development and maturation.



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Executive summary

The delivery of sustainable development benefits and safeguards sits alongside emission reductions or removals as one of the core ways in which high-integrity carbon credits can be a force for positive change. The Core Carbon Principles (CCPs) are designed to embed positive sustainable development outcomes into the design and implementation of carbon-crediting projects, ensuring that carbon finance brings long-lasting improvements to communities, ecosystems and economies.

The CCP Assessment Framework¹ recognises that approaches to environmental and social safeguards and the delivery of sustainable development benefits are currently evolving. The Integrity Council for the Voluntary Carbon Market (ICVCM) has set up a Continuous Improvement Work Program (CIWP) to consider where existing guidance might need to be revised or updated, with a view to incorporating any revisions or updates into the ICVCM's future requirements.

The CIWP Sustainable Development Benefits and Safeguards (including Benefit Sharing) separated into three different workstreams to focus on distinct aspects of the CCP relating to sustainable development benefits and safeguards, as elaborated in Criterion 7 of the CCP Assessment Framework: social and environmental safeguards, benefit sharing and sustainable development. The workstreams explored how the ICVCM and its rulebook can remain up to date and relevant to an evolving market, aiming at reflecting the latest science, technology and market developments while incorporating the needs and priorities of the communities in which projects operate.

The three workstreams discussed the priority themes laid out in the Assessment Framework's Summary for Decision Makers² and the improvements signalled in the Assessment Framework. These included the following:

Safeguards

- Participation of affected individuals and communities in resettlement activities; consent of affected parties in displacement cases (in relation to Criterion 7.4).
- Conservation objectives for terrestrial and marine habitats; regulatory compliance regarding invasive alien species; no conversion and protection of valuable natural habitats; minimisation of soil and water impacts (in relation to Criterion 7.5).

¹ [CCP Assessment Framework | ICVCM](#)

² [Summary for Decision Makers | ICVCM](#)

- Avoidance of negative impacts on resources, culture, priorities or governance of both Indigenous Peoples and local communities; translation of relevant documents (in relation to Criterion 7.6).
- Gender assessment and gender action plans; use of gender-disaggregated data (in relation to Criterion 7.8).
- Consistency with all relevant Cancun Safeguards (in relation to Criterion 7.10).
- Improvements on labour and human rights requirements (in relation to Criterion 7.2 and 7.7)

Benefit Sharing

- Transparency regarding how revenues for benefit sharing are used and managed (in relation to Criterion 7.9).

Sustainable Development

- Further criteria for third-party certification requirements and the need for a risk and impact rating framework for categories of mitigation activities.
- Methodologies to 'require evidence of level of change achieved and the degree to which sustainable development benefits can be attributed to the mitigation activity ... [including] provisions promoting net positive sustainable development benefit' (in relation to Criterion 12.2 in general).

Key takeaways

There is broad consensus among CIWP participants on the need to further raise the bar for sustainable development and safeguards criteria to evolve the current CCP Assessment Framework. For greater clarity and wider standardisation across the voluntary carbon market, the recommendations encourage closing gaps between existing requirements and evolving understandings of best practice. The CIWP advised that all new additions and changes to existing requirements be subject to consultation with affected parties and other market stakeholders to ensure accuracy, buy-in and effective implementation.

Many of the recommendations seek to address the recurring challenge of knowledge and power asymmetries between mitigation activity developers and operators, on the one hand, and Indigenous Peoples as well as local communities, on the other hand. This is why several recommendations aim to improve safeguard requirements to make engagement processes more participative, inclusive and transparent; this is particularly the case of processes for obtaining FPIC.

In the same vein, the group proposed to strengthen requirements around providing pre-program capacity building and access to unbiased expert support. The CIWP also proposed recommendations to tighten the current risk assessment process, with particular focus on ensuring the overall positive impact of mitigation activities. The CIWP's consensus view was that benefit sharing agreements (BSAs) should centre on a rights-based approach that strengthens the autonomy of Indigenous Peoples as well as local communities.

With the evolution in the development and human rights fields, terminology emerged as another focal point of the CIWP's discussions. In several cases, the CIWP recommended that the ICVCM tighten or modify the existing language of the CCP Assessment Framework requirements or add qualifications and clarifications. Underlying these language changes is an acknowledgement that the practice of respect for the traditional knowledge, culture and land rights of communities is essential to the intrinsic fairness and external credibility of the voluntary carbon market.

Overall, most recommendations aim to enhance transparency by requiring programs and project developers to disclose more and detailed information in more accessible ways. They endeavour to standardise key elements of sustainable development and safeguards, ensuring consistency and clarity across projects. Furthermore, the recommendations expand the scope of coverage in areas where sustainable development and safeguards previously lacked sufficient guidance, particularly in relation to community engagement and documentation practices.

Finally, while the recommendations are addressed primarily to the ICVCM, the CIWP recognised that taking the recommendations forwards will require the active participation of all stakeholders. This focus on the wider participation of parties across the carbon market space provides the substance of many of the recommendations for future thought leadership.

The CIWP convened and worked based on the signalled requirements and market practice from February to July 2024. It did not aim to cover all issues relevant to the field of sustainable development safeguards and benefits in carbon markets and could not consider all possible aspects. Notably, at the time, the Indigenous Peoples and Local Communities Engagement Forum was not yet established, although the CIWP did include participants representing Indigenous Peoples. The Forum has received this report and provided the input presented on page 14. The ICVCM envisions further work to refine the outcomes of this CIWP, including on areas outside the group's scope.

The table below summarises the CIWP's high-level recommendations. The full report contains additional context for these recommendations and summarised discussions, while Annex 1 contains the recommendations in full as they will be considered by the ICVCM and relevant stakeholders.

Summary of recommendations

Safeguards	
Recommendations for Assessment Framework refinement	
<i>Criterion 7.1 – Assessment and management of environmental and social risks</i>	Enhance risk management by requiring project-specific risk categorisation, life cycle monitoring, community-based assessments, and integration of FPIC, grievance mechanisms and transparency across all safeguards.
<i>Criterion 7.2 – Labour rights and working conditions</i>	Expand labour-related safeguards to cover all worker types and arrangements, ensure protections such as anti-discrimination and freedom of association, and clarify expectations for third-party compliance.
<i>Criterion 7.3 – Resource efficiency and pollution prevention</i>	Strengthen environmental safeguards by introducing a mitigation hierarchy approach, requiring baseline setting, and adding further specific provisions on pollution, hazardous materials and waste management.
<i>Criterion 7.4 – Land acquisition and involuntary resettlement</i>	Explicitly prohibit forced displacement, require consent-based resettlement with clear action plans, and ensure transparency, documentation and sensitivity to tenure, gender and minority impacts.
<i>Criterion 7.5 – Biodiversity conservation and sustainable management of living natural resources</i>	Strengthen biodiversity safeguards by applying the precautionary principle, requiring protection and restoration of ecosystems, respecting Indigenous and local practices, and aligning with the Global Biodiversity Framework.

Safeguards (cont.)

Recommendations for Assessment Framework refinement

<i>Criterion 7.6 – Indigenous Peoples, Local Communities, and cultural heritage</i>	Strengthen protections for both Indigenous Peoples and local communities by aligning with national and international laws, prohibiting adverse impacts on land and resources, ensuring inclusive engagement and access to legal support, and recognising gender and minority representation. Add further FPIC requirements and consolidate them to ensure inclusive, ongoing and culturally appropriate consent processes.
<i>Criterion 7.7 – Respect for human rights, stakeholder engagement</i>	Strengthen stakeholder engagement by requiring inclusive, participatory processes – especially with Indigenous Peoples as well as local communities – and include provisions for traditional knowledge, gender and minority considerations, and access to remedies.
<i>Criterion 7.8 – Gender equality</i>	Strengthen gender safeguards by requiring gender assessments, action plans and disaggregated data, ensuring alignment with international agreements and promoting inclusive, locally designed engagement with women and gender-diverse groups.
<i>Criterion 7.10 – Cancun safeguards</i>	Require all REDD+ ³ activities to comply with the ICVCM safeguards.

Further recommendations

<i>Criterion 7.1 – Assessment and management of environmental and social risks</i>	The ICVCM should provide clear, high-quality guidance for risk categorisation and safeguard assessments, building on existing tools and practices from carbon-crediting programs, project developers and communities.
<i>Criterion 7.4 – Land acquisition and involuntary resettlement</i>	The ICVCM should define the terms ‘meaningful’, ‘FPIC’ and ‘consent to displacement’.
<i>Criterion 7.5 – Biodiversity conservation and sustainable management of living natural resources</i>	The ICVCM should formally engage and coordinate with different initiatives related to biodiversity credits.
<i>Criterion 7.6 – Indigenous Peoples, Local Communities, and cultural heritage</i>	The ICVCM should clarify the scope of requirements using best practice definitions and work with carbon-crediting programs to design fair, adaptive pathways for projects transitioning to updated standards.

3 ‘REDD’ stands for ‘Reducing emissions from deforestation and forest degradation’ in developing countries. The ‘+’ stands for additional forest-related activities that protect the climate, namely sustainable management of forests and the conservation and enhancement of forest carbon stocks. See: [What is REDD+ | UNFCCC](#)

Benefit Sharing

Recommendations for Assessment Framework refinement

Criterion 7.9 – Robust benefit-sharing

- Provide guidance for arrangements alternative to BSAs, e.g. community partnerships.
- Assess the applicability of BSAs for every mitigation activity type.
- Establish requirements and guidance on the development of BSAs.
- Define types of benefits for use in BSAs: direct and general.
- Establish requirements on how both Indigenous Peoples and local communities can best access third-party technical/legal/economic support.
- Require participatory monitoring and reporting for all BSAs.
- Establish requirements and guidance regarding disclosures and confidentiality.
- Consider grounds for differentiation in the development of BSAs (project features, scale, etc.).

Further recommendations

Criterion 7.9 – Robust benefit-sharing

- The ICVCM should initiate the recommendations as quickly as possible.
- The ICVCM should formalise work on ‘suggestions with a long lead time’, such as strengthening BSA implementation via tailored support, standard templates and shared best practices.
- The ICVCM should encourage dialogue with governments on financial flows, land tenure and community rights.

Sustainable Development

Recommendations for Assessment Framework refinement

Criterion 12.2 – Sustainable development benefits

- Require overall positive Sustainable Development Goal (SDG) impact assessment and develop standardised SDG indicators for assessment of positive and negative SDG impacts differentiated by activity type.
- Set differentiated minimum requirements for overall positive SDG impacts for activity types.
- Require third-party verification of overall positive SDG impacts.⁴

⁴ Some CIWP participants considered this recommendation to be out of the CIWP's scope.

Sustainable Development (cont.)

Further recommendations

Criterion 12.2 – Sustainable development benefits

- The ICVCM should explore opportunities for long-term collaboration with the Paris Agreement Crediting Mechanism, governments and market stakeholders to evolve the framework.
- When developing relevant requirements and refinements, the ICVCM should prioritise open-access tools and methodologies to facilitate adoption and consistency.

Cross-Cutting Issues

Recommendations for Assessment Framework refinement

Stakeholder engagement and transparency

Criterion 1.1 Effective governance; Criterion 3.1 Information; Criterion 7.6 Indigenous Peoples, Local Communities, and cultural heritage

Include further requirements to help strengthen transparency in stakeholder engagement by ensuring documentation and information is both developed and shared in a collaborative, accessible, transparent and culturally sensitive manner.

Grievance resolution

Criterion 1.1 Effective governance; Criterion 3.1 Information; Criterion 7.6 Indigenous Peoples, Local Communities, and cultural heritage

Include more specific requirements for the development and application of clear, holistic and effective grievance mechanisms.

Further recommendations

Capacity building and support

The ICVCM should include more specific requirements relating to capacity building and support (technical/legal/economic) for communities.

Grievance resolution

The ICVCM could consider whether there would be benefits to an overarching grievance redress body.

What's next?

The outputs of the CIWPs will inform further development and refinement of the CCP Assessment Framework. They will also provide recommendations on broader evolutions and changes needed in the market, which may be implemented by entities other than the ICVCM.

Future refinement and evolution of the Assessment Framework in the area of sustainable development safeguards and benefits is not limited to the areas and recommendations discussed in the CIWP and referenced in this report. Other inputs to the development of the ICVCM rulebook include lessons learned through the assessment and assurance process, stakeholder inputs (including from the Indigenous Peoples and Local Communities Engagement Forum), public consultations and academic research.

In addition to informing the refinement of the Assessment Framework and broader market adaptations, several outputs from this CIWP will directly feed into the design and discussion of future CIWPs. Notably, insights and recommendations from this report will contribute to upcoming work on the Oversight of Validation and Verification Bodies, as well as the CIWP on Market Transparency, Standardisation, and Scalability. The ICVCM is committed to ensuring that cross-cutting issues identified across CIWPs are addressed in a coherent and integrated manner, enabling the most effective use of recommendations and fostering consistency across the evolving framework.



Views of the Indigenous Peoples and Local Communities Engagement Forum

This summary outlines the views of the Indigenous Peoples and Local Communities Engagement Forum (herein “the Forum”) on CIWP Sustainable Development Benefits and Safeguards outcomes, obtained through a briefing session and a request for feedback at two stages in 2025. This summary is an addition to the CIWP, noting that the Forum was not yet convened at the time of the CIWP.

Feedback Process

Due to the Forum being established after the work of this CIWP was completed, the CIWP discussions did not include Forum views. The ICVCM Executive Secretariat consulted the Forum on the CIWP’s suggested outcomes through a two-step process, in February and September 2025. The first consultation included an online presentation of the draft recommendations by ICVCM, during which Forum members raised several important considerations, particularly around benefit sharing. A second consultation followed the release of the final draft. The ICVCM Executive Secretariat shared the outcomes in document form, and Forum members were invited to provide feedback through one-on-one conversations, email, and in-document comments. Members of the Forum were asked to reflect on the relevance of the report’s content, the strength of its recommendations, and whether any key social or environmental safeguard themes were missing.

General remarks

Generally, it was felt that the document addresses issues that are relevant to Indigenous Peoples as well as local communities, and that the recommendations will strengthen the integrity of safeguards and benefit sharing in the carbon market.

The Forum believes that Indigenous Peoples as well as local communities should be more involved in the market, rather than just the technical experts and market actors that currently dominate in the discussions. Forum members noted that many carbon projects are situated in communities and so frameworks should be co-developed to reflect the priorities of Indigenous Peoples as well as local communities. While it is good to use global standards, many of these are rigid and do not reflect the local priorities of both Indigenous Peoples and local communities. There should thus be an emphasis

on culturally relevant indicators that reflect the culture and traditional ecological knowledge of Indigenous Peoples as well as local communities. The design and implementation of projects often do not reflect or respect Indigenous or local cultures, traditional knowledge and practices and so may unintentionally overlook or undermine these.

Forum members noted that international rights requirements, as indicated within the report's recommendations, are important but may not be sufficient in cases where countries have not ratified these or may not have political will to enforce these at national level. The recommendations could, therefore, also highlight the importance of alignment with local governments to ensure that they are on board with requirements and to understand what safeguards exist under local law and institutions. Forum members noted that additional requirements should be weighed against the impact they might have on smaller projects, particularly in developing countries.

Additionally, concerns were raised about the practicalities of inclusive dialogue. Forum members noted that while meaningful engagement is essential, it is often underfunded and time-consuming, posing challenges when private sector developers are under pressure to move quickly.

Several members saw the value in having additional outputs to support the CIWP report and its recommendations, such as user-friendly guides that Indigenous Peoples as well as local communities can have access to so that they can see whether best practices, including relating to finance, are being followed.

