



# Standards Endorsement Procedure Guide

Version 2.0

March 2023

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## 1.0 INTRODUCTION

ICROA's Standards Endorsement Procedure (the Procedure) recognises high-quality Standards in the voluntary carbon market (VCM). The purpose of the Procedure is to identify Standards for inclusion in the ICROA Code of Best Practice (the Code). The Code exists to provide guidance to ICROA Accredited Organisations that provide offsetting services in the VCM. Accredited Organisations are only permitted to transact credits from Endorsed Standards.

The purpose of this document is to outline the Procedure's purpose, structure, and the process to become Endorsed and included in the Code. This includes information on who is eligible to apply, timelines, and requirements that must be followed.

This Guide is one part in a series of documents used to define the Procedure. Readers should view this document in conjunction with the following:

- Standards Endorsement Review Criteria
- Standards Endorsement Application Form

## 2.0 ROLES & RESPONSIBILITIES

This section describes the different groups involved in the Procedure and their responsibilities.

### 1. 2.1 IETA Secretariat

The IETA Secretariat (the Secretariat) is responsible for managing the Procedure and ensuring its effective operation, including appointing and overseeing the third-party Assessors. The Secretariat is available to answer questions from Standards, as well as to clarify questions from the Assessors. The Secretariat connects Standards with the appropriate resources and maintains all documentation and records. Based on the third-party assessment, the Secretariat makes a recommendation to the ICROA Accreditation Committee on whether a Standard should be Endorsed. Complaints and appeals are managed by the Secretariat.

### 2. 2.2 Standards

Standards, also called "carbon crediting programs", and occasionally "registries," are the entities applying to be endorsed. A Standard is endorsed and included in the Code upon submitting a complete application, successful completion of the third-party assessment, and receiving endorsement by the Accreditation Committee. The Standard is therefore responsible for presenting information to demonstrate alignment with the Standards Endorsement Review Criteria in the form of controls, procedures, data, and documentation that show the organisation conducts operations to a high degree of integrity. The Standard is responsible for completing the application and assessment in a timely manner and ensuring their ongoing compliance with the review criteria.

### 3. 2.3 Accreditation Committee

The Accreditation Committee makes the final decision on a Standard's Endorsement and inclusion in the Code based on the recommendation by the Secretariat. The Accreditation

Committee's main role is to ensure the Procedure was followed and due care was taken to ensure only high-integrity Standards are endorsed.

#### 4. **2.4 Third-Party Assessor**

The third-party Assessor is an independent third-party company responsible for assessing the Standards' compliance with the review criteria and providing an independent recommendation for Endorsement to the Secretariat. The Assessor applies commonly accepted audit practices at a review level for documentation and assessment. The Assessor may make recommendations for improving the review criteria to the Secretariat.

#### 5. **2.5 Ad Hoc Technical Working Group**

An Ad Hoc Technical Working Group may be convened to provide a review of the third-party assessment to provide additional technical review or as may be required in the case of a contentious or unclear recommendation(s). Volunteers for this ad hoc working group will be drawn from the IETA VCM Working Group membership and are required to either be an employee of an ICROA Accredited Organisation, or have demonstrated an in-depth knowledge of the Code and Standards Endorsement Procedure. Volunteers should work in a sufficiently technical capacity to understand the implications of the review criteria. When engaged, the working group will be tasked with identifying any material concerns with the third-party assessment.

### **3.0 ELIGIBILITY**

To be eligible for Endorsement, Standards must meet all criteria outlined in the Standards Endorsement Review Criteria.

All Standards, whether in the application process or currently Endorsed, are required to proactively inform ICROA of any updates or changes to the Standard's programme operations or methodologies and provide information regarding the impacted criteria. The Secretariat will review the changes and determine whether a full third-party assessment is required to evaluate compliance with the Standards Endorsement Review Criteria.

