

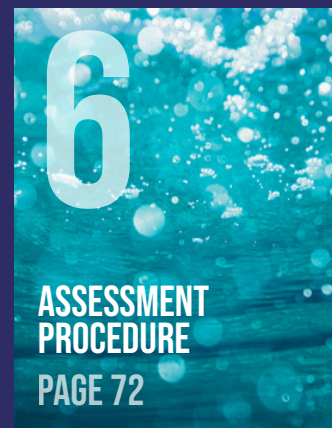
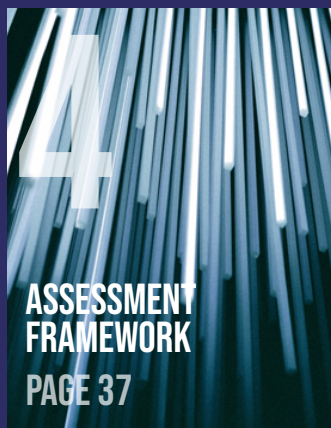
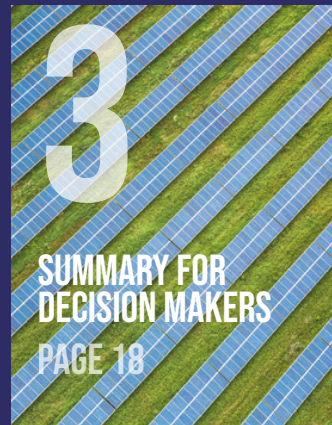
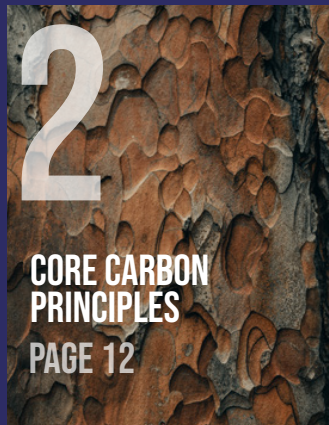


THE INTEGRITY COUNCIL
FOR THE VOLUNTARY CARBON MARKET

CORE CARBON PRICIPLES, ASSESSMENT FRAMEWORK AND ASSESSMENT PROCEDURE

March 2023

SECTIONS



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The CCPs and Assessment Framework were developed following broad public and multistakeholder consultation, with input from the Expert Panel, under the guidance of the Standards Oversight Committee, a sub-committee of the Governing Board of the Integrity Council, and were adopted by the Governing Board.

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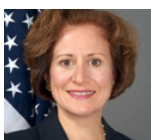
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FOREWORD FROM ANNETTE NAZARETH

Chair of the Integrity Council



As the UN Secretary-General noted at the release of the Intergovernmental Panel on Climate Change's Synthesis Report of the Sixth Assessment Report:

"The climate time-bomb is ticking. ...Our world needs climate action on all fronts – everything, everywhere, all at once."

Climate change affects us all; it is personal. It impacts our economies, shapes our policy frameworks, and imperils our livelihoods. The IPCC's report underscores the need for urgent and more ambitious action if we are to keep global warming to 1.5°C, a goal that becomes ever more challenging each year as atmospheric concentrations of carbon dioxide continue to rise.

We need every tool available working at full speed to secure a liveable future. Governments and philanthropy alone cannot finance transition at the speed and scale required. Mobilising private capital is critical to finance the transformation to stay within 1.5°C.

A high-integrity voluntary carbon market (VCM) will help unlock urgently needed finance and channel it towards reducing and removing billions of tons of emissions. Well-functioning markets and integrity are inextricably linked, and building an understanding of what this means for carbon crediting programs and categories of carbon credits is a pre-condition for the growth of a viable and vibrant VCM.

This document provides the first important outputs from the Integrity Council towards this objective: the Core Carbon Principles ('CCPs'), Program-level Assessment Framework and Assessment Procedure. The CCPs, together with the Assessment Framework and the Assessment Procedure, set a global benchmark for high-integrity carbon credits. They provide the VCM with robust, consistent standards on disclosure and sustainable development that are critical to driving real, verifiable climate impact. Better projects coupled with transparent, efficient markets will channel investment more effectively towards the best solutions.

“

Transformational changes are more likely to succeed where there is trust, where everyone works together to prioritise risk reduction, and where benefits and burdens are shared equitably.

”

IPCC Chair Hoesung Lee

The efficient use of valuable resources is particularly important for developing countries, who are suffering the worst impacts of climate change yet are the least responsible for its causes. Critically, many of our key opportunities to address climate change are situated in developing countries. This includes, for example, 90% of all potential nature-based solutions.

Our ability to limit warming to 1.5°C also depends on ensuring Indigenous Peoples and Local Communities (IPs & LCs) have agency to continue managing vital ecosystem services at the local level. In partnership with IPs & LCs we will work to ensure the VCM has the necessary high-integrity frameworks to protect and promote their rights and livelihoods while accelerating the supply of high-quality carbon credits from IPs & LC-led activities.

The urgency of the climate crisis demands that we address end-to-end integrity in the VCM – from the supply of carbon credits, to the markets they trade in and ultimately how they are used. We cannot afford to have such a valuable tool not meeting its full potential.

The CCPs and Assessment Framework are the result of extensive collaboration. Throughout the development and consultation process, we have been consistently supported by a wide and diverse range of stakeholders. Carbon crediting programs, project developers, IPs & LCs, eNGOs, academics, policy makers, buyers and investors came together in the process of co-creation that made this important milestone a reality. The Integrity Council will continue to work hand-in-hand with initiatives including the Voluntary Carbon Markets Integrity Initiative as part of a coalition of the willing to strengthen system-level integrity and scale a VCM with end-to-end high integrity that delivers real impact at speed and scale.

This is the first in a series of key outputs from the Integrity Council during 2023. In Q2 we will publish Part II of the Assessment Framework which will contain our requirements for assessing categories of carbon credits, and open the application platform to interested carbon-crediting programs. The Integrity Council will assess categories of carbon credits with input from multi-stakeholder working groups, leading to the introduction of the first CCP labels to the market. We will also establish Work Programs to tackle complex areas and longstanding issues as we look ahead to the next version of the of the CCPs and Assessment Framework in 2025.

As Chair of the Integrity Council's Governing Board, I would like to acknowledge the tireless efforts by my colleagues on the Standards Oversight Committee and the wider Board, our Expert Panel, and the Secretariat to create the clear and consistent set of criteria that will underpin the integrity of carbon-crediting programs and credit categories for years to come.

On a more personal note, I would also like to acknowledge our late, dear colleague Dr Hugh Sealy who was instrumental in setting us on our path.

On behalf of the Integrity Council, I would like to say a heartfelt thank you to all those who shared their knowledge, expertise and ideas with us. As we go forward, we are committed to continuing to work with stakeholders from around the world to build a more transparent and accountable VCM that promotes high-quality carbon-crediting programs and categories of carbon credits.

The enormity of the climate change challenge facing us cannot be denied. There is still much more to be done as we work towards an updated version of the CCPs in 2025. Every tonne of emissions matters, every year matters and every degree matters. And so every tool we can bring to bear in this crisis matters. Our job is to come together to make sure the VCM efficiently channels urgently-needed capital into climate solutions that deliver for people and planet.



THE INTEGRITY COUNCIL
FOR THE VOLUNTARY CARBON MARKET

SECTION

1

INTRODUCTION

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INTRODUCTION

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

The threshold standard is based on the Integrity Council's Core Carbon Principles (CCPs). It is implemented through an Assessment Framework applied at the level of both the carbon-crediting program and the category of carbon credits, to define which carbon-crediting programs and categories are CCP-Eligible. The result is a threshold standard and label that provide a credible, rigorous, and readily accessible means of identifying high-quality carbon credits. The Integrity Council's work on the high-integrity supply of carbon credits is complementary to the work of the Voluntary Carbon Markets Integrity Initiative (VCMI) to develop a claims code of practice for the high-integrity use of carbon credits, and the work of other demand-side organisations.

This March 2023 publication includes the Program-level criteria of the Assessment Framework and the Assessment Procedure. This will enable carbon-crediting programs to better understand the Integrity Council process and the operational requirements against which they will be assessed if they apply to the Integrity Council. In Q2 2023, the Integrity Council will publish the Assessment Framework's Category-level criteria and requirements, which will be Part II of the Assessment Framework.

DOCUMENT OVERVIEW



Section Two of this document lays out the **Core Carbon Principles**. These ten individual principles identify carbon credits that create real, additional and verifiable climate impact with high environmental and social integrity, based on sound science and evolving best-practice. The CCPs underpin the Integrity Council's Assessment Framework, which elaborates criteria to evaluate whether carbon-crediting programs and the categories of carbon credit carbon credits they issue reach a high-quality threshold.

Section Three is the **Summary for Decision Makers**. This Summary provides the context and supporting rationale for the Core Carbon Principles and their application through criteria and requirements in the Assessment Framework.

Section Four is the **Assessment Framework**. The Core Carbon Principles are operationalised through the Assessment Framework, which outlines the criteria and requirements to be met for each principle.

Section Five contains **Definitions** applicable to the Core Carbon Principles, the Assessment Framework and the Assessment Procedure.

Section Six is the **Assessment Procedure**, the process through which carbon-crediting programs will apply to become CCP-Eligible and carbon credits may become CCP-Approved.

INDICATIVE TIMETABLE FOR DELIVERY IN 2023

The Integrity Council plans to publish the Category-level part of the Assessment Framework in the second quarter of 2023 and to initiate its assessment of carbon-crediting programs shortly after. It expects to begin announcing CCP-Eligible programs and CCP-Approved Categories in Q3, enabling approved carbon-crediting programs to issue the first CCP-labelled carbon credits soon after. Approval of additional carbon-crediting programs and categories eligible under the CCPs will be announced on a rolling basis thereafter.

The Integrity Council will engage in a process of continual improvement of the CCPs and their related criteria and requirements in the Assessment Framework to drive greater ambition in the VCM. It expects to launch the first revision process for the CCPs in 2025, aimed at implementation starting in 2026. This will be informed by a series of thematic multi-stakeholder work programs, which will be announced in the coming months.

The Integrity Council has also identified issues related to existing assessment criteria for which there will be new requirements in the next version of the Assessment Framework. These issues are distinct from the criteria and requirements and are included in appropriate sections of the Assessment Framework in order to indicate a direction of travel for the next version. In certain cases, the Integrity Council may seek input from stakeholders on such issues.

The Governing Board of the ICVCM is pleased to present the CCPs, the Summary for Decision Makers and the program-level criteria of the Assessment Framework and related Attributes, along with the Assessment Procedure (and its related Terms and Conditions).

From mid-2023, carbon-crediting programs may start their application to the ICVCM, via the Application Platform, to be assessed against the program-level criteria in the Assessment Framework for CCP Eligibility. Applications will be assessed in accordance with the process set out in the Assessment Procedure, with the accompanying Terms and Conditions specifying how the relationship between the ICVCM and eligible carbon-crediting programs will be managed.

The Integrity Council continues to encourage feedback from the public and from stakeholders of ICVCM, which can be submitted to info@icvcm.org and include the word “feedback” in the subject line of the email. All feedback will be considered by the ICVCM.



THE INTEGRITY COUNCIL
FOR THE VOLUNTARY CARBON MARKET

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CORE CARBON PRINCIPLES

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CORE CARBON PRINCIPLES (CCPs)

Definition of Core Carbon Principles

This document defines CCPs for identifying high-quality carbon credits. The CCPs form the basis of the Integrity Council's Assessment Framework, which elaborates criteria to evaluate whether carbon credits and carbon-crediting programs reach a high-quality threshold.

The CCPs and Assessment Framework define a threshold standard focused on the integrity of the VCM. The CCPs and the Assessment Framework have been developed through an open dialogue with carbon-crediting programs and other stakeholders, and draw from multiple sources, including: the Taskforce on Scaling Voluntary Carbon Markets (TSVCM), the Intergovernmental Panel on Climate Change (IPCC), the United Nations Framework Convention on Climate Change's Paris Agreement and Cancun Safeguards, Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) of the International Civil Aviation Organization (ICAO), and the work of Calyx Global and the Carbon Credit Quality Initiative.

The CCPs represent a full set of interlinked principles and are to be considered in their entirety. They inform and guide the assessment of carbon-crediting programs and different categories of carbon credits. The CCPs also enable the tagging of CCP-Approved carbon credits with additional attributes that attest to other verifiable features associated with the mitigation activity.

THE CORE CARBON PRINCIPLES

A. GOVERNANCE

Effective governance

The carbon-crediting program shall have effective program governance to ensure transparency, accountability, continuous improvement and the overall quality of carbon credits.

Tracking

The carbon-crediting program shall operate or make use of a registry to uniquely identify, record and track mitigation activities and carbon credits issued to ensure credits can be identified securely and unambiguously.

Transparency

The carbon-crediting program shall provide comprehensive and transparent information on all credited mitigation activities. The information shall be publicly available in electronic format and shall be accessible to non-specialised audiences, to enable scrutiny of mitigation activities.

Robust independent third-party validation and verification

The carbon-crediting program shall have program-level requirements for robust independent third-party validation and verification of mitigation activities.

B. EMISSIONS IMPACT

Additionality

The greenhouse gas (GHG) emission reductions or removals from the mitigation activity shall be additional, i.e., they would not have occurred in the absence of the incentive created by carbon credit revenues.

Permanence

The GHG emission reductions or removals from the mitigation activity shall be permanent or, where there is a risk of reversal, there shall be measures in place to address those risks and compensate reversals.

Robust quantification of emission reductions and removals

The GHG emission reductions or removals from the mitigation activity shall be robustly quantified, based on conservative approaches, completeness and sound scientific methods.

No double counting

The GHG emission reductions or removals from the mitigation activity shall not be double counted, i.e., they shall only be counted once towards achieving mitigation targets or goals. Double counting covers double issuance, double claiming, and double use.

C. SUSTAINABLE DEVELOPMENT

Sustainable development benefits and safeguards

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.

Contribution to net zero transition

The mitigation activity shall avoid locking-in levels of GHG emissions, technologies or carbon-intensive practices that are incompatible with the objective of achieving net zero GHG emissions by mid-century.



THE INTEGRITY COUNCIL
FOR THE VOLUNTARY CARBON MARKET

SECTION

SUMMARY FOR DECISION MAKERS

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PROGRAM-LEVEL MARCH 2023 RELEASE

In this March 2023 release, the ICVCM is publishing the program-level requirements. This Summary for Decision Makers contains information relating to the requirements on how carbon-crediting programs are governed, how they ensure robust quantification of GHG emission reductions and removals, how they avoid double counting and how they manage sustainable development benefits and safeguards.

