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PROGRAMME

Coalition Charter & LOI

SUMMARY

This ERS Coalition Charter and Letter of Intent (LOI) document has been established to structure the collaborative efforts between Developers and Buyers in the Voluntary Carbon Markets. This Coalition, comprising both parties, is organised and led by the ERS External Relations team.

The primary aim of the Coalition is to streamline direct cooperation and information sharing between Developers and Buyers. A secondary objective is to signal demand to Developers by pooling the investment intentions of Buyer members. Overall, the Coalition's objective is to cultivate a community of stakeholders that uphold best practices, transparency, and accountability in the Voluntary Carbon Markets.



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NORMATIVE REFERENCE

This document must be read in conjunction with the following documents:

- [ERS Programme](#)
- [Code of Ethics and Business Conduct](#)



ERS *Coalition* Charter

OBJECTIVES

The Coalition is an interest group between ERS-certified Project Developers and Buyers committed to **supporting high-quality ecosystem restoration Projects on the Voluntary Carbon Markets**. These stakeholders will be referred to as “Members”. The Coalition is led, organised and hosted by the ERS External Relations team.

Funds, corporations and intermediaries will be collectively referred to as “**Buyers**” within the context of this engagement charter.

Project Developers will be collectively referred to as “**Developers**” within the context of this engagement charter.

The primary objective of the Coalition is to facilitate **direct cooperation between Developers and Funders**.

The secondary objective of the Coalition is to **send demand signals to Developers**. By aggregating the investment intentions of Buyer Members, Developers are encouraged to get their Projects certified to access financing.

In addition, the Coalition seeks to **develop a community of stakeholders deeply committed to promoting best practices, transparency, and accountability in the Voluntary Carbon Markets**. This community would foster a culture of shared responsibility and mutual trust, ultimately enhancing the integrity and effectiveness of these markets.

Any change or development on the engagement charter **has to be validated by the Technical Advisory Board**.

ERS firmly believes that building a Coalition is the optimal way to reach these objectives and, ultimately, support the development of high-quality ecosystem restoration projects.



BENEFITS FOR MEMBERS

Members of the Coalition are entitled to the following benefits:

- ERS will ensure **regular communication with all Coalition members**, including:
 - **Monthly meetings** with a dedicated ERS representative
 - **Introductions** to other buyers and/or developers, upon request
- ERS will also receive members' **feedback** into consideration by:
 - Organising ad-hoc **workshops and surveys** to collect feedback
 - Communicating **upcoming changes** to the ERS Standard

CONFIDENTIALITY & CONSENT

Membership details of the Coalition will be kept **confidential**. ERS is allowed to disclose the total pledged amount by the Coalition.

ERS may announce the Coalition publicly in the future, but will first need to obtain written consent from all its members before proceeding.

MEMBERSHIP CRITERIA

While Coalition membership is **free**, organisations **must abide by a certain number of criteria**. These criteria differ if the potential Member is a Buyer or a Developer.

1. Common Criteria

Ethics. It applies to all Coalition members. They must abide by ERS Code of Ethics and Business Conduct (see [Appendix 1](#)) to respect ERS' stances on conflicts of interest and business ethics.

Image rights. By adhering to this Charter, Coalition Members accept that ERS might use their logos on ERS website and for communication purposes.



2. Corporate Buyers Specific Criteria

Reduction targets in line with Paris Agreements. Buyers must commit to credible science-based targets established on recognised frameworks ([SBTi Net Zero Standard](#), [ISO Net Zero](#), [Net Zero Initiative](#)). Their targets must include reduction objectives for scope 1 and 2. If a company's scope 3 emissions are 40% or more of total scope 1, 2, and 3 emissions, a scope 3 target is required. If a Buyer uses another framework, it must provide ERS' External Relations team with the relevant documentation. Net-Zero targets must be approved and implemented no later than the year of membership's entry.

Letter of Intent. Buyers must have signed the Letter of Intent found in [Appendix 2](#) to support the Coalition's objectives. This Letter of Intent includes a non-binding budget commitment for investing in ERS-certified projects.

3. Fund Buyers Specific Criteria

Fund Taxonomy. Investment funds must have a sustainable investment as their objective or promote environmental and/or social characteristics with a minimum commitment to sustainable investments. In Europe, under the Sustainable Finance Disclosure Regulation, the only eligible funds are the ones that are partially composed of assets classified as "sustainable investments". This means that the only eligible funds are funds that have sustainable investment as their objective ("Article 9 funds") and funds that promote environmental and/or social characteristics ("Article 8 funds").

