ICR methodology approval process

Summary

ICR serves as a framework for climate projects of any sizes where environmental integrity is promoted with credibility, consistency and transparency of quantification, monitoring, reporting, validation, and verification.

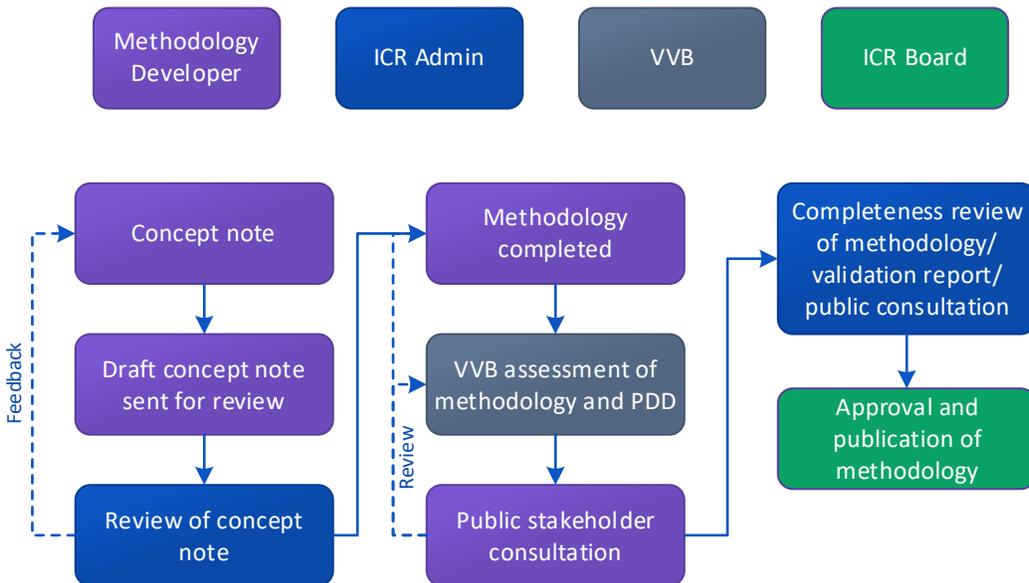| Version no.	2.0
Date of Version	14. October 2022

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Introduction

The ICR methodology approval process offers project proponents a pathway for developing new methodologies when no existing methodology addresses their needs or can be applied to their climate solutions or they need minor revisions. The methodology approval process includes that proposed methodologies validated by a validation/verification body accredited for ISO 14065 are reviewed by ICR for consistency and completeness and approved by the ICR board.

This ICR methodology approval process describes the framework, criteria, and process that methodologies must meet in order to be approved by ICR. The ICR methodology approval process is the process by which proposed methodologies are approved for use under the ICR program. New methodologies are subject to validation by a VVB and are submitted for review by the ICR and approval by the ICR board. Once a methodology has been approved, climate projects applying the methodology may be registered and receive credits for their mitigation outcome, subject to validation and verification of projects and their impacts.

1. Methodology Approval Process

New methodologies proposals and methodology revisions are approved through the process set out in this ICR methodology approval process, consisting of a review by the ICR, a public stakeholder consultation, an independent assessment by a validation/verification body, and final approval by the ICR board.

Methodologies include requirements towards a specific type of climate project that, with their application, conform to the requirements of ISO 14064-2, ICR requirements, and other normative requirements. They set out requirements and guidelines for establishing the baseline scenario, quantification, monitoring, and confirmation requirements that ensure consistency in their application and resulting impacts in mitigation outcomes specific climate projects. If ICR or other GHG programs have not already approved a methodology applicable to the climate solution, the project proponent needs to develop and propose a new methodology for approval by the ICR.

The methodology developer shall follow the requirements in the ICR methodology requirements, use the methodology description template for the development and strive to safeguard structural integrity, consistency, and readability. The methodology shall follow all instructions in the methodology description template and justify all deviations.

The new methodology proposal shall be submitted to ICR electronically via email to admin@carbonregistry.com. The methodology's name shall be written in the subject of the document, accompanied by an explanation indicating that the submitted documents represent a proposal for a new methodology. All supporting documentation shall be delivered to the ICR.