SUMMARY FOR DECISION MAKERS MARCH 2023

Introduction

This Summary for Decision Makers (SDM) presents an overview of the Integrity Council's CCPs and their implementation through the Assessment Framework. The SDM is intended to provide Decision Makers and stakeholders with a comprehensive understanding of the approach adopted by the ICVCM. It should be read in conjunction with the CCPs, the Assessment Framework, Definitions and the Assessment Procedure.

The ICVCM seeks to help the VCM scale up by enabling participants in the market to more easily identify high-quality carbon credits. The VCM currently comprises several carbon-crediting programs (also known as carbon standards) that recognise activities and their mitigation impacts. Those mitigation activities are developed and operated by mitigation activity proponents and their design is validated by accredited third parties (validation and verification bodies (VVBs)). Greenhouse gas emission reductions or removals achieved by those mitigation activities are then verified by VVBs and issued by carbon-crediting programs in their registries as carbon credits. These credits may then be acquired and used by entities to help manage their environmental commitments.

All carbon-crediting programs have adopted requirements, procedures, and policies to address administrative and operational considerations for developing and implementing their programs known as normative program documents. However, carbon credits issued by these programs differ in quality. The aim of the Integrity Council's CCPs and Assessment Framework is to help VCM participants identify the high-quality carbon credits and to evolve a threshold for quality and integrity across the VCM that will build confidence and comparability.

Two levels of assessment

The Assessment Framework operates at two different levels:

Program: The ICVCM Assessment Framework establishes eligibility requirements at the program-level through the application of specific criteria and requirements for carbon-crediting programs. Carbon-crediting programs will apply to be assessed on whether they meet the requirements, and successful programs will become CCP-Eligible.

Categories of carbon credits: The ICVCM also establishes criteria and requirements for categories of carbon credits (“Categories”). Individual Categories will be assessed, and those meeting the associated requirements will become CCP-Approved. Carbon credits belonging to CCP-Approved Categories may then be ‘tagged’ by CCP-Eligible programs accordingly. CCP-Approved Categories may also be tagged with supplemental identifying criteria, known as CCP Attributes, which identify additional high-quality aspects of the carbon credits that may be of interest to market participants.

The process by which carbon-crediting programs and Categories are assessed is contained in the Assessment Procedure.

A. GOVERNANCE

Governance includes four of the CCPs: Effective Governance, Tracking, Transparency, and Robust Independent Third-party Validation and Verification. Taken together, these CCPs identify strong governance provisions at the program-level. These provisions are critical to ensuring the overall quality of carbon credits issued by the carbon-crediting programs and maintaining and strengthening an environment of trust that supports the long-term integrity and growth of the VCM.

Effective governance is important for integrity because it significantly improves transparency and accountability, and can help to grow participation in the VCM. It may also increase the responsiveness and engagement of the public and key stakeholders by providing increased relevance, reliability, and comparability of reporting and improved insight into program performance.

Tracking is accomplished through the use of registries. A registry is a secure central database for recording comprehensive information about carbon credits that the program issues, including the mitigation activity in which they were generated, their ownership, and their transaction history. A registry uniquely identifies each carbon credit, the associated mitigation activity, and any other associated attributes. Registry account controls ensure that there is comprehensive information about mitigation activity proponents and VCM participants.

Transparency is achieved through the public availability of information. Availability of information enables stakeholders to understand how the GHG emission reductions or removals are calculated, including how additionality is assessed, GHG emissions reductions or removals are quantified, and the environmental and social impacts of the mitigation activity.

Robust independent third-party validation and verification through third-party auditing is a key tool for accuracy, consistency, transparency, and integrity in the VCM. Auditing by third parties provides independent confirmation that the mitigation activity achieves GHG emission reductions or removals. Requirements include rules that specify when and how validation of the design of a mitigation activity and verification of GHG emission reductions and removals by third-party auditors, plus verification of other aspects, are to occur and be implemented. The work of VVBs is essential to the environmental integrity of carbon crediting and to ensuring confidence in the VCM.

The Program-level processes listed above are all important for ensuring effective governance. Many of those have also been addressed in the requirements by the Carbon Offsetting and Reduction Scheme for International Aviation ([CORSIA](#)), developed and adopted by the International Civil Aviation Organisation ([ICAO](#)). In order to minimise the burden on the carbon-crediting programs operating in the VCM, the ICVCM has determined that programs already eligible under CORSIA shall also be eligible under this version of the Assessment Framework provided that they meet the following requirements.

Carbon-crediting programs will be required to meet all requirements in the Assessment Framework. Carbon-crediting programs that are CORSIA-eligible will not be required to demonstrate that they meet CORSIA requirements related to effective governance, tracking, transparency and robust validation and verification. CORSIA-eligible programs will have to provide relevant information for the additional requirements detailed in the Assessment Framework and included in the ICVCM Application Platform.

Carbon-crediting programs that have not yet applied for CORSIA eligibility will be required to demonstrate to the Integrity Council that they meet all the requirements of CORSIA, through their application to the ICVCM, as set out in the ICVCM Application Platform. They will also have to demonstrate that they meet the additional requirements detailed in the Assessment Framework and included in the ICVCM Application Platform.

Changes in CORSIA requirements, and/or changes in relation to the carbon-crediting programs and carbon credits listed as eligible in the CORSIA Eligible Emission Units will be addressed, to the extent required, at the discretion of the ICVCM, through the Assessment Procedure.

1 Effective Governance

Effective governance is a core feature of well-operated carbon-crediting programs. Effective governance requirements on public availability of documents and information enables transparent decision-making, effective and inclusive participation, and feedback to support continuous improvement.

In addition to meeting governance requirements set out in CORSIA, the carbon-crediting program will need to meet requirements that demonstrate effective governance through a transparent and robust corporate governance framework for their organisations, including reporting and disclosure, and risk management policies and controls such as anti-bribery and anti-corruption. The Integrity Council's requirements on effective governance ensure processes are in place that support an organisation's long-term resilience and provide a framework of checks and balances to guide the organisation's governing body and staff.

The criteria under this CCP requires carbon-crediting programs to have an independent board, publish annual reports and have robust processes relating to corporate social and environmental responsibility, and effective anti-money laundering rules.

Effective governance requires that normative program documents relevant to decision-making are publicly available, subject to compelling confidentiality constraints, including data protection and privacy. Normative program documents include standards, methodologies, procedures, tools, guidelines, supplementary information, and project documentation.

Carbon-crediting programs must also have processes in place that provide for public engagement through local and global stakeholder consultation and for independently addressing grievances.

In the Assessment Framework, ICVCM makes use of CORSIA rules in relation to effective governance and has additional requirements that ensure CCP-Eligible programs have comprehensively effective governance.

See Criteria 1.1 to 1.2 for Effective Governance in Part I of the Assessment Framework.

“

The carbon-crediting program shall have effective program governance to ensure transparency, accountability, continuous improvement and the overall quality of carbon credits.

”

2 Tracking

A registry is an information technology system used by a carbon-crediting program to identify mitigation activities and track each carbon credit from its issuance through subsequent transactions to its retirement or cancellation. Registries, therefore, play a critical role in ensuring high integrity by providing a transparent and secure platform to track and verify carbon credits. The criterion and requirements ensure that a carbon-crediting program has processes and procedures in place to provide clarity with respect to the issuance and retirement of carbon credits. Specifically, the carbon-crediting program's registry should identify by whom and on whose behalf a carbon credit was retired, identify the purpose of retirement, have procedures to address erroneous issuance of carbon credits and procedures and requirements to ensure no more than one carbon credit is issued per tonne of CO₂ equivalent.

In the Assessment Framework, the ICVCM combines CORSIA rules in relation to registries with additional requirements that help ensure that CCP-Eligible carbon-crediting programs operate registries of the highest standards.

See Criterion 2.1 for Tracking in Part I of the Assessment Framework.

“

The carbon-crediting program shall operate or make use of a registry to uniquely identify, record and track mitigation activities and carbon credits issued to ensure credits can be identified securely and unambiguously.

”

3 Transparency

The design and implementation of a mitigation activity is an intensive process requiring significant qualitative and quantitative documentation. Making this information publicly available through a registry is key to promoting transparency. The Assessment Framework's criterion on Transparency requires public disclosure of all relevant project documentation. To meet the requirements under this criterion, the carbon-crediting program needs to ensure the registry contains detailed information about each mitigation activity and is searchable by the general public. By making this information publicly available interested stakeholders will be able to understand how the GHG emission reductions or removals are calculated, including how additionality is assessed, GHG emissions reductions or removals are quantified, and the environmental and social impacts of the mitigation activity.

Information about the activity should be publicly available electronically, subject to compelling confidentiality constraints. It is also important that information requests from stakeholders are appropriately addressed, and that stakeholders are provided with and directed to that information on the program's website, including on information from its website.

In the Assessment Framework, the ICVCM combines CORSIA rules concerning transparency with additional requirements that ensure CCP-Eligible programs operate with full transparency about mitigation activities.

See Criterion 3.1 for Transparency in Part I of the Assessment Framework.

“

The carbon-crediting program shall provide comprehensive and transparent information on all credited mitigation activities. The information shall be publicly available in electronic format and shall be accessible to non-specialised audiences, to enable scrutiny of mitigation activities.

”

4 Robust Independent Third-party Validation and Verification

Third-party auditing of the design of mitigation activities and monitoring of GHG emission reductions or removals is critical to ensuring that each mitigation activity meets all of the relevant program rules specified in the normative program documents.

To meet the criterion and requirements under Robust Independent Third-party Validation and Verification, the carbon-crediting program's normative documents must set out the rules for how VVBs become and remain accredited in relation to the carbon-crediting program, review the performance of VVBs, and set standards and develop procedures that guide VVBs in their work. These rules include provisions on VVB organisational structure and management, organisational resources, validation and verification processes, and information requirements, penalties for rule breaches and rules ensuring the impartiality of the VVB and the avoidance of conflicts of interest.

In the Assessment Framework, the ICVCM combines CORSIA rules on third-party validation and verification with additional requirements that ensure CCP-Eligible programs are applying validation and verification best practices.

See Criterion 4.1 for Robust Validation and Verification in Part I of the Assessment Framework.

“

The carbon-crediting program shall have program-level requirements for robust independent third-party validation and verification of mitigation activities.

”

B. EMISSIONS IMPACT

5 Additionality (Category-level – Release 2, Q2 2023)

“

The GHG emission reductions or removals from the mitigation activity shall be additional, i.e., they would not have occurred in the absence of the incentive created by carbon credit revenues.

”

6 Permanence (Category-level – Release 2, Q2 2023)

“

The GHG emission reductions or removals from the mitigation activity shall be permanent or, where there is a risk of reversal, there shall be measures in place to address those risks and compensate reversals.

”

7 Robust Quantification (Program-level)

A crucial consideration in strengthening the integrity of the VCM is ensuring that GHG emission reductions or removals are robustly quantified so that their levels are not overstated. Carbon-crediting programs must, *inter alia*, address the level of uncertainty of emission reductions or removals and ensure the conservativeness of quantification methodologies. It is critical for carbon-crediting programs to understand the level of uncertainty associated with the data and the assumptions used for quantifying GHG emission reductions or removals to ensure they are estimated conservatively.

Ensuring robust quantification requires that carbon-crediting programs have a thorough methodology approval process that includes public stakeholder consultations and reviews by independent experts. Moreover, carbon-crediting programs must have robust requirements and principles governing the quantification of GHG emission reductions and removals. In addition, robust quantification requires that carbon-crediting programs ensure that GHG emission reductions or removals are verified *ex-post*. Some carbon-crediting programs also issue carbon credits *ex-ante*. In such instances, only carbon credits issued *ex-post* may be CCP-Eligible.

In addition to the requirements established in the Assessment Framework, the ICVCM refers to CORSIA rules on Clear Methodologies and Protocols, and their Development Process.

This section will be updated once requirements for Robust Quantification at the Category-level are released (Q2 2023).

[See Criteria 5.1 to 5.3 for Robust Quantification in Part I of the Assessment Framework.](#)

“

The GHG emission reductions or removals from the mitigation activity shall be robustly quantified, based on conservative approaches, completeness and sound scientific methods.

”

8 No Double Counting

Double counting of carbon credits and/or GHG emission reductions or removals undermines the integrity of the VCM on reducing or removing GHG emissions. Double counting can manifest in a number of ways and the ICVCM requirements ensure that the carbon-crediting programs manage the risks of double counting.

Double issuance: This occurs when two or more carbon credits co-exist at the same time for one GHG emission reduction or removal, under the same or different carbon-crediting or other programs. Double issuance can also occur where two or more mitigation activities have overlapping GHG accounting boundaries, and carbon-crediting programs need to have provisions avoiding issuance of more than one credit in relation to the same GHG emission reduction or removal in such cases.

Double use: This occurs when one carbon credit is claimed towards multiple mitigation targets/goals (e.g., once each by two different entities or twice by one entity).

Double claiming with mandatory domestic mitigation schemes: This occurs when a carbon-crediting program issues a carbon credit in respect of GHG emission reductions or removals that are covered by a mandatory domestic mitigation scheme (e.g., emissions trading system). In the context of the ICVCM, it is considered that a Nationally Determined Contribution (NDC) under the Paris Agreement does not constitute a mandatory domestic mitigation scheme. While a NDC may be put into effect through a variety of instruments, including mandatory domestic mitigation schemes, it is considered to be separate from the latter.

The Integrity Council has established a CCP Attribute in relation to host country authorization for use towards 'other international mitigation purposes' pursuant to Article 6 of the Paris Agreement (See section D below). The question of how to manage double counting in all its forms in the context of Article 6, and whether double claiming with NDCs should be avoided on the basis of a corresponding adjustment as set out in Article 6 implementing guidance, will be addressed in the ICVCM work program, described in section E below.

Double claiming with mitigation incentivisation schemes: This occurs when a carbon-crediting program issues a carbon credit for a GHG emission reduction or removal for which another environmental credit is being issued and traded under a different environmental market (such as Renewable Energy Certificates).

See Criteria 6.1 to 6.5 for No Double Counting in Part I of the Assessment Framework.

“

The GHG emission reductions or removals from the mitigation activity shall not be double counted, i.e., they shall only be counted once towards achieving mitigation targets or goals. Double counting covers double issuance, double claiming, and double use.

”

C. SUSTAINABLE DEVELOPMENT

9 Sustainable Development Benefits and Safeguards

In a high-integrity VCM, carbon-crediting programs take steps to ensure that mitigation activities adhere to environmental and social safeguards and contribute to the Sustainable Development Goals (SDGs). Carbon-crediting programs have measures in place to ensure that in the context of the host country, mitigation activity proponents inform how SDG impacts are consistent with SDG objectives of the country, respect human rights and comply with relevant safeguards. Program-level processes ensure that mitigation activity proponents assess environmental and social risks associated with proposed mitigation activities, taking into account the size and scale of the relevant mitigation activity.

“

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.