Free Prior and Informed Consent

Forum members noted the importance of standardisation around Free, Prior, Informed Consent (FPIC) and requested additional clarity on the mechanisms used/stated by ICVCM to validate FPIC. It was felt that the FPIC definition within the recommendations remains open to interpretation and does not clarify what level of participation and community engagement there should be.

It was noted that FPIC should not be a one-off activity at the start of projects but should be a continuous, community-led process that must reflect evolving community perspectives and priorities, and to allow Indigenous Peoples and local communities to revisit their decisions and withdraw their consent should they believe that the original conditions have changed. The Forum noted that this point is outlined in the CIWP report, but that it needs to be stressed with regards to FPIC.

The Forum noted that although FPIC is integrated within many aspects of the CIWP recommendations, it seems that some of the critical elements (such as benefit sharing mechanism) do not include FPIC as a requirement. This was seen as an opportunity for the Assessment Framework to address challenges and promote a better understanding of FPIC.

Benefit Sharing

The Forum called for additional clarity and further work on the requirements for benefit sharing. Forum members noted that the current framing of benefit sharing within the Assessment Framework focuses too heavily on content, rather than the processes through which benefit sharing arrangements are developed. Defining what constitutes meaningful content is essential, but this should not become a tick-box exercise, especially in the co-development of carbon projects where local contexts and priorities evolve over time.

Equity emerged as a central theme. Members emphasised that equity considerations are important, especially where Indigenous Peoples may wish to co-develop or lead carbon projects. In regions such as Southeast Asia, where land is often state-owned despite community tenure rights, equity challenges are particularly acute during benefit sharing discussions. The Forum called for additional clarity and further work on key challenges and considerations relating to equity and land tenure to ensure these are properly addressed.

The Forum noted that the distinction between direct benefits and general benefits is interpreted in different ways by different project developers subject to their own internal policies. Members saw a good opportunity here to clarify information on benefit sharing to Indigenous Peoples, and to integrate FPIC within benefit sharing. For example, there needs to be clarity on percentage revenue and what information communities should receive before agreeing to benefit sharing. Full financial transparency of projects was emphasised as imperative, enabling communities to be able to see financial flows and cost structures. Further clarity was requested on the types of mechanisms that are advised for contracts, and whether these are BSA formats.

On specific recommendations (in Annex 1 Table)

In relation to recommendation 4.1.1, which refers to the **management of environmental and social risks**, Forum members recommended that the proposed recommendations under Criterion 7.1 be reinforced by integrating mechanisms that support preventive conservation, so communities can be rewarded for preventing deforestation. This could include establishing stable and predictable financing models, developing specific indicators, and facilitating access for diverse territories and community-led initiatives, including those led by Indigenous Peoples as well as local communities through jurisdictional approaches.

In relation to recommendation 4.1.2, which refers to the **management of environmental and social risks**, the Forum noted the importance of Indigenous-led risk identification. Often, risk assessments are dominated by technical views even where attempts at integration of community views are made. Additionally, some members suggested adding Indigenous Peoples in voluntary isolation as an example element of the exclusion lists in risk assessments.

In relation to recommendation 4.1.4, which refers to **labour rights and working conditions**, members emphasised the importance of defining “third party”, since this is often vague. To many communities, third party could mean external consultants, NGOs, private firms or even government personnel or agencies. Clear definitions ensure compliance. It should also be emphasised that third parties should not have any conflict of interest, and they should be knowledgeable not only in carbon accounting but also particularly in terms of Indigenous Peoples’ as well as local communities’ rights and cultural heritage. Members asked whether Indigenous Peoples as well as local communities could be recognised as third party, especially regarding community-based monitoring. This underscores the need for a clear definition.

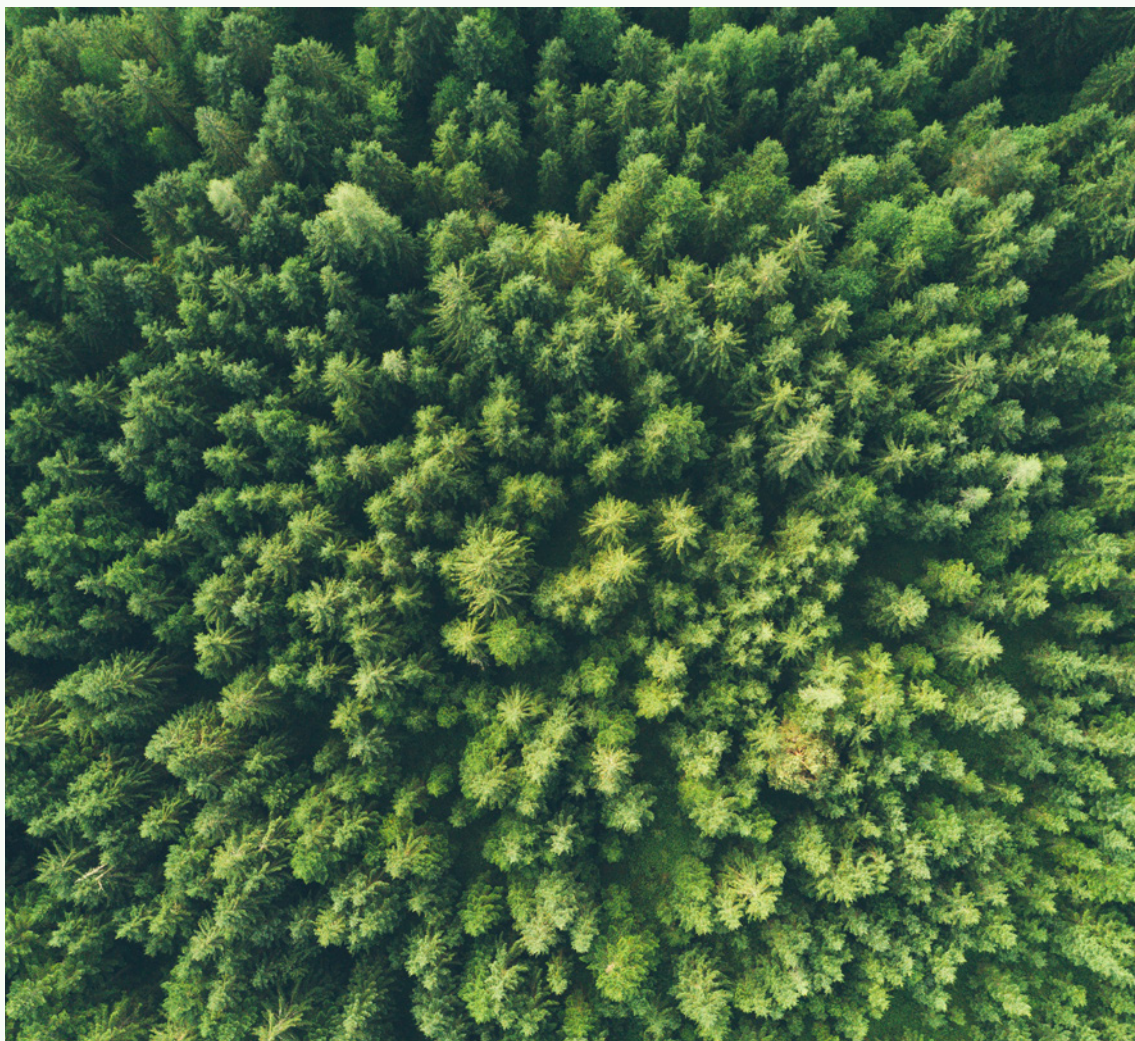
Noting that recommendations on grievance mechanisms are also outlined in the CIWP report, Forum members asked whether this offered a platform or space for Indigenous Peoples as well as local communities to appeal or challenge conclusions made by third parties especially if they felt their rights or benefits were being misrepresented.

In relation to recommendation 4.1.20 on **gender equality**, the balance and possible tensions between provisions ensuring gender equality and respecting traditional cultural systems were noted.

Recommendations 4.3.3, which relate to **sustainable development benefits**, suggest that the ICVCM should consider requiring third-party verification of overall positive sustainable development goal (SDG) requirements. Here, members noted that while the SDGs could be a standard for verification, they are broad, global and do not always translate to the community-level to reflect the priorities of Indigenous Peoples and local communities. Opportunities could be explored for involving Indigenous Peoples as well as local communities in verification and developing relevant frameworks.

Recommendation 4.4.2 pertaining to **stakeholder engagement and transparency**, the Forum noted that capacity strengthening activities should not only ensure that communities understand risks and benefits of the carbon market, but that these activities should ultimately strive for project co-ownership, joint decision making, monitoring of projects and benefit sharing.

Recommendation 4.4.5 indicates the need to include practices that ensure that Indigenous Peoples and local communities have access to **quality, timely and inclusive information**, as well as the necessary skills to understand and engage with the consent process fully. Here, Forum members noted that apart from using language that both Indigenous Peoples and local communities can understand, these practices should be framed in concepts that align with traditional knowledge and community values. This increases the chances of full participation and success in such projects.



Sustainable Development Benefits and Safeguards (including Benefit Sharing)

Introduction

The voluntary carbon market aims to achieve emissions reductions or removals through credible and effective mitigation activities. Carbon mitigation projects do not operate in isolation. For the voluntary carbon market to operate credibly and efficiently, such projects require the trust and participation of the communities where they operate, as well as of the wider public. Such trust is undermined if mitigation activities generate negative social or environmental impacts.

The Integrity Council for the Voluntary Carbon Market (ICVCM) is an independent, nonprofit governance body for carbon markets. By establishing a definitive global threshold for the voluntary carbon market, the ICVCM contributes to the goals outlined in the Paris Agreement.

The Core Carbon Principles (CCPs) set an independent global threshold for what a high-integrity carbon credit looks like. The high-integrity CCP label assures buyers that carbon credits are based on the latest science, deliver genuine emission reductions and bring sustainable development benefits that support both Indigenous Peoples and local communities, including those in the Global South. The ten CCPs set the threshold for integrity, as elaborated in the Assessment Framework and used by the Integrity Council to assess carbon-crediting programs and methodologies.

CCP 9 refers to Sustainable Development and Safeguards, which ensures that mitigation activities not only avoid harm but also contribute positively to the wellbeing of communities and development in host countries. As stated in the CCP, 'The carbon-crediting program shall have clear guidance, tools and compliance procedures to ensure mitigation activities conform with or go beyond widely established industry best practices on social and environmental safeguards while delivering positive sustainable development impacts'. This principle underscores the importance of both minimising risks and maximising co-benefits in carbon-crediting projects.

The CCP Assessment Framework includes program-level⁵ criteria that require mitigation activity proponents active under CCP-Eligible programs to assess environmental and social risks associated with projects, considering the size and scale of the relevant mitigation activity. Where the context requires, mitigation activities might need to ensure that processes for acquiring the free, prior and informed consent (FPIC) of Indigenous Peoples as well as local communities are in place. The safeguards also extend to protecting and improving livelihoods, protecting and restoring biodiversity and ecosystem services, reducing pollution, and being transparent about the sharing of benefits from the mitigation activity with both Indigenous Peoples and local communities.

⁵ The program-level requirements refer to the governance, administrative, and operational rules and procedures established by a carbon-crediting program. These requirements are assessed by the ICVCM to determine whether the program as a whole meets the CCP criteria for issuing high-integrity carbon credits (see SDM, p. 22).

In addition, CCP 9 and relevant criteria of the Assessment Framework seek to ensure that mitigation activities not only address potential and actual negative impacts but also deliver positive sustainable development effects. The ICVCM uses the United Nations' (UN) Sustainable Development Goals (SDGs) as its benchmark to define the wide variety of possible benefits that high-integrity mitigation activities can generate. The SDGs provide a clear roadmap for global progress across social, economic and environmental dimensions.

To ensure consistency and integrity across all CCP-labelled carbon credits, the ICVCM has also introduced category-level⁶ criteria that apply to methodologies approved by carbon-crediting programs. The ICVCM criteria are additional to CORSIA's⁷ safeguards and sustainable development standards⁸ and require compliance in order for a carbon-crediting program or methodology to be CCP-labelled.

Recognising that current approaches to sustainable development and safeguards are evolving and inconsistent across the market, the ICVCM has committed to strengthening these areas through a Continuous Improvement Work Program (CIWP).

The ICVCM's CIWPs ensure that carbon markets continue to evolve by bringing together leading experts and key stakeholders in a collaborative effort to address complex challenges, provide thought leadership and chart the next generation of solutions to accelerate high-integrity carbon markets.

The CIWP Sustainable Development Benefits and Safeguards was made up of subject experts and primary stakeholders. Its focus centred on exploring the areas identified in the CCP Assessment Framework, where further improvement is needed to ensure that safeguards and sustainable development benefits are not only upheld but strengthened. The CIWP worked in three subgroups. Each group addressed the requirements relevant to their assigned subject: safeguards, benefit sharing or sustainable development.

The recommendations outlined in this report will serve as key input for future refinements to the Assessment Framework requirements. The CIWP may also make recommendations that may be more appropriately implemented by entities other than the ICVCM but are nonetheless crucial for future market development and maturation.

Since the CIWP concluded its work, the ICVCM has supported the launch of a self-led Indigenous Peoples and Local Communities⁹ Engagement Forum (the Forum), which seeks to strengthen and coordinate Indigenous Peoples' and local communities' critical engagement with carbon markets. The Forum's work is directly relevant to the discussions of the CIWP and the contents of this report. As the Forum was created after the CIWP took place, the CIWP could not benefit from the Forum's input, although each CIWP group included at least one Indigenous Peoples representative from the ICVCM Governing Board. The Forum has received this report and provided the input presented on page 14.

6 The category-level criteria and requirements address methodological and related rules of a carbon-crediting program to determine whether carbon credits from that program are CCP-Eligible (see SDM, p. 23).

7 [Carbon Offsetting and Reduction Scheme for International Aviation \(CORSIA\)](#)

8 [CORSIA Emissions Unit Eligibility Criteria](#)

9 The ICVCM recognises Indigenous Peoples and local communities as different and distinct peoples with discrete rights and interests as expressed in international and national instruments and in traditional laws.

Background and scope of work

In line with terms laid out in Section 3.C.9 (pp. 40–44) of the Summary for Decision Makers (SDM) of the CCP Assessment Framework, CIWP Sustainable Development Safeguards and Benefits was assigned to consider where existing guidance might need to be revised or updated, with a view to incorporating any revisions or updates into the ICVCM's future requirements or other refinements of the rulebook.

The groups reviewed the specific signalled requirements outlined in Table 7.12 for program-level practices and Table 12.3 for category-level practices in the Assessment Framework. However, most groups chose to go beyond these signalled requirements by also examining current practices. This broader review aimed to provide a more comprehensive understanding of what is currently required and to identify potential opportunities for improvement.

As outlined in Section E of the Assessment Framework and referenced in the SDM (p. 24), the ICVCM committed to consult with stakeholders to explore how program-level practices could be improved and how to incorporate more stringent criteria (e.g. those under Section C.7) into future updates. These enhancements (signalled requirements) aim to ensure the following:

- That programs take responsibility for assessing social and environmental risks
- Alignment of projects with conservation objectives for terrestrial and marine habitats, including through the prevention of invasive species introduction, habitat conversion and threats to endangered species
- Promotion of sustainable resource use (e.g. energy, water and soil)
- Inclusive consultation processes with both Indigenous Peoples and local communities, including FPIC, with particular attention given to women and marginalised groups, especially in resettlement contexts
- Protection of Indigenous Peoples' and local communities' territories, resources and governance systems, including respect for uncontacted or voluntarily isolated groups

- Transparent revenue use and benefit sharing mechanisms
- Gender-responsive planning, including gender assessments, action plans and disaggregated data to monitor impacts
- Robust validation and verification of environmental and social safeguards

At the category level, the ICVCM identified at the time of adoption of the Assessment Framework that there is a need for further development of safeguards and sustainable development benefit criteria. Through the CIWP and future iterations of the Assessment Framework, the ICVCM will draw on existing safeguard protocols and SDG impact measurement tools – including third-party certification schemes – to develop a risk and impact rating framework for categories of carbon credits.

