Plan to Accelerate The Coalition to Grow Carbon Markets

Axis: 6. Unleashing Enablers and Accelerators including on Financing, Technology and Capacity Building
Key objective: 23. Harmonization of carbon markets and carbon accounting standards
Solution: Carbon credit markets
Host initiative: The Coalition to Grow Carbon Markets
Stakeholders: ICVCM, WBCSD, World Bank, IETA
Scope:

- Geographic: Global
- Sectoral: All
- Other aspects: Cross-governmental led and in close collaboration with private sector

Levers assessment: *(each lever is described in the guidance document)*

- **Risk-informed decision-making:** Medium maturity
  - *Rationale: Risks (market, reputational, legal, geopolitical) are mapped and risk register held and proactively managed.* ● **Technology shifts:** Medium maturity
  - *Rationale: Data and registry fragmentation are recognised, and Shared Principles endorsed meta-standards that provide recommendations on technology shift to improve digital MRV. Additionally, carbon credit markets unlock finance to move high-potential technologies to mainstream, e.g. direct air capture. However, Coalition does not directly focus on technology shifts.*
- **Knowledge & Capacity building:** Medium maturity
  - *Rationale: Convenes governments, businesses, and relevant stakeholders to promote peer-to-peer exchange on policy development and drive development of consistent policies that reduce fragmentation and scale corporate action. Policy Playbook and academic partnerships planned for 2026-2028. Coupled with targeted support to Governments developing demand enabling policy environments.* ● **Inclusive decision-making governance & design:** High maturity
  - *Rationale: The Coalition demonstrates high maturity in decision-making governance and design, having established robust frameworks at launch in June 2025 and continually enhanced. Processes are transparently communicated and involve a clear decision-making structure and active participation from Member countries and Co-Chairs, supported by an experienced and transparent Secretariat. There is wide engagement in developing Shared Principles with numerous governments (both demand and supply focused) beyond the membership, and the Coalition works closely with the private sector through partner organizations. Membership is open to all governments. These practices ensure inclusive, collaborative, and well-structured decision-making across stakeholders.*
- **Standards & Taxonomies:** High maturity
  - *Rationale: Shared Principles and alignment efforts are focused on enhancing international consistency and promote alignment with existing standards and taxonomies to reduce fragmentation and provide clarity.*

[1] https://www3.weforum.org/docs/WEF_Scaling_Voluntary_Carbon_Markets_2023.pdf

- **Supply:** Medium maturity

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  - *Rationale: The Coalition explicitly prioritises equitable access and fair carbon credit pricing for EMDEs, and aims to facilitate capital deployment through investor exchanges and buyers' networks; while it does not directly build project pipelines or methodologies, its focus on fair pricing, linking finance to supply, and involvement of key carbon credit supplier countries represents a meaningful step beyond early-stage ambition.*

- **Demand:** Medium maturity
  - *Rationale: Shared Principles directly designed to promote high-integrity demand. Buyer/investor advocacy and networks are planned to directly scale billions in additional carbon finance, high-integrity use of carbon credits has the potential to unlock over 50 billion USD in debt-free climate finance annually by 2030[1].*
- **Public/private finance:** Medium maturity
  - *Rationale: The Coalition will facilitate investor exchanges and partnerships with DFIs, but does not plan to directly develop large-scale finance vehicles or binding funding commitments.*
- **Partnerships and collaboration:** Medium maturity
  - *Rationale: Co-chaired by multiple Governments with Secretariat support and Partnership with multiple international NGOs and multilaterals established.*
- **Policy & regulatory:** High maturity
  - *Rationale: Policy clarity and harmonisation are the Coalition's core lever, with concrete outputs (Shared Principles, Policy Playbook) already in development and future focus on establishing demand-enabling policy environments in Member countries.*
- **Public opinion:** Medium maturity
  - *Rationale: Market credibility is an explicit outcome, with activities focused on building an evidence-based business and climate case; case studies, advocacy campaigns, and academic partnerships are designed to strengthen public sentiment and address reputational concerns around carbon markets. This will be measured through annual sentiment surveying.*

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Expected impact of this plan on the 2030 targets (if any): High

The Coalition to Grow Carbon Markets, launched at London Climate Action Week in June 2025, is a coalition of the working, committed to scaling-up high-integrity carbon credit markets and supporting the increase in climate action that is so urgently needed. The Coalition will deliver results at pace, collaborating with business and partners to ground its work in the realities of corporate climate action and climate and social integrity.

As a first step, the Coalition, in collaboration with like-minded countries, partners, and businesses, will release Shared Principles to provide a common basis to strengthen the enabling environment for high-integrity, voluntary use of carbon credits and recognition of corporate action, giving companies the confidence to invest.