”

Where the context requires, mitigation activities are required to ensure free, prior and informed consent (FPIC) processes with Indigenous Peoples and Local Communities (IPs & LCs), protect and improve livelihoods, protect and restore biodiversity and ecosystem services, enhance climate resilience and adaptation, reduce pollution, and be transparent about the sharing of benefits from the mitigation activity with IPs and LCs.

Carbon-crediting programs must also ensure compliance with relevant national requirements, applicable laws and rules of the relevant jurisdiction. In that context, the Assessment Framework builds on the work of widely applied best-in-class standards including World Bank, International Finance Corporation, United Nations Development Programme, United Nations Declaration on the Rights of Indigenous Peoples, United Nations Environment Programme, the Cancun Safeguards, and the International Labour Organization Fundamental Conventions, among others.

See Criteria 7.1 to 7.11 for Sustainable Development Benefits and Safeguards in Part I of the Assessment Framework.

10 Contribution Towards Net Zero Emissions (Category-level – Release 2, Q2 2023)

“

The mitigation activity shall avoid locking-in levels of emissions, technologies or carbon-intensive practices that are incompatible with the objective of achieving net zero GHG emissions by mid-century.

”

D. CCP ATTRIBUTES

Attributes can be used to identify additional features related to the mitigation activity for which the carbon credit has been issued. Such identification enables mitigation activity proponents to showcase the features of the mitigation activity and allows buyers to purchase carbon credits that match their preferences. To facilitate the identification of these additional features the ICVCM has included CCP Attributes in this Assessment Framework.

Carbon credits that are CCP-Eligible as a result of the assessment process may then, in accordance with the Assessment Procedure, additionally be tagged with relevant CCP Attributes. A carbon credit may have more than one CCP Attribute, but each must be distinguished from other CCP Attributes that may be allocated to the carbon credit.

Attribute 1 is about “Host country authorization pursuant to Article 6 of the Paris Agreement”. This attribute refers to whether the host country has authorised the carbon credit (“mitigation outcomes”, the GHG emission reductions or removals represented by the carbon credit) for “other international mitigation purposes” under guidance adopted pursuant to Article 6 (specifically cooperative approaches referred to in Article 6, paragraph 2) of the Paris Agreement. Some buyers are keen to purchase carbon credits in respect of which there is a host country authorization for Article 6 purposes. This attribute facilitates identifying such carbon credits.¹

Attribute 2 “Share of Proceeds for Adaptation” refers to whether the mitigation activity makes a voluntary contribution to the [Adaptation Fund](#) of the UNFCCC.

Attribute 3 is “Quantified positive SDG impacts”. This attribute refers to whether the mitigation activity quantifies a positive contribution to Sustainable Development (excluding SDG 13). It differs from requirements in Section 4.C.7 of the Assessment Framework (criteria related to Sustainable Development Benefits and Safeguards) because the attribute relates to quantification of impacts. This will facilitate the identification of carbon credits with quantified positive impacts of this type. Such quantified positive SDG impacts must align with the sustainable development priorities of the host country, where those are relevant to the mitigation activity.²

Other attributes may be developed at the discretion of the ICVCM.

¹ This issue is also connected to section 4.B.6 Assessment Framework (criteria related to No Double counting) and the work program to be undertaken by the ICVCM described in section E below.

² The ICVCM will undertake a work program on related matters (see section E below).

E. CONTINUOUS IMPROVEMENT OF THE ASSESSMENT FRAMEWORK

In line with best practices in standard setting, the Integrity Council has designed a process for continuous improvement of the CCPs and the Assessment Framework. The process ensures the continued relevance and effectiveness in meeting the stated objectives of the Integrity Council.

Work on developing the next iteration of the Assessment Framework begins after the release of this version. It will include input by multi-stakeholder work programs detailed in the sections below. It will include consultation processes (public and via workshops with stakeholder groups such as carbon-crediting programs, project developers, academics, IPs & LCs, etc.) and analysis necessary to inform its development.

The first revision process for the CCPs and the Assessment Framework is expected to be launched in 2025, and ready for implementation in 2026.

Paris Alignment

Corresponding Adjustments pursuant to guidance on Article 6, paragraph 2 of the Paris Agreement

It is broadly understood that double counting must not occur where carbon credits are transferred internationally for use towards NDCs under the Paris Agreement. This understanding is also reflected in Article 6 guidance agreed at the UNFCCC [COP26](#) in 2021. There is, however, an active debate in the VCM about how to manage double counting in all its forms in the context of Article 6, and whether double claiming with NDCs should be avoided on the basis of a corresponding adjustment as set out in Article 6 implementing guidance, in the context of companies using carbon credits towards voluntary climate commitments. The ICVCM considers that this issue remains open after UNFCCC [COP27](#) and needs further study.

As countries move to implement systems to deliver on their Paris Agreement commitments the VCM and host country systems will increasingly interact. The ICVCM and VCMI will co-lead a joint work program to consider:

- Identification and assessment of scenarios related to corresponding adjustments.
- Impacts of corresponding adjustments and implications for carbon credit integrity.

Share of Proceeds for Adaptation Finance

In addition to the CCP Attribute for a Share of Proceeds for Adaptation Finance (SOPA)³, the Integrity Council will establish a work program to consider:

- Whether SOPA should be mandatory or voluntary.
- Potential exemptions based on mitigation activity type or size based on the mitigation and adaptation impacts, and on benefits and revenues to communities participating in GHG mitigation activities/programs in developing countries.
- The readiness of buyers of carbon credits to make such a contribution.
- The merits of voluntary compared to mandatory approaches.
- The appropriate destination of any carbon credits/revenue.
- The impact on market participants and the incentives created.

Sustainable Development Benefits and Safeguards

In addition to the requirements under Section 4.C.7 Sustainable Development Benefits and Safeguards and the CCP Attribute for quantified positive SDG impacts⁴, the Integrity Council recognises that approaches to environmental and social safeguards are currently evolving and that this is a clear area for improvement in the VCM. The ICVCM will consult with relevant stakeholders to understand how current practice can be improved in order to develop new requirements for the next iteration of the Assessment Framework. The work program will include all elements listed in table 7.12 of the Assessment Framework.

³ See Section D, CCP Attribute 2: Share of Proceeds for Adaptation

⁴ See Section D, CCP Attribute 3: Quantified positive SDG impact



THE INTEGRITY COUNCIL
FOR THE VOLUNTARY CARBON MARKET

SECTION

ASSESSMENT FRAMEWORK

SECTION 4

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PART I

REQUIREMENTS FOR CARBON- CREDITING PROGRAMS

This Part I of the Assessment Framework contains the requirements for carbon-crediting programs. Part II, which will be published later in 2023, addresses requirements for categories of carbon credits (Categories).

The Assessment Framework should be read in conjunction with the Summary for Decision Makers, the Definitions, and the Assessment Procedure.

The ICVCM may make necessary changes and revisions to Part I, as required, and including when Part II is published.

The Integrity Council has also identified within this Assessment Framework a limited number of issues, for information only, in respect of which it anticipates there will be new requirements in the next version of the Assessment Framework. These issues are clearly distinguished from the criteria and requirements and do not form part of them. However, they are included in tables at the end of the relevant sections of the Assessment Framework in order to indicate a direction of travel for the next version. In certain cases, the Integrity Council may seek input from stakeholders on such issues, in due course.

A. GOVERNANCE

CORSIA-eligible programs are required to provide information on their CORSIA eligibility. Carbon-crediting programs that are CORSIA-eligible will not be required to demonstrate that they meet CORSIA requirements related to effective governance, tracking, transparency and robust validation and verification. CORSIA-eligible programs will have to provide relevant information for the additional requirements detailed in the Assessment Framework and included in the ICVCM Application Platform.

Carbon-crediting programs that have not yet applied for CORSIA-eligibility will be required to demonstrate to the Integrity Council that they meet all of the requirements of CORSIA, through their application to the ICVCM, as set out in the ICVCM Application Platform. They will also have to demonstrate that they meet the additional requirements detailed in the Assessment Framework and included in the ICVCM Application Platform.

Carbon-crediting programs that have applied to CORSIA but have not achieved CORSIA-eligibility should contact the [ICVCM](#) before applying, as set out in the Assessment Procedure.

1. EFFECTIVE GOVERNANCE



The carbon-crediting program shall have effective program governance to ensure transparency, accountability, continuous improvement and the overall quality of carbon credits.



CRITERION 1.1: EFFECTIVE GOVERNANCE

Table 1.1
Effective Governance

Requirements
<p>a) In addition to CORSIA requirements related to governance framework, the carbon-crediting program shall:</p> <ol style="list-style-type: none"> 1) have a board comprised of independent board members who assume fiduciary responsibility for the organisation and operate according to robust bylaws. 2) publish an annual report that contains the organisation's revenues, expenses, and net assets over the past year and provides an overview of the organisation's mission, major programs and activities, and governance. 3) have processes in place to ensure corporate social and environmental responsibility. 4) have robust anti-money laundering processes in place. 5) follow practices consistent with robust anti-bribery and anti-corruption guidance and regulation.

CRITERION 1.2: PUBLIC ENGAGEMENT, CONSULTATION, AND GRIEVANCES

Table 1.2
Public engagement, consultation, and grievances¹

Requirements
<p>a) In addition to CORSIA requirements related to public engagement, consultation and grievances, the carbon-crediting program shall have a process for:</p> <ol style="list-style-type: none"> 1) robust and transparent local and global stakeholder consultation, which provide for public comment and issue resolution. 2) addressing grievances. The process shall be clear and transparent, ensure impartiality and where appropriate confidentiality, in the filing and resolution of grievances. Any applicable fees shall not impede legitimate access to the grievance process by civil society organisations or IPs & LCs.

¹ See Criteria 7 in relation to safeguards relating to IPs and LCs.

2. TRACKING

“

The carbon-crediting program shall operate or make use of a registry to uniquely identify, record and track mitigation activities and carbon credits issued to ensure credits can be identified securely and unambiguously.

”

CRITERION 2.1: EFFECTIVE REGISTRIES

Table 2.1

Effective registries (retirement and addressing erroneous issuance)

Requirements

- a) In addition to CORSIA requirements related to carbon credits in the carbon-crediting program registry, the carbon-crediting program shall:
 - 1) require identification of the entity on whose behalf the carbon credit was retired.
 - 2) require the identification of the purpose of retirement.
 - 3) have procedures to address erroneous issuance of carbon credits that identify remedial measures (e.g., cancellation, compensation through replacement) and the entities responsible for implementing these.

3. TRANSPARENCY



The carbon-crediting program shall provide comprehensive and transparent information on all credited mitigation activities. The information shall be publicly available in electronic format, and and shall be accessible to non-specialised audiences, to enable scrutiny of mitigation activities.



CRITERION 3.1: INFORMATION

Table 3.1
Information

Requirements
<p>a) In addition to CORSIA requirements, the carbon-crediting program shall ensure that in relation to each mitigation activity that requests registration or that is registered, all relevant documentation relating to the mitigation activity is made publicly available (subject to confidentiality and proprietary, privacy and data protection restrictions) including:</p> <ol style="list-style-type: none"> 1) all necessary information, such as spreadsheets used for calculations, to enable third parties to assess the social and environmental impacts of the mitigation activity and to replicate the GHG emission reduction or removal calculations (including baseline quantification), and assessment of additionality. 2) a mitigation activity design document that includes: <ol style="list-style-type: none"> i. a non-technical summary. ii. detailed information on the mitigation activity, including its location and proponents. iii. a description of the technology or practices applied. iv. the environmental and social impacts. v. the methodology used. vi. information on how the methodology is and has been applied for the purpose of determining the baseline, demonstrating additionality and quantifying GHG emission reductions or removals. <p>b) The carbon-crediting program shall have processes to ensure that where requests are made in relation to information that is missing from its website and/or registry, that information is provided (subject to confidentiality and proprietary, privacy and data protection restrictions) and made public alongside other relevant public information.</p>

4. ROBUST INDEPENDENT THIRD-PARTY VALIDATION AND VERIFICATION

“

The carbon-crediting program shall have program-level requirements for robust independent third-party validation and verification of mitigation activities.

”

CRITERION 4.1: ROBUST INDEPENDENT THIRD-PARTY VALIDATION AND VERIFICATION

Table 4.1

Robust independent third-party validation and verification

Requirements

- a) In addition to CORSIA requirements, in relation to validation of mitigation activities and verification of GHG emission reductions and removals, the carbon-crediting program shall:
 - 1) require VVBs to be accredited by a recognised international accreditation standard (e.g., according to the current edition of ISO 14065 and ISO 14066, or per rules relating to the UNFCCC Kyoto Protocol Clean Development Mechanism or Paris Agreement Article 6, paragraph 4 Supervisory Body).
 - 2) have a process for managing VVB performance, including systematic review of validation and verification activities, reports and remedial measures to address performance issues including measures to ensure that poor VVB performance is reported to the relevant accreditation body, and provisions to suspend or revoke the participation of a VVB in the program.

B. EMISSIONS IMPACT

5. ROBUST QUANTIFICATION OF GHG EMISSION REDUCTIONS AND REMOVALS²

“

The GHG emission reductions or removals from the mitigation activity shall be robustly quantified, based on conservative approaches, completeness and sound scientific methods.

”

² Release 2 (Q2 2023) will contain Robust Quantification assessment requirements for Categories.

CRITERION 5.1: METHODOLOGY APPROVAL PROCESS

Table 5.1
Methodology approval process

Requirements
<ul style="list-style-type: none"> a) In addition to CORSIA requirements related to Clear Methodologies and Protocols and their Development Process, the carbon-crediting program shall have a process for developing updates/adopting updates to existing quantification methodologies. b) Approved methodologies or general carbon-crediting program provisions shall address the following essential components: <ul style="list-style-type: none"> 1) applicability or eligibility criteria. 2) determination of the accounting boundary. 3) determination of additionality (to the extent this is not covered in other general carbon-crediting program provisions). 4) establishing the baseline scenario. 5) quantification of GHG emission reductions or removals. 6) monitoring practices. c) The carbon-crediting program shall require that, prior to approval, new methodologies and major revisions of existing methodologies undergo review by a group of independent experts and a public stakeholder consultation. d) The carbon-crediting program shall have procedures to review, suspend and/or withdraw the use of methodologies where the carbon-crediting program has determined, based on evidence, that GHG emission reductions or removals are being overestimated or that additionality might not be ensured.