*Standards will not be assessed without having applied to ICROA.*

#### 1. **3.1 Government or UN Endorsement**

Some Standards may undergo a "light touch" assessment if they are approved by a government or a UN Programme (such as ICAO or UNFCCC). The application form should be completed in full for both independent Standards and those approved by a government or the UN. The Secretariat's decision to allow a light touch assessment will be made based on the thoroughness of the information provided and the ability of the Standard to prove compliance with the review criteria.

## 2. **3.2 Conditional Endorsement**

The Standard must have a sufficient presence in the market to be fully endorsed. This concretely translates to:

- 10+ projects registered, and
- 100,000+ tCO<sub>2</sub>e issued.

A Standard can apply for Endorsement prior to these conditions being met. If evidence for all other review criteria is deemed acceptable, the Accreditation Committee may *Conditionally Endorse* the Standard. The Conditional Endorsement will be noted in the Code and on ICROA's website. While a Standard is Conditionally Endorsed, ICROA Accredited Organisations may transact carbon credits from the Standard without restriction. When the Standard reaches both thresholds identified above, they are responsible for contacting the Secretariat. The Secretariat will then do a high-level review to ensure that the rules are effectively being implemented by projects registered under the Standard. If deemed acceptable, a recommendation will be brought forth to the Accreditation Committee for their review and consideration of awarding a full Endorsement.

## **4.0 ENDORSEMENT PROCESS**

This section describes the process for a typical Standard applying for Endorsement.

### 3. **4.1 Endorsement Process**

Any Standard may apply if they feel they meet all review criteria. If a Standard does not successfully pass their first application, they are welcome to apply again. The assessment fee will be charged each time the Standard undergoes a third-party assessment.

New applications can be submitted at any time; they will be processed in a timely manner depending on the availability of the third-party Assessor. ICROA intends for the complete Standards Endorsement process, as described below, to be contained to a maximum of three months.

The following steps outline the application and Endorsement process:

#### **1. Internal Evaluation**

The Standard shall review the Standards Endorsement Review Criteria and determine whether the organisation is eligible to apply for Endorsement. The Standard should also review the Standards Endorsement Terms and Conditions to ensure that all clauses therein will not pose a barrier to Endorsement if the application is successful.

#### **2. Application**

Once the Standard is confident that all criteria are met, it shall complete the Standards Endorsement Application Form. Prior to completing this form, IETA requests the Standard to contact the Secretariat's Programme Coordinator, Franco D'Aprile, at [daprile@ieta.org](mailto:daprile@ieta.org) to express its intent to apply and anticipated submission date. This

allows the Secretariat to notify an Assessor and ensure their availability in a timely manner. Applications may be submitted at any time.

Once the application form is complete, the Standard will email the form to the Programme Coordinator who will initiate the next steps.

### **3. Completeness Check**

Once the completed application form is received, the Secretariat will review it for completeness. Any noticeable discrepancies will be communicated to the Standard prior to engaging the Assessor. At this stage, the Secretariat will select an Assessor based on availability and the avoidance of any potential conflicts of interest.

### **4. Conflict of Interest Check**

IETA takes conflicts of interest very seriously and follows a strict process to ensure conflicts are avoided. The Standard must notify the Secretariat if there are any known conflicts between itself and either of the Assessors. In case of a conflict of interest with one Assessor, the other will be engaged for the assessment. In case of conflicts with both Assessors, the Secretariat and an Ad Hoc Technical Working Group will complete the assessment and provide a recommendation to the Accreditation Committee.

### **5. Invoice**

Prior to beginning the assessment, the Secretariat will invoice the Standard. A fixed fee of 10,000 CHF will be charged for the third-party assessment.

### **6. Third-Party Assessment**

The assessment will kick-off with a call between the Standard, Secretariat, and Assessor. This introductory call is intended to familiarise all parties with one another, the process, and the document sharing platform that will be used for all communications. The completed application form will be shared with the Assessor before or during this meeting.

