

To deliver the Paris Agreement’s climate goals, IETA champions the power of high integrity markets to price carbon effectively for reaching net-zero targets.

1. We will support expansion, functionality and credibility of compliance carbon markets.

Carbon markets must broaden their reach and deepen their targets to deliver net zero emissions as soon as possible. To deliver the Paris climate goals, carbon markets must converge over time to accelerate the just transition of economies to deliver a safe and resilient future for our planet.

- In **Europe**, we will support the EU Emissions Trading Scheme (ETS) as the central instrument of the “Fit for 55” climate package, expanding the scope of the ETS, advancing international market linkages and addressing competitiveness impacts on trade-exposed sectors. We will work to enhance the performance of the **UK ETS**, including linkages to other markets.
- In the **Americas**, we will promote markets that connect across national, state and provincial borders. We will support emissions trading and carbon tax-and-offset designs with elements that align, with a goal of linking markets across the hemisphere in the future.
- In **Asia-Pacific**, we will support growth and effectiveness of the China ETS, South Korea (K-ETS) and Japan’s GX-League, the Singapore tax and offset scheme and the Australian markets. We will lend expertise on market design and operations as new Asia-Pacific carbon pricing programs launch.
- In **Africa**, we will work to improve the operation of South Africa’s carbon tax and offset scheme and to expand market readiness by collaborating with the East African Alliance on Carbon Markets and Climate Finance, the West African Climate Alliance, and the African Carbon Market Initiative.

2. We will help to build a global pool of verified carbon credits that serves both voluntary and compliance market needs.

We will support continuous improvements in crediting standards that can instill public confidence and grow a global market in verified carbon credits that is scaled to Paris goals and available for use for voluntary and compliance purposes.

- Our **Voluntary Carbon Market (VCM) Working Group** will marshal the expertise of IETA members to drive increased voluntary action towards the Paris net-zero goals.
- Our **International Carbon Reduction and Offset Accreditation (ICROA)** will promote best practice in carbon offsetting services.
- We will promote **our new set of model legal contracts** for carbon credit transactions, tailored to the Article 6 guidelines from Glasgow, and we will develop model provisions for implementing legislation for assist countries in their market engagement.
- We will help member engage in **external VCM initiatives**, including the Integrity Council for the Voluntary Carbon Market (IC-VCM) and the Voluntary Carbon Market Integrity Initiative (VCMI).

3. We will expand work and special initiatives in new markets.

- **At the UN FCCC**, IETA will urge a smooth transition from the past UN mechanisms (CDM, JI) to the new Article 6.4 mechanism and support development of cooperative initiatives under Article 6.2, including bilateral agreements and “carbon clubs”.

- We will develop “**best practices**” for **digital carbon markets**, highlighting the important efficiency, access and security benefits presented and safeguarding market integrity.
- Our **Business Partnership for Market Implementation (B-PMI)** will assist companies in new carbon markets to prepare for emissions trading, tax-and-offset and other innovative programmes.
- We will help to implement the **Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)** market. We will support a carbon market for **international shipping**.
- As market systems drive deep reductions in direct emissions, we envision **increasing roles for natural climate solutions, carbon capture storage and use, and other removal strategies**. We will advance crediting frameworks and new markets for removals.
 - Our **Markets for Natural Climate Solutions (M-NCS)** initiative will promote increased inclusion of nature based crediting in carbon markets worldwide; and
 - Our **CCS and Carbon Markets Expert Dialogues** will advance High Level Criteria for carbon market crediting programs for CCS.

4. We will promote linked carbon pricing systems as a valuable means of channeling increased finance to the climate transition

We will pursue the vision of high-integrity international carbon markets that converge over time to enable countries, businesses and financial institutions to deliver greater climate ambition. Using Article 6, we will help countries cooperate to lower cost, accelerate action and enhance ambition.

- In collaboration with the World Bank, the Government of Singapore and other jurisdictions, we will support the **Climate Action Data Trust** to provide an accessible, decentralised and secure digital infrastructure that can be used by all carbon markets.
- We recognize the growing convergence of climate and trade policy. We will work with policy leaders to expand market linkages over time as a means of encouraging investment and delivering greater ambition, including a wide range of policy tools to encourage fairness and competitiveness through tax incentives and border adjustments.
- As financial institutions align their investment portfolios to the goals of the Paris Agreement we will foster financial innovation that blends climate finance, results-based payments, structured private finance with carbon credit revenue streams,
- IETA will support improvements in climate-related financial disclosure to reflect the value of carbon pricing and markets in catalysing flows of private capital into the climate transition.

5. We will convene the carbon market to build the professional community that will deliver a net zero future – and to promote the benefits of market cooperation in our communications.

- We will use our carbon market platforms to bring the international carbon market community together regularly, to showcase excellence and feature climate business opportunities.
- In many jurisdictions, we face political headwinds prompted by those who fear unintended consequences of strong market policies. We will seek to build bridges to those who oppose market solutions for climate action.
- We will strengthen work with partners who share our vision of markets that mobilise climate finance and deliver climate ambition in a manner that is characterized by equity, diversity, inclusion, and good governance.