The Coalition theory of change is built on a simple premise: if governments provide clear, consistent, and stable signals, policies, and incentives, it will build corporate confidence and drive demand for high-integrity carbon credits. The desired outcomes of the Coalition by COP33 are:

1. **Capital Mobilisation:** Companies confidently invest in and/or purchase and retire high-quality carbon credits, mobilising significant broader climate and development finance flows, resulting in a major increase in demand from the private sector in member countries.
2. **Policy Implementation:** Clear, consistent and stable policies, regulations and incentives promote coherence between compliance and voluntary markets and create an enabling environment for a high-integrity market that delivers its full scale and potential. Governments endorsing the Shared Principles (target 8+ endorsing at COP30) commit to explore and develop, or to continue pursuing, national guidance, incentives, policies, and/or regulations aligned with these Shared Principles.
3. **Market Credibility:** Buyers and investors have a clear understanding of credible carbon credit use through harmonised guidance from countries and key institutions. A positive carbon markets narrative measurably enhances sentiment towards carbon credits as a legitimate tool for corporate climate action and sound investment.
4. **Equitable Market Pricing & Access:** Carbon markets deliver fair prices and equitable access to EMDEs, fully recognising and compensating them for the importance and impact of their climate contributions.

Ultimately, the desired impact of the Coalition is that these policies and incentives, coupled with aligned action from market participants, establish robust carbon markets as a valid complement to other policies and measures, driving corporate demand for high-integrity carbon credits by delivering clear business value where benefits outweigh barriers and risks.

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The Coalition is focused on ensuring that demand is scaled for both Article 6 markets and high-integrity voluntary markets, with mitigation outcomes able to remain in the host country when credits are used for voluntary claims.

If a demand-enabling policy environment is established, high-integrity use of carbon credits has the potential to unlock over 50 billion USD in debt-free climate finance annually by 2030[2], channelling additional capital toward climate action and development priorities in emerging markets and developing economies (EMDEs), supporting net-zero growth and urgent corporate contributions to Paris Agreement goals, in particular 2030 targets.

Output	Action Scope	Action	Type of Action	Implementation Lever	Responsible	Time Horizon	Stakeholder Engagement	Committed Stakeholders
Shared Principles are adopted by member countries	Global	Operationalise Shared Principles for high-integrity carbon markets	New action	Standards … Inclusive d… Policy & re… Partnership…	Member Countries	November …	Multi-stake… Countries Companies Technical i… MDBs	Coalition Member Governments, Integrity Council for the Voluntary Carbon Market (ICVCM), International Emissions Trading Association (IETA), World Business Council for Sustainable Development (WBCSD), World Bank Group (WBG).
Policy Tools	Global	Deliver Policy Playbook and establish Policy Action Tracker	New action	Knowledge… Policy & re…	Co-Chairs	November …	Countries Technical i… Regulators … Multi-stake…	Coalition Member Governments, Integrity Council for the Voluntary Carbon

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								Market (ICVCM), International Emissions Trading Association (IETA), World Business Council for Sustainable Development (WBCSD), World Bank Group (WBG).
Policy Adoption	Global	Adopt and implement national guidance, policies, and regulations	New action	Policy & re… Knowledge… Inclusive d…	Member Countries	November …	Countries Regulators …	Coalition Member Governments, Integrity Council for the Voluntary Carbon Market (ICVCM), International Emissions Trading Association (IETA), World Business Council for Sustainable Development (WBCSD), World Bank Group (WBG).
Business and Climate Case	Global	Compile and promote business case for corporate carbon market participation	New action	Knowledge… Public opini… Partnership…	Secretariat	November …	Companies Technical i… Multi-stake…	Coalition Member Governments, Integrity Council for the Voluntary Carbon Market (ICVCM), International

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								Emissions Trading Association (IETA), World Business Council for Sustainable Development (WBCSD), World Bank Group (WBG).
Corporate Investment	Global	Build buyers' advocacy campaign and facilitate capital deployment	New action	Demand Supply Public/priv… Partnership…	Secretariat	November …	Companies Investors MDBs Multi-stake…	Coalition Member Governments, Integrity Council for the Voluntary Carbon Market (ICVCM), International Emissions Trading Association (IETA), World Business Council for Sustainable Development (WBCSD), World Bank Group (WBG).

* Current Co-Chair/Member Governments: France, Kenya, Panama, Singapore, UK. Current Partners: Glasgow Financial Alliance for Net Zero (GFANZ), International Chamber of Commerce (ICC), Integrity Council for the Voluntary Carbon Market (ICVCM), International Emissions Trading Association (IETA), World Business Council for Sustainable Development (WBCSD), World Bank Group (WBG).

[3] Such as national governments, companies, investors, cities and local governments, technical institutions, MDBs, regulators & public agencies, utilities & system operators, youth & indigenous peoples groups, multi-stakeholders platform (non-exhaustive)

[1] https://www3.weforum.org/docs/WEF_Scaling_Voluntary_Carbon_Markets_2023.pdf