Additionally, the ICVCM is considering requiring methodologies to:

- provide evidence of the level of change achieved and the degree to which sustainable development benefits can be attributed to the mitigation activity; and
- include provisions that promote net-positive sustainable development outcomes (see SDM, p. 24).

The individual subgroups' scope of work was as follows:

- **For CIWP 4.1 on Safeguards**, the scope covers emerging issues in areas such as labour rights, land acquisition, ecosystem and biodiversity safeguarding, human rights and gender equality, as defined in Assessment Framework Criteria 7.1–7.8 and 7.10 (the group only discussed program-level requirements, which are expected to enhance safeguards at the category level, as meeting the former will inherently lead to meeting the latter).
- **CIWP 4.2 on Benefit Sharing** looked at 'arrangements for benefit-sharing with Indigenous Peoples as well as local communities', as defined in Assessment Framework Criterion 7.9.¹⁰ The scope included a focus on the requirement to 'ensure transparency on use and management of revenues for benefit sharing' (as per the criterion for 7.9).
- **CIWP 4.3 on Sustainable Development** took its steer from Assessment Framework Criterion 7.11 on 'ensuring positive SDG impacts' and from Criterion 12.3 (p. 97).¹¹ In addition to this predefined scope, this group also agreed to explore the program-level and attributes text of the Assessment Framework to see whether textual improvements could be made.

All three workstreams met five to six times for three-hour meetings between February and July 2024. Three additional meetings were conducted with all CIWP participants to identify and address cross-cutting issues and collaboratively review the recommendations proposed by the separate workstreams.

¹⁰ The requirement for benefit sharing states the need to 'ensure transparency on use and management of revenues for benefit sharing'.

¹¹ The SDM provisions for sustainable development: 'For the next iteration of the AF, [...] the ICVCM will draw upon available SDG impact measurement and management protocols including third-party certification requirements to develop further criteria [...] The ICVCM will also consider requiring methodologies to submit evidence of the level of change achieved and the degree to which sustainable development benefits can be attributed to the mitigation activity. The ICVCM will also consider requiring methodologies to include provisions promoting net positive sustainable development benefits'.

The CIWP convened and worked as a time-bound work program based on the signalled requirements and market practice at the time. It did not aim to cover all issues relevant to the field of sustainable development safeguards and benefits in carbon markets and could not consider all possible aspects. Notably, at the time, the Forum was not yet established, although the CIWP did include participants representing Indigenous Peoples. The ICVCM envisions further work to refine the outcomes of this CIWP, including on areas outside the CIWP's scope, such as those related to recognising the rights and interests of rights holders and resource users, differentiating between Indigenous Peoples and local communities, good governance (including based on custom and tradition), respect and reaction to a community's decision to withhold consent, and safeguarding.

The remainder of this report presents the CIWP's recommendations with the relevant context. Annex 1 contains the recommendations in full as they will be considered by the ICVCM and relevant stakeholders.

A full list of participants is provided on page 45.

The ICVCM invites stakeholders to engage with this report and provide any feedback on the content and specific ways the recommendations can be elaborated and implemented, both by the ICVCM and in the broader market.



Outcomes and recommendations

The CIWP reached consensus on thirty-one recommendations for consideration in the further development of the CCP Assessment Framework. Most of these relate to the CIWP's core workstreams – namely safeguards (nine recommendations), benefit sharing (eleven) and sustainable development (four). Additionally, four recommendations were cross-cutting across all CIWP topics. Another twelve recommendations, tagged as 'further recommendations', address broader market evolutions and adaptations that may be implemented by entities beyond the ICVCM.

Future refinement and evolution of the Assessment Framework in the area of sustainable development safeguards and benefits are not limited to the areas and recommendations discussed in the CIWP and referenced in this report. Other inputs to the development of the ICVCM rules base include lessons learned through the assessment and assurance process, stakeholder inputs (including from the Forum), public consultations and academic research.

In addition to informing the refinement of the CCP Assessment Framework and broader market adaptations, several outputs from this CIWP will directly feed into the design and discussion of future CIWPs. Notably, insights and recommendations from this report will contribute to upcoming work of the CIWP on Oversight of Validation and Verification Bodies, as well as the CIWP on Market Transparency, Standardisation, and Scalability. The ICVCM is committed to ensuring that cross-cutting issues identified across CIWPs are addressed in a coherent and integrated manner, enabling the most effective use of recommendations and fostering consistency across the evolving framework.

Safeguards

The CIWP recommended that the ICVCM implement the signalled requirements related to safeguards set out in Table 7.12 of the CCP Assessment Framework and provided additional considerations and suggestions. Where signalled requirements were absent, the group considered existing provisions and agreed on recommendations for new requirements.

These signalled requirements and additional recommendations and considerations are summarised below with regard to specific criteria of the Assessment Framework and listed in full in Annex 1.

Criterion 7.1 – Assessment and management of environmental and social risks

In future refinements to the Assessment Framework, the ICVCM should include additional requirements to ensure consistent risk categorisation, strong FPIC protocols, and greater community-based consultation and monitoring.

Criterion 7.1 signalled carbon-crediting programs to provide an assessment of environmental and social risks ‘associated with the mitigation activity, activity type, or host country’. At present, such assessment methods are generally uniform. However, the risks for different project types are often specific to the project type, with this variance made even more complex by factors such as geography and project scale. The use of uniform assessment methods may cause these nuances to be overlooked, weakening the safeguards.

As such, the CIWP recommends introducing a risk categorisation requirement to ensure that differing project types are assessed in accordance with their specific risk levels. This could ensure appropriate focus is applied to different safeguards criteria and contribute to minimising project implementation costs. Tailored risk assessments, similar to the sectoral risk screening tools used by financial lenders, could help anticipate and mitigate risks specific to project activities.

To further strengthen the risk assessment process, the CIWP recommends introducing an exclusion list that covers specific risks that are deemed irreversible if they occur. In a similar vein, the CIWP suggests requiring regular monitoring and reporting of all identified risks. This process includes using indicators to assess risk levels through the project’s life cycle, subject to verification. To strengthen it, the ICVCM should develop principles for transparency of reporting.

The CIWP noted that expert evaluation of risks has sometimes been shown to be inadequate to ensure sufficient recognition, integration and mitigation of those risks. Therefore, the risk categorisation process should allow for community-based risk identification, monitoring, verification and reporting of purported risks; this would require the integration of FPIC processes in the risk assessment procedures. Within community-based risk identification, there is an opportunity to promote a stronger message to reflect meaningful community-led partnerships and engagement. In this light, the CIWP recommended making grievance resolution mechanisms a component of risk management as well.

As Criterion 7.1 requirements cover all safeguards, the CIWP recommended that all future requirements for FPIC; monitoring, reporting and verification; and community-related requirements should go across all safeguards.

During discussions on risk assessment and categorisation, some participants acknowledged that categorising projects as high-risk may lead to significant economic burdens, potentially discouraging investment in areas where safeguards are most needed. Simultaneously, the participants noted that a robust risk categorisation methodology and validation process should be developed and applied consistently across all projects. This would ensure that classifications are based on sound criteria and are not influenced by cost implications or investment concerns.

Risk categorisation should allow project developers to state risk(s) as irrelevant to their project. In this case, the CIWP pointed out that an auditor should assess this claim to determine whether it is an appropriate response. If validated, further risk assessment in those areas would not be required, allowing due diligence to focus only on relevant safeguard areas. This discussion led to an extensive conversation about the role of validation and verification bodies (VVBs) and auditors. Participants noted that VVBs may lack the needed expertise in social and environmental safeguards to make critical judgements in risk categorisation, and it was recommended that the ICVCM provide guidance on risk categorisation and assessment. This recommendation was met with differing perspectives, as some participants believed that would be outside of the CIWP's scope.

When developing further guidance, rather than starting from scratch, the ICVCM should consider risk categorisation guidance, data and tools currently in use in the development community, as well as those deployed by carbon-crediting programs, project developers and communities.

Criterion 7.2 – Labour rights and working conditions

The CIWP participants shared the view that in future refinements to the CCP Assessment Framework, the ICVCM should include specific requirements related to labour rights and working conditions as they relate to both project and jurisdictional levels, all types of workers, and the principles of fairness, equity and non-discrimination.

Among the current requirements of Criterion 7.2 is the need to ensure that the working conditions associated with mitigation activities are 'safe and healthy' and that the treatment of all employees is fair, non-discriminatory and structured to ensure equal opportunities. Anti-discrimination rules should be required, as commonly included in labour laws. The CIWP agreed to recommending the inclusion of new provisions to deliver on core aspects of safe, equitable and fair employment. Noteworthy topic areas cited by the CIWP include (but are not restricted to) the following: respect for freedom of association; clear labour procedures, worker terms and workplace conditions; the prevention and resolution of violence, harassment, intimidation and exploitation; the provision of workplace grievance mechanisms and processes; and the avoidance of retaliation.

The CIWP stressed the need to ensure that the scope of these new requirements extends to all workers involved in all carbon-crediting programs, including those who may not be directly employed by the developers or operators of those programs. As such, the measures should apply to those employed under multiple contract types (e.g. 'employee', 'contractor' and 'third party') and multiple work arrangements (e.g. full-time, part-time, secondment and seasonal). This emphasis on inclusiveness should be explicit in the language chosen to describe the requirements for this criterion. This demands the consistent use of specific terms, such as 'temporary workers', 'day labourers' and the like. Therefore, the ICVCM should define 'third party', providing clarity on what kind of stakeholders fall under this definition and what expectations for mitigation activities are placed on them to demonstrate compliance.

In building requirements for Criterion 7.2 on these and related themes, the CIWP considered that the ICVCM should draw on the International Finance Corporation's (IFC) Performance Standard 2¹² and the UN Development Programme's (UNDP) Standard on Labor and Working Conditions,¹³ plus the latter's associated Guidance Note.¹⁴

¹² [IFC Performance Standard 2: Labor and Working Conditions 2012 | IFC](#)

¹³ [UNDP Standard 7 on Labor and Working Conditions | UNDP](#)

¹⁴ [UNDP Guidance Note Standard 7: Labour and Working Conditions Guidance Note 2021 | UNDP](#)

The same principle of broad inclusion should extend to the spatial parameters set for the requirements; namely, their scope should not be limited solely to the level of carbon-crediting projects themselves but should extend out to the jurisdictional level. The CIWP noted that jurisdictional scale REDD+ is covered by the Cancun Safeguards, which have the agreement of all parties to the United Nations Framework Convention on Climate Change (UNFCCC).

Criterion 7.3 – Resource efficiency and pollution prevention

In addition to the signalled requirements, the CIWP recommended that the ICVCM introduce a mitigation hierarchy – avoidance, mitigation and compensation – to guide efforts under Criterion 7.3. This approach, commonly used in conservation and resource management, prioritises the prevention of negative impacts to the greatest extent possible. Where impacts cannot be avoided, mitigation measures should be pursued, followed by compensation as a last resort.

In line with this approach, the signalled requirement of promoting ‘more sustainable use of resources, including energy and water’ should be applied and consolidated in prevention and avoidance strategies.

The mitigation hierarchy should also be applied in the Assessment Framework to the creation and use of pollutants, waste and hazardous materials, moving from away from minimisation to emphasise prevention. The CIWP also recommended that requirements be introduced to ensure waste is disposed of in an environmentally sound manner and that laws related to the transboundary movement of waste are respected. Other additional recommendations related to pollution management include the prohibition of hazardous materials and pesticides, plus the introduction of provisions on the appropriate use and safe handling of pesticides.¹⁵

The group recommended requiring mitigation activity proponents to establish and clarify baselines for resource efficiency and pollution prevention, suggesting the use of national and local laws as a baseline for compliance. However, the CIWP discussions also noted that the ICVCM should provide guidance for cases where national, local or regional law is below what is understood as best practice.

To define such best practice, the CIWP considered that using good international industry practice as a reference should be a requirement in order for all projects to establish the same minimum threshold.

In building requirements for Criterion 7.3 on these and related themes, the CIWP considered that the ICVCM should draw on the IFC Environmental, Health, and Safety Guidelines¹⁶ and industry-specific guidelines as applicable (e.g. on Forest Harvesting Operations) and the UNDP’s Standard 8 on Pollution Prevention and Resource Efficiency,¹⁷ plus the latter’s associated Guidance Note.¹⁸

Criterion 7.4 – Land acquisition and involuntary resettlement

In addition to the signalled requirements, the CIWP suggested that in future refinements to the CCP Assessment Framework, the ICVCM should modify some of the existing terminology and qualify several of the current concepts related to displacement and resettlement.

¹⁵ [UNDP Standard 8 on Pollution Prevention and Resource Efficiency | UNDP](#)

¹⁶ [IFC Environmental, Health, and Safety General Guidance 2007 | World Bank](#)

¹⁷ [UNDP Standard 8 on Pollution Prevention and Resource Efficiency | UNDP](#)

¹⁸ [UNDP Guidance Note Standard 8 Pollution Prevention and Resource Efficiency | UNDP](#)

The CIWP recognised that the issue of land acquisition and resettlement represents a contentious area and paid considerable attention to the question of gathering consent and the challenges surrounding land rights. The signalled requirements of the Assessment Framework presently state that all resettlement activities must be premised on the ‘meaningful and informed participation’ of impacted communities. Further, they add that the principle of FPIC be applied ‘where applicable’. To strengthen these requirements, participants stressed including new language specifying that forced displacement is ‘not tolerated’ in any circumstances, whether involuntary physical or economical displacement or resettlement. If this recommendation is followed, the CIWP also recommended that the descriptor ‘involuntary’ be removed from the title phrase for Criterion 7.4. In this same vein, the CCP Assessment Framework should make clear that resettlement constitutes a ‘rare’ phenomenon and one that must only occur when ‘fully consented’ to.

The necessary conditions for seeking consent also generated discussion. To ensure fair and transparent participation, the CIWP recommended that all impacted stakeholders be identified and specified. Likewise, all relevant technical documentation should be made available to relevant communities in their local languages ahead of the FPIC processes. Additionally, in terms of specific information, any consented physical or economic displacement/resettlement should have an action plan that addresses the following:

- Resettlement options based on the communities’ preferences and needs
- Secure tenure
- Compensation for loss of assets other than lands
- Resettlement assistance
- Documentation of all transactions

As with consent, the issue of compensation provoked considerable discussion. It was agreed that compensation should cover a broader range of impacts to ensure community welfare. This would apply to communities who are collectively holding land title(s). In all instances, transactions related to displacement and resettlement should be fully documented in technical reports, rights and claims. The group noted that consent should not be considered legitimate when community leaders are unfairly/ disproportionately compensated to avoid conflicts in the community as far as possible. Consent as a substantive right should only be obtained in situations where the basic procedural rights are already satisfied: free, prior and informed.

The CIWP noted that land acquisition and resettlement can be difficult to administer. For instance, unclear timelines may make it unclear whether displacement occurred before or after the start of a carbon-crediting project. Obtaining official land titles can also present difficulties for legitimate landowners, such as Indigenous Peoples and women. In light of this issue, the CIWP recommended that carbon-crediting program documents acknowledge the complexity of this issue and the impacts that land, physical and economic resettlement will have on gender equality and minorities.