The costs of the methodology approval process consist of fees associated with validating the proposed new methodology charged by the VVB. The cost of contracting a validation/verification body (VVB) for validation of the methodology will be charged by the VVB. The applicant of the proposed methodology carries all costs if no other arrangement has been agreed upon.

1.1 Concept Note

Using the concept note template, the methodology developer may prepare a description of how the proposed climate solution and the climate project mitigate climate change. The concept note shall include the following:

- a summary description of the methodology,
- reference to other similar methodologies, and distinction to other methodologies,
- a summary of activities associated with the implementation,
- applicability of its application,
- assessment method of additionality,
- quantification approach of GHG emission mitigations, and
- describe monitoring measures,
- identification of planned projects and applying the methodology, and
- identification of the development team and their competence.
- Further, information on funding sources for developing the methodology and implementation of identified projects.

Concept notes shall be submitted to ICR electronically via email to admin@carbonregistry.com with the methodology name in the subject and an indication it is a concept note. The Concept note will not be published publicly unless the methodology developer requests public disclosure.

ICR conducts a completeness review of the concept note and confirms the following:

- Any existing methodologies do not cover the project activities covered by the concept.
- Approaches toward its application are provided in a detailed manner.
- The development team is appropriately competent and
- That sufficient funding is in place to ensure the methodology approval process can be completed.

ICR evaluates the concept note when enough information has been provided. When the evaluation has been completed, ICR will:

1. confirm that the concept note meets the criteria for the concept note, and the methodology developer may continue the process.
2. request minor improvement of the concept note, where ICR specifies unmet criteria.
3. request for a major improvement of the concept note before it can be resubmitted.

1.2 Methodology Development

Methodologies contain the eligibility rules, quantification methods, and confirmation requirements that ensure consistency in design and accounting for climate project mitigation outcomes. New methodologies are subject to validation according to the requirements of ISO 14064-2 on a methodology level (not project level mutatis mutandis), public stakeholder consultation, and completeness and consistency review by the ICR according to the requirements of the ICR methodology requirements.

The methodology developer shall develop the Methodology according to requirements described in the ICR methodology requirements, ISO 14064-2, and use the methodology description template provided by ICR to be eligible for new methodology approval under ICR.

1.3 Validation

The proposed new methodology is subject to validation. The methodology developer shall contract a VVB to conduct the validation of the methodology and a project design description. The VVB shall meet the requirements set out in the ICR methodology requirements.

The VVB shall produce a validation report following the requirements of ISO 14065 and conduct the validation according to ISO 14064-3. The validation report shall be separate for the proposed methodology from the validation report of the project applying the new methodology. The validation report(s) shall be submitted to the ICR in conjunction with the submission of the proposal for the new methodology. For methodology revisions, according to section 2, the VVB shall determine if the methodology shall undergo complete validation or only for the elements that have been modified.

1.4 Public Disclosure

ICR will create a website for the proposed methodology no later than when public consultation starts. The methodology developer may, however, request ICR to publish the site earlier. The methodology developer shall provide ICR with the following information.

1. Summary description of the methodology
2. Project activities
3. Applicability conditions
4. Assessment of additionality (additionality level)
5. Quantification methods
6. Monitoring
7. Sector, type
8. First projects implementation estimation with location
9. Developer information

1.5 Public Stakeholder Consultation

ICR publishes the proposed new methodology documentation on the ICR website for 28 days for consultation with stakeholders and the public on the proposed new methodology. In collaboration with ICR, the methodology developer may host a presentation of the proposed new methodology. Comments shall be submitted to admin@carbonregistry.com, and respondents shall provide their name, organization, country, and email address.

When the public consultation has ended, ICR provides comments received to the methodology developer and the VVB assessing the methodology. The methodology developer shall respond to all comments either by updating the methodology or demonstrating the insignificance or irrelevance of the comment. All adjustments shall be resubmitted to the VVB to assess the revision of validation.

