


LATIN AMERICA CLIMATE SUMMIT

# UNLOCKING FINANCE, BUILDING TRUST





# LACS 2025 SHOWED THAT SCALING CLIMATE ACTION IN LATIN AMERICA AND THE CARIBBEAN HINGES ON TWO ESSENTIALS: MOBILISING FINANCE AND BUILDING TRUST THROUGH INTEGRITY AND INCLUSION ON THE ROAD TO **COP30**.

LACS 2025  
26–28 AUGUST  
SÃO PAULO, BRAZIL

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SINCE 1999 IETA HAS BEEN THE LEADING VOICE OF BUSINESS ON AMBITIOUS MARKET-BASED CLIMATE CHANGE SOLUTIONS AND DRIVING NET ZERO. IETA ADVOCATES FOR TRADING SYSTEMS FOR EMISSIONS REDUCTIONS AND REMOVALS THAT ARE ENVIRONMENTALLY ROBUST, FAIR, OPEN, EFFICIENT, ACCOUNTABLE AND CONSISTENT ACROSS NATIONAL BOUNDARIES. REPRESENTING MORE THAN 300 LEADING INTERNATIONAL ORGANISATIONS, IETA IS A TRUSTED PARTNER IN DEVELOPING INTERNATIONAL POLICIES AND MARKET FRAMEWORKS TO REDUCE GREENHOUSE GAS EMISSIONS AT THE LOWEST COST WHILE BUILDING A CREDIBLE PATH TO NET ZERO EMISSIONS. SEE [WWW.IETA.ORG](http://WWW.IETA.ORG) FOR MORE INFORMATION.

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# INTRODUCTION

THE LATIN AMERICA CLIMATE SUMMIT (LACS) 2025, WAS HELD IN SÃO PAULO, BRAZIL FROM 26-28 AUGUST. IT BROUGHT TOGETHER CLOSE TO 600 DELEGATES FROM 38 COUNTRIES ACROSS LATIN AMERICA AND THE CARIBBEAN, AND BEYOND. PARTICIPANTS INCLUDED GOVERNMENT, BUSINESS, CIVIL SOCIETY, AND LOCAL COMMUNITIES. ORGANISED BY IETA, THIS YEAR'S EVENT WAS CO-HOSTED BY THE SECRETARIAT OF ENVIRONMENT, INFRASTRUCTURE, AND LOGISTICS OF THE STATE OF SÃO PAULO (SEMIL), AND THE CITY OF SÃO PAULO.

As a critical milestone on the road to COP30 in Belém, LACS showcased regional ambition, innovation, and leadership in advancing carbon markets, climate finance, and transition pathways. Discussions underscored Latin America's pivotal role in shaping global climate action, from the development of Brazil's ETS, carbon pricing instruments, and Article 6 in various countries of the region, to jurisdictional approaches in the Amazon.

The plenaries set the tone for the Summit, with contributions from São Paulo's state leadership, Indigenous representatives, international organisations, and COP30 High-Level Champions. Speakers emphasised the urgent need to operationalise carbon pricing, promote harmonisation and integrate forests into markets, and drive climate action with integrity.



LACS 2025 HIGHLIGHTED LATIN AMERICA'S PIVOTAL ROLE IN GLOBAL CLIMATE ACTION.





# TOP 3 TAKEAWAYS





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## TAKEAWAY

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01

LOCAL COMMUNITIES, INDIGENOUS PEOPLE AND FORESTS MUST BE AT THE HEART OF CLIMATE ACTION. AMAZON STATES WANT FORESTS INCLUDED IN GLOBAL CARBON MARKET RULES, AND INDIGENOUS LEADERS CALL FOR FAIR BENEFITS AND STRONGER RIGHTS.

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## TAKEAWAY

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02

THE LAC REGION ACCOUNTS FOR NEARLY 20% OF THE WORLD'S OPERATIONAL CARBON PRICING INSTRUMENTS, ALMOST 24% OF THE WORLD'S TOTAL CARBON CREDIT ISSUANCES, AND 23% OF GLOBAL RETIREMENTS. THESE NUMBERS SUGGEST THAT THE REGION IS EMBRACING CARBON PRICING, DESPITE NUMEROUS ECONOMIC AND GEOPOLITICAL HEADWINDS.

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## TAKEAWAY

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03

STRENGTHENING INTEROPERABLE CARBON PRICING SYSTEMS IS ESSENTIAL FOR SCALING INVESTMENT AND RAISING GLOBAL DECARBONISATION AMBITION.

