IETA

COP31 Policy Priorities
October 2026

# CREATING CONDITIONS FOR INTERNATIONAL CARBON MARKETS TO SCALE

## OVERCOMING BARRIERS TO ARTICLE 6 IMPLEMENTATION AT COP31



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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 organizations, 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 for more information.

# 01 INTRODUCTION

Since 1999, IETA has supported the negotiations on carbon markets under the UNFCCC as the trusted business voice on market-based solutions to climate change. Representing over 300 companies active in carbon markets around the world, we believe that Article 6 plays a critical role in achieving the goals of the Paris Agreement.

Over the past year, we have seen cooperative approaches under Article 6.2 being established, ITMO authorizations for CORSIA emerge from different parts of the world, and the first project registered under the Paris Agreement Crediting Mechanism (PACM).

However, progress is not happening at the speed or scale required to meet our global climate targets. Practical experience from early movers has exposed barriers to implementation and investment, raising questions about the adequacy and interpretation of existing guidance. Views differ on whether addressing these challenges requires changes to the rules or only targeted clarifications of existing provisions and rules.

COP31 is expected to focus on Article 6 implementation rather than negotiations, drawing on Parties' implementation experience and identifying areas where targeted clarification may be needed. The formal review of the Article 6 rulebook, scheduled to begin in 2028, provides an opportunity to assess this experience, without presupposing broad changes to the existing framework. This year at COP31, Parties are expected to negotiate on:

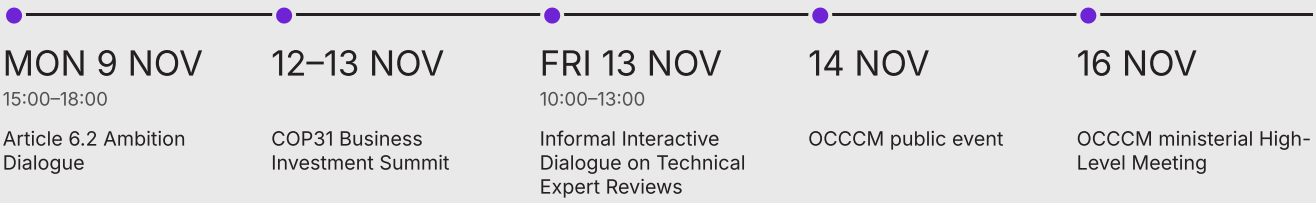
- Funding arrangements for Article 6.2, ensuring the funding for the operation and maintenance of the infrastructure, technical expert reviews and capacity-building activities; and
- Additional financial resources needed to implement the Article 6.4 Supervisory Body's (SBM) planned activities for 2026–2027 and the critical funding shortfall for 2028 and beyond.

Parties will also participate in mandated events held by the UNFCCC Secretariat. While not expected to produce any binding outcomes, these meetings will provide opportunities to exchange implementation experience, address practical challenges and identify lessons learned between the Parties and market stakeholders:

- Article 6.2 Ambition Dialogue on Monday 9 November at 15:00–18:00
- Informal Interactive Dialogue on Technical Expert Reviews on Friday 13 November at 10:00–13:00

**IETA believes that COP31 should be used to develop practical, constructive solutions to implementation barriers, while preserving the regulatory predictability needed for investment**. Ahead of the scheduled review of Article 6.2 guidance beginning in 2028, Parties should focus on the elaboration of clearer reporting expectations, workable processes and adequate implementation support, creating the conditions for high-integrity international carbon markets to scale.

Figure 1: Carbon market moments at COP31, Antalya




Source: IETA, from the schedule set out in this paper.

# IETA'S PRIORITIES AT A GLANCE

## ARTICLE 6.2

A. IETA URGES PARTIES TO FIND AN AGREEMENT ON ADEQUATE FUNDING ARRANGEMENTS, WHICH INCLUDE IMMEDIATE BRIDGE FUNDING AND PREDICTABLE LONG-TERM FINANCING.

B. IETA WELCOMES EFFORTS TO ADDRESS IMPLEMENTATION QUESTIONS THROUGH TARGETED CLARIFICATIONS THAT WOULD SUPPORT CONSISTENT REPORTING AND ENABLE DIFFERENT FORMS OF COOPERATION TO OPERATE, WHILE PRESERVING THE STABILITY, TRANSPARENCY AND PREDICTABILITY OF THE EXISTING FRAMEWORK.

C. AT THIS EARLY STAGE OF MARKET DEVELOPMENT, IETA CAUTIONS AGAINST BROAD CHANGES THAT COULD UNDERMINE REGULATORY PREDICTABILITY AND INVESTMENT CONFIDENCE.