Letter of Intent. Funds must have signed the Letter of Intent (see: [Appendix 3](#)) to support the Coalition's objectives. This Letter of Intent includes a non-binding budget commitment for investing in ERS-certified projects.



4. Developers-specific criteria

Certification. Developers must have at least one Project that is certified or under certification by ERS. Having a certified Project means that a Project Developer has gone through the due diligence process, which includes bank-level checks (KYC/AML) and track record assessments. This process also includes checks by ERS and third-party auditors on all criteria regarding ecological recovery, carbon sequestration and livelihoods.



SIGNATURE

By signing this Charter, stakeholders agree to uphold these commitments and focus their efforts on advancing solutions that can effectively contribute to climate change mitigation, restore ecosystems, uplift biodiversity and improve local livelihoods.

On behalf of [Name of Entity], I, [Name of Signatory] hereby agree to the terms and conditions of this Charter and affix my signature as evidence of my willingness to abide by its provisions.

[Name of Entity]

[Address of Entity]

[Name of Signatory]

[Date]

[Signature]



Appendix 1 *Code of Ethics* and *Business Conduct*

The Code of Ethics and Business Conduct serves as ERS' guiding framework to uphold its core values and principles, promoting an ethical culture of trust and respect with stakeholders and partners.

It commits ERS to responsible and ethical business practices aligned with its mission. It applies to all ERS Agents and Third Parties, encompassing VVBs, Buyers, Developers, as well as external entities such as accounting firms, legal consultancies, and suppliers.

Refer to the [Code of Ethics and Business Conduct](#) for more details.



Appendix 2 *Letter of Intent* to Invest

The Corporate Buyer Member: [NAME] (the “Corporate Buyer Member”).

The Investment: Investing in ERS-certified projects (the “Investment”).

Targeted Investment Amount: [INVESTMENT AMOUNT]€ (the “Targeted Investment Amount”) shall be payable by the Buyer Member to invest in ERS projects. The minimum Targeted Investment Amount to join the Coalition is **€10M**.

This Amount shall be considered **non-binding** but is expected to be spent in the 5 years following the membership.

Principal Member: ERS (the “Principal Member”) is the representative of the Investment.

Confidentiality: The Targeted Investment Amount shall be confidential and not to be disclosed to anyone other than the respective advisors, investors and internal staff of the Buyer Member and the Principal Member. No press nor public release will be issued to the general public concerning the proposed Investment.

Membership details of the Coalition will be kept confidential. ERS is only permitted to disclose the total pledged amount by the Coalition.

ERS may announce the Coalition publicly in the future, but will first need to obtain written consent from all its members before proceeding.

Acceptance: If you agree to the above-mentioned terms, please sign and return a duplicate copy of this Letter of Intent by no later than [DATE].

Corporate Buyer Member

[Corporate Buyer Member’s Signature]

[Date]

Principal Member

[Principal Member’s Signature]

[Date]



Appendix 3 *Letter of Intent* to Invest

- 1. The Fund Buyer Member:** [NAME] (the “Fund Buyer Member”).
- 2. The Investment:** Investing in ERS-certified projects (the “Investment”).
- 3. Targeted Investment Amount:** [INVESTMENT AMOUNT]€ (the “Targeted Investment Amount”) shall be payable by the Buyer Member to invest in ERS projects.
This Amount shall be considered **non-binding** but is expected to be spent in the 5 years following the membership.
- 4. Principal Member:** ERS (the “Principal Member”) is the representative of the Investment.
- 5. Confidentiality:** The Targeted Investment Amount shall be confidential and not to be disclosed to anyone other than the respective advisors, investors and internal staff of the Buyer Member and the Principal Member. No press nor public release will be issued to the general public concerning the proposed Investment.
Membership details of the Coalition will be kept confidential. ERS is permitted to disclose the total pledged amount by the Coalition.
ERS may announce the Coalition publicly in the future, but will first need to obtain written consent from all its members before proceeding.
- 6. Acceptance:** If you agree to the above-mentioned terms, please sign and return a duplicate copy of this Letter of Intent by no later than [DATE].

Buyer Member

[Buyer Member’s Signature]

[Date]

Principal Member

[Principal Member’s Signature]

[Date]



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