CRITERION 5.2: REQUIREMENTS FOR QUANTIFYING GHG EMISSION REDUCTIONS OR REMOVALS

Table 5.2
Quantifying GHG emission reductions or removals

Requirements
<p>a) The carbon-crediting program shall:</p> <ol style="list-style-type: none"> 1) clearly define a carbon credit as one metric tonne of CO₂ equivalent of GHG emission reductions or removals. 2) disclose the global warming potential (GWP) values used to calculate the CO₂ equivalence. 3) define the length of crediting periods, including the total length of combined crediting periods. 4) provide guidance on steps and requirements for renewal of the crediting periods. Any renewal of the crediting period shall include a reassessment of the baseline scenario, including whether the conditions and barriers at the start of the mitigation activity still prevail, and an update of relevant parameters used to calculate emissions reductions and removals. 5) assess the overall uncertainty of emission reductions or removals associated with an activity type and/or require that the mitigation activity proponent assess the overall uncertainty in accordance with an approved methodology. In estimating overall uncertainty all causes of uncertainty shall be considered, including assumptions (e.g., baseline scenario), estimation equations or models, parameters (e.g., representativeness of default values), and measurements (e.g., the accuracy of measurement methods). The overall uncertainty shall be assessed as the combined uncertainty from individual causes. 6) have a systematic approach to ensuring the conservativeness of quantification methodologies it approves for use. 7) require in its general program provisions that existing government policies and legal requirements that lower GHG emissions (e.g., feed-in tariffs for renewable energy, minimum product efficiency standards, air quality requirements, or carbon taxes) be included when determining the baseline emissions. The carbon-crediting program may have provisions to consider the level of enforcement of such policies and legal requirements as well as any associated grace periods.

CRITERION 5.3: EX-POST DETERMINATION OF EMISSION REDUCTIONS OR REMOVALS

Table 5.3

Ex-post determination of emissions reductions or removals

Requirements
a) Carbon credits that are issued <i>ex-ante</i> are not CCP eligible. Where a carbon-crediting program supports both <i>ex-ante</i> and <i>ex-post</i> issuance, it shall have procedures in place to transparently identify units that are issued <i>ex-ante</i> and are thus ineligible under the ICVCM.

Table 5.4

Next iteration of the Assessment Framework

Threshold	Requirements
<i>Relating to Criterion 5.1</i>	Carbon-crediting programs should regularly review and update their quantification methodologies to ensure continued environmental integrity. In the next iteration of the Assessment Framework, the ICVCM will include a minimum elapsed time (e.g., every 5 years) for this review and update. The ICVCM will consult with relevant stakeholders to understand existing practice and the best frequency for this review cycle.
<i>Relating to Criterion 5.2</i>	The ICVCM understands the importance of a consistent approach to calculating CO ₂ equivalence and will introduce requirements in the next version of the Assessment Framework to align approaches used by carbon-crediting programs with the agreed values used internationally (e.g., 100-year GWP values from the 5th IPCC assessment report). ³

³ Or such other values as Parties to the UNFCCC may adopt as GWP values for use in national GHG inventories and for accounting for NDCs.

6. NO DOUBLE-COUNTING

“

The GHG emission reductions or removals from the mitigation activity shall not be double counted, i.e., they shall only be counted once towards achieving mitigation targets or goals. Double counting covers double issuance, double claiming, and double use.

”

CRITERION 6.1: NO DOUBLE ISSUANCE (DOUBLE REGISTRATION)

Table 6.1

No double issuance (double registration)

Requirements

- a) The carbon-crediting program shall have provisions to:
 - 1) prevent the registration of any mitigation activity that has been registered under another carbon-crediting program and is still active under that program; and
 - 2) ensure that it does not issue carbon credits for GHG emission reductions or removals where another program has issued credits to the same mitigation activity and/or for the same GHG emission reductions or removals and has not cancelled those credits for the purpose of avoiding double issuance.

CRITERION 6.2: NO DOUBLE ISSUANCE (OVERLAPPING CLAIMS)

Table 6.2
No double-issuance (overlapping claims)

Requirements
<p>a) The carbon-crediting program shall have provisions to identify potential overlaps between different mitigation activities and ensure that where there are overlapping GHG accounting boundaries between mitigation activities, it will only issue one carbon credit for the GHG emission reductions or removals that occur within the GHG accounting boundaries of more than one mitigation activity, including by:</p> <ol style="list-style-type: none"> 1) disallowing registration of any mitigation activity whose GHG accounting boundaries overlap with the GHG accounting boundaries for carbon crediting of another mitigation activity. 2) disallowing carbon credits for GHG emission reductions or removals that occur within the GHG accounting boundaries of another mitigation activity, under the same program. <p>b) The carbon-crediting program ('program A') shall also have provisions in place to apply, where practicable, the requirements set out in a) above in respect of mitigation activities registered under another carbon-crediting program ('program B'), that have GHG accounting boundaries that overlap with mitigation activities that are registered with the carbon-crediting program (program A).</p>

CRITERION 6.3: NO DOUBLE USE

Table 6.3
No double use

Requirements
<p>a) The carbon-crediting program shall have registry provisions that prevent the further transfer, retirement or cancellation of a carbon credit once it has been cancelled or retired.</p>

CRITERION 6.4: NO DOUBLE CLAIMING WITH MANDATORY DOMESTIC MITIGATION SCHEMES

Table 6.4

No double claiming with mandatory domestic mitigation schemes

Requirements

- a) The carbon-crediting program shall have provisions to ensure either that:
 - 1) mitigation activities that generate GHG emission reductions or removals that overlap with mandatory domestic mitigation schemes (e.g., emissions trading systems or renewable energy quotas) are not registered and/or carbon credits are not issued; or
 - 2) when carbon credits are associated with GHG emission reductions or removals that are also covered by the mandatory domestic mitigation scheme, the mandatory domestic mitigation scheme has measures in place to ensure that any relevant impacts of the mitigation activity (e.g., the GHG emission reductions achieved or the kilowatt-hours of renewable electricity produced) are not counted towards the achievement of targets or obligations under the mandatory domestic mitigation scheme (e.g., by cancelling allowances from the emissions trading system before issuing carbon credits).

CRITERION 6.5: NO DOUBLE CLAIMING OF GHG MITIGATION ARISING FROM OTHER ENVIRONMENTAL CREDITS

Table 6.5

No double claiming of GHG mitigation arising from other environmental credits

Requirements

- a) The carbon-crediting program shall have provisions in place to ensure that carbon credits are not issued for GHG emission reductions or removals achieved by a mitigation activity where units related to the same climate impacts of the mitigation activity are traded in other environmental markets or accounting frameworks (e.g., Renewable Energy Certificates (RECs) generated from renewable energy projects).

C. SUSTAINABLE DEVELOPMENT

7. SUSTAINABLE DEVELOPMENT BENEFITS AND SAFEGUARDS⁴

“

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.

”

⁴ Release 2 (expected Q2 2023) will contain Sustainable Development Benefits and Safeguards for Categories.

CRITERION 7.1: ASSESSMENT AND MANAGEMENT OF ENVIRONMENTAL AND SOCIAL RISKS

Table 7.1
Assessment and management of environmental and social risks

Requirements
<p>a) The carbon-crediting program shall require mitigation activity proponents to:</p> <ol style="list-style-type: none"> 1) abide by national and local laws, objectives, programs and regulations and where relevant, international conventions and agreements.⁵ 2) assess associated risks of negative environmental and social impacts with regard to the safeguards contained in criteria 7.2 to 7.8 (inclusive), taking into account the scope and scale of the mitigation activity. 3) ensures FPIC processes for IPs and LCs, where applicable; and conduct stakeholder consultations, including local stakeholders as part of project design and implementation in a manner that is inclusive, culturally appropriate, and respectful of local knowledge, take these consultations into account and respond to local stakeholders' views. <p>b) Where, pursuant to 7.1 a) 2) above, the mitigation activity proponents have assessed that the mitigation activity poses risks of negative environmental and/or social impacts with regard to any of criteria 7.2 - 7.8 (inclusive) the carbon-crediting program shall require the mitigation activity proponents to:</p> <ol style="list-style-type: none"> 1) include measures, commensurate with the identified risks, to minimise and address such negative environmental and/or social impacts, in validated design documents prior to registration. 2) include information on the measures implemented pursuant to 1) above, commensurate with the identified risks in the monitoring report.

⁵ https://www.un.org/development/desa/indigenouspeoples/wp-content/uploads/sites/19/2018/11/UNDRIPE_web.pdf
<https://www.ohchr.org/en/what-are-human-rights/international-bill-human-rights>

CRITERION 7.2: LABOUR RIGHTS AND WORKING CONDITIONS

Table 7.2
Labour rights and working conditions

Requirements
<ul style="list-style-type: none"> a) The carbon-crediting program shall require mitigation activity proponents to ensure that the mitigation activity: <ul style="list-style-type: none"> 1) provides safe and healthy working conditions for employees. 2) provides fair treatment of all employees, avoiding discrimination and ensuring equal opportunities. 3) prohibits the use of forced labour, child labour, or trafficked persons, and protects contracted workers employed by third parties. b) The carbon-crediting program shall require that mitigation activity proponents confirm in validated design documents that the mitigation activity adheres to the above safeguards or that it has put in place the measures referred to in 7.1 b) 1) above.

CRITERION 7.3: RESOURCE EFFICIENCY AND POLLUTION PREVENTION

Table 7.3
Resource efficiency and pollution prevention

Requirements
<ul style="list-style-type: none"> a) The carbon-crediting program shall require mitigation activity proponents to ensure that the mitigation activity minimises: <ul style="list-style-type: none"> 1) pollutant emissions to air. 2) pollutant discharges to water, noise and vibration. 3) generation of waste and release of hazardous materials, chemical pesticides and fertilisers. b) The carbon-crediting program shall require that mitigation activity proponents confirm in validated design documents: <ul style="list-style-type: none"> 1) whether the mitigation activity results in pollutant emissions to air, pollutant discharges to water, noise and vibration, the generation of waste, the release of hazardous materials, chemical pesticides and fertilisers. 2) where the mitigation activity results in any of the impacts listed in 1) above, that it has put in place the measures referred to in 7.1 b) 1) above.

CRITERION 7.4: LAND ACQUISITION AND INVOLUNTARY RESETTLEMENT

Table 7.4
Land acquisition and involuntary resettlement

Requirements
<ul style="list-style-type: none"> a) The carbon-crediting program shall require mitigation activity proponents to ensure that the mitigation activity avoids, or where this is not feasible, minimises forced physical and or economic displacement. b) The carbon-crediting program shall require that mitigation activity proponents confirm in validated design documents: <ul style="list-style-type: none"> 1) whether the mitigation activity results in forced physical and/or economic displacement. 2) where the mitigation activity results in the impacts listed in 1) above, that it has put in place the measures referred to in 7.1 b) 1) above.

CRITERION 7.5: BIODIVERSITY CONSERVATION AND SUSTAINABLE MANAGEMENT OF LIVING NATURAL RESOURCES

Table 7.5
Biodiversity conservation and sustainable management of living natural resources

Requirements
<ul style="list-style-type: none"> a) The carbon-crediting program shall require mitigation activity proponents to ensure that the mitigation activity: <ul style="list-style-type: none"> 1) avoids, or where this is not feasible, minimises negative impacts on terrestrial and marine biodiversity and ecosystems. 2) protects the habitats of rare, threatened, and endangered species, including areas needed for habitat connectivity. 3) does not convert natural forests, grasslands, wetlands, or high conservation value habitats. 4) minimises soil degradation and soil erosion. 5) minimises water consumption and stress in the mitigation activity. b) The carbon-crediting program shall require that mitigation activity proponents confirm in validated design documents: <ul style="list-style-type: none"> 1) whether the mitigation activity has negative impacts on terrestrial and marine biodiversity and ecosystems, on habitats of rare, threatened, and endangered species, on soil degradation and soil erosion, and on water consumption and water stress. 2) where the mitigation activity results in any of the impacts listed in 1) above, that it has put in place the measures referred to in 7.1 b) 1) above.

CRITERION 7.6: INDIGENOUS PEOPLES, LOCAL COMMUNITIES, AND CULTURAL HERITAGE

Table 7.6
Indigenous Peoples, Local Communities, and cultural heritage

Requirements
<p>a) Where the mitigation activity directly or indirectly impacts IPs & LCs, including livelihoods, ancestral knowledge and cultural heritage, the carbon-crediting program shall require mitigation activity proponents to ensure that the mitigation activity:</p> <ol style="list-style-type: none"> 1) recognises, respects and promotes the protection of the rights of IPs & LCs in line with applicable international human rights law, and the United Nations Declaration on the Rights of Indigenous Peoples and ILO Convention 169 on Indigenous and Tribal Peoples.⁶ 2) identifies the rights-holders possibly affected by the mitigation activity (including customary rights of local rights holders). 3) when relevant to circumstances, has applied the FPIC process. 4) does not force eviction or any physical or economic displacement of IPs & LCs, including through access restrictions to lands, territories, or resources, unless agreed upon with IPs & LCs during the FPIC process. 5) preserves and protects cultural heritage consistent with IPs & LCs protocols/rules/plans on the management of cultural heritage or UNESCO Cultural Heritage conventions. <p>b) Where the mitigation activity directly or indirectly impacts IPs & LCs, including livelihoods, ancestral knowledge and cultural heritage, the carbon-crediting program shall require that mitigation activity proponents confirm in validated design documents that the mitigation activity adheres to the above safeguards or that it has put in place the measures referred to in 7.1 b) 1) above.</p>

CRITERION 7.7: RESPECT FOR HUMAN RIGHTS, STAKEHOLDER ENGAGEMENT

Table 7.7
Respect for human rights, stakeholder engagement

Requirements
<p>a) The carbon-crediting program shall require mitigation activity proponents to ensure that the mitigation activity:</p> <ol style="list-style-type: none"> 1) avoids discrimination and respects human rights. 2) abides by the International Bill of Human Rights⁷ and universal instruments ratified by the host country. 3) takes into account and responds to local stakeholders' views. <p>b) The carbon-crediting program shall require that mitigation activity proponents confirm in validated design documents that the mitigation activity adheres to the above safeguards, or that it has put in place the measures referred to in 7.1 b) 1) above.</p>

⁶ https://www.un.org/development/desa/indigenouspeoples/wp-content/uploads/sites/19/2018/11/UNDRIP_E_web.pdf

⁷ <https://www.ohchr.org/en/what-are-human-rights/international-bill-human-rights>

CRITERION 7.8: GENDER EQUALITY

Table 7.8
Gender equality

Requirements
<ul style="list-style-type: none"> a) The carbon-crediting program shall require mitigation activity proponents to ensure that the mitigation activity: <ul style="list-style-type: none"> 1) provides for equal opportunities in the context of gender. 2) protects against and appropriately responds to violence against women and girls. 3) provides equal pay for equal work. b) The carbon-crediting program shall require that mitigation activity proponents confirm in validated design documents that the mitigation activity adheres to the above safeguards or that it has put in place the measures referred to in 7.1 b) 1) above.