D. IETA SUPPORTS TRANSPARENT AND PREDICTABLE FOLLOW-UP TO REVIEW FINDINGS.

## ARTICLE 6.4

E. IETA BELIEVES TARGETED CMA GUIDANCE IS REQUIRED TO SUPPORT THE EFFICIENT OPERATIONALIZATION OF PACM AND ENSURE THE SBM CAN ADOPT RULES THAT ENABLE EFFECTIVE PARTICIPATION AND INVESTMENT AT SCALE.

F. IETA URGES THE SUPERVISORY BODY AND THE METHODOLOGICAL EXPERT PANEL TO UNDERTAKE CUMULATIVE IMPACT ASSESSMENTS USING SENSITIVITY ANALYSIS AND REAL-WORLD ACTIVITY DATA.

G. IETA IS NOT IN FAVOUR OF REMOVING OR NARROWING THE EXISTING EXEMPTIONS FROM ADMINISTRATIVE FEES FOR LDCS AND SIDS.

H. CONFIDENCE IN PACM ALSO REQUIRES GREATER TRANSPARENCY AROUND THE APPOINTMENT OF EXPERT PANELS.

COP31 SHOULD BE USED TO DEVELOP PRACTICAL, CONSTRUCTIVE SOLUTIONS TO IMPLEMENTATION BARRIERS, WHILE PRESERVING THE REGULATORY PREDICTABILITY NEEDED FOR INVESTMENT.



# 02 ARTICLE 6.2: IMPLEMENTATION EXPERIENCE AND OPPORTUNITIES TO ENHANCE AMBITION

## A. BUDGET AND FUNDING FOR ARTICLE 6.2 IMPLEMENTATION

Sufficient funding is essential for UNFCCC infrastructure, reviews and capacity building. Currently, Article 6.2 draws resources from elsewhere in the UNFCCC system, creating an increasingly significant funding challenge as the number of cooperative approaches and the scope and volume of Technical Expert Reviews (TER) expand. The issue is compounded by the concentration of cooperative approaches among a small number of buying Parties and by the growth of unilateral approaches for CORSIA purposes.

The UNFCCC Annual Report on Article 6.2 implementation[1] identifies a EUR 10.7 million budget for 2026–2027 and only EUR 1.7 million in income received between January and August 2026. Resource constraints are preventing completion of the Centralized Accounting and Reporting Platform (CARP) and the Article 6 database.

The SBI Chair's informal document of 19 October[2] provides textual proposals for a funding decision in Antalya. It groups options into three combinable approaches: (i) UNFCCC budget funding; (ii) usage-based fees; and (iii) fees on participating Parties, with voluntary contributions also envisaged. Possible charges cover cooperative approaches, registry services, transactions, reporting and authorization publication. Some options restrict services for non-payment.

**IETA urges Parties to find an agreement on adequate funding arrangements, which include immediate bridge funding and predictable long-term financing.** Public funding should sustain essential transparency and review functions. Any funding arrangements and fees should be proportionate, transparent and simple to administer, while preserving the independence of reviewers and avoiding excessive financial burdens that could limit the participation of developing country Parties, particularly LDCs and SIDS, in cooperative approaches.

Figure 3: Article 6.2 budget and income (EUR million)




Source: UNFCCC 2026 Annual Report on Article 6.2 implementation.

## B. EARLY IMPLEMENTATION EXPERIENCE

Article 6.2 implementation is in full swing. IETA has tracked 113 bilateral agreements or MoUs and more than 100 projects have received letters of Authorization[3]. The CARP now lists 53 cooperative approaches[4]. The centralized review cycles have been conducted and covered reports submitted by 23 Parties. At the time of writing, 16 Technical Expert Review Reports (TERRs) covering 15 Parties are published on the CARP[5]. The reports for Suriname and Honduras remain unpublished, as do all TERRs from the third review cycle.

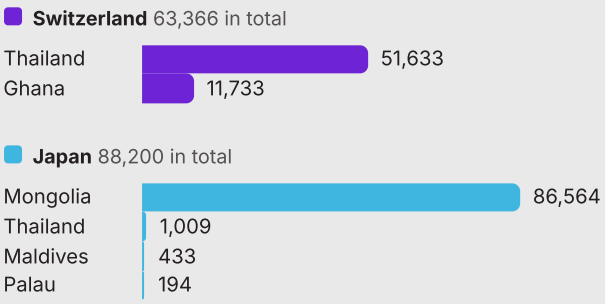
**Participation in Article 6.2 is expanding beyond government-to-government arrangements to include cooperative approaches reported by a single host Party** (known as "unilateral approach")**, including activities intended to supply the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)**. These approaches offer an additional route for private investment alongside bilateral cooperation. CARP currently lists 31 cooperative approaches identifying a single participating Party[6], including approaches with airlines under CORSIA as primary intended buyers.

