



**UNIDROIT Working Group on the
Legal Nature of Verified Carbon Credits**

UNIDROIT 2024
Study LXXXVI – CC – Misc.1
English only
August 2024

CONSULTATIVE COMMITTEE

Terms of Reference

1. In light of the very broad interest generated by the Project on the Legal Nature of Verified Carbon Credits, the Secretariat informed the Governing Council at its 103rd session in May 2024 that a Consultative Committee (“Committee”) would be established. This Committee, which would be able to follow the developments of the project through consultations on the draft documents, would include a global geographic representation of experts from both technical and legal fields, thus allowing for wider participation, increased transparency, and enhanced provision of expert input to the Working Group. The Committee is also conceived to provide the Working Group with advice, comments and relevant information from a national and/or regional perspective as the work on the future instrument evolves. Moreover, it would ultimately provide a useful channel to raise awareness on the project among relevant policy makers and legislators, as well as to disseminate the final instrument to the wider global community.

I. COMPOSITION

2. The composition of the Committee should be balanced in terms of legal systems (common and civil law), geographical origin and gender.

3. To this end, each Member State of UNIDROIT is invited, by Note Verbale, to nominate a maximum of two (2) persons for the Consultative Committee. In principle, Member States are invited to nominate preferably one (1) government official and one (1) expert who is not a government official. Depending on the needs of the Working Group, the UNIDROIT Secretariat may also invite non-Member States to nominate Committee members as well.

4. Expert Members of the Committee should have demonstrated experience in carbon credit trading, environmental law, property law, contract law, secured transactions, and digital technology.

5. The Chair of the Consultative Committee will be a Member of the UNIDROIT Governing Council.

II. FUNCTIONING OF THE COMMITTEE

6. The Consultative Committee will be expected to start its activity once the Working Group has made sufficient progress so as to allow for a preliminary review of its work. Every iteration of the prospective international instrument will be submitted to the Committee for additional input.

7. As a general rule, the Committee will provide its input to the Working Group in written form, by way of comments and suggestions to documents presented for its consideration. Written input may be provided in English or in French.
8. Committee Members will be provided with at least twenty-one (21) calendar days for the provision of written input. The Chair may extend or reduce the time as needed in light of the complexity of the matter or the urgency of the request.
9. When deemed necessary, the Committee may meet virtually to discuss particularly relevant matters. Any Committee Member who wishes to convene a virtual Committee meeting should submit a written request to the Chair (via e-mail), stating the reasons for the meeting. The Chair will have discretion to convene a virtual meeting, upon request of a Committee Member or on his/her own motion, unless five (5) or more Members of the Consultative Committee request the meeting, in which case a meeting will be convened by the Chair.
10. Virtual Committee meetings will be conducted in English. The agenda for a virtual meeting will be prepared in advance by the Chair of the Committee in consultation with the Secretariat, and submitted to Committee Members at least ten (10) calendar days before the meeting. Up to five (5) calendar days before the meeting, any Committee Member may propose that additional topics be included in the agenda. The Chair may reject the inclusion of additional topics when not deemed adequate, unless at least five (5) Committee Members request their inclusion. A quorum will be deemed to be present if at least ten (10) voting Members of the Committee attend a meeting. If a State has nominated more than one member of the Consultative Committee, only one vote will be counted for that State.
11. A written summary will be drawn up after each virtual meeting and shared with the Working Group if deemed appropriate by the Chair. In case there is a need for an express resolution, it shall be adopted by consensus. In case consensus cannot be reached, a decision is deemed to be adopted with the favourable vote of a majority of participating members with a right to vote.
12. The written input provided by the Consultative Committee will be collected, consolidated, and summarised (where appropriate) by the Secretariat, and presented to the Working Group by the Chair of the Committee.
13. The input provided to the Working Group by the Consultative Committee is not binding. The Secretary-General of UNIDROIT may decide, on a proposal by the Chair of the Committee or on its own motion, to present a summary of the Committee's input to UNIDROIT Governing Council.
14. The Chair of the Consultative Committee may invite the Chair of the Working Group, and/or the Chair(s) of any Subgroups, if established, to attend a virtual Committee meeting and present on any specific matter deemed necessary. Similarly, the Chair of the Working Group, and the Chair(s) of any Subgroups, if established, may invite one or more Members of the Consultative Committee to present on specific topics of interest.