CRITERION 7.9: ROBUST BENEFIT-SHARING

Table 7.9
Robust benefit-sharing

Requirements
<ul style="list-style-type: none"> a) Where the carbon-crediting program requires arrangements for benefit-sharing with IPs & LCs, the carbon-crediting program shall require that mitigation activity proponents: <ul style="list-style-type: none"> 1) include in validated design documents information on how benefit-sharing arrangements that are appropriate to the context and consistent with applicable national rules and regulations will be designed and implemented through a benefit-sharing plan. 2) confirm in validated design documents that the draft and final benefit-sharing plan have been shared with the affected IPs & LCs in a form, manner, and language understandable to them. 3) make benefit-sharing outcomes that result from the benefit-sharing plan publicly available, subject to applicable legal restrictions.

CRITERION 7.10: CANCUN SAFEGUARDS

Table 7.10
Cancun Safeguards

Requirements
<p>a) The carbon-crediting program shall, for all REDD+ mitigation activities, require that the mitigation activity is consistent with all relevant Cancun Safeguards as set out in paragraph 71 of decision 1/CP.16 of the United Nations Framework Convention on Climate Change.⁸</p>

CRITERION 7.11: ENSURING POSITIVE SDG IMPACTS

Table 7.11
Ensuring positive SDG impacts

Requirements
<p>a) The carbon-crediting program shall require that mitigation activity proponents, in validated design documents:</p> <ol style="list-style-type: none"> 1) provide information on how the mitigation activity is consistent with the SDG objectives of the host country, where the SDG objectives are relevant, and such is feasible. 2) demonstrate, if applicable, through qualitative assessment how the mitigation activity delivers positive SDG impacts for certain SDGs (excluding SDG 13), if any. 3) provide information on any standardised tools and methods that were used to assess the SDG impacts.

⁸ <https://unfccc.int/decisions?f%5B0%5D=symboldec%3A1cp16>

CRITERION 7.12: NEXT ITERATION OF THE ASSESSMENT FRAMEWORKS

Table 7.12
Next iteration of the Assessment Framework

Threshold	Requirements
<i>Relating to Criterion 7 in general</i>	The ICVCM Framework recognises that approaches to environmental and social safeguards are currently evolving and that this is a clear area for improvement in the VCM. The ICVCM will consult with relevant stakeholders to understand how current practice can be improved (see section E of the Summary for Decision Makers) and how best to incorporate the requirements in the table below, into the next iteration of the Assessment Framework.
<i>In relation to criterion 7.1</i>	<p>Requirements ensuring:</p> <ul style="list-style-type: none"> assessment by the carbon-crediting program of the environmental and social risks associated with the mitigation activity, activity type, or host country, which take into account the scope and scale of a mitigation activity. validation and verification requirements related to environmental and social safeguards. best practice with regard to local stakeholder consultations and FPIC processes for IPs & LCs, in particular how these can be designed to be more inclusive and reflect the views of women and vulnerable and/or marginalised groups.
<i>In relation to criterion 7.3</i>	Requirements ensuring that the mitigation activity promotes more sustainable use of resources, including energy and water.
<i>In relation to criterion 7.4</i>	<p>Requirements ensuring:</p> <ul style="list-style-type: none"> the meaningful and informed participation of affected individuals and communities in the planning, implementation, and monitoring of resettlement activities, including, where applicable, FPIC. that 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.
<i>In relation to criterion 7.5</i>	<p>Requirements ensuring:</p> <ul style="list-style-type: none"> consistency with conservation objectives for terrestrial and marine habitats. compliance with international, national and local laws regulating the introduction of invasive alien species of flora and fauna affecting biodiversity. no conversion of natural forests, grasslands, wetlands or high conservation value habitats. the protection of habitats of rare, threatened, and endangered terrestrial and marine species, including areas needed for habitat connectivity. the minimisation of soil degradation, soil erosion, water consumption, and water stress in the mitigation activity area.

Table 7.12 [continued]
Next iteration of the Assessment Framework

Threshold	Requirements
<i>In relation to criterion 7.6</i>	<p>Requirements ensuring:</p> <ul style="list-style-type: none"> • avoidance of negative impacts on land, territories, and resources protected under relevant laws and regulations concerning IPs & LCs. • avoidance of negative impacts on the self-determined climate, conservation, and sustainable development priorities, decision-making mechanisms, and forms of self-government of IPs & LCs as defined by them in alignment with the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)⁹ and ILO Convention 169 on Indigenous and Tribal Peoples.¹⁰ • respect for areas inhabited by or believed to be inhabited by uncontacted or isolated IPs & LCs. • translation of relevant documents into relevant and appropriate languages(s) including with regard to Article 13 of the UNDRIP
<i>In relation to criterion 7.8</i>	<p>Requirements ensuring:</p> <ul style="list-style-type: none"> • a gender assessment and gender action plan. • use of gender disaggregated data to monitor, assess and report on gender impacts.
<i>In relation to criterion 7.9</i>	<p>Requirements ensuring:</p> <ul style="list-style-type: none"> • transparency on use and management of revenues for benefit sharing.

⁹ https://www.un.org/development/desa/indigenouspeoples/wp-content/uploads/sites/19/2018/11/UNDRIP_E_web.pdf

¹⁰ https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C169

PART II

REQUIREMENTS RELATING TO CATEGORIES

(Category-level – Release 2,
Expected Q2 2023)

B. EMISSIONS IMPACT

8. ADDITIONALITY

“

The GHG emission reductions or removals from the mitigation activity shall be additional, i.e., they would not have occurred in the absence of the incentive created by carbon credit revenues.

”

9. PERMANENCE

“

The GHG emission reductions or removals from the mitigation activity shall be permanent or, where there is a risk of reversal, there shall be measures in place to address those risks and compensate reversals.

”

10. ROBUST QUANTIFICATION

“

The GHG emission reductions or removals from the mitigation activity shall be robustly quantified, based on conservative approaches and sound scientific methods.

”

C. SUSTAINABLE DEVELOPMENT

11. SUSTAINABLE DEVELOPMENT BENEFITS AND SAFEGUARDS

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.

12. CONTRIBUTION TO NET ZERO TRANSITION

The mitigation activity shall avoid locking-in levels of emissions, technologies or carbon-intensive practices that are incompatible with the objective of achieving net zero GHG emissions by mid-century.

PART III

REQUIREMENTS RELATING TO CCP ATTRIBUTES

CCP ATTRIBUTE 1: HOST COUNTRY AUTHORIZATION PURSUANT TO ARTICLE 6 OF THE PARIS AGREEMENT

Table 1

CCP Attribute 1: Host country authorization pursuant to Article 6 of the Paris Agreement

Requirements for the CCP Attribute

- a) The carbon-crediting program shall have a unique tag for this CCP Attribute that shall be different from other CCP Attributes.
- b) The carbon-crediting program shall ensure an Article 6 authorization associated with the carbon credits has been provided by the host country before it grants the carbon credits the Attribute of Article 6 authorization and marks the carbon credits accordingly in the carbon-crediting program registry.
- c) The carbon-crediting program shall make the information received in relation to Article 6 authorizations publicly available and ensure the information is kept up to date on its website.
- d) The carbon-crediting program shall prepare regular reports on the status of carbon credits associated with Article 6 authorizations and make these reports publicly available, including data disaggregated by host country, mitigation activity and vintage. The carbon-crediting program shall provide each host country with information relating to carbon credits associated with Article 6 authorizations by that country, including information relating to mitigation activities and vintages.¹¹
- e) The carbon-crediting program shall regularly seek evidence of the appropriate application of corresponding adjustments pursuant to Article 6 authorization by the host country. If such evidence cannot be obtained within 2 years of the required application of corresponding adjustments pursuant to Article 6 of the Paris Agreement, the carbon-crediting program shall withdraw this Attribute from carbon credits in its registry and inform the relevant account holders.

¹¹ This provision facilitates the application of corresponding adjustments by host countries in cases where the “first international transfer” for OIMP has been defined as the “use or cancellation”, in accordance with paragraph 2b of the Article 6.2 guidance.

CCP ATTRIBUTE 2: SHARE OF PROCEEDS FOR ADAPTATION

Table 2

CCP Attribute 2: Share of Proceeds for Adaptation

Requirements for the CCP Attribute

- a) The carbon-crediting program shall have a unique tag for this CCP Attribute that shall be different from other CCP Attributes.
- b) The carbon-crediting program shall ensure that the following requirement has been satisfied before it grants the carbon credits the Attribute of a Share of Proceeds for Adaptation and marks the carbon credits accordingly in the carbon-crediting program registry:
 - 1) the mitigation activity proponents have provided satisfactory information to demonstrate that:
 - i. a monetary contribution that the mitigation activity proponents have confirmed is equivalent to 5% of the revenue associated with the issued carbon credits has been made to the Adaptation Fund; and/or
 - ii. at least 5% of issued carbon credits have been forwarded to a dedicated registry account managed by or on behalf of the Adaptation Fund.
- c) The carbon-crediting program shall make the information in relation to monetary contributions and/or carbon credits forwarded to the Adaptation Fund publicly available on its website and ensure the information is kept up-to-date.

CCP ATTRIBUTE 3: QUANTIFIED POSITIVE SDG IMPACTS

Table 3

CCP Attribute 3 Quantified positive SDG impacts

Requirements for the CCP Attribute

- a) The carbon crediting program shall have a unique tag for this CCP Attribute that shall be different from other CCP Attributes.
- b) The carbon-crediting program shall ensure the following requirements have been satisfied before it grants the carbon credits the Attribute of quantified positive SDG impacts, and marks the carbon credits accordingly in the carbon-crediting program registry:
 - 1) the SDG impacts of the mitigation activity have been monitored and quantified ex-post using a method, tool or standard recognised by a CCP-Eligible carbon-crediting program.
 - 2) the application of the method, tool or standard¹² demonstrates quantified positive impact for one or more SDGs (other than SDG 13).
 - 3) the quantification of the positive SDG impacts according to the method, tool or standard has been verified by a VVB.

¹² Programs can refer to or be guided by existing methods of quantification including Gold Standard SDG Impact Tool (operated by the Gold Standard), Sustainable Development Verified Impact Standard (SD Vista) (operated by Verra), Climate, Community & Biodiversity Standards (CCB) (operated by Verra) or other relevant programs.



THE INTEGRITY COUNCIL
FOR THE VOLUNTARY CARBON MARKET

5

SECTION

DEFINITIONS

DEFINITIONS

The following definitions are applicable to the Core Carbon Principles, Part I of the Assessment Framework and the Assessment Procedure and may be revised or updated from time to time, including with Release Two.

1 APPLICATION PLATFORM

The secure online application and assessment platform for Program- and Category-level requirements as referred to in the Assessment Procedure.

2 BASELINE SCENARIO

A description of the situation and the outcome that is predicted or assumed to occur in the absence of the incentives created by the carbon credits and their associated mitigation activities, while holding all other factors constant.

3 CARBON CREDIT

A tradable intangible instrument that is issued by a carbon-crediting program, representing a GHG emission reduction to, or removal from, the atmosphere equivalent to one metric tonne of carbon dioxide equivalent, calculated as the difference in GHG emissions or removals from a baseline scenario to the emissions or removals occurring under the mitigation activity, and any adjustments for leakage, that is uniquely serialised, issued, tracked and retired or administratively cancelled by means of an electronic registry operated by an administrative body, such as a carbon-crediting program.

4 CARBON-CREDITING PROGRAM

A standard setting program that registers mitigation activities and issues carbon credits.

5 CATEGORY (OF CARBON CREDITS)

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

6 CCP-APPROVED

Categories of carbon credits deemed approved pursuant to the Category-level assessment. Such credits may be tagged by CCP-Eligible programs.

7 CCP ATTRIBUTE

An attribute refers to a characteristic associated with a carbon credit, such as quantified positive SDG impacts.

8 CCP-ELIGIBLE PROGRAM

A carbon-crediting program that has satisfied the relevant CCPs and the Program-level criteria and requirements in Part I of the Assessment Framework and in respect of which a Decision approving the carbon-crediting program has been taken by the Governing Body.

9 CORSIA

The Carbon Offsetting and Reduction Scheme for International Aviation, a global GHG emissions reduction program developed by the International Civil Aviation Organization (ICAO) to address the CO₂ emissions of international air travel.

10 CORSIA-ELIGIBLE PROGRAM

A carbon-crediting program that has been approved by the ICAO Council to supply CORSIA Eligible Emissions Units as listed on the CORSIA website.

11 CREDITING PERIOD

The period in which verified GHG emission reductions or removals attributable to a mitigation activity can result in the issuance of carbon credits.

12 CWG

A multi-stakeholder Categories Working Group (CWG) that operates pursuant to terms of reference that will be made public on the ICVCM website. The CWG will be tasked to review different categories of carbon credits, including their underlying methodologies, based on, *inter alia*, publicly available academic literature, information from ratings agencies and ratings organisations, and other public information. The CWG will review categories of carbon credits at the highest possible level of aggregation across the VCM and will not review individual mitigation activities or carbon credits.

13 DECISION

Per the Assessment Procedure, a decision of the Governing Board of the ICVCM that includes supporting rationale.

14 DOUBLE CLAIMING

A type of double counting in which the same GHG emission reduction or removal is claimed by two different entities towards achieving mitigation targets or goals: once by a country, jurisdiction or other entity that reports lower GHG emissions or higher GHG removals for the purpose of demonstrating achievement of a mitigation target or goal, and once by the entity retiring the carbon credit for the purpose of making a GHG emission offsetting claim.

15 DOUBLE COUNTING

A situation in which a single GHG emission reduction or removal is counted more than once towards achieving mitigation targets or goals. Double counting can occur through double issuance, double use, and double claiming.

16 DOUBLE ISSUANCE

A type of double counting in which more than one carbon credit is issued for the same emission reduction or removal. Double issuance leads to double counting if more than one of these carbon credits is claimed towards achieving mitigation targets or goals.

17 DOUBLE USE

A type of double counting in which a single carbon credit is claimed twice towards achieving mitigation targets or goals (e.g., by two entities or twice by one entity).

18 GREENHOUSE GAS (GHG)

Greenhouse gases are those gaseous constituents of the atmosphere, both natural and anthropogenic, that absorb and emit radiation at specific wavelengths within the spectrum of thermal infrared radiation emitted by the Earth's surface, the atmosphere itself, and by clouds. This property causes the greenhouse effect.

19 GHG EMISSION REDUCTION

A net reduction in anthropogenic greenhouse gas emissions by sources.

20 GHG EMISSIONS REMOVAL

A net enhancement of anthropogenic removals by sinks.

21 MITIGATION ACTIVITY

An activity that reduces anthropogenic emissions of a GHG or enhances removals by sinks relative to GHG emissions or removals in the activity's baseline scenario and seeks registration and issuance of carbon credits under a carbon-crediting program. The term refers to activities that may be implemented at different scales, including projects, programmatic approaches, policies, jurisdictional REDD+ programs, and other interventions. They may also be implemented at one or more sites.