## BILATERAL 6.2 COOPERATION

Switzerland and Japan are the only countries that have received ITMOs. Switzerland has received a total of 63,366 ITMOs from Thailand (51,633), and Ghana (11,733), while Japan has received a total of 88,200 ITMOs from Thailand (1,009), Maldives (433), Mongolia (86,564), and Palau (194).

These two countries also lead in terms of the number of bilaterally authorized projects – which provide an indicator of potential future ITMO transfers. Switzerland has bilaterally authorized 21 projects with host countries Chile (4), Thailand (1), Senegal (1), Vanuatu (1), Ghana (10), Malawi (2), Morocco (1), and Peru (1); While Japan has bilaterally authorized at least 12 projects[7] from Thailand, Maldives, Mongolia, and Palau.

Figure 4: ITMOs received, by buyer and host country



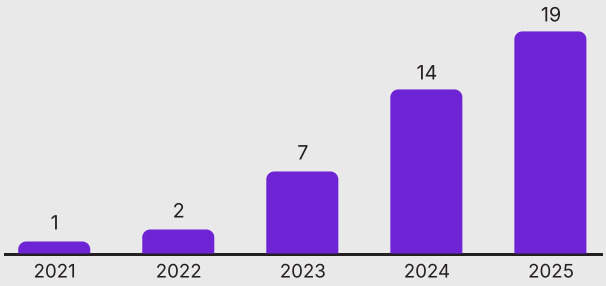

Source: IETA Article 6 Project Directory.

## UNILATERAL AUTHORIZATIONS

The number of projects with unilateral authorization far outweighs the number of projects which have received bilateral authorization. IETA has tracked a total of 60+ unilaterally authorized projects, almost all of which have OIMP authorization. The number of new unilateral authorizations is likely to be steadily increasing. IETA has tracked the issuances of ~20 new authorizations in 2026 (there is a substantial lag time between the date of authorization and the date which the authorization is made public). New authorizations steadily increased from 2021 (1), 2022 (2), 2023 (7), 2024 (14), 2025 (19). The number of host countries issuing unilateral authorizations has also grown, and now spans 23 countries across Africa, Latin America, the Pacific, and Asia.

Supplying to the CORSIA market is a key driver of many of these authorizations. However, project developers sometimes still face challenges in meeting the requirements of CORSIA eligible tagging by the approved crediting programme.

Figure 5: New unilateral authorizations tracked by IETA, by year




Source: IETA Article 6 Project Directory. About 20 more have been tracked in 2026 so far; authorizations are often made public some time after they are issued.

Figure 2: Article 6.2 in numbers

**113**
bilateral agreements or MoUs tracked by IETA

**100+**
projects with letters of authorization

**53**
cooperative approaches listed on the CARP

**16**
Technical Expert Review Reports published, covering 15 Parties

Source: IETA Article 6 Tracking Hub; UNFCCC Centralized Accounting and Reporting Platform (CARP).

**As participation expands and diversifies, ensuring that reporting, reviews and supporting infrastructure can keep pace is becoming increasingly important.** IETA welcomes the progress made through bilateral cooperation and the growing use of unilateral approaches. The UNFCCC must be able to accommodate these different models. Better coordination between UNFCCC and ICAO processes would support timely implementation of CORSIA, reduce duplication and provide greater certainty for host countries and market participants.

While the Article 6.2 markets have made significant progress in terms of political support, only a handful of countries have closed the ITMO loop by reporting corresponding adjustments. 43.7 million corresponding adjustments have been applied. Of the total, 43.561 million (99.65%) corresponding adjustments were applied by host countries without a specified buyer country. In contrast, only 151,566 (0.347%) ITMOs were transferred to a buyer country.

The first meeting of lead reviewers[8] identified areas where clearer CMA guidance would support more consistent reporting and reviews.[9] **IETA welcomes efforts to address these implementation questions through targeted clarifications that would support consistent reporting and enable different forms of cooperation to operate, while preserving the stability, transparency and predictability of the existing framework.**

