

VCS Program Advisory Group

Meeting Minutes

Monday, 4 March 2019, 1500-1630 GMT

Advisory Group Participants: Edwin Aalders, DNV; Tanushree Bagh, SouthPole; Rodrigo Bezerra, BP Target Neutral; Natasha Calderwood, Conservation International; Leslie Durschinger, Terra Global Capital; Michael Gillenwater, GHG Management Institute; Kyle Holland, EcoPartners; Kelley Kizzier, Environmental Defense Fund (Verra Board); Mike Korchinsky, Wildlife Works Carbon; Christie Pollet-Young, SCS Global; Mandy Rambharos, Eskom (Verra Board); Lambert Schneider, Stockholm Environment Institute (participating in personal capacity); Christine Schuh, LE-EF; Joel Scriven, Shell; Christiaan Vrolijk, Natural Capital Partners; Chris Webb, The Nature Conservancy; Charlie Williams, Clean Air Action Corporation

Other Participants: Sam Hoffer (Manager, VCS & CCB Programs) and Will Ferretti (Chief Operating & Financial Officer), Verra

Welcome, Introductions and Agenda Review: The Advisory Group agreed to the agenda. Members present introduced themselves and stated reasons for interest in serving on the Advisory Group. Among the reasons given were: to ensure the VCS Program continues to offer robust and practical solutions, to ensure that the VCS Program continues to innovate, and to understand and advise on the VCS Program's transition into the post-2020 landscape.

Purpose of the Advisory Group: Mr. Hoffer provided an overview of the purpose of the Advisory Group. The purpose of the Advisory Group is to provide strategic guidance on the evolution of the VCS Program, provide recommendations for updates to the content of the VCS rules, provide insights into the needs of a range of VCS stakeholders, and advise on existing and prospective market opportunities (e.g., CORSIA). Mr. Hoffer also clarified that feedback from the Advisory Group would often be used to inform Verra Board of Directors discussions.

Term Assignments: Mr. Hoffer presented the assigned terms of Advisory Group members. Terms were assigned using a random number generator. The terms are as follows:

One year	Two years	Three years
Natasha Calderwood, CI	Edwin Aalders, DNV	Rodrigo Bezerra, BP
Michael Gillenwater, GHGMI	Tanushree Bagh, Southpole	Leslie Durschinger, Terra Global
Kyle Holland, EcoPartners	Mike Korchinsky, Wildlife Works	Lambert Schneider, SEI
Ed Rumsey, Permian Global	Christie Pollet-Young, SCS	Christiaan Vrolijk, NCP
Christine Schuh, LE-EF	Joel Scriven, Shell	Chris Webb, TNC
Charlie Williams, CAAC		

A group member highlighted that all VVB representation would be lost after two years (given the expiry of Mr. Aalders' and Ms. Pollet-Young's terms). Mr. Hoffer agreed that this is an issue, and will aim to ensure that VVB representation is maintained when seeking new group members after the two-year terms expire.

Confidentiality and Conflict of Interest: Mr. Hoffer indicated that discussion regarding VCS Version 4 should be kept confidential until the launch of the second public consultation. Each Advisory Group member was asked to state any business interest in the VCS Version 4 proposals to be discussed, as a means to provide transparency to all members.

VCS Version 4: Mr. Hoffer provided an overview of the status and indicative timeline for the second VCS Version 4 public consultation. Mr. Hoffer also presented the feedback received during the first public consultation and provided an overview of how it intends to take each Version 4 proposal forward for purposes of the second consultation.

With respect to the proposal to update the AFOLU Requirements, two group members suggested that it would be prudent to develop any proposals with respect to standardized reference region criteria and REDD+ project nesting within the same work-stream as any updates to the VCS Jurisdictional and Nested REDD+ (JNR) framework, rather than develop these in parallel.

With respect to the proposal to revise the scope of the VCS Program, one group member suggested that it will be important for Verra to develop a communications plan to ensure the rationale behind the proposal is consistently articulated. Another group member suggested it may be prudent for Verra to delay this proposal until there is greater clarity in respect of the post-2020 landscape. A third group member pointed out that there are differences between this proposal and those published by other GHG programs, meaning that projects which otherwise would have the option to achieve certification under the VCS Program may move to those other GHG programs.

With respect to the proposal to develop a Domestic Climate Contribution (DCC), two group members indicated support for putting this proposal on hold. Another group member suggested that it will be important for Verra to continue work on addressing how the voluntary carbon markets would transition into the post-2020 landscape. A third group member noted that distinguishing units as "voluntary" vs. "compliance" may not be sensible, since certain programs (e.g., in Colombia) may recognize units which would otherwise be considered "voluntary" as eligible under their compliance programs. It was also suggested that Verra should consider whether a "+" is the most appropriate way to distinguish "voluntary"- and "compliance"-grade VCUs, as a "+" may imply greater value, which may not necessarily be the intent. A fourth group member highlighted that any further work on a DDC-like

proposal should be done with the context of jurisdictional and nested REDD+ in mind, and that these cannot be developed separately.

With respect to the proposal for updating VVB accreditation recognition, two group members indicated that VVBs will simply need to make a business decision for themselves as to whether they wish to continue working under the VCS Program, and will therefore need to achieve the required accreditation, as appropriate.

Wrap Up

Due to time limitations, not all VCS Version 4 proposals were discussed in detail. Group members were asked to provide feedback on the remaining proposals via email.