22 MULTI-STAKEHOLDER WORKING GROUPS (MSWG)

Multi-stakeholder Working Groups (MSWG) that operate pursuant to terms of reference that will be made public on the ICVCM website. The MSWG will be tasked to assess specific Categories, including their underlying methodologies based on, *inter alia*, public classifications of Categories, publicly available academic literature, information from ratings agencies, carbon-crediting program specific information, including information submitted as part of its Application, and other public information relating to Categories.

23 MITIGATION ACTIVITY PROPONENT

The legal entity requesting the registration of a mitigation activity and issuance of carbon credits under a carbon-crediting program. The mitigation activity proponent may be a public or private entity.

24 NORMATIVE PROGRAM DOCUMENTS

The documents adopted by carbon-crediting program that specify requirements, procedures, and administrative and operational aspects of the carbon-crediting program. These documents include, but are not limited to, general carbon-crediting program standards, quantification methodologies, procedures, provisions, manuals, guidance and forms.

25 REMOVAL

Removal refers to the anthropogenic removal of carbon dioxide (CO₂) from the atmosphere, and durable storage of the carbon in terrestrial or geological reservoirs or products.

26 VALIDATION AND VERIFICATION BODY (VVB)

An independent third-party entity that is accredited for performing validation and/or verification audits. Verification and validation bodies are often also referred to as auditors.

27 VALIDATION

The process of independent, third-party evaluation of a mitigation activity requesting registration under a carbon-crediting program by an accredited Validation and Verification Body (VVB) against the program provisions of the applicable carbon-crediting program.

28 VERIFICATION

The process of periodic independent, third-party *ex-post* evaluation by a VVB of requests by a registered mitigation activity to issue carbon credits against the program provisions of the applicable carbon-crediting program.

29 VINTAGE

The calendar year in which the emission reduction or removal associated with a carbon credit took place. Because the verification process is conducted after the emission reductions or removals have occurred, carbon-crediting programs may issue carbon credits after the vintage year.

30 WORKING DAY

A day on which banks are open for normal business in London, United Kingdom.



THE INTEGRITY COUNCIL
FOR THE VOLUNTARY CARBON MARKET

SECTION

6

ASSESSMENT PROCEDURE

SECTION 6

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1 INTRODUCTION

Purpose of this Assessment Procedure

- 1.1 This document sets out the procedure for carbon-crediting programs to be assessed as CCP-Eligible programs and for the assessment of categories of carbon credits (Categories) as CCP-Approved so that CCP-Eligible programs are able to tag CCP-Approved carbon credits. It also identifies how CCP-Approved carbon credits may, where they meet the requirements in the CCP Attributes section of the Assessment Framework, be tagged in respect of such attributes. This Assessment Procedure should be read in conjunction with the Summary for Decision Makers, Assessment Framework, Definitions, which apply to this Assessment Procedure, and Terms and Conditions. Readers may also wish to review the Introduction and Feedback Statement.
- 1.2 The Integrity Council may adopt further procedures, terms of reference documents and guidance to support implementation of this Assessment Procedure and may revise or update this Assessment Procedure from time to time. This Assessment Procedure will be updated to include provisions specifically related to Categories of carbon credits when Part II of the Assessment Framework is published.
- 1.3 The Integrity Council's governance structure and operational functions¹ that are relevant to this Assessment Procedure are set out below:
 - (a) The Governing Board. The Governing Board has overall responsibility for the Integrity Council's decisions and work. It appoints the leadership of both the Expert Panel and the Executive Secretariat. Governing Board committees comprising independent members of the Governing Board make recommendations to the full Governing Board and the Governing Board may delegate decisions within an agreed scope of delegation to such committees.
 - (b) The Expert Panel. The Expert Panel makes recommendations to the Governing Board on various topics, including development and application of the CCPs and Assessment Framework and areas of continuous improvement, as well as carrying out other tasks as set out in this Assessment Procedure under the oversight of the Governing Board.

¹ As set out in the Integrity Council's [Modalities & Procedures](#).

Note that in this Assessment Procedure the term Integrity Council may be used to indicate the Secretariat together with (a) the Expert Panel and/or its members and (b) any relevant committee of the Governing Board delegated to have assessment functions, each undertaking functions in accordance with the functions assigned to them in the Modalities & Procedures. References to the Governing Board include a reference to the committee that has the relevant delegated functions.

- (c) The Executive Secretariat (Secretariat) provides operational support to the Governing Board (including its committees), to the Expert Panel and to any multi-stakeholder working groups and work programs, for example for standard-setting, assessment, assurance, oversight, market formation, communications and governance activity.
- (d) Multi-stakeholder groups including external experts provide input and advice to the Integrity Council, including its Governing Board and relevant committees.

Overview of Assessment

- 1.4 Assessment to enable identification of CCP-Approved carbon credits is achieved by the following steps:
 - (a) **Assessment of carbon-crediting programs (“Program-level assessment”):** The Integrity Council assesses whether applicant carbon-crediting programs satisfy the relevant principles in the CCPs using the Program-level criteria and requirements in Part I of the Assessment Framework. Carbon credits will only be deemed CCP-Approved if they are issued by a carbon-crediting program that has been assessed to fulfil these principles and criteria and requirements. See section 2 of this Assessment Procedure.
 - (b) **Assessment of Categories of carbon credits (“Category assessment”):** The Integrity Council assesses which Categories meet the relevant CCPs using the criteria and requirements applicable to Categories in Part II of the Assessment Framework. Carbon credits will only be deemed CCP-Approved if they belong to a Category that has been assessed under this Assessment Procedure to fulfil these principles and criteria. See section 3 of this Assessment Procedure.
 - (c) **Identification of CCP-Approved carbon credits:** Following the completion of the previous two steps, CCP-Eligible programs will identify which carbon credits are CCP-Approved and tag them as such in its program registry together with any relevant CCP Attributes. The identification and tagging by carbon-crediting programs will be overseen by the Integrity Council. See section 4 of this Assessment Procedure.
- 1.5 Assessment of an applicant carbon-crediting program will tend to precede assessment of Categories, but the Integrity Council may at times choose to assess certain Categories before assessment of the applicant carbon-crediting program has been completed, in which case assessment of Categories in relation to that applicant carbon-crediting program will remain pending until completion of the Program-level assessment and will be finalised only if and when the applicant carbon-crediting program is decided to be CCP-Eligible (including CCP-Eligible conditional on remedial action being completed).

Confidentiality during the assessment process

- 1.6 All information received from applicant carbon-crediting programs per sections 2 and 3 of this Assessment Procedure will be used for the purpose of assessing the carbon-crediting program and Categories against the Assessment Framework and related processes under this Assessment Procedure. The Application will be made public on the ICVCM website² following its submission. Further provisions relating to confidentiality are set out in the Terms and Conditions.

² <https://icvcm.org/>

Stakeholder input

- 1.7 In line with its Governing Principles and Mandate³ of Inclusion, Transparency and Continual Improvement, the Integrity Council encourages feedback from any stakeholders.
- 1.8 Stakeholders may provide input at any time (info@icvcm.org), including in relation to specific Applications or Categories assessments. Input will be acknowledged within five working days. Stakeholder input will be made public on the ICVCM website, unless it is offensive, irrelevant or presents other material risk to the Integrity Council process, in which case the fact of the submission, but not the contents, will be listed on the ICVCM website.

Feedback

- 1.9 Feedback on the Integrity Council's work is welcome at any time and may be submitted to info@icvcm.org, including the word “feedback” in the subject line of the email. Feedback will be acknowledged within five (5) working days.

³ [Key Governing Principles and Mandate](#)

2 ASSESSMENT OF CARBON-CREDITING PROGRAMS

- 2.1 This section sets out the procedure by which the Integrity Council assesses carbon-crediting programs against the CCPs and the requirements in Part I of the Assessment Framework (Program-level) in order to take a decision to approve, or not approve, the carbon-crediting program as CCP-Eligible.

Application by a carbon-crediting program to the Integrity Council

- 2.2 Any carbon-crediting program that issues carbon credits may apply to the Integrity Council for assessment of its program.
- 2.3 Any carbon-crediting program that wishes to be assessed should notify the Integrity Council of its intention to apply by sending an email to application@icvcm.org. The Secretariat will endeavour to provide the carbon-crediting program with login instructions for the Application Platform no later than 10 working days following the notification.
- 2.4 To apply, the carbon-crediting program must submit the detailed application with appropriate supporting evidence and documentation ('Application'), through the Application Platform.
- 2.5 As part of the Application, the carbon-crediting program must reply to all the questions and submit all necessary documents required in the Application Platform and must agree to the Terms and Conditions, through the Application Platform. The carbon-crediting program may withdraw its program Application at any time before a final decision has been taken by the ICVCM on the approval pursuant to 2.22 below, by emailing application@icvcm.org. A withdrawn Application means that the application and Categories assessments being undertaken in accordance with section 3 of this Assessment Procedure will not be further processed, and the carbon-crediting program's withdrawal will be made public on the ICVCM website.
- 2.6 Following submission of the Application, the Secretariat will provide the carbon-crediting program with an estimate of the expected timeframe for the assessment, based on its current workload.

- 2.7 In accordance with the Assessment Framework, for CORSIA-eligible carbon-crediting programs, certain sections of the Assessment Framework refer to CORSIA eligibility and requirements and the ICVCM Application under this Assessment Procedure is completed by reference to that CORSIA eligibility and documents supplied in the application submitted to CORSIA.
- 2.8 A carbon-crediting program that has not applied for CORSIA must complete all sections of the ICVCM Application by providing the information, documents and evidence that would be required under CORSIA and as indicated in the Application Platform.
- 2.9 A carbon-crediting program that has applied to CORSIA but has not achieved CORSIA eligibility must contact the Secretariat before applying under this Assessment Procedure (applications@icvcm.org).
- 2.10 Following its completion by a carbon-crediting program, the Application will be made public (in pdf format), on the ICVCM website, subject to any redactions agreed between the Integrity Council and the carbon-crediting program where there is a compelling rationale for confidentiality.
- 2.11 The Integrity Council's carbon-crediting program assessment will be treated as confidential during the assessment. The Integrity Council will publish Decisions of the Governing Board relating to carbon-crediting program applications, including reasons for the decision as set out in this section.

Processing Applications

- 2.12 The Integrity Council will aim to present an assessment Decision for consideration by the Governing Board within four calendar months of receipt of the completed Application (two months if CORSIA-eligible), subject to workload. The expected timeline is subject to change. The Secretariat will notify the applicant carbon-crediting program as soon as practicable if the assessment is expected to take longer, including due requests to provide further information, or remedial actions.
- 2.13 On receipt of an Application submitted through the Application Platform, the Integrity Council will perform an initial completeness review of documentation submitted. The Secretariat will notify the carbon-crediting program of any apparent gaps in information, documentation or evidence submitted through the Application Platform, which must be resolved by the carbon-crediting program in order for the assessment to proceed. Where the information, documentation and evidence is complete, the Secretariat will notify the carbon-crediting program that the Application is complete and that the Application proceeds to the assessment stage.
- 2.14 Complete Applications will be processed in the order in which they are confirmed as complete, prioritising the Applications that are received by the initial application deadline as indicated in the Application Platform.

Application assessment

- 2.15 The Integrity Council will process the Application and prepare a draft assessment in the draft Assessment Report, on the basis of the Application submitted by the carbon-crediting program and, where applicable, other relevant public documentation and stakeholder comments submitted per 1.7-1.8 above, if any, identified by the Integrity Council as relevant to the Application.
- 2.16 The Integrity Council will communicate with the carbon-crediting program to resolve any issues identified during the assessment and preparation of the draft Assessment Report. The carbon-crediting program may submit additional information, documentation or evidence in order to resolve such issues.
- 2.17 Where the Integrity Council identifies issues that require changes to the carbon-crediting program's normative program documents, or other carbon-crediting program processes in order to meet the CCPs and the requirements of Part I of the Assessment Framework, the Secretariat will notify the carbon-crediting program of the required changes. These may be classified as minor changes, such that approval is not subject to completion of those changes, or may require remedial actions that must be resolved before the carbon-crediting program can be approved. Any required minor changes and/or remedial actions will be included in the draft Assessment Report.
- 2.18 The draft Assessment Report will include, as a minimum, summary information about the Program, its Application, any remedial actions, and recommendations from any relevant committee and from the Expert Panel. The Integrity Council shall provide the draft Assessment Report to the relevant carbon-crediting program and the carbon-crediting program may submit information to explain how its normative program documents or other documents address the issue underlying any remedial action. The Integrity Council may revise the draft Evaluation Report on the basis of that information.
- 2.19 The draft Assessment Report and a recommendation for the Decision for one of (a) to (c) in 2.20 below, will be submitted to the Governing Board.
- 2.20 The Governing Board shall consider the draft Assessment Report and the recommendation for the Decision and whether to take a Decision to:
- (a) Approve the carbon-crediting program as CCP-Eligible; or
 - (b) Approve the carbon-crediting program as CCP-Eligible conditional on completion of remedial actions; or
 - (c) Reject the application of the carbon-crediting program.
- 2.21 Where the Governing Board considers it is likely to take a 2.20 (b) or (c) Decision, the Integrity Council shall provide a copy of the final Assessment Report and draft Decision to the carbon-crediting program for its review and comments prior to any Decision per 2.22. The carbon-crediting program may request a hearing, in accordance with section 6 of this Assessment Procedure. After the hearing, if held, the Governing Board shall take a Decision per 2.22 that also takes into account written and oral information from the hearing.
- 2.22 The Governing Board shall consider the final Assessment Report and recommendation for the Decision and take one of the Decisions set out in 2.20 above.

Notification and publication

2.23 The Integrity Council will publish the Decision on the ICVCM Website.

2.24 Where the Decision is a 2.20 (b) decision, the Approval is conditional upon the remedial actions being completed to the satisfaction of the Integrity Council, based on information submitted by the carbon-crediting program. Until the completion of the remedial actions to the satisfaction of the Integrity Council, the CCP-Eligible program may not tag any carbon credits as CCP-Approved or with CCP Attributes per section 4 below.

2.25 A carbon-crediting program that has been rejected per a Decision under 2.20 (c) may resubmit an Application no earlier than six months from the date of that Decision.

CCP-Eligibility of the Program

2.26 Subject to suspension or termination of eligibility pursuant to section 5 of this Assessment Procedure, an approved carbon-crediting program is CCP-Eligible from the date of the CCP-Eligibility Decision until such time as a new or revised version of Part I of the Assessment Framework has been published, the new or updated application by the carbon-crediting program has been processed and a Decision made in accordance with the Assessment Procedure (including any update or revision thereof).

2.27 A CCP-Eligible program may be subject to interim review of its CCP-Eligibility in accordance with the provisions on interim review contained in section 5 below.