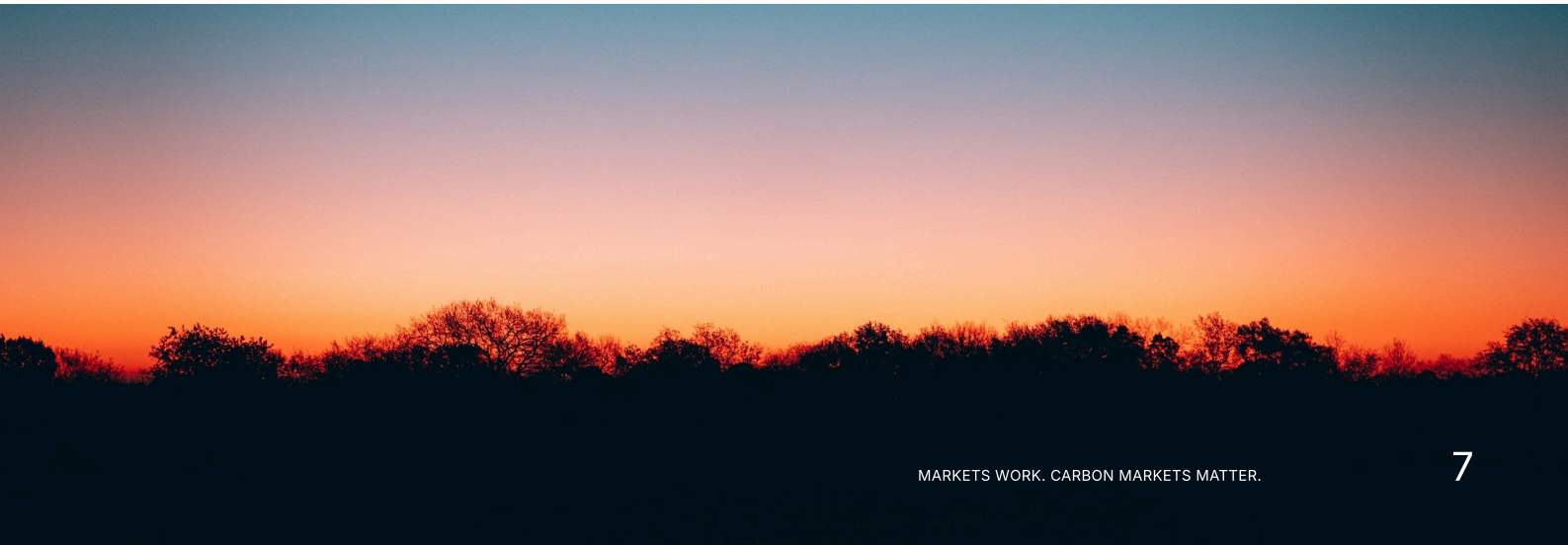
## C. MANDATED DIALOGUES ON AMBITION AND LESSONS LEARNED

As COP31 will be a forum for exchange rather than formal negotiation, **IETA calls on Parties to use this opportunity to openly discuss practical implementation experiences and challenges between Parties, stakeholders and practitioners**. These lessons should inform immediate improvements and the possibility of reviewing Article 6.2 guidance beginning in 2028.

IETA encourages Parties and stakeholders to discuss and develop proposals on the following topics:

- **Authorization and investment certainty:** Clear authorization timing and terms, predictable procedures for changes, and alignment with NDCs and long-term strategies. Greater consistency between authorizations, national frameworks and purchase agreements would help manage delivery risk and support bankable investments;
- **Reporting, accounting and reviews:** Clearer expectations on corresponding adjustments and reporting requirements, consistent criteria for identifying and classifying inconsistencies, and timely procedures for addressing findings;
- **Fragmentation and implementation costs:** Greater interoperability and alignment across registries, reporting systems and transaction procedures, while accommodating different cooperative approaches and national circumstances;
- **NDC periods and ITMO banking:** Clarification of how to address overlapping NDC periods, vintage eligibility and authorizations covering mitigation outcomes after 2030. Cooperation agreements may extend beyond a single NDC period, but this does not by itself establish eligibility for cross-period use. Investment planning needs clear treatment of these issues and credible arrangements that avoid double counting; and
- **Practical support and stakeholder experience:** Targeted capacity building and practical examples from host countries, project developers, crediting programmes and buyers to identify barriers and workable solutions.

**At this early stage of market development, IETA cautions against broad changes that could undermine regulatory predictability and investment confidence.** Parties should prioritize effective implementation of the existing framework, using practical tools and non-binding guidance, alongside targeted CMA clarifications where necessary.



## D. COORDINATION WITH THE PARIS AGREEMENT IMPLEMENTATION AND COMPLIANCE COMMITTEE (PAICC)

The PAICC's 2026 annual report[10] highlights the importance of closer exchanges between Article 6 and Article 13 lead reviewers, including on significant and persistent inconsistencies and the relationship between Article 6 reporting and BTR reviews.