1.6 Completeness Review by ICR

When the methodology developer has submitted the final proposal for the new methodology to the ICR along with the validation report and all other relevant documentation, i.e., project design description, validation report for the project, reference documentation, modules, tools, etc., ICR conducts a completeness review. Completeness review consists of a review of the methodology documentation to ensure that the methodology is of sufficient quality and that the methodology documentation has been completed according to ICR methodology requirements. The completeness review focuses on the methodology's structure, consistency, and clarity.

If ICR identifies issues or missing documentation in the submitted proposal for the new methodology, ICR communicates the issues to the methodology developer. The methodology developer shall provide clarifications or submit further documentation to address the identified issues to the ICR within 28 days of receiving the request.

If the completeness review reveals that the methodology does not meet ICR standards, ICR reserves the right not to proceed to the methodology approval process.

1.7 ICR Board Approval

ICR prepares all relevant documentation on the proposed new methodology to the ICR board, for which ICR has completed a completeness review and approved, taking into account the comments received from stakeholder consultation, using the ICR new methodology proposal form.

The ICR board shall consider the proposal of the new methodology, accompanied validation report for conformity to ISO 14064-2, and validated PDD if available. The ICR board shall make every effort to conclude its consideration and finalize the decision as soon as practically possible.

If the ICR board identifies issues in the proposed new methodology that may be addressed with clarifications or modifications, ICR communicates issues to the methodology developer. The proposal submission shall be considered withdrawn if the methodology developer does not respond to issues discovered within 90 days.

At the next scheduled ICR board meeting, the approval is placed on the agenda. The ICR board shall take due account to all documentation provided and decide either to:

1. Approve the proposed new methodology (revision);
2. Reject the proposed new methodology (revision);

If the ICR board approves the proposed new methodology (revision), the approved new methodology (revision) is published on the ICR website within seven days of the approval in ICR format, and the list of ICR approved methodologies is updated accordingly.

2. Methodology Revisions and Review

2.1 Revisions

Methodology revisions shall be prepared using the ICR methodology template. Methodology revisions may represent limited modification as clarification, correction, or more extensive modifications.

The methodology developer may consult with ICR to determine if a methodology revision represents a limited or extensive modification. If the revision is extensive, the revision process shall follow section 1 above.

For limited modifications, the methodology may be updated where ICR makes the required changes in coordination with the methodology developer and issues a new version.

Where revisions have been made to existing methodologies and approved by the ICR board, the revisions are published on the ICR website and can be applied to project activities.

A reference to the underlying methodology being revised shall be included for revising a methodology under another GHG program. The revision shall be applied to the current version of the methodology. The revision shall use the ICR methodology description template, and the rationale for the revision shall be clearly stated both in summary and in modified sections. Sections not modified shall refer to the underlying methodology.

If a new version of the underlying methodology is issued under the relevant GHG program, compromising the revised methodologies' integrity and conformity to ICRs program requirements, projects cannot apply the methodology revision until the methodology revision has been updated and approved.

2.2 Review

ICR periodically reviews approved methodologies to ensure continuity regarding methodologies being active and their reflection of best practices and scientific consensus. This is done to ensure consistency with any new amended requirements and foresee that methodologies include appropriate criteria and procedures for addressing all requirements.

A review may be initiated due to the following:

- New requirements reflect the development of the ICR program, best practice, and/or emerging scientific consensus concerning projects and methodologies.
- Concerns are that methodologies do not reflect best practices or scientific consensus or are materially inconsistent with ICR requirements.

ICR, in consultation with the ICR board, carries out the review and any relevant issues that initiated the review. Input from the methodology developer, the validation/verification body(s) that initially assessed the methodology, and appropriately qualified external experts, is requested as required for the review.

- If the review results in that the methodology requires limited modifications, ICR coordinates with the methodology developer to update the methodology documentation.
- If the review results in that the methodology requires major revision, the methodology is temporarily suspended. If the methodology developer or another entity would like to reinstate the methodology, the methodology shall be revised and approved following section 1 above. If not, the methodology is withdrawn.
- If the review shows that the methodology meets all ICR program requirements and reflects best practices and scientific consensus, no further action is required.

Withdrawn methodologies are not eligible for application for project activities for registration and issuance of ICCs. However, project activities that have been registered can continue the application for the crediting period, but the crediting period cannot be renewed.