## SETTING THE STAGE FOR COP30

The first day of LACS set the stage for deeper technical and policy discussions later in the week, with IETA member meetings and interactive workshops. Delegates received an overview of global carbon markets, explored the legal challenges of aligning domestic frameworks with international rules, and discussed the evolution of carbon accounting practices. These sessions provided context on how voluntary and compliance systems interact, and highlighted the need for legal certainty, international credibility, and consistency in methodologies.

Simultaneous technical roundtables examined progress on Article 6 in LAC and its inclusion in the Nationally Determined Contributions. Likewise, the development of Carbon Pricing in the Americas General Assembly is noteworthy, with the participation of more than 13 jurisdictions, including countries and subnational states. Governments shared experiences and focused on challenges and regional priorities to strengthen carbon markets on the road to COP30.

Side events showcased local and international perspectives. Sessions highlighted Brazil's progress toward regulated markets, the importance of REDD+ and jurisdictional approaches, the implications of recent international legal rulings on climate obligations, developments in Article 6 (both 6.2 and 6.4), and the next generation of voluntary carbon markets with an emphasis on innovation, technology, and safeguards.

Closing the day, delegates came together at the welcome reception, creating space for networking and informal exchange.



LEGAL CERTAINTY AND  
HARMONISED CARBON  
MARKETS ARE KEY TO  
SCALING CLIMATE ACTION.



## FROM POLICY TO IMPLEMENTATION

At the opening ceremony, President and CEO of IETA, Dirk Forrister, welcomed delegates and emphasised the importance of grounding the Summit in local and national context. He invited the co-hosts to deliver welcome remarks and share their experience in energy transition and climate planning, setting the stage for regional discussions.

Discussions stressed the importance of the private sector in building credibility and trust, underpinned by transparency, integrity, and collaboration to ensure that market growth benefits both economies and communities.

São Paulo's leadership was showcased through its long-term decarbonisation strategies, operational roadmaps, and biomethane programme, showcasing how climate planning has major potential to create jobs and reduce emissions. Joana Schmidt Artes, Biofuels Coordinator at the State Government of São Paulo said: "São Paulo is prioritising biomethane, with studies showing potential daily production of 6.4 million m<sup>3</sup>, enough to replace 40% of the state's natural gas use and 25% of diesel in transport. The sector could create 20 000 jobs and cut emissions by 16%, reinforcing commitments to energy transition, competitiveness, and sustainability." From the Amazonian States, perspectives underscored the importance of jurisdictional REDD+ systems while warning that current negotiations risk sidelining forests once again, despite the high conservation costs borne by tropical countries.

**BRAZIL HAS  
ADVANCED ETS  
DESIGN, WITH PLANS  
TO ALLOW CREDIT  
GENERATION FROM  
UNREGULATED  
SECTORS.**

Looking ahead to COP30, the message was clear; development and sustainability are inseparable, and implementation must now take centre stage through concrete action pillars, ambitious targets, and new financial pathways, including mobilising trillions in investment and establishing dedicated facilities for forest protection and community development.

The first plenary explored how countries are bridging policy and practice. Representatives from Brazil, Chile, Panama, Peru and the European Commission highlighted the progress on the design and implementation of their carbon pricing instruments.

Brazil highlighted progress on the design of its Emissions Trading System (ETS), including the creation of an Interim Managing Body under the Ministry of Finance, and the potential for unregulated sectors to generate credits for use within the ETS. Chile reported that offsets under its green tax reached 4 million tCO<sub>2</sub>e in 2024, alongside new regulations for its emissions standards offsetting system. Peru showcased the launch of RENAMI to recognise VCM and Article 6 projects, with two standards and nine methodologies approved so far, and further updates expected by COP30. Panama is advancing a new climate change law and decree to update its carbon market regulations. From the EU, the Commission announced a 90% emissions reduction target by 2040, noting that the EU ETS has already delivered a 47% reduction in emissions.

On Article 6, countries are progressing with CDM project transitions and integrating markets into NDC 3.0. Peru is signing an MoU with Korea, while Chile is doing the same with Japan, both expecting their first Article 6 projects soon.



A consistent theme emerged; while voluntary markets play an important role in building rules and attracting participants, real momentum for climate action in Latin America lies in developing compliance systems. The central challenge, however, is ensuring that carbon pricing instruments are integrated into broader economic and competitiveness agendas so that environmental goals reinforce, rather than compete with, development priorities.