**IETA supports transparent and predictable follow-up to review findings**, respecting the distinct mandates of technical expert review teams and the PAICC's facilitative, non-adversarial and non-punitive role. Coordination should help Parties understand and address findings, avoid duplication across reporting and review processes, and identify capacity-building needs. Clear communication of the implications of review outcomes and the steps required to resolve inconsistencies would also strengthen confidence among host countries and market participants.

PARTIES SHOULD PRIORITIZE EFFECTIVE IMPLEMENTATION OF THE EXISTING FRAMEWORK, USING PRACTICAL TOOLS AND NON-BINDING GUIDANCE, ALONGSIDE TARGETED CMA CLARIFICATIONS WHERE NECESSARY.



# 03 ARTICLE 6.4: ADDRESSING BARRIERS TO SCALING PACM

Throughout 2026, the Article 6.4 Supervisory Body (SBM) continued advancing the operationalization of the Paris Agreement Crediting Mechanism (PACM). Key developments included the adoption of four new methodologies, bringing the total to five, alongside the revision of four methodological tools and five methodological standards.

Despite these advances, operational uptake remains limited. Of the 418 CDM activities and programmes of activities that obtained host Party approval for transition by 30 June 2026, the Supervisory Body approved only 38 transition requests and four issuance requests at the time of writing. Furthermore, the delivery of the full mechanism registry is still pending and is now expected by the end of the first quarter of 2027. These figures highlight the challenge of translating regulatory progress and host-country interest into a sustained supply of mitigation outcomes.

In IETA's view, the significant hurdle to scaling PACM supply is related to the cumulative impact of PACM methodological decisions, which are expected to exclude a large number of existing and planned activities and risk raising the cost of projects above what buyers are willing to pay. Stronger demand signals are also required, including greater certainty over the use of PACM units in relevant jurisdictions and a positive ICAO determination on CORSIA eligibility.

Slow implementation is impacting PACM's financial viability. Income from registration and issuance fees will need to increase to make the PACM self-financing. Current projections shared by the UNFCCC Secretariat at the 2026 SBM Annual Report[11], indicate that no resources will be carried over into 2028.

At COP31, Parties will consider the Supervisory Body's 2026 annual report and will have an opportunity to provide further guidance to the SBM on methodological matters, registry operationalization and interoperability, capacity building, and the mechanism's financial sustainability.

**IETA believes targeted CMA guidance is required to support the efficient operationalization of PACM and ensure the SBM can adopt rules that enable effective participation and investment at scale**, while preserving regulatory stability and avoiding unnecessary micro-management.

Figure 6: Transition of CDM activities to PACM




Source: Annual report of the Supervisory Body Article 6.4 to the CMA [22 October 2026 version], https://unfccc.int/sites/default/files/resource/cma2026_08.pdf. Figures at the time of writing.

THESE FIGURES HIGHLIGHT THE CHALLENGE OF TRANSLATING REGULATORY PROGRESS AND HOST-COUNTRY INTEREST INTO A SUSTAINED SUPPLY OF MITIGATION OUTCOMES.

## A. TRANSPARENT PRIORITIZATION OF METHODOLOGICAL DEVELOPMENT

IETA supports prioritizing methodologies with high readiness, significant mitigation potential and strong market demand. However, the annual report does not explain how "strong market demand" is defined, what evidence informs its assessment, or how prospective buyers and activity developers can contribute to the identification of priorities. Without greater transparency, stakeholders cannot assess whether the methodological work programme reflects credible opportunities for investment and uptake.

IETA urges the Supervisory Body to publish the criteria, evidence and process used to prioritize methodological development, supported by structured engagement with host countries, project developers, investors, and buyers. This would help direct limited technical resources towards methodologies capable of supporting a viable and diverse activity pipeline.

## B. METHODOLOGIES AND INVESTMENT VIABILITY

The availability of methodologies alone does not establish an investable pipeline. Eligibility conditions, baseline assumptions, monitoring requirements, buffer contributions and other obligations must be assessed together to understand their cumulative effect on projects, expected issuances, transaction costs and financing. While some requirements may be justified individually, their combined application can result in a significant diversion from an accurate estimation of mitigation outcomes, undermining the economic viability of high-integrity activities.

**IETA urges the Supervisory Body and the Methodological Expert Panel to undertake cumulative impact assessments using sensitivity analysis and real-world activity data**. Empirical evidence and robust activity-specific data, when available, should be preferred over conservative assumptions, and a clear distinction between empirical findings and precautionary or policy judgments should be established. Lower volumes of issuance should be justified when they reflect more accurate quantification of mitigation outcomes but should not be treated as a general demonstration of higher integrity. Moreover, implementation experience should inform predictable revisions and clear transition plans when unintended impacts emerge.