Finally, the CIWP took the view that the ICVCM should use relevant sections of the World Bank's Environmental and Social Standards¹⁹ – among other guidance, tools and materials – to inform these new requirements.²⁰

Further recommendations

In addition to the above conditions for consent and to ensure standardised understanding and application of requirements, the CIWP recommended clarifying the definition of 'FPIC'.²¹ Finally, the group reiterated the primacy of the right to FPIC, stressing that this prevails over any and all processes that certifying entities may choose to put in place. Similar refinement could be beneficial for the term 'meaningful', as could requirements for carbon-crediting program rules to include a definition as it refers to the participation of affected communities.

The CIWP recommended that the ICVCM should define what 'consent to displacement' means to provide clarity for all stakeholders and actors.

The CIWP was split on the question of who should determine whether a compensation agreement is 'fair' or 'disproportionate', with some arguing in favour of the ICVCM or a VVB and others saying that legitimate representatives of Indigenous Peoples as well as local communities should decide. As an alternative approach, it was proposed that the carbon-crediting program could require the VVB to verify (i) whether the agreed compensation was legitimately validated and (ii) whether the proper mechanisms exist for community members to raise concerns about the agreement.

Criterion 7.5 – Biodiversity conservation and sustainable management of living natural resources

Beyond the signalled requirements, the CIWP recommended that the ICVCM should incorporate the precautionary principle and encourage measures that go beyond the current 'do no harm' approach to biodiversity conservation.

The CIWP recognised that biodiversity-related risks linked to carbon-crediting projects can vary considerably depending on local factors, such as community dynamics and ecological particularities. While uniform principles, such as a blanket ban on the conversion of natural forests, grasslands, wetlands and high-conservation-value habitats (as per current requirements for Criterion 7.5) are important, guidance also needs to inform project developers and operators on how best to deal with locally specific risks.

These risks are highly varied and hard to predict. For this reason, the CIWP recommended that the precautionary principle be included in future requirements. The precautionary principle adopts a proactive approach to risk. It places the onus on proponents to demonstrate that potentially harmful activities are safe and that potential associated risks are mitigated, as opposed to responding only when the scientific proof of such risks demands action.

¹⁹ [Environmental and Social Standards 2018 | World Bank](#)

²⁰ Other relevant sources include the following:

[Guidance Note on ESS7 2018 | World Bank](#)

[Indigenous Peoples / Sub-Saharan African Historically Underserved Traditional Local Communities 2018 | World Bank](#)

[FAO Free Prior and Informed Consent: An indigenous peoples' right and a good practice for local communities 2016 | FAO](#)

[UN Declaration on the Rights of Indigenous People 2007 | United Nations](#)

[International Labour Organization Convention 169 1989 | ILO](#)

[UNDP SES Standard 5 Displacement and Resettlement; and Guidance Note 2016 | UNDP](#)

[Power and Potential Women's Rights report 2017 and RRI Tenure Tool | Rights and Resources Initiative](#)

²¹ Note: FPIC-related recommendations are available under Criterion 7.6.

In a similar spirit, the CIWP recommended that future CCP Assessment Framework requirements go beyond a position of ‘do no harm’ and consider a more ambitious and broader concept of biodiversity ‘benefit’. This recommendation is informed by the declining health and growing risk profile of many ecosystems given marked increases in wildfires, diseases, temperature rises and other disturbances. Where possible, project developers should look to actively enhance the biodiversity and ecosystem integrity in project areas. As a minimum, the CIWP proposed that they be required to proactively protect the biodiversity and ecosystem integrity in the project area. If this integrity is affected by the project in any way, measures should be taken to restore it.

The CIWP recognised that both Indigenous Peoples and local communities have deep knowledge of local ecosystems and often rely on the use of biodiversity for food security, cultural practices and other purposes. As part of future refinements to the Assessment Framework, the safeguards should make clear that activities by project proponents must not cause conflict with these ongoing practices and resource uses. The CIWP also recommended that proponents give due consideration to the issue of possibly conflicting customary titles and conservation areas. By considering the rights of Indigenous Peoples as well as local communities and proactively including them in carbon-crediting activities, project proponents are preempting potential biodiversity-related risks and increasing the probability of positive biodiversity outcomes, as per the precautionary principle and the call to go beyond a ‘no harm’ position.

Lastly, the CIWP stressed that further refinements should be informed by and consistent with emerging and established international best practice. The group recommended that the language used in new requirements should align with the Global Biodiversity Framework.²² For greater consistency, the ICVCM should build requirements for Criterion 7.5 using existing guidance offered by the International Advisory Panel on Biodiversity Credits²³ and the World Economic Forum.^{24, 25} The ICVCM might also wish to consider looking to the Global Biodiversity Framework for guidance on how best to align the requirements of Criterion 7.5 with the rights of Indigenous Peoples, local communities and women.²⁶

Further recommendations

The CIWP recommended that the ICVCM engage formally with biodiversity credits initiatives, including the ones mentioned above. These institutions are developing their own standards for high-integrity biodiversity crediting schemes. Ensuring consistency, coherence and alignment among these initiatives is important and may require follow-up actions.

Criterion 7.6 – Indigenous Peoples, Local Communities, and cultural heritage

In addition to the signalled requirements, the ICVCM should clarify the language around impacts on Indigenous Peoples as well as local communities and include provisions related to their engagement and respect for their knowledge and rights.

The CIWP agreed there were concerns around the current relationship between project developers, backers (investors/offtakers, etc.) and other proponents in the carbon credit ecosystem, on the one hand, and Indigenous Peoples as well as local communities, on the other hand. Participants noted

²² [Convention on Biological Diversity - Global Biodiversity Framework 2022 | UNEP](#)

²³ [International Advisory Panel on Biodiversity Credits](#)

²⁴ [Financing for Nature: Biodiversity Credits | World Economic Forum](#)

²⁵ Other potentially useful references include the following:

[The International Union for Conservation of Nature](#)

[UNDP Standards on Biodiversity and Natural Resources Management and Guidance Note 2021 | UNDP](#)

²⁶ Article 8(j) of the Convention on Biological Diversity contains additional guidance related to [Indigenous Peoples and local communities](#)

systemic information and resource asymmetries between the two sides. This is most obvious in the stakeholder engagement process, where there is often distrust on the part of Indigenous Peoples as well as local communities towards activity proponents. Efforts to correct this are necessary, although project proponents should be mindful to avoid creating relationships of dependency.

The CIWP therefore recommended tightening some of the existing language for Criterion 7.6. When requiring avoidance of negative impacts, for instance, the phrase ‘relevant laws’ should be changed to ‘national and international laws’. This acknowledges that customary rights to land can sometimes extend beyond national jurisdictions. In the same requirement, the descriptor ‘negative’ in relation to project impacts should be exchanged for ‘adverse’.

Separately, in the sub-criterion relating to areas inhabited or believed to be inhabited by uncontacted Indigenous communities, the requirement for mitigation activities to ‘respect’ such areas should be expanded to ‘respect and avoid’. In the same spirit of respect, the CIWP recommended that new language be added to Criterion 7.6 requirements to ensure that project proponents respect the knowledge and collective rights to land, resources and territories of Indigenous Peoples as well as local communities.

To deal with information asymmetries and lack of trust in the stakeholder engagement process, the CIWP recommended that involved Indigenous Peoples as well as local communities be given the necessary support to ensure that they fully understand legal documents and other relevant materials. This requirement relates to how such documentation is communicated, as well as the language(s) into which it needs to be translated. The requirements for Criterion 7.6 should also include provision for logistical support, ensuring that communities in remote areas have the means to appropriately participate in decision-making processes and other engagement activities.

To ensure that gender inequality and marginalisation of minorities are not overlooked, the CIWP recommended requiring carbon-crediting program documents to highlight these key issues and provide special attention to them.

The CIWP recommended including provisions for the complaints process to be tailored to the needs and contexts of specific Indigenous Peoples as well as local communities. Finally, the CIWP recommended that project proponents be required to provide third-party legal counsel for both Indigenous Peoples and local communities during the stakeholder engagement processes. While some participants supported offering such assistance, several more noted that other actors are not in a position to do this; carbon-crediting programs do not provide consulting services, and doing so may fall outside their role. Similarly, providing guidance on selecting legal counsel would exceed the ICVCM’s scope given the complexity and sensitivity involved.

For overall clarity, the CIWP recommended that all requirements related to FPIC be consolidated in one place within the CCP Assessment Framework, for example, in Criterion 7.6. This consolidated text should confirm four main provisions related to FPIC, namely that (i) it should be of an ongoing nature and the frequency of revision should be agreed upon with relevant communities at the beginning of the project; (ii) its provisions should include the types of processes, arrangements and varieties to be agreed upon with Indigenous Peoples’ organisations and governments; (iii) it should involve all community members who will be affected, including women, children, youth and the elderly; and (iv) relevant consultation and consent processes should be conducted with the representatives designated by potentially affected communities in accordance with their norms, values and customs.

The CIWP identified a variety of suggestions for external guidance, tools and materials that might prove useful when drawing up the proposed new requirements for Criterion 7.6, including the Accountability Framework's Operational Guidance on FPIC²⁷ and the UNFCCC's report on FPIC Consent in REDD+,^{28, 29}

Further recommendations

The CIWP recommended that the ICVCM provide guidance on the scope of all these new requirements, adopting best practice guidelines and definitions. Due to the impacts that projects and communities may experience when carbon-crediting programs update their standards, the ICVCM should consult with such programs to carefully design continuous improvement pathways for projects that attempt to adapt to the new requirements as opposed to previous versions of the standards against which they were validated.

Criterion 7.7 – Respect for human rights, stakeholder engagement

In future refinements of the CCP Assessment Framework, the ICVCM should include new provisions requiring the following to be adequately incorporated into stakeholder engagement processes: remedies and redress, gender issues and issues related to minorities.

The requirements for Criterion 7.7 already require that any developer or operator of a carbon-crediting project 'avoids discrimination' and 'takes into account and responds to local stakeholders' views'. The CIWP recommended further guidance to provide more clarity in the case of gender matters and engagement with minorities. The Assessment Framework should provide detailed provisions for both constituent groups to ensure that there is no risk of discrimination and that their respective views are fully recognised.

The requirement to consider and respond to the views of Indigenous Peoples as well as local communities should also be made explicit in Criterion 7.7. The CIWP stressed the importance of ensuring that both these stakeholder groups are made active co-creators in the engagement processes in which they are involved and not treated merely as participants in, or end users of, these processes. This involves providing advice on how to ensure that the processes for arriving at agreements, undertaking negotiations and carrying out other forms of engagement are participatory, inclusive and accessible. Future requirements should include reference to traditional knowledge, with guidance on how best to guarantee that the principles of ownership, control, access and possession are fully respected.

27 [Operational Guidance on Free, Prior and Informed Consent 2019 | Accountability Framework](#)

28 [Free, Prior, and Informed Consent in REDD+, Principles and Approaches for Policy and Development 2011 | UNFCCC](#)

29 Other reference materials include the following:

[Securing Indigenous Peoples' Right to Self-Determination guide 2023 | Cultural Survival](#)

[UNDP Standard 6 Indigenous Peoples and Guidance Note 2022 | UNDP](#)

[Human Rights Guide for Working with Indigenous Peoples and Local communities guide | The Nature Conservancy](#)

[Guidance on Voluntary Use of Nature-based Solution Carbon Credits Through 2040 guidance 2022 | World Resources Institute](#)

[Indigenous People's Rights and Carbon Markets | Forest Peoples Programme](#)

[Guidance note ESS 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement 2018 | World Bank](#)

[Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests 2022 | FAO](#)

[Peoples Forests Partnership Guiding Principles](#)

In the case of evictions linked to clearly illegal and destructive activities, see [UN Basic Principles and Guidelines on Development-based Evictions and Displacement](#), paragraphs 42, 49, 52, 54 and 60.

Finally, the CIWP recommended that the future Assessment Framework include provisions around requests for remedies and redress in instances where stakeholders feel their rights have been infringed or their views have not been adequately recognised. Additionally, the group recommended consolidating stakeholder engagement, capacity building, and transparency recommendations and requirements with the FPIC requirements in the Assessment Framework text.

The ICVCM should build requirements using the following guidance, tools and materials, augmenting existing guidance (where necessary) on gender matters (Criterion 7.8) and FPIC: the UN SDGs Human Rights-Based Approach;³⁰ the UN's Guiding Principles on Business and Human Rights;³¹ and the UNDP Social and Environmental Standards (SES) Toolkit³² and associated Guidance Note.³³

Criterion 7.8 – Gender equality

The existing safeguards for Criterion 7.8 require mitigation activity proponents to provide validated design documents to evidence that their activity adheres to the current safeguards or that they have put in place relevant measures flagged in Criterion 7.1. To clarify the requirements for an effective design process, the CIWP recommended a series of additions to the existing and signalled requirements, including the introduction of new guidance for carrying out gender assessments, drawing up action plans and deploying the use of gender-disaggregated data to monitor, assess and report on gender impacts.

To support the above, the criterion should specify the distinction between gender-disaggregated data – a universal requirement – and gender action plans, only required in certain contexts driven by the level of risk.

The CIWP recommended that project proponents be required to demonstrate that their mitigation activity abides with international agreements that advocate and protect women and non-gender-conforming rights. A fundamental benchmark is the UN's Convention on the Elimination of All Forms of Discrimination Against Women.³⁴ While some participants emphasised the importance of referencing international law, others noted that requiring adherence to laws not adopted by the host country could place an inappropriate enforcement burden on carbon-crediting programs and the ICVCM, which are not positioned to interpret or enforce such laws.

The CIWP highlighted the importance of meaningful participation and engagement with local women. This can be encouraged by integrating women from project communities into the initial design of engagement activities. That said, some participants noted that carbon-crediting programs and VVBs should avoid being prescriptive about what comprises 'meaningful' given the uniqueness of each community and culture. Instead, community members who feel excluded should have access to justice, with the legitimacy of decisions being assessed by local authorities.

Ultimately, the CIWP advised that liaising with, and listening to, men and women from the local community is the most effective way for project developers and operators to ensure that local views and opinions are respected throughout the whole engagement process.

³⁰ [Universal Values. Principle One: Human Rights-Based Approach | UN SDG](#)

³¹ [Guiding Principles on Business and Human Rights: Implementing the United Nations 'Protect, Respect and Remedy' Framework 2012 | UN Human Rights](#)

³² [UNDP SES Toolkit 2022 | UNDP](#)

³³ [Guidance Notes on the Social and Environmental Standards \(SES\) Stakeholder Engagement 2022 | UNDP](#)

³⁴ [The Convention on the Elimination of All Forms of Discrimination Against Women \(CEDAW\) 1979 | UN Women](#)

Since these requirements and processes may be less established than other safeguards, the CIWP recommended that carbon-crediting programs provide advice and guidance on the resources needed to effectively apply these provisions. This should include specifying quantitative requirements to assess gender-related data, such as the use of gender experts in relevant contexts.

Finally, Criterion 7.8 currently requires that proponents of mitigation activities ‘protect against and appropriately respond to violence against women and girls’. The CIWP advised clarifying the scope of this requirement by referring explicitly to gender-based violence and suggested that the ICVCM consider aligning with provisions for protection against sexual exploitation, abuse and harassment to ensure the criterion reflects a broader and more precise understanding of the types of violence involved.

The ICVCM should build requirements for Criterion 7.8 using gender-specific guidance, tools and materials from organisations such as those produced by the Nature Conservancy,³⁵ Rights + Resources,³⁶ the Gold Standard³⁷ and W+.³⁸ Reference to recognised standards of international bodies should also be made.³⁹

Criterion 7.10 – Cancun Safeguards

The current CCP Assessment Framework builds on the work of widely applied best-in-class standards. Included in this list are the Cancun Safeguards, which were agreed upon for REDD+ at the 16th Conference of the Parties to the UNFCCC in 2010. The CIWP noted the importance of being consistent across categories, particularly REDD+, to avoid controversies and to ensure that all categories fulfil the ICVCM safeguards.