In breakout sessions, Brazil's Ministry of Finance outlined its ETS (SBCE) regulatory roadmap toward COP30, including the launch of a central registry, offset rules, and institutional integration. Industry representatives called for clarity on coverage, offset eligibility, and recognition of removals, warning that marginal abatement costs in already decarbonised sectors are high. Petrobras presented investments in CCS and BECCS, while market actors emphasised the importance of transparency, liquidity, and integration of voluntary projects into compliance frameworks.

A parallel session on CORSIA examined aviation's decarbonisation pathway. Airlines underlined the high costs of compliance, scarce supply of eligible credits, and the urgent need for clear rules on corresponding adjustments. The region's potential as a global hub for sustainable aviation fuel (SAF) was highlighted, though production costs remain two to three times higher than conventional fuel. Speakers stressed the need for harmonised standards and proactive government engagement in ICAO negotiations. In this session, it was also announced that a major SAF research centre would be launched immediately after LACS, on 29 August. This is an initiative by Brazil Development Bank BNDES and Acelen Renewables.

## DEVELOPMENT AND SUSTAINABILITY ARE INSEPARABLE—IMPLEMENTATION MUST NOW TAKE CENTRE STAGE.

PHOTO: Dan Ioschpe, COP30 High-Level Champion - Brazil and Marcello Britto, Executive Director, Consortium of Amazon States, delivered opening remarks at the LACS Opening Ceremony

Another breakout explored interoperability of carbon markets across the region, focusing on aligning Article 6 and voluntary market rules, building connected registry systems, and creating investor confidence through integrity frameworks like the ICVCM. The consensus was that COP30 offers a pivotal moment for Latin America to push for harmonised, interoperable systems capable of scaling investment and ensuring resilience.

In the afternoon plenary, local communities and Indigenous People took center stage. The panellists emphasised that carbon projects must go beyond economic benefits, respecting rights, safeguarding cultural values, and building trust at community level. Mateo Estrada, indigenous leader from Colombia, demonstrated how carbon markets can have a real impact on communities. He highlighted that thanks to projects in the Amazon he is part of, the forced recruitment of minors had dropped to zero and that mining and coca cultivation had been substantially reduced.





## BUILDING TRUST, UNLOCKING CLIMATE FINANCE AND THE ROAD TO BELÉM

The final day of LACS highlighted the financial and governance structures needed to unlock capital at scale, while ensuring integrity, equity, and credibility in carbon markets.

The morning opened with a Women in Carbon breakout, an informal but powerful dialogue about building support networks, addressing gender bias and targeting region-specific co-benefits, and creating space for women to move from environmental roles into decision-making positions. Women are often on the frontlines of climate action yet underrepresented in leadership; building solidarity, transparency, and diversity were framed as essential for resilient climate strategies. In the “Financing Fairness”, plenary, speakers connected the road from Baku to Belém to the challenge of mobilising \$1.3 trillion annually for climate action in developing countries. Development banks highlighted their role in bridging international capital with domestic opportunities, especially in sectors like e-mobility, biomethane, and biofuels. The need for regulatory clarity, interoperability, and integrity to de-risk investments was also emphasised, while the private sector called for streamlined standards that balance simplicity with credibility.

Breakout discussions turned to Article 6 pathways. Examples included bilateral agreements (Article 6.2) such as Singapore’s selective high-integrity partnerships, Chile’s credit-sharing model for landfill gas projects, and Brazil’s focus on harmonisation efforts ahead of its COP30 presidency. At the same time, the slow, multi-layered governance of Article 6.4 was flagged as a risk, with 2025 seen as a make-or-break year for transitioning CDM projects.

Agriculture and land use were spotlighted in another session, which examined how integrity frameworks, MRV systems, and financing tools can help unlock the more than one gigaton of mitigation potential in the region’s land sector. Scaling regenerative agriculture, adapting methodologies to tropical realities, and aggregating smallholder farmers were presented as key steps for building resilient, high-quality supply.

The CBAM breakout session explored the intersection of trade and climate policy, focusing on how the EU’s Carbon Border Adjustment Mechanism will affect Latin America and the Caribbean. Discussions highlighted that sectors like iron and steel are most affected, with Brazil the most vocal in the region regarding the EU’s policy. Participants called for a two-way dialogue between the EU and the region, stressing the importance of carbon credits in LAC’s climate policy instruments and recognising that robustness, transparency, and effective carbon pricing is required.



THE TIME FOR NEGOTIATION IS OVER; FOCUS MUST NOW SHIFT TO IMPLEMENTATION AND FINANCE.