3 ASSESSMENT OF CATEGORIES

- 3.1 In order to enable CCP-Eligible programs to tag carbon credits as CCP-Approved, the Integrity Council will undertake an assessment of Categories in the VCM against the criteria and requirements relating to Categories set out in Part II of the Assessment Framework. This section describes that assessment process and how a Decision that a Category is/Categories are CCP-Approved is taken by the Integrity Council. This section may be supplemented with further provisions and issued as a revised Assessment Procedure when Part II of the Assessment Framework is published, expected in Q2 2023.

Grouping of Categories for assessment

- 3.2 The Integrity Council will convene a multi-stakeholder Categories Working Group (CWG) to assess Categories, that will operate pursuant to terms of reference that will be made public on the ICVCM website.⁴
- 3.3 The CWG will be tasked to review Categories, based on, *inter alia*, public classifications of Categories⁵, publicly available academic literature, information from ratings agencies, and other public information relating to Categories.
- 3.4 Based on the information listed in 3.3, the CWG will prepare an initial analysis of whether Categories appear to meet the criteria and requirements in Part II of the Assessment Framework. The initial analysis of the CWG will result in Categories being provisionally grouped for assessment into one of the following groups:
- (a) Fast track consideration.
 - (b) Deeper assessment.
 - (c) Very unlikely to meet the criteria and requirements of Part II of the Assessment Framework.

4 The Terms of Reference will be made public in due course.

5 For example, the [Berkeley Voluntary Registry Offsets Database](#)

- 3.5 The CWG's initial analysis will be reviewed by the Integrity Council and recommendations on the grouping of the Categories for the assessment will be made to the Governing Board. The Governing Board will take a Decision in relation to the groupings for assessment in accordance with 3.4 above. The Decision will be made public on the ICVCM website, along with relevant information.
- 3.6 A CCP-Eligible program, or a carbon-crediting program that has applied for CCP-eligibility pursuant to section 2 of this Assessment Procedure may, at any time, exclude one or more of its methodologies from further assessment under this Assessment Procedure, by emailing the Secretariat (applications@icvcm.org). In relation to methodologies that are excluded by the carbon-crediting program, the Secretariat will maintain a public list on the ICVCM website of excluded methodologies per applicant or CCP-Eligible program.

Assessment of Categories

- 3.7 For Categories grouped per “(a) Fast track consideration”, the Integrity Council will make a recommendation for a Decision to the Governing Board pursuant to 3.13 (a) below.
- 3.8 For Categories grouped per “(b) Deeper assessment”, the Integrity Council will appoint and convene multi-stakeholder Working Groups (MSWGs), that will operate pursuant to terms of reference that will be made public on the ICVCM website.⁶
- 3.9 The assessment of Categories in group “(b) Deeper assessment”, will be sequenced based on current market share and market trends and the Secretariat will publish an indicative sequencing of assessments.
- 3.10 The MSWGs will be tasked to assess specific Categories, including their underlying methodologies, based on, inter alia, public classifications of Categories⁷, publicly available academic literature, information from ratings agencies, carbon-crediting program specific information, including information submitted as part of its Application, and other public information relating to Categories.
- 3.11 Based on the information listed in 3.10, MSWGs, with the support of the Integrity Council, will prepare assessments of whether the relevant Category/Categories meet(s) the criteria and requirements in Part II of the Assessment Framework. The MSWG may make one of the following assessments:
- (a) The Category/Categories meet(s) the criteria and requirements for CCP approval.
 - (b) The Category/Categories meet(s) the criteria and requirements for CCP approval if the relevant carbon-crediting program(s) takes remedial action.
 - (c) The Category/Categories does not/do not meet the criteria and requirements for CCP approval.

⁶ The Terms of Reference will be made public in due course.

⁷ For example, the [Berkeley Voluntary Registry Offsets Database](#).

- 3.12 Each MSWG assessment will be reviewed by the Integrity Council and the Integrity Council will prepare a draft Evaluation Report on the basis of the MSWG assessment. The Integrity Council shall provide the draft Evaluation Report to the relevant carbon-crediting program. Where the assessment is a 3.11 (b) or (c) assessment, the carbon-crediting program may submit information to explain how its normative program documents or other documents address issues underlying the assessment. The Integrity Council may revise the draft Evaluation Report on the basis of that information. The draft Evaluation Report and a recommendation for the Decision for one of 3.13 (a) to (c) below, will be submitted to the Governing Board.
- 3.13 The Governing Board shall consider the draft Evaluation Report and the recommendation for a Decision and whether to take a Decision that:
- (a) The Category/Categories meet(s) the criteria and requirements for CCP approval.
 - (b) The Category/Categories meet(s) the criteria and requirements for CCP approval if the relevant program takes remedial action.
 - (c) The Category/Categories does not/do not meet the criteria and requirements for CCP approval.
- 3.14 Where the Governing Board considers it is likely to take a 3.13 (b) Decision the Integrity Council shall provide a copy of the Evaluation Report and draft Decision including the remedial action to the carbon-crediting program prior to any Decision per 3.16. The carbon-crediting program may request a hearing, in accordance with section 6 of this Assessment Procedure. After the hearing, if held, the Governing Board shall take a Decision on the Category/Categories per 3.16 below that also takes into account written and oral information from the hearing.
- 3.15 Where the Governing Board considers it is likely to take a 3.13 (c) Decision, the Integrity Council shall provide a copy of the Evaluation Report and draft Decision to the carbon-crediting program prior to any Decision per 3.16. The carbon-crediting program may request a hearing, in accordance with section 6 of this Assessment Procedure. After the hearing, if held, the Governing Board shall take a decision on the Category/Categories per 3.16 below that also takes into account written and oral information from the hearing.
- 3.16 The Governing Board shall consider the final Evaluation Report and recommendation for the Decision and take one of the Decisions set out in 3.13 above.
- 3.17 Where the Governing Board takes a 3.13 (a) Decision, the Decision will be made publicly available on the ICVCM website in accordance with 3.22 below.
- 3.18 Where the Governing Board takes a 3.13 (c) Decision, the Integrity Council will immediately notify the Decision to the relevant carbon-crediting program and will make the Decision public on the ICVCM website.
- 3.19 Where the Governing Board takes a 3.13 (b) Decision, the Secretariat will immediately notify the Decision to the relevant carbon-crediting program and will make the Decision public on the ICVCM website. The Decision shall specify the remedial action to be taken by the carbon-crediting program.

- 3.20 Where the Decision is a 3.13 (b) decision, the CCP-Approval of the Category is conditional upon the remedial action being completed to the satisfaction of the Integrity Council, based on information submitted by the carbon-crediting program. Until the completion of the remedial action to the satisfaction of the Integrity Council, the CCP-Eligible program may not tag any carbon credits in the relevant Category as CCP-Approved or with CCP Attributes per section 4 below. Completion of remedial action shall be determined by a subsequent Decision of the Governing Board, which will be made publicly available on the ICVCM website in accordance with 3.22 below.
- 3.21 For Categories grouped per 3.5 based on options in 3.4 as “(c) Very unlikely to meet the criteria and requirements of Part II of the Assessment Framework”, upon the completion of the assessment for Categories grouped (a) and (b), the Integrity Council will prepare a draft Evaluation Report and a recommendation for a Decision to the Governing Board to be taken pursuant per 3.16 above. Where the Decision is not a 3.13 (c) Decision, the Governing Board shall provide further detailed reasoning in the Decision.

Timing of Publication of Decisions granting CCP-Approval

- 3.22 The Integrity Council may coordinate the timing of publication of Decisions awarding CCP-Approval to Categories with the relevant carbon-crediting program(s) to enable the carbon-crediting program to identify and prepare to tag relevant CCP-Approved carbon credits.

CCP Attributes

- 3.23 A CCP-Eligible program may tag CCP-Approved carbon credits with relevant CCP Attributes where the criteria and requirements in relation to CCP Attributes as set out in the Assessment Framework have been met.

CCP-Approval

- 3.24 A carbon credit that has been tagged as CCP-Approved shall retain the CCP-Approved tag until it is retired or cancelled.
- 3.25 Subject to termination or suspension of the CCP-Eligible program and/or the CCP-Approval of the Category per section 5 of this Assessment Procedure, the CCP-Approval of the Category applies to all issued carbon credits included within the Category at the date of the CCP-Approval Decision and to all carbon credits in the Category that are issued by the CCP-Eligible program after the date of the CCP-Approval Decision.
- 3.26 Where a CCP-Eligible program includes a new Category within its scope (for example, due to a new version of a methodology or a new methodology or a new approach to address non-permanence risks) or wishes to seek the approval of a Category that was previously withdrawn per 3.6 above, it may request assessment of that Category in order for it to be included as a CCP-Approved Category in accordance with this section 3 and further procedures that may be developed by the Integrity Council.
- 3.27 The Integrity Council may update this section of the Assessment Procedure when Part II of the Assessment Framework is published (expected Q2 2023), to address CCP-Approval of Categories following revisions of Part II of the Assessment Framework.

4 APPLYING ASSESSMENT DECISIONS

Tagging of carbon credits as CCP-Eligible

- 4.1 A CCP-Eligible program may tag carbon credits as CCP-Approved where all of the following conditions are met:
- (a) The issuing carbon-crediting program has been determined by the Integrity Council to be CCP-Eligible pursuant to section 2 of this Assessment Procedure.
 - (b) The carbon credit belongs to a Category that has been determined by the Integrity Council to be CCP-Approved (CCP-Approved Category) pursuant to section 3 of this Assessment Procedure.
- 4.2 Each CCP-Eligible program will work with its registry to identify the carbon credits to be tagged as CCP-Approved and that may be tagged with relevant CCP Attributes. The carbon-crediting program shall document in writing the process and information used to identify which carbon credits are to be tagged as CCP-Approved and with relevant CCP Attributes.
- 4.3 The carbon-crediting program shall be responsible for the accuracy of tagging of CCP-Approved carbon credits in the program registry and for the accuracy of tagging of CCP Attributes.

Integrity Council Assurance of Accuracy

- 4.4 The Integrity Council will be responsible for assurance over the tagging of CCP-Approved carbon credits by CCP-Eligible programs, including the tagging of CCP Attributes.
- 4.5 The Integrity Council will seek to achieve high confidence that carbon credits are tagged accurately and may place reliance on information in the relevant carbon-crediting program registry concerning the carbon credits.

- 4.6 Assurance may include the following steps:
- (a) Review with the carbon-crediting program of the CCP-Approved carbon credit identification process.
 - (b) Audit by the Integrity Council and/or the CCP-Eligible program of the identification process and information used.
 - (c) Positive confirmation through sampling of CCP-Approved tagged carbon credits in the program registry, to confirm the tagged carbon credits match the Categories specified in the relevant Decision. CCP Attributes may also be sampled.
 - (d) Negative confirmation through data analysis of the set of CCP-Approved tagged carbon credits to ensure that carbon credits that do not match the Categories and conditions specified in the decision in various respects are not tagged.
- 4.7 In the event that any incorrect tagging is identified, the CCP-Eligible program will be required to correct the incorrect tagging within five working days and to notify the Integrity Council when the correction is completed. Integrity Council may extend its sample and/or perform follow-up assurance as it deems appropriate to ensure that incorrect tagging has been resolved.
- 4.8 Assurance processes may lead to investigations and/or interim review processes as described in section 5 below.
- 4.9 The Secretariat will prepare a periodic assurance report for consideration by the Governing Board.

5 ONGOING ASSURANCE AND ENFORCEMENT

Ongoing Assurance

5.1 The aim of the Integrity Council's ongoing oversight and assurance is:

- (a) To promote transparency, which encourages greater scrutiny of mitigation activities and carbon-crediting programs.
- (b) To ensure CCP-Eligible programs are complying with the CCPs and Assessment Framework.
- (c) To be alert to thematic issues (real or perceived) that warrant follow up or lessons to be shared, to ensure high integrity is maintained.

Responsibility of Programs

5.2 A CCP-Eligible program shall adhere to the governance, normative program documents and practices as set out in its Application and to enforce the requirements of the methodologies, tools, standards and other documents that have formed the basis for approval as CCP-Approval in relation to Categories.

5.3 A CCP-Eligible program shall comply with the criteria and requirements set out in the Assessment Framework.

5.4 A CCP-Eligible program shall ensure it has procedures for handling questions and complaints from mitigation activity proponents and third parties, including stakeholders, about its tagging of CCP-Approved carbon credits and other aspects of its compliance with the ICVCM Assessment Framework. The procedures shall be notified to the Integrity Council. The Integrity Council may redirect stakeholder complaints received under section 6 below to the relevant CCP-Eligible program, if appropriate.

5.5 A CCP-Eligible program should notify the Integrity Council as soon as possible (subject to any legal restrictions) where:

- (a) It anticipates, or has implemented, a material change in its governance, normative program documents and practices that formed part of its Application, such as a merger or transfer of decision-making powers, in respect of the Program or of a CCP-Approved Category, including changes related documents and tools. A material change is one that

could reasonably be expected to affect the Integrity Council's approval Decision for a carbon-crediting program or eligibility Decision for a Category.

- (b) A material failure to comply with the criteria and requirements set out in the Assessment Framework has or is likely to have occurred.
- 5.6 The Integrity Council may undertake an interim review of a CCP-Eligible program or CCP-Approved Category as a result of a notification pursuant to 5.5.
- 5.7 A CCP-Eligible program shall provide an annual report to the ICVCM containing information on the application of the Assessment Framework and CCP-Approval during the relevant year, including CCP-Approved tagging, complaints and revisions and updates to documents relevant to the CCP-Eligible status of the program, based on a template to be developed by the Integrity Council.

Performance monitoring by the Integrity Council

- 5.8 The Integrity Council will, at its discretion, monitor the performance of CCP-Eligible programs and CCP-Approved Categories. Monitoring will be risk-based and through actions that may include:
- (a) Review of data and market intelligence.
 - (b) Reviewing issues and themes that arise through the CCP-Eligible program's own oversight and complaints process (as reported per section 5.7 above).
 - (c) Spot-checks and sample-based auditing.
 - (d) Monitoring complaints and issues arising in the VCM.
 - (e) Thematic analysis of any trends and patterns emerging from the above actions.
 - (f) Ongoing consultation and input through ICVCM work programs.
 - (g) Inviting input from stakeholders on areas for possible improvement.

Investigations

- 5.9 Where the Integrity Council considers, in its sole discretion, an investigation is necessary to resolve identified issues:
- (a) It may inform the CCP-Eligible program, and the CCP-Eligible program shall work in good faith to resolve identified issues with the Integrity Council.
 - (b) Necessary investigation will be led by the CCP-Eligible program but the Integrity Council reserves the right to investigate if required.
 - (c) The Integrity Council may raise issues or request or perform spot-checks, on a risk-based approach informed by market intelligence, thematic analysis and grievances raised and the CCP-Eligible program will seek to address those issues and accommodate spot-checks.
 - (d) The Integrity Council will consider adequacy and effectiveness of resolution and improvement actions arising from investigations.