The CIWP deliberated that the Cancun Safeguards currently lack explicit provisions on a number of areas included in the Assessment Framework, such as gender, pollution and resource efficiency. As such, the ICVCM should require REDD+ to comply with the entire ICVCM safeguards framework, as safeguards criteria go beyond the specifics of the Cancun safeguards.

35 [Guidance for Integrating Gender Equity in Conservation 2020 | The Nature Conservancy](#)

36 [Gender Justice | Rights and Resource Initiative](#)

37 [The Gold Standard for Global Goals](#)

38 [The W+ Standard](#)

39 The CIWP provides the following inexhaustive list:

[CBD Gender Plan of Action 2022 | UNEP](#)

[Convention on the Elimination of All Forms of Discrimination Against Women \(CEDAW\) 1979 | UN Human Rights](#)

[Committee on the Elimination of Discrimination against Women \(CEDAW Committee\);](#)

[IFC Performance Standards on Environmental and Social Sustainability 2012 | IFC](#)

[SES Supplemental Guidance: FAQs on Gender-based Violence Risk Management 2023 | UNDP](#)

[Practical Guidance Integrating gender into the design, implementation and monitoring of carbon credit projects 2024 | UK Aid WOW](#)

Benefit Sharing

The CIWP recommended that the ICVCM implement and extend the signalled requirements related to benefit sharing and Criterion 7.9 – ‘Robust benefit-sharing’, as set out in Table 7.12 of the CCP Assessment Framework, through the following recommendations.

The CIWP recommended that the work arising from the group’s recommendations on benefit sharing be initiated as quickly as possible.

Prompt implementation of the recommended additions and amendments to Criterion 7.9 is essential, as many proposals require time to mature. Bridging the gap between current and expected practice will demand ongoing engagement, coalition building and the gradual development of capacities across all parties to ensure a robust and inclusive benefit sharing agreement (BSA) process.

The CIWP agreed that the ICVCM should develop requirements and/or guidance related to other types of arrangements, such as community partnerships, to address scenarios where BSAs are insufficient or inappropriate as a framework to establish agreements.

The CIWP noted that a stakeholder group in a mitigation activity should not be limited to one, static framing. Their relationship to the project and the project proponent is dynamic and can change or be modified.

The guidance should require activity proponents and VVBs on identifying the most appropriate framing(s) to consider each stakeholder in the mitigation activity project (e.g. as passive beneficiaries, as active partners, as rights holders, as shareholders or as developers):

- When compensation is related to traditional lands or other rights they hold, many communities prefer to be seen as active partners rather than passive beneficiaries of projects.
- The primary distinction is that fair compensation (e.g. for loss of access and usage of traditional territories, for time and labour, or for traditional knowledge) is generally a right, not a benefit. The BSA framework is therefore inappropriate or insufficient for some situations.
- A single stakeholder may need to be considered under multiple frames, and/or it may be necessary to consider different sub-groups in a group with different frames to engage with each of them appropriately.

Some participants noted that clear separation of the roles of VVBs and programs should be maintained in identifying the appropriate framings so that conformance against a standard could be appropriately evaluated.

The ICVCM should establish requirements to assess the applicability of BSAs for every mitigation activity type, regardless of technology or methodology.

As a default approach, the CIWP agreed that projects of any and all types and categories may potentially be eligible for a BSA. As a minimum, a formal evaluation of such eligibility should be undertaken for every project, verified by a VVB. These requirements may differ in form depending on the project type, but they should be equivalent in terms of assessment rigor and process. At the very least, for any mitigation activity that impacts Indigenous Peoples as well as local communities, a BSA should be mandatory, regardless of project category or type.

The CIWP recommended that the ICVCM establish requirements and guidance on the development of BSAs. The requirements should include that a long-term, mutually agreed upon and equitable plan must be established, clearly outlining how benefits will be distributed, with active involvement from a broad and representative range of community members. This plan should cover issues such as the process for stakeholder identification and management, information on a project's full implications on rights and the developer's obligations under the BSA.

The CIWP recommended that such guidance include, at minimum, the following:

■ Framing

- Identification of stakeholders, impacted communities, etc.
- Identification of the appropriate framing(s) for each stakeholder group (beneficiary, rights holder, partner, etc.)
- Stakeholder engagement

■ Process

- Guidance on enabling conditions (independent capacity building and support) to enable robust engagement
- Guidance related to language, venue, decision-making, etc.
- Guidance on categories of benefits to facilitate BSA development, clarity in reporting, and comparability across projects
- Guidance on updating the BSA

■ Content

- Information on project costs, benefits and full implications on rights
- Information on developer obligations related to BSA
- Information on rights and resources appropriate to the relevant Indigenous Peoples as well as local communities
- Proposed process and decision-making arrangements
- Differentiation and/or flexibility, in alignment with further recommendations below

When defining types of benefits, the ICVCM should establish two main types to reference in BSAs: direct and general. Direct benefits are the primary focus of BSAs. This type of benefit, which should be tangible and community specific, is additional (i.e. goes beyond meeting a project's operational needs). General benefits are those that result from fulfilling project needs, are non-localised and/or are intangible (e.g. roads necessary to build the project or air quality improvements). In most cases, general benefits should not be included in BSAs.

Benefits which are the result of fulfilling project needs can only be included in BSAs if a stakeholder group negotiates so that those needs are fulfilled in a specific way which provides additional benefits to that stakeholder group. Although related, these go beyond simply 'fulfilling project needs' and can therefore be included in BSAs.

During the course of the discussion, some participants noted that jobs created through the project activity could be counted and quantified as a benefit if those jobs are employing members of the Indigenous Peoples as well as local communities involved in or impacted by the project. Those jobs would not have existed without the project and are, in most cases, creating economic livelihoods which support ecosystem protection or restoration, or both.

The ICVCM should establish requirements on how Indigenous Peoples as well as local communities can access unbiased technical information, expert advice and legal support. Initial requirements could be as simple as mandatory disclosure of the efforts and the information, support and other resources that were provided to both the Indigenous Peoples and local communities.

The CIWP recommended that the ICVCM or relevant actors should prepare guidance on the most appropriate way for third-party advisors to involve themselves in supporting parties engaged in developing and monitoring BSAs.

The ICVCM should require mandatory robust and participatory monitoring and reporting arrangements for all BSAs, plus the independent verification of such arrangements and their subsequent results. The content of these arrangements should be agreed upon as part of the BSA process and should be culturally inclusive and enable active participation by interested beneficiaries (including compensation for time given, when appropriate). The arrangements should include a baseline and target condition(s) for each direct benefit included in the BSA. Disclosure of verified results should be appropriate and accessible to both Indigenous Peoples and local communities, as well as available online for the general public.

The group noted that special consideration should be given to the balance between transparency and confidentiality, including steps to prevent abusive confidentiality clauses and agreements. The ICVCM should establish requirements and guidance regarding disclosures and confidentiality.

Requirements should come hand in hand with guidance for disclosure covering a range of issues, including but not limited to the following:

- Conflict of interest disclosures for all parties
- Resources that were provided to communities during the BSA process
- Mandatory public indicators for projects implementing a BSA (percentage of revenue committed to direct and/or general benefits)
- Guidance on financial disclosures to BSA stakeholders, including information on the activity's financial structure, projected and actual project costs and revenues, actual carbon revenue, buyer, price and distribution of carbon revenue.
- Guidance on differentiating levels of disclosure to manage confidentiality while ensuring transparency
- Guidance to prevent abusive confidentiality clauses and agreements
- Guidance on public disclosures regarding the buyer and price

(For the full list of guidance topics, see Annex 1, recommendation 4.2.8.)

Additional perspectives voiced in the CIWP included that publicly disclosing details on costs and benefits may carry risks. The guidelines should focus on general principles audited by VVBs rather than require extensive disclosures that could pose risks to partners and other stakeholders.

The CIWP recommended that the ICVCM should consider grounds for differentiation and/or flexibility when developing BSA requirements. Potential grounds for differentiation or flexibility include project features (e.g. greenfield vs existing structure), project scale (e.g. micro, small or large), jurisdictional approaches (e.g. emission calculation methodologies) and host country characteristics (e.g. Least Developed Countries or Small Island Developing States).

The CIWP further recommended that the ICVCM should formalise work on ‘suggestions with long lead time’. The group suggested addressing several systemic issues on which the successful delivery of many of the recommendations depend, acknowledging that it will require time and probably the engagement of actors beyond the traditional remit of the ICVCM. Such issues include the following:

- Development of shared information products and capacity building programs on/for BSA customised for different stakeholder types
- Development of standardised BSA templates
- Development of a non-proprietary repository of BSA agreement terms, results and best practices
- Collaboration arrangements with third-party entities to deliver support for both Indigenous Peoples and local communities
- Establishment of appropriate consequences for the violation of BSA-related requirements and obligations

(For the full list of ‘long lead-in time’ issues, see Annex 1, recommendation 4.2.10.)

In addition, the ICVCM should engage in dialogue with governments to address issues related to carbon projects and benefit sharing.

Given the key role governments could play in facilitating better benefit sharing arrangements, the ICVCM should engage further with regulators. This dialogue should address a range of issues, including the potential leveraging of projects to secure the rights of both Indigenous Peoples and local communities, dealing with potential unintended consequences of carbon crediting on land tenure processes and the potential interactions of carbon credit regulations with future environmental assets, including BSAs.

Sustainable Development

The CIWP considered the signalled requirements related to Criterion 12.2 – ‘Sustainable development benefits’ under category-level criteria of the CCP Assessment Framework to discuss and develop the following recommendations.

For future refinements of the Assessment Framework, the ICVCM should require an overall positive SDG impact assessment. To do so, it should develop standardised SDG indicators for the assessment of positive and negative SDG impacts differentiated by activity type.

Under the current Assessment Framework, evaluation of SDG impacts is required at the program level through Criterion 7.11, which calls for a qualitative demonstration of positive SDG contributions, where applicable. Mitigation activities recognised by CCP-Eligible carbon-crediting programs may be assigned CCP Attribute 3 if positive SDG impacts have been quantitatively assessed and independently verified. At the category level, Criterion 12.2 does not mandate a specific assessment of SDG impacts.

The CIWP agreed that aligning with market best practice means moving beyond simply holding a ‘do no harm’ position towards mitigation activities delivering a positive overall contribution to sustainable development. The group agreed that all proponents should always carry out such an assessment at the category level. As such, it recommended that the ICVCM mandate all projects to be accompanied by an assessment to determine whether the overall impact of the project in question on the SDGs is positive. Consequently, the title of Assessment Framework category-level Criterion 12.2 would need to be changed from ‘Sustainable development benefits’ to ‘Positive SDG impacts’.

The CIWP emphasised the importance of clear definitions in the area of positive sustainable development impact, as these concepts each have specific implications for how impacts are measured and evaluated. For assessment purposes, the group opted for the term ‘overall positive impact’, which was defined as a ‘qualitative assessment where positive impacts outweigh negative’. These are determined qualitatively using standardised indicators for assessing both positive and negative impacts. This contrasts with the phrase ‘net positive impact’, which involves a quantitative approach to assessment. Due to the diversity of metrics, comparability across different indicators is not feasible. With different quantitative metrics, these cannot be added up to a ‘net’ impact, as comparability is not possible across very different indicators. In this light, it is also important to clarify the distinction with ‘safeguards’: principles designed to assess and manage environmental and social risks, aiming to identify, avoid or minimise unintended harm.

The CIWP’s preference for a qualitative over quantitative approach derives in part from the difficulty of measuring many benefits with numerical precision. For example, a project may reduce the production of ozone-depleting substances, but specifying the quantity and location of the recipients of the consequent health benefits is highly complex. Similarly, it can often prove difficult to assign direct attribution for a benefit back to the mitigation activity in question. While quantification is required at the attribute level in the Assessment Framework, at the category level, assessment methods could be qualitative (aligning with program-level requirements), describing positive and negative contributions (not attribution) to sustainable development.

Some participants noted that certain mitigation activities may lack inherent positive impacts. In such cases, supplementary activities in consultation with communities could contribute meaningfully to sustainable development.

To assist this assessment process, the CIWP recommended that the ICVCM develop standardised SDG indicators for the assessment of positive and negative SDG impacts for activity types. The approach to this exercise is presented in the following recommendation.

The CIWP discussed the relevance of assessing negative impacts, with some participants arguing that doing so would duplicate existing requirements under safeguards (i.e. Assessment Framework Criterion 7.1 a) 2)) and others contending that it would be costly and would not add significant value.

The assessment of positive and negative impacts should follow guidance on how to apply the standardised indicators and be reflected in the Assessment Framework and criteria, fostering transparency and comparability across mitigation categories.

For future refinements of the Assessment Framework, the ICVCM should set differentiated minimum requirements for overall positive SDG impact assessment differentiated by activity type. This would be done by taking a two-phase approach for the development of recommendations related to quantified SDG benefits (Annex I, recommendation 4.3.2).

Establishing tailored minimum requirements through curated SDG indicators could ensure overall positive contributions without relying on exceptions or ambiguous language, adding practicality across diverse mitigation activities.

The first phase implies a bottom-up approach with relevant stakeholders to collect activity-specific data and ensure comprehensive data representation to leverage existing SDG indexing efforts as the basis to develop standardised indicators. Collaborators should include carbon-crediting programs, including the Paris Agreement Crediting Mechanism given its Sustainable Development Tool, Indigenous Peoples as well as local communities, and other affected stakeholders to ensure the indicators reflect diverse impacts and local priorities.

In the second phase, following a top-down approach, based on the data collected, the ICVCM should develop standardised SDG indicators (as per the previous recommendation) and set differentiated minimum requirements for overall positive SDG impacts specific to each mitigation activity type. This phase should start with activity types for which the most robust data exists, gradually expanding to other activity types as sufficient data becomes available and leveraging existing tools (i.e. Article 6.4 Sustainable Development Tool). For low-data mitigation activities, it is recommended to allow simplified qualitative assessments initially, with a roadmap towards quantification as data is made available.

Differing views in the CIWP noted that the ICVCM's efforts to standardise indicators and metrics should initially focus on identifying the positive SDG contributions specific to each project type, ensuring certainty for uncontroversial positive claims without requiring project-specific assessments. Additionally, the ICVCM should refrain from standardising indicators for jurisdictional programs, as these are government-led mitigation activities; it should be the governments, not the ICVCM, that determine which SDGs to prioritise and where to focus within each category.

If this recommendation is applied, ambiguous language under Criterion 7.11 (e.g. 'if any' or 'if applicable' at the program level) should not be necessary, as the minimum requirements would be tailored to all activity types.

The CIWP recommended that, in further refinements of the Assessment Framework, the ICVCM require that third-party verification of overall positive SDG impacts be made mandatory.

Current practices often report SDG claims without undergoing verification, which can potentially undermine credibility and lead to reputation problems. At present, in the Assessment Framework verifying SDG claims is only requested for CCP Attribute 3. The CIWP recommended that verification be made mandatory and carried out by an authorised third-party auditor. Verification should be based on the standardised SDG indicators and differentiated minimum requirements set by the ICVCM. Given the complexity of SDG impact measurement, third-party verifiers may require tailored training. Capacity building initiatives for verifiers should be prioritised. Similar programs should be developed for project developers to address expertise gaps.