## C. FINANCIAL SUSTAINABILITY AND EQUITABLE ACCESS

**IETA is deeply concerned by PACM's financial outlook.** Despite the USD 26.8 million transferred from the CDM Trust Fund in 2025, the mechanism generates very limited revenue and forecasts no financial carry-over from 2027 into 2028. This presents a serious risk to the continuity of its operations and calls for a credible assessment of its pathway to financial viability, including the assumptions underpinning activity uptake, issuance and fee income.

Financial viability requires a critical mass of projects and programmes of activities generating credible mitigation outcomes. **Funding constraints should therefore be addressed alongside the barriers limiting project transition, registration and issuance.**

**IETA is not in favour of removing or narrowing the existing exemptions from administrative fees for LDCs and SIDS**, including for eligible transitioned CDM activities, as contemplated in paragraph 18(o) of the annual report. The mechanism's funding shortfall should be addressed through alternative sources of bridge financing, transparent expenditure prioritization and, most importantly, the development of a broader, viable activity and issuance base.

THE AVAILABILITY OF METHODOLOGIES ALONE DOES NOT ESTABLISH AN INVESTABLE PIPELINE.

## D. TRANSPARENT GOVERNANCE AND MEANINGFUL STAKEHOLDER ENGAGEMENT

IETA has participated as an observer in all Supervisory Body meetings and submitted substantive input throughout the development of the mechanism's rules. Drawing on this experience, IETA welcomes opportunities for observers to follow the work of the Supervisory Body and its expert panels. However, the measures described in the annual report do not sufficiently demonstrate how stakeholder input is taken into account in technical recommendations and final decisions. Published presentations and op-eds can explain institutional positions and improve access to information, but do not provide an opportunity for a structured substantive exchange.

**IETA believes the rigid format and short turnaround of calls for input is wholly inadequate.** Consultations should enable stakeholders to assess technically complex proposals and their impact on activities and investment, with predictable calendars and response periods proportionate to the complexity of the issue. Early technical exchanges with practitioners, including open sessions where external experts can present views and evidence, would significantly improve the transparency and legitimacy of the process. **Moreover, IETA urges the Supervisory Body, as a Paris Agreement body, and its expert panels to publish a clear record of how substantive comments have been assessed, including the rationale for accepting or rejecting material proposals, in line with paragraph 18 of the Decision 20/CMA.7[12].**

**Confidence in PACM also requires greater transparency around the appointment of expert panels**, including the competencies sought, selection criteria, terms of reference, and management of conflicts of interest. IETA notes with regret that no improvements were implemented in 2026.

## E. CAPACITY BUILDING AND EFFECTIVE DESIGNATED NATIONAL AUTHORITY (DNA) PARTICIPATION

While the designation of national authorities (DNAs) and submission of host Party participation requirements demonstrate institutional progress, it must translate into countries' ability to assess technical proposals, contribute to rulemaking, and implement activities. **IETA welcomes the reported allocation of USD 4.7 million to capacity building for 2026–2027. However, the effectiveness of this support remains to be assessed.**

Capacity building activities should enable DNAs to evaluate methodological proposals, coordinate national stakeholders and provide informed input before decisions are adopted. Training should also address activity approval and authorization, methodology application, registry use and the financing implications of participation. Reporting should distinguish resources allocated, committed and spent, and identify the stakeholder groups reached and implementation needs that remain unmet.

## F. NATURE-BASED ACTIVITIES AND WORKABLE DURABILITY REQUIREMENTS

**The treatment of nature-based activities will be an important test of the mechanism's ability to combine environmental integrity with broad participation and impact.** IETA supports credible reversal-risk management through requirements that reflect activity-specific risks, clarify responsibilities and remain implementable and financeable over the relevant time horizons.

The Supervisory Body's planned work on buffer-pool accounting and alternative remediation arrangements provides an opportunity to assess buffers, insurance, guarantees and other credible measures according to their environmental effectiveness and practical applicability. Solutions should align with NDC accounting while avoiding disproportionate obligations that prevent credible land-based mitigation activities from participating.

CONFIDENCE IN PACM ALSO REQUIRES GREATER TRANSPARENCY AROUND THE APPOINTMENT OF EXPERT PANELS.



THE TREATMENT OF NATURE-BASED ACTIVITIES WILL BE AN IMPORTANT TEST OF THE MECHANISM'S ABILITY TO COMBINE ENVIRONMENTAL INTEGRITY WITH BROAD PARTICIPATION AND IMPACT.