Within approximately two weeks of the kick-off meeting, the Assessor will provide findings to the Standard and make requests for additional information as needed. The Standard is expected to respond to all findings and provide requested information in a timely manner. A timeline of 1-2 weeks is encouraged for this back-and-forth between the Standard and Assessor. Once the Assessor is confident they have sufficient information to make a recommendation, they will finalise their review, complete the assessment framework provided by IETA, and develop a recommendation on whether the Standard should be Endorsed. This is anticipated to take up to two weeks after all information has been provided by the Standard. Once all information is reviewed, the Assessor will communicate their recommendation to the Secretariat.

## **7. Consistency and Quality Check**

Depending on the nature of findings and recommendation from the Assessor, the Secretariat will determine whether an Ad Hoc Technical Working Group needs to be assembled to undergo a consistency and quality check. The intention of this check is to ensure there are no material concerns with the work done by the Assessor and that the quality of the Standard is in line with other Standards that have been endorsed through the Procedure. The default will be to assemble such a working group; however, in cases of a clear recommendation with few findings, the recommendation may go directly to the Accreditation Committee.

## **8. Review and Approval**

The Accreditation Committee meets periodically throughout the year and makes the final decision as to whether the Standard is Endorsed and included in the Code. Members of the committee are responsible for ensuring that the process was followed, any conflicts of interest were addressed appropriately, and there are no outstanding material concerns from any parties. The Accreditation Committee's decision will be communicated to the applicant in a timely manner by the Programme Coordinator.

If the Standard is fully Endorsed or Conditionally Endorsed, the Code of Best Practice will be updated to reflect that ICROA Accredited Organisations may transact credits from this Standard with immediate effect. If the Standard is not awarded an Endorsement by the Accreditation Committee, but the committee feels the Standard should be able to make the necessary updates to meet the requirements, the Standard may be provided a 60-day window to make the updates and re-submit for Endorsement.

## **9. Brand Agreement**

Upon successful completion of the Endorsement process, the Standard will be asked to sign the Standards Endorsement Terms and Conditions which outlines the rules for use of the Endorsement Mark (the Mark). This agreement must be signed prior to the Standard using the Mark.

### **4. 4.2 Renewal Assessment**

*The Secretariat is evaluating the inclusion of a renewal assessment for Standards that have previously been endorsed and included in the Code.*

## **5.0 DISPUTE RESOLUTION**

As outlined in the Standards Endorsement Terms and Conditions that must be agreed to by all Standards, the Procedure's dispute resolution process is as follows:

- a) Any dispute between the parties with respect to the interpretation of any provision of these Conditions and with respect to the obligations imposed by it on you, as appropriate, shall be resolved as provided for in this clause.
- b) Neither party shall commence formal dispute resolution proceedings (to include litigation), until the earlier of:
  - i. the parties' designated representatives jointly concluding that resolution of the dispute through continued negotiation of the matter does not appear likely; and
  - ii. 60 business days after a party's written request was submitted to the other party and that other party has failed to appoint a designated representative.
- c) Prior to the initiation of any formal dispute resolution proceedings (to include litigation), the parties shall first attempt to resolve their dispute informally, as follows:
  - i. upon the written request of either party to the other, each party shall appoint a designated representative for the purpose of endeavouring to resolve such dispute;
  - ii. the designated representatives shall meet as often as either party reasonably deems necessary in order to gather and provide to the other all information with respect to the matter in issue which the party believes to be appropriate in connection with its resolution. The designated representatives shall discuss the problem and negotiate with each other in good faith in an effort to resolve the dispute informally;
  - iii. during the course of negotiations, all reasonable requests made by either party to the other for non-privileged information, reasonably related to these Conditions, shall be honoured in order that each of the parties may be fully advised of the other's position; and
  - iv. the method of endeavouring to resolve the dispute shall be left to the discretion of the designated representatives.