Several CIWP participants raised concerns about the recommendation to verify SDG assessments, citing several challenges for project developers and VVBs. While projects often contribute to SDGs beyond SDG 13, their individual impact is typically small relative to national or global goals, making rigorous verification disproportionately costly. Verification is already resource intensive, and the current shortage of qualified verifiers could exacerbate delays and increase transaction costs. Some participants suggested that costs might be contained by adopting ‘reasonable and lean’ monitoring parameters, though consensus on the depth and competitiveness of the VVB market remains elusive. Ultimately, several participants considered that verification of positive SDG contributions should only be mandatory when seeking CCP Attribute 3.

As part of the ongoing evolution of the sustainable development requirements within the Assessment Framework, CIWP participants suggested that the ICVCM should explore opportunities for long-term collaboration with governments and market stakeholders.

The CIWP stressed the importance of transparency and collaboration when developing impact indicators, verification guidelines, training tools and other necessary elements arising from the recommendations. Doing so will increase the probability of ensuring broad uptake and equitable participation by stakeholders. To this end, the ICVCM should look for measures to engage governments and market stakeholders. Suggested methods of increasing collaboration include the creation of a non-proprietary repository of SDG indicator data, tools, and best practices and the provision of capacity building in the area of SDG impact assessments. In the case of governments in particular, focus should be placed on the collaborative development of tools and approaches to evaluate and manage impacts that are in the public domain, among other measures.

Cross-cutting issues

Although the three CIWP groups worked in parallel, recognising that there was significant interplay between the different groups and mechanisms for enhancing them, the workstreams convened to discuss cross-cutting issues and agreed on the following recommendations.

Transparency and stakeholder engagement

Criterion 1.1 – Effective governance; Criterion 3.1 – Information; Criterion 7.6 – Indigenous Peoples, Local Communities, and cultural heritage

As part of the next iteration of the CCP Assessment Framework, the ICVCM should include further requirements to help strengthen transparency in stakeholder engagement by ensuring documentation and information are both developed and shared in a collaborative, accessible, transparent and culturally sensitive manner.

The ICVCM should require that the development of relevant project-related documentation occur in direct consultation with Indigenous Peoples as well as local communities and other relevant stakeholders. This process must be ethically designed and implemented, ensuring that stakeholder participation respects and prioritises community rights and perspectives.

This documentation should be accessible for communities and made available in a transparent manner, including via the translation of technical jargon into simpler terms. To raise transparency, information should flow both top down and bottom up, reaching all levels, while respecting traditional governance structures and ancestral or local decision-making processes. The ICVCM should introduce requirements to show that this documentation was provided in a timely and accessible manner, ensuring that communities can effectively contribute.

The CIWP discussed transparency mechanisms, especially surrounding both Indigenous Peoples and local communities. Conversations landed on the importance of providing frameworks and guidance to help communities develop their own mechanisms while aligning with traditional and ancestral structures and processes. While generally agreeing on its importance, the group noted that this may be a complex requirement for carbon-crediting programs, as it would require developing complex frameworks for the unique governance structures. Additionally, in light of transparency with communities, it was recommended that communities should have the autonomy to decide whether to make information publicly available, respecting their preferences and circumstances.

The CIWP discussed what types of information should be shared to ensure transparent stakeholder engagement, particularly to support meaningful community participation. Key recommendations included the following: disclosing the anticipated costs of mitigation activities in the project design document; sharing key terms in contractual agreements that relate to community risks or impacts; and providing capacity building support to help communities understand how carbon markets work. The latter includes explaining key aspects of the market in simple, accessible language so that communities can make informed decisions about their involvement.

Grievance mechanisms

Criterion 7.6 – Indigenous Peoples, Local Communities, and cultural heritage

As part of the next iteration of the CCP Assessment Framework, the ICVCM should include more specific requirements for the development and application of clear and effective grievance mechanisms.

The approach to the development and implementation of grievance mechanisms should be designed to be holistic, anticipating a range of scenarios that are already shown to exist or could exist in the future. This requires the development of specific mechanisms for particular instances rather than a single catch-all mechanism.

Processes should be put in place to make grievance mechanisms more trustworthy, inclusive and rights respecting by ensuring they are independent, transparent, tailored to specific harms and co-designed with affected communities to deliver fair and effective remedies. (A list of conditions for ensuring a holistic approach can be found in the table of recommendations in Annex 1, recommendation 4.4.3.)

All processes should be included under a strategy to address not only potential issues around grievance but also minimise negative repercussions, such as impacts on the income and dynamic of communities. Additionally, there should be clarity on which mechanisms and structures are appropriate for addressing conflicts at each scale.

The CIWP emphasised the need for mechanisms to be operationally independent, including the possibility of different domains of independence, such as for administrative and budgetary matters. A recognised process should be required regarding the selection of members of a grievance mechanism to ensure they are suitably qualified and free of any conflicts of interest. To guarantee these conditions are met, mechanisms should be developed in consultation with legitimate rights holders and established through written agreements prior to any interventions.

It is important to guarantee coherence between program-level and jurisdictional-level grievance mechanisms through coordination between these two levels. The CIWP also noted the importance of considering how costs could be covered, both those that relate to the mechanism's creation and operation and those linked to community access.

As a recommendation for market development, the CIWP suggested that the ICVCM should consider further areas of work to support grievance mechanisms, including the establishment of a supra grievance redress body for unresolved issues between rights holders and standard bearers.

Views on this issue differed among participants, with some considering that grievance resolution may have been outside the scope of the CIWP and suggesting that the ICVCM could explore this issue with a group of dedicated experts.

Capacity building and support

Criterion 7.6 – Indigenous Peoples, Local Communities, and cultural heritage

As part of the refinement of the CCP Assessment Framework, the ICVCM should include more specific requirements relating to capacity building and support (technical/legal/economic) for communities.

Engaging with mitigation activity proponents and other parties in the market requires a range of technical, legal and economic capacities. Where these are absent, participation on behalf of Indigenous Peoples as well as local communities risks being limited and potentially unfair. The CIWP proposed that the ICVCM consider requiring carbon-crediting programs to ensure mitigation activities deliver appropriate capacity building and support (technical/legal/economic) to affected/relevant communities. This should be done adequately and proactively and should take place prior to the start of any mitigation activity, ensuring communities fully understand and engage with the consent process.

Regarding the FPIC processes specifically, the CIWP concluded that it is important that participating Indigenous Peoples as well as local communities have access to unbiased guidance and independent counsel along with all relevant project documentation in a timely and accessible manner. The CIWP confirmed that the right to decline participation should be seen as a legitimate option within a self-determined decision-making FPIC process. It was also agreed that both Indigenous Peoples and local communities should always be involved in the design and delivery of FPIC processes.

Two further recommendations going beyond requirements of the Assessment Framework were made for the ICVCM to support capacity building in the voluntary carbon market.

The ICVCM should take a proactive role in ensuring that essential capacity building activities are carried out across the voluntary carbon market, even when such efforts are not explicitly required by existing standards. This includes facilitating processes that bring together insights and expertise from academia, non-governmental organizations (NGOs) and other relevant stakeholders. By coordinating and consolidating these inputs, the ICVCM could help build a more informed and capable ecosystem, especially where it concerns small projects and remote communities.

The CIWP participants considered that the ICVCM should also strengthen the involvement of both Indigenous Peoples and local communities in voluntary carbon market processes. The group felt this could be achieved through the Forum, which provides a space to listen to and integrate community perspectives on risks, impacts, benefits and internal dynamics. The ICVCM notes that the Forum determines its own work, which may or may not prioritise the above. The CIWP participants believed that both Indigenous Peoples and local communities should be actively engaged in the design and delivery of technical components, including Designated National Authorities (DNAs), FPIC, and supporting the defining the roles of the ICVCM and investors in ways that reflect community priorities and governance structures. The ICVCM notes that DNAs are not an ICVCM concept but rather a Clean Development Mechanism one and that it has no authority in relation to such.

Participants

The CIWP on Sustainable Development and Safeguards (including Benefit Sharing) working groups were comprised of experts from the following organisations:

CIWP 4.1 Safeguards

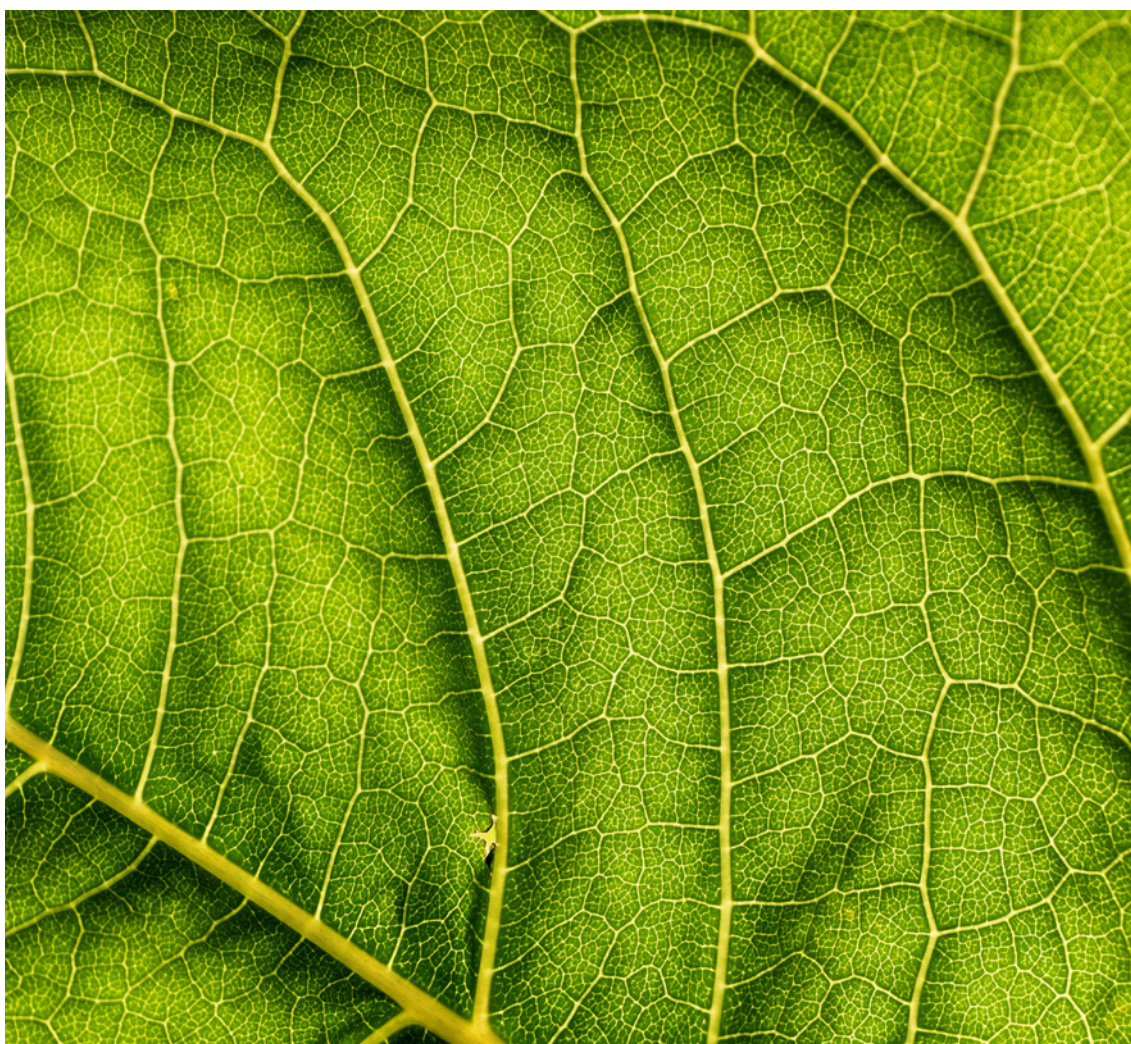
- Amerindian Peoples Association
- Environmental Defense Fund
- Conservation International
- Gold Standard
- Innpact
- KIRKBI A/S
- Michigan State University
- Peoples Forests Partnership
- Rainforest Foundation Norway
- Rights and Resources Initiative
- The Nature Conservancy
- United Nations Development Programme
- United Nations Environment Programme
- Verra
- ACR (Winrock International)
- GenderTech (ICVCM Expert Panel)
- Dragonfly Advisory (ICVCM Governing Board)

CIWP 4.2 Benefit Sharing

- Architecture for REDD+ Transactions (Winrock International)
- Blue Ventures
- Centre for Clean Air Policy
- Conservation International
- Mexican Fund for the Conservation of Nature
- Fondo Acción
- Human Rights Watch
- Alianza Mesoamericana de Pueblos y Bosques
- Ministry of Environment (Nairobi County, Kenya)
- NatureBridge
- Peoples Forests Partnership
- Restore Africa Program
- Shell
- University of California – Merced
- Rights and Resources Initiative
- High Tide Foundation (ICVCM Governing Board)

CIWP 4.3 Sustainable Development

- Calyx Global (ICVCM Expert Panel)
- Conservation International
- Gold Standard
- S.A. DNA Negotiation
- South Pole
- SustainCERT
- United Nations Environment Programme (ICVCM Expert Panel)
- Verra
- Viridios Climate
- ACR (Winrock International)
- Independent Project Developer
- Nature Climate Solutions Alliance at World Business Council for Sustainable Development (ICVCM Governing Board)



Annexes

Annex 1: Table of recommendations

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
Recommendations for Assessment Framework refinement	7.1 Assessment and management of environmental and social risks	4.1.1.	The ICVCM should implement the signalled requirements as referenced in Table 7.12 of the Assessment Framework, including requirements ensuring the following:	a) Assessment by the carbon-crediting program of the environmental and social risks associated with the mitigation activity, activity type or host country which considers the scope and scale of a mitigation activity. b) Validation and verification requirements related to environmental and social safeguards. c) Best practice with regard to local stakeholder consultations and FPIC processes for both Indigenous Peoples and local communities in particular, how these can be designed to be more inclusive and reflect the views of women and vulnerable and/or marginalised groups.
Recommendations for Assessment Framework refinement	7.1 Assessment and management of environmental and social risks	4.1.2.	The ICVCM should add further requirements and clarifications for the 7.1 signalled requirements and rearrange requirements to improve readability of the overall safeguards criteria section, including the following:	a) Require risk categorisation to ensure that various project types are assessed in accordance with their specific risk levels. b) Require using an exclusion list for irreversible risks during the risk assessment process. c) Require regular monitoring and reporting, including indicators to assess risk levels throughout the project's life cycle, subject to verification by auditors. d) Ensure community-based risk identification and integrate FPIC within risk assessment procedures. e) Make grievance resolution mechanisms a component of risk management. f) Develop principles for transparency of reporting. g) Make requirements related to FPIC, monitoring, reporting and verification (MRV), community engagement, and Indigenous Peoples and local communities overarching for all safeguards as required.
Further recommendations	7.1 Assessment and management of environmental and social risks	4.1.3.	The ICVCM should provide guidance on risk categorisation and assessment. Before developing new materials, it should first review existing guidance, data and tools used for defining risk categorisation and assessment, including those from carbon-crediting programs, project developers and communities.	

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
Recommendations for Assessment Framework refinement	7.2 Labour rights and working conditions	4.1.4.	The ICVCM should update 7.2, adding new and updated requirements, including the following:	a) Specify the applicability of labour rights safeguards to project and jurisdictional levels. b) Include language to ensure this criterion impacts all ranges of involved workers to cover multiple contract types (employee contractor, third party) and work arrangements (full-time, part-time) (e.g. 'including temporary and/or day labourers/ employees'). c) Require anti-discrimination rules, as commonly included in labour laws. d) Define 'third party' and what kind of stakeholders it entitles and what is the expectation for mitigation activity proponents to demonstrate compliance with the criteria. e) Include new provisions related to - respect for freedom of association; - clear labour procedures and worker terms and conditions; - measures to prevent and address violence, harassment, intimidation and exploitation; - workplace grievance mechanisms processes; and - avoidance of retaliation.
Recommendations for Assessment Framework refinement	7.2 Labour rights and working conditions	4.1.5.	The ICVCM should build requirements for 7.2 using the following guidance, tools and materials: - IFC Performance Standard 2: Labour and Working Conditions (IFC, 2012) - UNDP Standard on Labor and Working Conditions and Guidance Note	
Recommendations for Assessment Framework refinement	7.3 Resource efficiency and pollution prevention	4.1.6.	The ICVCM should implement the signalled requirements as referenced in Table 7.12 of the Assessment Framework, including requirements ensuring that the mitigation activity promotes more sustainable use of resources (e.g. energy and water).	