- 5.10 The Integrity Council may initiate an assessment based on available information at its own discretion at any time where it suspects misuse of the Integrity Council brand, CCP trademark or risk of market confusion, such as where an organisation has not been assessed as CCP-Eligible by the Integrity Council but has made claims in relation to the CCP, such as a claim to be CCP compliant.

Interim Review

- 5.11 The Integrity Council may initiate an interim review of the CCP-Eligible program or of a CCP-Approved Category, at its sole discretion, if it becomes aware of a material change or if it has cause to suspect material failings, including but not limited to:
- (a) Material, or repeated instances of non-compliance with the CCPs and Assessment Framework criteria and requirements.
 - (b) In relation to a carbon-crediting program CCP-Eligibility Decision, failure to implement minor changes or complete remedial actions.
 - (c) Non-disclosure by the carbon-crediting program of a material change, as required by 5.4.
 - (d) Changes in the CORSIA application requirements, Emission Unit Eligibility Criteria and/or other changes in CORSIA that have implications for the ICVCM.
 - (e) For a CORSIA-Eligible program, the lapsing or revocation of CORSIA eligibility.
 - (f) An apparent non-adherence by the CCP-Eligible program to its governance and practices as set out in its Application where the non-adherence may reasonably be expected to lead to a material breach of the CCPs and Assessment Framework.
 - (g) Material failure to cooperate with the Integrity Council's investigations and/or to respond to reasonable requests made in accordance with published processes.
 - (h) Failure to rectify material issues or errors that have been identified during any investigation.
 - (i) Fraud or gross negligence, false disclosure to the Integrity Council, publishing or allowing to be released misleading information.
- 5.12 Where, in accordance with 5.11, the Integrity Council considers initiating an interim review:
- (a) The Integrity Council will analyse the case and prepare a proposal on the scope and modalities of any interim review required, for example re-performing a section(s) of the Assessment Procedure and provide a recommendation to the Governing Board.
 - (b) The Governing Board will make a Decision on initiating an interim review.
 - (c) Where the Governing Board decides to initiate an interim review, the Integrity Council will communicate with the CCP-Eligible program as appropriate to gather information, clarify issues or agree remediation actions.
 - (d) The Integrity Council will prepare a report including its findings, required remedial actions, if any, and make a recommendation for a draft Decision for one of 5.13 (a) to (c) below, to the Governing Board.

- 5.13 The Governing Board will review the report and consider whether to take a Decision to:
- (a) Close the interim review due to resolution of the identified issues, including any agreed remediation plan.
 - (b) Suspend the CCP-Eligibility of the carbon-crediting program or the CCP-Approval of the Categories, as applicable, in accordance with this section 5.
 - (c) Terminate the CCP-Eligibility of the carbon-crediting program or the CCP-Approval of the Categories, as applicable in accordance with this section 5.
- 5.14 Where the Governing Board considers it is likely to make a 5.13 (a) recommendation, the draft Decision shall be provided to the carbon-crediting program. The Governing Board shall adopt a Decision to close the interim review due to resolution of the identified issues. The fact of the Interim Review and its closure, but not the Decision, shall be made public on the ICVCM website.
- 5.15 Where the Governing Board considers it likely to take a 5.13 (b) or (c) decision, the draft Decision will be provided to the CCP-Eligible program in accordance with the provisions below, as applicable. The CCP-Eligible program may request a hearing in accordance with section 6 of this Assessment Procedure. The Decision of the Governing Board shall take into account written or oral information provided in the hearing.

Suspension of CCP-Eligibility or CCP-Approval

- 5.16 The Integrity Council reserves the right to suspend the eligibility of a CCP-Eligible program or approval of CCP-Approved Categories following an interim review completed in accordance with this section 5, where, in the view of the Governing Board, such suspension is necessary and proportionate in order to protect the functioning of the VCM and reputation of the Integrity Council.
- 5.17 Where the Governing Board has determined pursuant to the interim review that suspension is appropriate:
- (a) The Integrity Council will provide the carbon-crediting program with the draft Suspension Decision. The draft Suspension Decision shall as a minimum contain: the grounds for the suspension, sufficient information for the carbon-crediting program to understand how the Integrity Council came to the view that suspension was necessary and proportionate, and the conditions to be satisfied by the carbon-crediting program for the program or Categories to be reinstated (the suspension lifted).
 - (b) The carbon-crediting program will have a response period of eight weeks to provide a rebuttal and/or undertake remediation and provide evidence of such remediation to the Integrity Council. In exceptional circumstances, the Integrity Council may, due to the seriousness and/or urgency of the issue, provide a shorter response period to the carbon-crediting program, of not less than five working days.
 - (c) The carbon-crediting program will have the right to a hearing in front of the Governing Board in accordance with section 6 below, prior to any Decision. The Decision of the Governing Board shall take into account written or oral information provided in the hearing.

- (d) The Governing Board shall review and may revise the draft Suspension Decision based on the hearing, if any, or rebuttal and/or remediation by the program, including determining that suspension is no longer required, in which case it shall not suspend the CCP-Eligibility of the carbon-crediting program/the CCP-Approval of the Category, as applicable.
- 5.18 The Governing Board shall consider the revised draft Suspension Decision pursuant to section 5.14 and shall take a Decision to:
 - (a) Not suspend the carbon-crediting program.
 - (b) Suspend the carbon-crediting program, in which case the Suspension Decision shall as a minimum contain: the grounds for the suspension, sufficient information for the carbon-crediting program to understand how the Integrity Council came to the view that suspension was necessary and proportionate, and the conditions to be satisfied by the program for the carbon-crediting program or Categories to be reinstated (the suspension lifted). The Suspension Decision shall have immediate effect.
- 5.19 The Decision shall be notified immediately to the carbon-crediting program. Within two working days of a Suspension Decision being notified to the section 6 of this Assessment Procedure, a non-confidential version of the Decision will be made public on the ICVCM website.
- 5.20 During a period of suspension of the CCP-Eligibility of a carbon-crediting program, the carbon-crediting program is not permitted to tag any carbon credits as CCP-Approved or tag any carbon credits with CCP Attributes or identify any new mitigation activities as CCP-Approved.
- 5.21 During a period of suspension of the CCP-Approval of a Category, the carbon-crediting program is not permitted to tag any carbon credits of that Category as CCP-Approved or tag any carbon credits of that Category with CCP Attributes or identify any new mitigation activities of that Category as CCP-Approved.
- 5.22 As soon as the carbon-crediting program has fulfilled, to the satisfaction of the Integrity Council, the relevant condition(s) for lifting the suspension as set out in the Suspension Decision, the Integrity Council shall prepare a draft Reinstatement Decision containing sufficient information on how the carbon-crediting program has resolved the issues that were the grounds for suspension and how it has met the conditions for reinstatement, for consideration by the Governing Board.
- 5.23 The draft Reinstatement Decision shall be provided to the carbon-crediting program. The carbon-crediting program shall have two working days to comment on the draft Reinstatement Decision. The Integrity Council shall review the comments and may revise the draft Reinstatement Decision.
- 5.24 The Governing Board shall consider the draft Reinstatement Decision and the recommendation and shall, unless otherwise decided by the Governing Board, adopt the Reinstatement Decision. The Reinstatement Decision shall have immediate effect and shall be made public on the ICVCM website.
- 5.25 Upon publication of the Reinstatement Decision, the carbon-crediting program may tag carbon credits issued during a suspension period as CCP-Approved and CCP Attributes and may identify any new mitigation activities as CCP-Approved, if applicable.

- 5.26 Where the carbon-crediting program does not fulfil, to the satisfaction of the Integrity Council, the relevant condition(s) for lifting the suspension as set out in the Suspension Decision, including any conditions relating to timeframes, the Governing Board may consider whether the interim review and the suspension process are sufficient for the Governing Board to consider termination, in which case, the provisions relating to termination in this section shall apply.

Termination of CCP-Eligibility or CCP-Approval

- 5.27 The Integrity Council reserves the right to terminate the CCP-Eligibility of a carbon-crediting program or CCP-Approval of a Category. Circumstances under which CCP-Eligibility or CCP-Approval designation may be terminated include but are not limited to the most severe examples of the circumstances listed in 5.11 above, that raise material doubt as to the carbon-crediting program's competence, conduct and/or commitment to meeting the criteria and requirements of the CCPs and the Assessment Framework, overall or in respect of the Categories in question, in the opinion of the Governing Board.
- 5.28 Termination Decisions may be taken by the Governing Board only after an interim review, and after any related Suspension Decision, as set out in this section 5.
- 5.29 Where the Governing Board has determined pursuant to the interim review that termination is appropriate:
- (a) The Integrity Council will provide the carbon-crediting program with the draft Termination Decision. The draft Termination Decision shall as a minimum contain: the grounds for the termination, and sufficient information for the carbon-crediting program to understand how the Integrity Council came to the view that termination was necessary and proportionate.
 - (b) The carbon-crediting program will have a response period of eight weeks to provide a rebuttal and/or undertake remediation and provide evidence of such remediation to the Integrity Council. In exceptional circumstances, the Integrity Council may, due to the seriousness of the issue, provide a shorter response period to the carbon-crediting program, of not less than two weeks.
 - (c) The carbon-crediting program will have the right to a hearing in front of the Governing Board in accordance with section 6 below prior to any Decision. The Decision of the Governing Board shall take into account written or oral information provided in the hearing.
- 5.30 The Governing Board shall consider the revised draft Termination Decision pursuant to 5.27 above and shall take a Decision to:
- (a) Not terminate the CCP-Eligibility of the program/the CCP-Approval of the Categories.
 - (b) Terminate the CCP-Eligibility of the program/the CCP-Approval of the Categories, in which case the Termination Decision shall as a minimum contain: the grounds for the termination and sufficient information for the carbon-crediting program to understand how the Integrity Council came to the view that suspension was necessary and proportionate. The Termination Decision shall have immediate effect.
- 5.31 The Decision shall be notified immediately to the carbon-crediting program. Within two working days of a Termination Decision being notified to the carbon-crediting program, a non-confidential version of the Decision will be made public on the ICVCM website.

- 5.32 The termination of CCP-Eligibility of a carbon-crediting program means that, unless otherwise decided by the Governing Board and communicated in the relevant Termination Decision, no further carbon credits may be tagged as CCP-Approved or tagged with CCP Attributes and no new mitigation activities may be identified as CCP-Approved.
- 5.33 The Integrity Council may update this section of the Assessment Procedure to address implications of termination of CCP-Approval of Categories when Part II of the Assessment Framework is published (expected Q2 2023).

Sharing Lessons and Continual Improvement

- 5.34 The Integrity Council will maintain a confidential record of issues with the implementation of the Assessment Framework and the Assessment Procedure that it identifies or that are notified to it.
- 5.35 The Integrity Council will periodically provide a summary report of anonymised and aggregated trends in issues identified for the Governing Board. Where trends are apparent, the Governing Board may request the Integrity Council to consider the trends and provide a recommendation to the Governing Board on implications, if any, for the next update or revision to the Assessment Framework or Assessment Procedure.
- 5.36 The Integrity Council may convene carbon-crediting programs and other stakeholders in order to share experiences of applying the Assessment Procedure and seek feedback on its application.

6 HEARINGS, INDEPENDENT REVIEW, COMPLAINTS

Complaints (Programs and stakeholders)

- 6.1 Pursuant to section 1, 1.7 to 1.9 above, stakeholders may provide input to the ICVCM at any time, in accordance with those provisions.
- 6.2 Carbon-crediting programs and stakeholders that wish to make a complaint relating to the Integrity Council and/or any CCP-Eligible program, may be submitted to complaints@integritycouncil.org, including the word “complaint” in the subject line of the email. All information received will be treated as confidential. Complaints should be made as soon as possible after the event giving rise to the complaint. Complainants must provide their contact details (i.e., complaints must not be anonymous) or the complaint will not be considered further.
- 6.3 The Secretariat will aim to acknowledge the complaint within five working days and to investigate and aim to complete the investigation within two months. The Secretariat may, but is not required to, inform the complainant of the outcome of its investigation. If the Secretariat considers the complaint will require a more complex review or investigation with a longer timeframe, including cases involving third parties, the Secretariat will inform the complainant of this.
- 6.4 The Secretariat may forward a stakeholder complaint to a CCP-Eligible program where the complaint relates to processes or documents managed by the CCP-Eligible program and is not a complaint about the CCP-Eligible program’s performance in relation to or compliance with the Assessment Framework or ICVCM and will inform the stakeholder accordingly.
- 6.5 Where the complaint pertains to the governance and operational functions of the Integrity Council, the Secretariat may use external experts to consider the matter and shall inform the complainant.
- 6.6 The Secretariat will maintain a confidential record of complaints.

- 6.7 The Integrity Council will periodically provide a summary report of anonymised and aggregated trends in complaints for the Governing Board. Where trends are apparent, the Governing Board may request the Integrity Council to consider the trends and provide a recommendation to the Governing Board on implications, if any, for the next update or revision to the Assessment Framework or Assessment Procedure.

Hearings (programs)

- 6.8 A carbon-crediting program may request a hearing in relation to any draft Decision addressed to it per sections that it considers does or may have implications for it. The request shall be made by emailing the Secretariat at info@icvcm.org.
- 6.9 The hearing may be in-person or virtual and will be organised by the Integrity Council and conducted by the Governing Board. Logistics arrangements will be consulted with and then communicated to the carbon-crediting program. The Integrity Council will provide to the carbon-crediting program all relevant information that forms the basis of the draft Decision (including draft Assessment Report or draft Evaluation Report and any draft Decision, as applicable), except where information is subject to confidentiality requirements or other legal restrictions.
- 6.10 The carbon-crediting program may make written submissions for the hearing, including evidence to support the submissions and be represented by persons of its choosing, except that no representative shall have been previously employed by or worked for the Integrity Council in the last two years or served on the Governing Board, Expert Panel or in any multi-stakeholder working groups in the last two years. Representatives shall confirm that they have no conflict of interest per the Conflicts of Interest Policy at the start of the hearing.
- 6.11 The hearing will be conducted in English and the carbon-crediting program may present such written or oral information as it considers necessary.
- 6.12 Written submissions prior to and information presented in the hearing shall be taken into account by the relevant committee of independent members of the Governing Board in the finalization of the draft Decision, as set out in sections 2, 3 and 5 of this Assessment Procedure.

Independent review (programs)

- 6.13 A carbon-crediting program may request independent review (Independent Review) by an arbitral panel of any of the following:
- (a) Decisions of the Governing Board.
 - (b) Actions or inactions by the Integrity Council that are alleged to be in the scope of but appear to the carbon-crediting program to be materially inconsistent with the Assessment Procedure or Assessment Framework.
- 6.14 An Independent Review request shall be made by emailing the Secretariat at info@icvcm.org.
- 6.15 The Independent Review is intended as a final arbitration process, as further set out in the Terms and Conditions.



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