# 04 NON-NEGOTIATED OUTCOMES ON CARBON MARKETS

In addition to the formal agenda items, there are a number of initiatives and "non-negotiated outcomes" relevant for the global carbon market community which will be discussed at COP31. This includes, but is not limited to:

## COALITION TO GROW CARBON MARKETS (CGCM)

Launched by the governments of Kenya, Singapore, and the United Kingdom in June 2025, this 14-member strong government-led initiative aims to increase corporate demand for carbon credits. Following the launch of the Coalition's Shared Principles for Growing High-Integrity Use of Carbon Credits by Companies and Other Buyers (the "Shared Principles") in 2025, the Coalition will launch its Policy Playbook to Grow Demand for High-Integrity Carbon Credits (the "Playbook") and promote other Coalition work packages including the paper "Unlocking demand in voluntary carbon markets through Safe Harbour mechanisms: a recommendation to governments" and ongoing work on standardized contracts at COP31. The Safe Harbour paper was developed by IETA with co-sponsorship by the UK and Indonesian governments.

## OPEN COALITION ON COMPLIANCE CARBON MARKETS (OCCCM)

Announced at COP30 in Belém, this coalition was formally constituted in May 2026 in Florence, when Brazil, China and the EU signed its Terms of Reference. It is led by a Chair (Brazil) and two Co-Chairs (the EU and China) for an initial two-year term. Its membership is currently comprised of 11 members, including national governments and regional organizations,[13] while other states, subnational authorities, international organizations, and relevant stakeholders can participate as observers.[14] IETA is an observer. Its central objective is to advance international cooperation and mutual understanding of carbon pricing, and to explore options for long-term interoperability and gradual alignment of key design features across compliance markets, on a voluntary and non-binding basis. Key areas of work include market design convergence, MRV, common carbon accounting approaches, and high-integrity offsets and Article 6 alignment. At its high-level meeting in Wuhan in September 2026, members adopted the Coalition's Work Plan, moving the initiative into implementation. At COP31, the OCCCM is expected to convene a ministerial High-Level Meeting on 16 November to provide political guidance on Work Plan implementation and endorse a COP31 Political Declaration. It will also hold a public event on 14 November to showcase its progress and attract new participants. Its thematic Working Groups are expected to be launched around the same time.

## ACTIVATION GROUP ON HARMONIZATION OF CARBON MARKETS AND CARBON ACCOUNTING STANDARDS

Established by the Climate Champions under the COP30 Action Agenda, this initiative aims to coordinate efforts, measure impact, and showcase solutions that enhance alignment across carbon market systems and accounting methodologies. As part of the carbon accounting remit, the International Organization for Standardization (ISO) and Greenhouse Gas Protocol (GHGP) are continuing to harmonize their accounting standards and frameworks, with a consolidated Corporate Standard expected for public consultation Q2 2027, with publication Q4 2028. The two entities also continue to develop project- and product-level standard harmonization. IETA believes transparent accounting and reporting should recognize and champion high-integrity climate action, including carbon markets and other market-based approaches. We see globally aligned international-, national-, corporate-, facility- and product-level standards and frameworks as offering a climate competitiveness opportunity, but fragmentation is a real and present risk. At COP31, the Presidency is expected to highlight Acceleration Plans developed under this group.

## COP31 BUSINESS FORUM

The Turkish Presidency, who is in charge of the Action Agenda at COP31, launched this high-level forum under the auspices of the Union of Chambers and Commodity Exchanges of Türkiye (TOBB). A COP31 Business Investment Summit is scheduled for 12–13 November, partially overlapping with the World Leaders' Summit. The forum is structured around 10 core pillars, but carbon markets do not feature among them. Areas of focus include electrification, clean energy transition and clean cooking, all of which can be supported by carbon finance.



# OUR TEAM IN ANTALYA

For any questions, do not hesitate to reach out to our team on the ground in Antalya:


ANDREA BONZANNI
Senior Director
bonzanni@ieta.org

BJÖRN FONDÉN
Director, Asia-Pacific
fonden@ieta.org

AGUSTINA CUNDARI
International Policy Advisor
cundari@ieta.org

NADINE LIM
International Policy Advisor
lim@ieta.org

JEREMY RUBIN
Policy Manager
rubin@ieta.org

JESSICA DOUMIT
Policy & Advocacy Senior Advisor
Doumit@ieta.org

ELISA GUIDA
Policy Advisor
guida@ieta.org

ALESSANDRO VITELLI
Communications Advisor
vitelli@ieta.org

# ENDNOTES

1. 2026 Annual Report on Implementation of the guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement. Available here: https://unfccc.int/sites/default/files/resource/cma2026_INF_2.pdf
2. Available here: https://unfccc.int/sites/default/files/resource/Art6.2_SBI_Chair_Informal_Note.pdf
3. IETA Article 6 Tracking Hub
4. CARP lists 54 entries when including CA0001, which represents the Article 6.4 mechanism (PACM). Available here: https://unfccc.int/process-and-meetings/the-paris-agreement/article-6/article-62/carp/cooperative-approaches
5. The first centralized review week (October 2024) covered initial reports submitted by six Parties: Ghana, Guyana, Suriname, Switzerland, Thailand and Vanuatu. The second centralized review week (December 2025), covered 12 reports submitted by 11 Parties; Cambodia, Honduras, Japan, Malawi, Maldives, Mongolia, Palau, Rwanda, Sri Lanka, Tunisia and Zimbabwe. The third centralized review week (September 2026), covered reports submitted by seven Parties; the Gambia, Madagascar, Peru, Sierra Leone, Thailand (revised initial report), Tanzania and Uzbekistan. The advanced unedited version of the Results of the Article 6 technical expert review of the reports submitted by Parties participating in cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement is available here: https://unfccc.int/sites/default/files/share/A6.2_report_CMA_cma8_INF_advanced_unedited_version.pdf. The Annual Report on the Implementation of the guidance on cooperative approaches referred to in Article 6, paragraph 2, of the Paris Agreement is available here: https://unfccc.int/sites/default/files/resource/cma2026_INF_2.pdf
6. CARP currently lists 31 cooperative approaches identifying a single participating Party across 14 countries: Cambodia, the Democratic Republic of the Congo, the Gambia, Guyana, Honduras, Madagascar, Malawi, Mali, Oman, Sierra Leone, Suriname, Tanzania, Uzbekistan and Zimbabwe.
7. Number of Japan bilaterally authorized projects is inferred from the transfer of ITMOs. Host country LoAs from Mongolia and Palau are not public. Japan did not publish project specific LoAs, but the authorization of the broader Cooperative Approach.
8. Available here: https://unfccc.int/event/ALRM-01
9. These areas include, among others, an agreed definition of a cooperative approach; determining whether inconsistencies are significant or not; how the cooperative approach contributes to the implementation of NDCs; and key elements from paragraph 18(h)(i) of the annex to decision 2/CMA.3 (such as demonstration of no net increase in global emissions within and between NDC periods and reference levels and baselines and minimizing the risk of non-permanence of mitigation across several NDC periods) among others.
10. Annual report of the Paris Agreement Implementation and Compliance Committee to the Conference of the Parties serving as the meeting of the Parties to the Paris Agreement. Available here: https://unfccc.int/sites/default/files/resource/cma2026_02.pdf
11. Annual report of the Supervisory Body Article 6.4 to the CMA [22 October 2026 version]. Available here: https://unfccc.int/sites/default/files/resource/cma2026_08.pdf
12. Decision 20/CMA.7, paragraph 18, states “Requests the Supervisory Body to enhance the transparency of its decision-making and that of the Methodological Expert Panel while safeguarding the productivity of their work”. Available here: https://unfccc.int/sites/default/files/resource/cma2025_19_a03.pdf
13. Brazil, China, the European Union, Canada, France, Germany, New Zealand, Norway, Singapore, Türkiye, the United Kingdom.
14. Monaco, Zimbabwe, CEBDS, the Climate Club, EDF International, the European Climate Foundation, the European University Institute, the Global Climate Policy Project, GCF, ICAP, IETA, the Coalition to Grow Carbon Markets, ICVCM, SB COP, UNDP, UNEP, PMI, WRI.

## ABOUT IETA

IETA is a non-profit organization representing more than 300 businesses committed to smart, well-designed and effective carbon markets to help achieve the goals of the Paris Agreement and reach net-zero emissions by 2050.

We believe markets work. They drive innovation, lower costs and unlock investment at scale. Carbon markets matter. They harness market forces to strengthen competitiveness, mobilize capital and efficiently cut emissions.

For over 25 years, IETA has shaped carbon markets that turn climate ambition into investment and economic opportunity. We advance the carbon markets of today and help build the carbon markets of tomorrow. Find out more: www.ieta.org

IETA

Headquarters
Grand-Rue 11
CH-1204 Genève
Switzerland
+41 22 737 05 00

Brussels
Rue du Commerce
Handelsstraat 123
1000 Brussels
Belgium
+32 289 55 747

Washington
1001 Pennsylvania Ave. NW
Suite 7117
Washington, DC 20004
+1 470 222 IETA (4382)

Toronto
180 John Street
Toronto, ON
M5T 1X5

Singapore
The Great Room,
63 Robinson Road,
Afro-Asia, Level 6, 7 and 8,
Singapore 068894

IETA also has representation in: Argentina, Brazil, China, Colombia, India, Indonesia, Italy, Japan, South Africa, Spain and UK.