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
Recommendations for Assessment Framework refinement	7.3 Resource efficiency and pollution prevention	4.1.7.	The ICVCM should add further requirements and information to the signalled requirements, including the following:	a) Introduce a mitigation hierarchy prioritising prevention/avoidance over mitigation over compensation (as opposed to minimisation). b) Require that sustainable resources management be applied in prevention/avoidance strategies c) Require activity proponents to establish and clarify baselines for resource efficiency and pollution prevention (national and local laws could be set as baseline for compliance). d) Provide guidance for cases where national/local/regional law is below what is understood as best practice. e) Refer to good international practice / good international industry practice to establish minimum thresholds. f) Require environmentally sound waste disposal and respect for laws on transboundary waste movement. g) Include prohibitions on use of specific hazardous materials and pesticides where applicable. h) Include provisions on appropriate use and safe handling of pesticides. i) The ICVCM should build requirements for 7.3 using the following guidance, tools and materials: - IFC Environmental and Health and Safety General Guidelines (WBG, 2007) and industry-specific guidelines, as applicable (e.g. on Forest Harvesting Operations). - UNDP Standard 8 on Pollution Prevention and Resource Efficiency and Guidance Note.
Recommendations for Assessment Framework refinement	7.4 Land acquisition and involuntary resettlement	4.1.8.	The ICVCM should implement the signalled requirements as referenced in Table 7.12 of the Assessment Framework, including requirements ensuring the following:	a) The meaningful and informed participation of affected individuals and communities in the planning, implementation and monitoring of resettlement activities, including – where applicable – FPIC. b) Where avoidance of displacement is not feasible, displacement only occurs with the consent of affected parties, with full justification and appropriate legal protection and compensation, and is accepted by affected communities.

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
Recommendations for Assessment Framework refinement	7.4 Land acquisition and involuntary resettlement	4.1.9.	The ICVCM should add further requirements and clarifications to the 7.4 signalled requirements, including the following:	a) Specify that ‘forced displacement’ is not tolerated. No forced involuntary physical or economic displacement and/or involuntary resettlement should be allowed. b) Update the title of 7.4 and remove the word ‘involuntary’. c) Require impacted stakeholders to be identified and specified. d) Clarify that resettlement can only occur in rare circumstances and must be fully consented to. e) Require any consented physical or economic displacement/resettlement to have an action plan that addresses the following: - Resettlement option based on the communities’ preferences and needs - Secure tenure - Compensation for loss of assets other than lands - Resettlement assistance - Documentation of all transactions f) Require validated documents to include technical reports justifying the resettlement request and make this available to impacted actors in their local languages to share prior to FPIC discussions. g) Carbon-crediting program documents should acknowledge that land acquisition challenges may be a complex issue to solve and that land, physical and economic resettlement will impact gender equality and minorities. h) The ICVCM should build requirements for 7.4 using the following guidance, tools and materials: - World Bank Environmental and Social Standards (WB, 2018), in particular: - Guidance Note on ESS7 Indigenous Peoples / Sub-Saharan African Historically Underserved Traditional Local Communities (WB, 2018). - FAO Free Prior and Informed Consent: An indigenous peoples’ right and a good practice for local communities (FAO, 2016). - UN Declaration on the Rights of Indigenous People (UN, 2007). - International Labour Organization Convention 169 (ILO 169). - UNDP SES Standard 5 Displacement and Resettlement and Guidance Note. - RRI Tenure Tool and Power and Potential Women’s Right report (RRI, 2017).
Further recommendations		4.1.10.	The ICVCM should define (or request a definition of) what ‘meaningful’ and ‘FPIC’ mean (FPIC-related recommendations available under 7.6).	

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
		4.1.11.	The ICVCM should define 'consent to displacement' to ensure there is clarity in its meaning, as well as the authorities and process involved.	
Recommendations for Assessment Framework refinement	7.5 Biodiversity conservation and sustainable management of living natural resources	4.1.12.	The ICVCM should implement the signalled requirements as referenced in Table 7.12 of the Assessment Framework, including requirements ensuring the following:	a) Consistency with conservation objectives for terrestrial and marine habitats. b) Compliance with international, national and local laws regulating the introduction of invasive alien species of flora and fauna affecting biodiversity. c) No conversion of natural forests, grasslands, wetlands or high-conservation-value habitats. d) The protection of habitats of rare, threatened and endangered terrestrial and marine species, including areas needed for habitat connectivity. e) The minimisation of soil degradation, soil erosion, water consumption and water stress in the mitigation activity area.
Recommendations for Assessment Framework refinement	7.5 Biodiversity conservation and sustainable management of living natural resources	4.1.12.	The ICVCM should add further requirements to the signalled requirements, including the following:	a) Apply a precautionary principle approach. b) Require the protection and restoration of the biodiversity and ecosystem integrity in the project area if impacted by climate mitigation activities. c) Require enhancement of biodiversity and ecosystem integrity in the project area, where possible. d) Require that the activity not conflict with the ongoing practices and use of biodiversity by both Indigenous Peoples and local communities. e) Request consideration of how compliance with customary titles may conflict with conservation areas in planning. f) Align requirements' language with the Global Biodiversity Framework. g) The ICVCM should build requirements for 7.5 using the following guidance, tools and materials: - Convention on Biological Diversity. - The International Union for Conservation of Nature. - UNDP Standards on Biodiversity and Natural Resources Management and Guidance Note (UNDP, 2021).
Further recommendations		4.1.13.	The ICVCM should formally engage and coordinate with initiatives related to biodiversity credits.	

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
Recommendations for Assessment Framework refinement	7.6 Indigenous Peoples, local communities, and cultural heritage	4.1.14.	The ICVCM should implement the signalled requirements as referenced in Table 7.12 of the Assessment Framework, including requirements ensuring the following:	a) Avoidance of negative impacts on land, territories and resources protected under relevant laws and regulations concerning Indigenous Peoples as well as local communities. b) Avoidance of negative impacts on the self-determined climate, conservation and sustainable development priorities; decision-making mechanisms; and forms of self-government of both Indigenous Peoples and local communities as defined by them in alignment with the UN Declaration on the Rights of Indigenous Peoples (UNDRIP) and ILO 169 on Indigenous and Tribal Peoples. c) Respect of areas inhabited by or believed to be inhabited by uncontacted or isolated communities. d) Translation of relevant documents into relevant and appropriate language(s), including with regard to Article 13 of the UNDRIP.
Recommendations for Assessment Framework refinement	7.6 Indigenous Peoples, Local Communities, and cultural heritage	4.1.15.	The ICVCM should add further requirements and clarifications to the signalled requirements, including the following:	a) Add 'national and international laws' language on 'avoidance of negative impacts on land, territories, and resources protected under relevant laws and regulations concerning Indigenous Peoples as well as local communities'. In most circumstances, national laws recognise specific land. However, customary rights of communities can extend beyond what is recognised nationally. b) Indicate that mitigation activities should respect and avoid areas believed to be inhabited by uncontacted or isolated communities. c) Replace the term 'negative impacts' with 'adverse impacts'. d) Include provisions on respecting both Indigenous Peoples' and local communities' knowledge and collective rights to land, resources and territories. e) Ensure standards documentation notes that gender inequality and women's and minorities' representation within Indigenous Peoples and local communities are key issues and should be paid special attention. f) Introduce provisions for the complaints process tailored to both Indigenous Peoples and local communities, as the complexities, differences and decision-making processes between them should be recognised and respected. g) Guarantee that the mitigation activity proponent supports, aids and ensures that involved Indigenous Peoples as well as local communities understand all the documentation, such as legal documents, in terms of both translation and forms of communication. h) Guarantee that the mitigation activity proponent ensures appropriate logistics are put in place so that communities in remote areas are informed and can undergo decision-making processes in a timely and equal manner.

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
				i) The ICVCM should consolidate all FPIC requirements under the same safeguards criteria in the Assessment Framework, including: - FPIC should be of an ongoing nature, and the frequency of revision should be agreed upon with relevant stakeholders at the beginning of the project. - FPIC provisions should include the types of processes, arrangements and varieties to be agreed upon with Indigenous organisations and governments. - FPIC should involve all community members who will be affected, including women, children, youth and the elderly. - FPIC consultation and consent processes should be conducted with the representatives designated by the potentially affected community in accordance with their norms, values and customs. - FPIC should be integrated within the risk assessment. j) The ICVCM should build requirements for 7.6 using the following guidance, tools and materials: - Operational Guidance on Free, Prior and Informed Consent (Accountability Framework, 2019). - Free, Prior, and Informed Consent in REDD+ (UNFCCC, 2011). - Securing Indigenous People's Right to Self-Determination (Cultural Survival, 2023). - UNDP Standard on Indigenous Peoples and Guidance Note (2022). - Human Rights Guide for Working with Indigenous Peoples and Local communities, The Nature Conservancy. - Guidance on Voluntary Use of Nature-based Solution Carbon Credits Through 2040 (WRI, 2022). - Indigenous People's Rights and Carbon Markets (Forest Peoples). - ESS 5: Land Acquisition, Restrictions on Land Use and Involuntary Resettlement (World Bank, 2018). - Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (VGGT) (FAO, 2022). - In case evictions in the context of clearly illegal and destructive activities cannot be avoided: UN Basic Principles and Guidelines on Development-based Evictions and Displacement (UN, 2007), namely 42, 49, 52, 54 and 60. - Peoples Forests Partnership Principles.
Further recommendations	7.6 Indigenous Peoples, Local Communities, and cultural heritage	4.1.16.	The ICVCM should provide guidance on the scope of these requirements, adopting best practice guidelines and definitions.	

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
Further recommendations	7.6 Indigenous Peoples, Local Communities, and cultural heritage	4.117.	The ICVCM should consult with carbon-crediting programs to carefully design continual improvement pathways for projects that try adapting to new requirements compared to previous versions of the standards they were validated to.	
Recommendations for Assessment Framework refinement	7.7 Respect for human rights, stakeholder engagement	4.118.	The ICVCM should update 7.7, adding new and updated requirements, including the following:	a) Provide detailed provisions on stakeholder engagement with additional guidance that address specific issues regarding gender matters and engagement with minorities. (See cross-cutting issues recommendations for stakeholder engagement.) b) Require that agreements, negotiations and any engagements with Indigenous Peoples as well as local communities include policies developed with those communities through participatory, inclusive and accessible processes, addressing the principles of ownership, control, access and possession of their traditional knowledge. c) Include provisions around requests for remedies and redress in instances where stakeholders feel their rights have been infringed upon or their views have not been adequately recognised. d) Consolidate stakeholder engagement, capacity building and transparency (currently under cross-cutting issues recommendations) with FPIC provisions under the same criterion.
Recommendations for Assessment Framework refinement	7.8 Gender equality	4.119.	The ICVCM should implement the signalled requirements as referenced in Table 7.12 of the Assessment Framework, including requirements ensuring the following:	a) A gender assessment and gender action plan. b) Use of gender-disaggregated data to monitor, assess and report on gender impacts.
Recommendations for Assessment Framework refinement	7.8 Gender equality	4.120.	The ICVCM should add further requirements and information to the signalled requirements, including the following:	a) Add guidance on processes for gender assessment, action plans and use of gender-disaggregated data to monitor, assess and report on gender impacts. b) Require mitigation activity proponents to ensure that mitigation activity abides by international agreements advocating and protecting women and non-gender-conforming rights, including the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) by the UN, where applicable. c) Include requirements ensuring genuine participation and engagement with local women, with processes to be designed locally with the full engagement of women from project communities. d) Ensure provisions are sensitive to context and acknowledge and respect local views and opinions within different communities. This is best achieved by engaging both local women and men in designing gender sensitive interventions.

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
				e) Include requirements for carbon-crediting programs to provide advice and guidance on resources and include specific quantitative requirements, for example, the use of gender experts in certain contexts. f) Extend the criterion for protecting against and appropriately responding to violence against women and girls (aka gender-based violence). The ICVCM might consider referring to provisions for protection against sexual exploitation, abuse and harassment. g) Specify the distinction between gender-disaggregated data – a universal requirement – and gender action plans, only required in certain contexts driven by the level of risk. h) The ICVCM should build requirements for 7.8 using the following guidance, tools and materials: - CBD Gender Plan of Action (UNEP, 2022). - CEDAW (UNHR, 1979). - UNHR CEDAW Committee. - The Nature Conservancy Gender Equity (TNC, 2020) and other resources. - IFC Performance Standards on Environmental and Social Sustainability. - UNDP FAQs on Gender-Based Violence and Risk Management. - W+ Standard. - Integrating gender into the design, implementation and monitoring of carbon credit projects (WOW, 2024).
Recommendations for Assessment Framework refinement	7.10 Cancun Safeguards	4.1.21.	The ICVCM should require all REDD+ activities to comply with the entire ICVCM safeguards framework, as the ICVCM safeguards criteria go beyond the specifics of the Cancun Safeguards.	
Further recommendations	7.9 Robust benefit-sharing	4.2.1.	The ICVCM should initiate further work on recommendations 4.2.2–4.2.10 as soon as possible.	Several of these recommendations need time to mature, further engagement and coalition building needs to take place, and capacities need time to be built if they are to be available for the next iteration of the Assessment Framework.
Recommendations for Assessment Framework refinement	7.9 Robust benefit-sharing	4.2.2.	The ICVCM should develop requirements and/or guidance related to other types of arrangements, such as community partnerships, to address scenarios where BSAs are insufficient or inappropriate as a framework to establish agreements.	This guidance should require mitigation activity proponents and VVBs on identifying the most appropriate framing(s) to consider each stakeholder in the mitigation activity project (as passive beneficiaries, as active partners, as rights holders, as shareholders, as developers, etc.): - When compensation is related to their traditional lands or other rights they hold, many communities prefer to be seen as active partners rather than passive beneficiaries of projects.