# CARBON IS THE CURRENCY OF THE ENERGY TRANSITION.

There was also a session on buyer perspectives in the VCM. Delegates shared how integrity, ratings, and risk management shape demand. The transition to “VCM 2.0,” where stricter quality thresholds and transparency commitments are reshaping the market was emphasised. While methods and standards are important, panellists underlined that each project must be assessed on its design, co-benefits, and governance. Advice to new buyers included balancing reductions and removals, paying attention to project details, and being willing to take calculated risks.

The closing plenary brought perspectives from government, business, finance, and Indigenous leaders. A unifying message emerged; “the time for negotiation is over, focus must now shift to implementation”. Dirk Forrister noted how the Summit created space for policymakers, businesses, experts and Indigenous leaders to align on the path to COP30 in Belém. He stressed that the road from Baku to Belém is not only about new NDCs and ambition, but also about unlocking finance and practical implementation.

Speakers emphasised that the tools for transition already exist, from carbon markets and clean technologies to REDD+ and Indigenous knowledge systems. What is missing is finance, trust, and the willingness to align stakeholders behind coherent rules and actions.

The closing plenary included some of the overall key themes of the Summit which were the road from Baku to Belém, with calls to mobilise \$1.3 trillion annually for climate action; the need to harmonise voluntary and compliance markets under Article 6; the central role of private finance and de-risking instruments; and the urgency of safeguards and benefit-sharing for Indigenous People and local communities.

The session closed on an optimistic note. As one speaker put it, “carbon is the currency of the energy transition.” With integrity, transparency, and collaboration, Latin America is positioned to demonstrate how markets can deliver real outcomes on the road to COP30.



# LACS 2025 CONCLUSION

LACS 2025 once again demonstrated the growing momentum of Latin America's carbon markets and their central role in global climate action. Over three days, delegates highlighted how regulatory development in Brazil is accelerating, how safeguards and the inclusion of Indigenous People and Local Communities must remain non-negotiable, and how the region's agriculture and land-use sector offer vast untapped mitigation potential. Discussions converged on a clear message: voluntary, compliance, and Article 6 frameworks must move toward greater coherence and integrity if markets are to scale with credibility.

Looking ahead, COP30 in Belém will be a defining moment for translating ambition into implementation. The road from Baku to Belém is not only about raising NDC ambition, but also about unlocking finance, mobilising the trillions needed for transition, and embedding equity and resilience at the core of climate strategies. Latin America is well positioned to demonstrate how carbon markets, clean technologies, and Indigenous knowledge systems can work together to deliver real outcomes.

We would like to thank all delegates, speakers and sponsors for their invaluable role in making the Latin America Climate Summit possible. Your contribution ensured vibrant discussions, practical insights, and meaningful connections, all vital to accelerating climate solutions for the region and beyond. We hope to see you at our next LACS in Mexico City from 25 -27 August 2026.

## COP30 WILL BE A DEFINING MOMENT FOR TURNING AMBITION INTO IMPLEMENTATION.

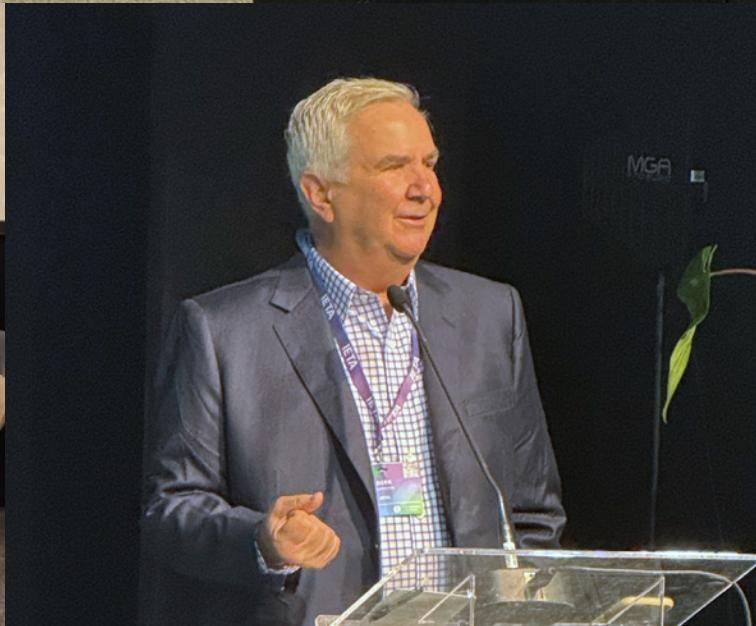




# LATIN AMERICA CLIMATE SUMMIT 2025











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