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
				- The primary distinction is that fair compensation (for loss of access and usage of traditional territories, for time and labour, for traditional knowledge, etc.) is generally a right, not a benefit. The BSA framework is therefore inappropriate or insufficient for some situations. - A single stakeholder may need to be considered under multiple frames, and/or it may be necessary to consider different sub-groups in a group with different frames to engage with each of them appropriately.
Recommendations for Assessment Framework refinement	7.9 Robust benefit-sharing	4.2.3.	The ICVCM should establish requirements to assess the applicability of BSAs for every mitigation activity type.	BSAs are potentially applicable to projects of all types and categories. Whether they apply to a specific project and under which requirements will vary depending on a variety of factors. Every project should be required to evaluate whether it needs a BSA or not. This evaluation should be verified by the VVB. The requirements should be structured so that any party or organisation (public, private, community, etc.) that is acting as a project developer is subject to equivalent BSA requirements. BSAs should be required, at minimum, whenever an activity related to a project impacts Indigenous Peoples' as well as local communities' land or resources, regardless of project category or type.
Recommendations for Assessment Framework refinement	7.9 Robust benefit-sharing	4.2.4.	The ICVCM should establish requirements and guidance on the development of BSAs.	The requirements should include that a long-term, mutually agreed upon and equitable plan must be established, clearly outlining how benefits will be distributed, with active involvement from a broad and representative range of community members, including those who have been marginalised in traditional governance structures and decision-making processes. They should include, at minimum, the following: - Framing i) Identification of stakeholders impacted ii) Identification of the framing(s) for each stakeholder group (beneficiary, rights holder, partner, etc.) - Stakeholder engagement i) Guidance on enabling conditions (independent capacity building and support) to enable robust engagement ii) Guidance related to language, venue, decision-making, etc. iii) Guidance on categories of benefits to facilitate BSA development, clarity in reporting and comparability across projects iv) Guidance on updating the BSA

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
				- Content i) Information on project costs, benefits and full implications on rights. ii) Information on developer obligations related to BSA. iii) Information on rights and resources appropriate to the relevant Indigenous Peoples as well as local communities. iv) Proposed process and decision-making arrangements. - Differentiation and/or flexibility, in alignment with Recommendation 4.2.9 below
Recommendations for Assessment Framework refinement	7.9 Robust benefit-sharing	4.2.5.	The ICVCM should establish two main categories of benefits for use in BSAs: direct and indirect.	Direct benefits, which are tangible, community-specific benefits that go beyond what is necessary to build and operate the project and which are financed with project revenues. These are the primary focus of BSAs. General benefits, which have one or more of the following characteristics. They are the result of fulfilling project needs, they are non-localised, and/or they are intangible (e.g. roads necessary to build the project or air quality improvements). In most cases, general benefits should not be included in BSAs. Benefits which are the result of fulfilling project needs should only be included in BSAs if, during the BSA process, a stakeholder group negotiates so that those needs are fulfilled in a specific way which provides additional benefits to the stakeholder group (e.g. that result in jobs for the stakeholder group beyond the jobs the project would have normally generated). Although related, these go beyond simply 'fulfilling project needs' and can therefore be included in BSAs. If general benefits are included in a BSA, they should be clearly identified as such and remain distinct from direct benefits. Their inclusion should not result in an inflated or unrealistic picture of the project's direct benefits.
Recommendations for Assessment Framework refinement	7.9 Robust benefit-sharing	4.2.6.	The ICVCM should establish requirements regarding access to unbiased technical information, expert advice, and legal support for both Indigenous Peoples and local communities.	Initial requirements could be as simple as mandatory disclosure of the efforts and the information, support and other resources that were provided to both Indigenous Peoples and local communities to enable a robust BSA process and the obligation to move towards industry best practices as these emerge. Guidance should also be provided on the involvement of third-party advisors to support these efforts.

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
Recommendations for Assessment Framework refinement	7.9 Robust benefit-sharing	4.2.7.	The ICVCM should require robust, participatory BSA monitoring and reporting arrangements and independent verification of arrangements and results.	The monitoring, reporting and verification of BSA arrangements and results should be mandatory, with the content of these arrangements agreed upon as part of the BSA process. - BSA monitoring and reporting arrangements should be culturally inclusive and enable interested beneficiaries to be active participants during the implementation, including through compensation of community members' time when appropriate. - BSA monitoring and reporting arrangements should include the baseline and target condition(s) for each direct benefit included in the BSA. - Regardless of the level of community involvement in BSA monitoring and reporting, the verified results should be made available through channels that are appropriate and accessible to the impacted Indigenous Peoples as well as local communities, as well as online for the general public.
Recommendations for Assessment Framework refinement	7.9 Robust benefit-sharing	4.2.8.	The ICVCM should establish requirements and guidance regarding disclosures and confidentiality.	a) Guidance on mandatory public disclosures related to the BSA, which should include, at a minimum, the following: - Conflict of interest disclosures for all parties, including, inter alia, technical support providers and credit intermediaries. - Resources that were provided to communities during the BSA process. b) Establish a mandatory public indicator for projects implementing a BSA: - Percentage of revenue committed to benefit sharing for direct benefits. - Percentage of revenue committed to benefit sharing for general benefits. Projects may choose to report based on profit rather than revenue. This indicator should be reviewed by the VVB as part of validation and verification. c) Guidance on financial disclosures to BSA stakeholders, including: - Information on the activity's financial structure, including on the conditions under which the project is or is not financially viable. - Projected and actual project costs and revenues. - Projected and actual project costs for each stakeholder group considered in the BSA (time and effort to develop the BSA, opportunity cost of loss of access to land or reductions in productivity, etc.). - Actual carbon revenue, buyer and price (after each credit sale). - Distribution of carbon revenue (after each credit sale). - Financial information, audited when appropriate.

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
				d) Guidance on differentiating levels of disclosure to manage confidentiality while ensuring transparency (i.e. if any disclosures necessary for a robust BSA process require confidentiality, that information can be reviewed by the VVB and/or the program, which could then credibly provide the necessary public assurances). e) Guidance to prevent abusive confidentiality clauses and agreements. f) Guidance on public disclosures regarding the buyer and price. - Due consideration should be given by the ICVCM to the risks potentially involved in publicly disclosing details on costs and benefits.
Recommendations for Assessment Framework refinement	7.9 Robust benefit-sharing	4.2.9.	The ICVCM should consider grounds for differentiation and/or flexibility when developing BSA requirements.	- Project features (greenfield vs existing structure, active vs passive community involvement, etc.). - Scale (micro-, small- or large-scale). - Jurisdictional approaches (noting that emission reductions from jurisdictional approaches are generally based on some form of proportional distribution and are not tied directly to a specific site/location). - Host country characteristics (e.g. Least Developed Countries or Small Island Developing States).
Further recommendations	7.9 Robust benefit-sharing	4.2.10.	The ICVCM should formalise work on 'suggestions with long lead time'.	Suggestions with 'long lead time' touch on a variety of questions and recommendations, where the common element is the recognition that closing the gap between the current state of affairs and a desirable state of affairs will require addressing systemic issues and that this will require time and probably the engagement of actors beyond the traditional remit of the ICVCM. These suggestions include the following: - Development of shared information products and capacity building programs on/for BSAs customised for different stakeholder types. - Development of standardised BSA templates. - Development of a non-proprietary repository of BSA agreement terms, results and best practices. - Collaboration arrangements with third-party entities to deliver support for both Indigenous Peoples and local communities, including, among others, the following: i) Implementation of a 'blind fund mechanism'. ii) Beneficiary buffer or fund mechanisms to smooth out the variations in income from the market. iii) Shared resource pool to fund support for both Indigenous Peoples and local communities. - Establishment of appropriate consequences for the violation of BSA-related requirements and obligations.

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
Further recommendations	7.9 Robust benefit-sharing	4.2.11.	The ICVCM should initiate dialogue with governments, addressing among others the following factors:	- Promoting synergy and managing friction between governments and communities regarding financial flows from carbon markets. - The potential leveraging of projects and particularly jurisdictional programs to secure Indigenous Peoples' as well as local communities' rights, especially where formal tenure may be challenging. - The potential unintended consequences of carbon crediting on land tenure processes. - The potential interactions of carbon credit regulations with future environmental assets, including on BSAs.
Recommendations for Assessment Framework refinement	12.2 Sustainable development benefits	4.3.1.	The ICVCM should require overall positive SDG impact assessment. To do so, it should develop standardised SDG indicators for assessment of positive and negative SDG impacts differentiated by activity type.	This would require an update of the Assessment Framework Criterion 12.2 title for 'Positive SDG impacts', as 'Sustainable development benefits' is not inclusive of assessing negative impacts. The assessment of positive and negative impacts should follow guidance on how to apply the standardised indicators and be reflected in the Assessment Framework and criteria, fostering transparency and comparability across mitigation categories. When developing requirements, the ICVCM should consider any redundancies and duplications between assessing negative impacts and assessing risk (Criterion 7.1), as well as burdens and costs imposed on developers.
Recommendations for Assessment Framework refinement	12.2 Sustainable development benefits	4.3.2.	The ICVCM should set differentiated minimum requirements for overall positive SDG impact assessment for activity types. This would be done by taking a two-phase approach for the development of recommendation 4.3.1.	1. Phase 1 – bottom-up approach: The ICVCM should collaborate with relevant stakeholders to collect activity-specific data and ensure comprehensive data representation, including the following: - Carbon-crediting programs, such as Verra and ART, to leverage existing SDG indexing efforts as the basis for developing standardised indicators during Phase 2. - Align the development of standardised activity-specific SDG indicators with the Paris Agreement Crediting Mechanism Sustainable Development tool A6.4-FORM-AC-017. - Indigenous Peoples as well as local communities and other affected stakeholders to ensure the indicators reflect diverse impacts and local priorities. 2. Phase 2 – top-down approach: Based on the data collected, the ICVCM should develop standardised activity-specific SDG indicators and set differentiated minimum requirements for overall positive SDG impacts. This phase should start with activities for which the most robust data exists, gradually expanding to others as sufficient data becomes available, and leveraging existing tools, such as the Article 6.4 Sustainable Development Tool and the Gold Standard SDG Tool. The ICVCM could consider focusing efforts on identifying positive SDG contributions for specific activity types, as well as the limitations of standardising indicators for jurisdictional programs.

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
Recommendations for Assessment Framework refinement	12.2 Sustainable development benefits	4.3.3.	The ICVCM should require third-party verification of overall positive SDG impacts.	Verification, if required, should - be based on standardised SDG indicators and differentiated minimum requirements developed and set by the ICVCM; - be tailored to specific mitigation activities; and - prioritise capacity building initiatives for VVBs and project developers to address expertise gaps, particularly in assessing and verifying qualitative and quantitative SDG impacts.
Further recommendations	12.2 Sustainable development benefits	4.3.4.	The ICVCM should explore opportunities for long-term collaboration with governments and market stakeholders to evolve the framework. This should include prioritising the development of tools and approaches to measure and manage impacts that are in the public domain, ensuring consistent implementation, facilitating adoption and promoting broader uptake of standardised methodologies for assessing both positive and negative impacts over time.	
Further recommendations	12.2 Sustainable development benefits	4.3.5.	The ICVCM should prioritise open-access tools and methodologies to facilitate adoption and consistency.	Public domain resources, combined with capacity building efforts, will enable broader uptake and equitable participation by stakeholders including: - Development of a non-proprietary repository of SDG indicator data, tools, and best practices. - Establishment of capacity building initiatives to support stakeholders in understanding and applying SDG impact assessments. - Collaboration with governments and third-party entities to align SDG priorities and expand assessment capabilities.
Recommendations for Assessment Framework refinement	1.1 Effective governance; 3.1 Information; 7.6 Indigenous Peoples, Local Communities, and cultural heritage	4.4.1.	The ICVCM should develop further requirements for carbon-crediting programs that can help strengthen transparency from mitigation activity proponents, including the following:	- All relevant documents and information should be developed in consultation with the communities involved related to the mitigation activity and made available in a transparent manner. - Include specific requirements to evidence that information was provided in an accessible manner, with sufficient time prior to relevant decisions, and that communities were able to effectively engage and contribute to the project development process.

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
Recommendations for Assessment Framework refinement	1.1 Effective governance; 3.1 Information; 7.6 Indigenous Peoples, Local Communities, and cultural heritage	4.4.2.	The ICVCM should strengthen requirements on carbon-crediting programs in relation to stakeholder engagement, including the following:	- A requirement to disclose costs involved in a mitigation activity, including those incurred by the community, such as additional labour, materials, equipment and opportunity costs (e.g. reduced herd size or lost land access). - Requirements that mitigation activities provide capacity building for relevant communities on how carbon markets operate, including in relation to pricing and transactions of carbon credits, so that the communities understand the risks and opportunities of carbon markets.
Recommendations for Assessment Framework refinement	1.2 Public engagement, consultation and grievances; 7.6 Indigenous Peoples, Local Communities, and cultural heritage	4.4.3.	The ICVCM should include more specific requirements for the development and application of clear and effective grievance mechanisms, including the following:	The ICVCM should include more specificity in relation to carbon-crediting program grievance mechanisms within the scope of the Assessment Framework, requiring inclusion of the program-level grievance mechanism with the aim to accomplish the following: - Contain appropriate specificities for the wide range of possible grievance issues and different types and scale of harm, for example, specific provisions for mitigation activity-level grievances relating to sexual exploitation, abuse and harassment. - Include provisions ensuring all information from stakeholders is taken into account. - Include processes for escalation and resolution. - Include provisions relating to transparency. - Aim to minimise negative repercussions of grievance processes, such as the impact on the income or community dynamics. - Ensure that persons reviewing grievances are independent and not likely to be influenced by the carbon-crediting program and include provisions relating to selection, necessary qualifications, and management of actual and potential conflicts of interest. - Be developed in consultation with rights holders and provide effective remedies for both current and historical harm, considering relevant legal and cultural frameworks. - Be accessible in written form and in force before they are used - Include provisions relating to revision and improvement - Manage any interaction or overlap with applicable jurisdictional-level grievance mechanisms to ensure coherence, particularly in complex legal frameworks. - Be accessible to communities, including in relation to the cost and evidential burden.
Further recommendations	1.2 Public engagement, consultation and grievances; 7.6 Indigenous Peoples, Local Communities, and cultural heritage	4.4.4.	The ICVCM could consider whether there would be benefits to an overarching grievance redress body to manage unresolved issues between rights holders and carbon-crediting programs / mitigation activity developers.	The ICVCM could consider whether there would be benefits to an overarching grievance redress body to manage unresolved issues between rights holders and carbon-crediting programs / mitigation activity developers.

Annex 1: Table of recommendations (Cont.)

Recommendation type	Relevant Assessment Framework criteria	No	Recommendation	Elements
Recommendations for Assessment Framework refinement	7.6 Indigenous Peoples, Local Communities, and cultural heritage	4.4.5.	The ICVCM should include specific requirements compelling carbon-crediting programs to ensure mitigation activities deliver appropriate capacity building and support (technical/legal/economic) to affected/relevant communities.	- Provide independent third-party capacity building opportunities before the start of any mitigation activity to ensure that communities fully understand the processes and decisions that impact them. - Include practices that ensure communities have access to quality, timely and inclusive information as well as the necessary skills to fully understand and engage with the consent process. - Ensure that FPIC processes are community-led, supported by unbiased guidance, and that communities have access to all relevant project documentation and independent counsel focused on protecting their rights and enabling self-determined decision-making, including the right to decline participation.
Further recommendations	7.6 Indigenous Peoples, Local Communities, and cultural heritage	4.4.5.	The CIWP encouraged market participants to further support capacity building in the voluntary carbon market.	- Ensure that essential capacity building and support activities are undertaken even when not explicitly regulated by standards. - Facilitate processes, leveraging inputs from academia, NGOs and other relevant parties and bringing together expertise from various fields and perspectives. - Involving the Indigenous Peoples and Local Communities Engagement Forum⁴⁰ and frontline rights holders to listen, learn and consider community views on voluntary carbon market risks, impacts, potential benefits and internal divisions. - Include both Indigenous Peoples and local communities in the design and delivery of technical areas, including the following: - DNAs - FPIC - Role of the ICVCM and investors

40 The ICVCM notes that the Forum determines its own work, which may or may not prioritise the above.



THE INTEGRITY COUNCIL
FOR THE VOLUNTARY CARBON MARKET

The Integrity Council for the Voluntary Carbon Market (ICVCM) is an independent, non-profit governance body for the voluntary carbon market, which aims to ensure the voluntary carbon market accelerates a just transition to 1.5°C. The ICVCM aims to set and maintain a voluntary global threshold standard for quality in the voluntary carbon market. The threshold standard is based on the ICVCM's Core Carbon Principles (CCPs) and is implemented through an Assessment Framework that sets out what high quality means by reference to those principles.



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