

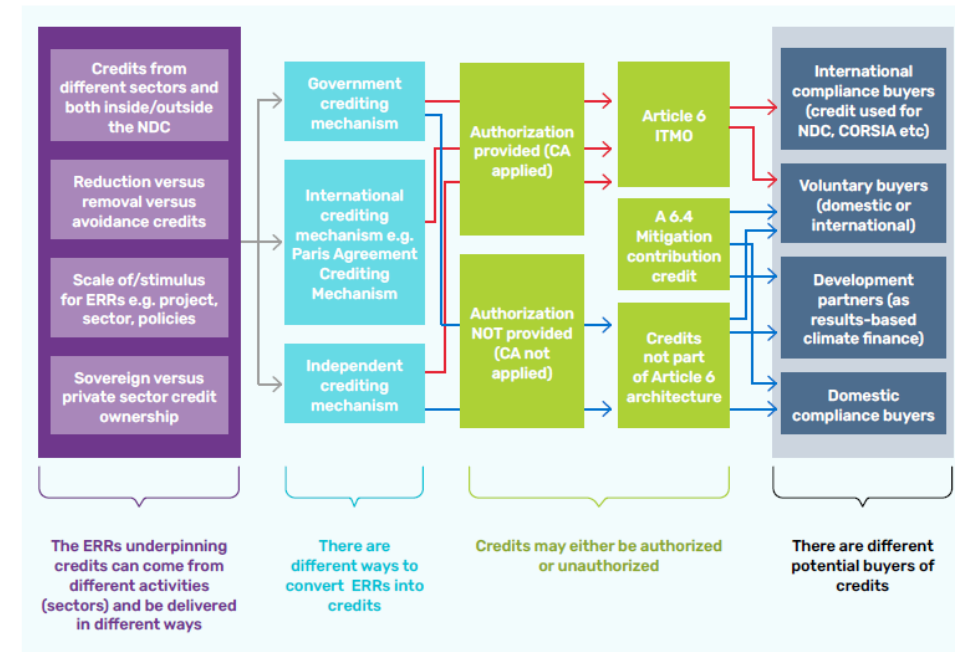
# Navigating Decisions on Carbon Markets

PMI Global Knowledge Forum  
Sevilla  
09 June 2025

## Country Guidance for Navigating Carbon Markets

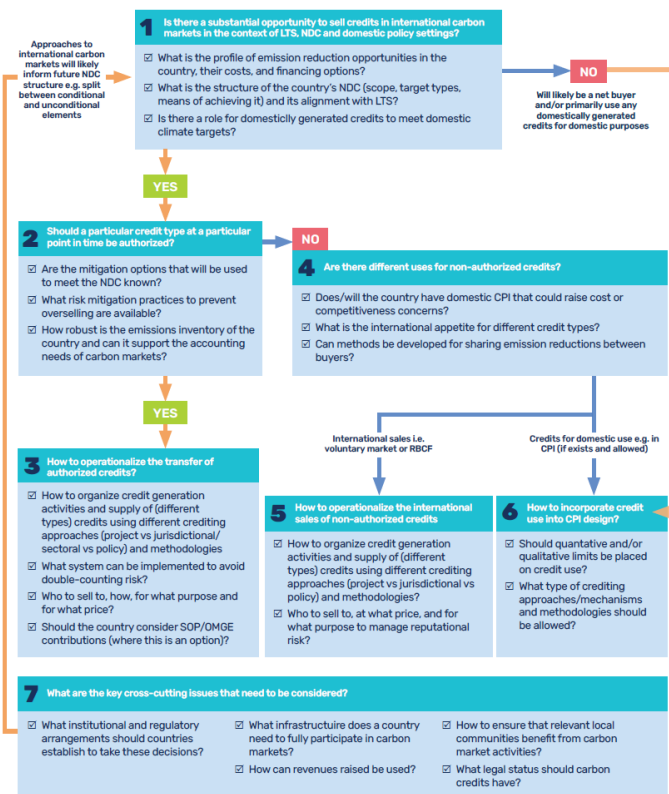
# Global Context Shapes Local Choices in Carbon Markets

- The landscape of international carbon market is complex.
- This landscape is rapidly evolving and increasingly converging.
- Host countries face some external challenges in navigating this evolving landscape.
- Some challenges and barriers are domestic in nature.
- These help explain why the full potential of international carbon markets has yet to be realized.



# An Assessment Framework Turns Carbon Market Complexity into Clear Choices

Decision tree for navigating carbon markets



- **Opportunity Assessment**

- Evaluate potential to sell credits in international markets (LTS, NDC alignment, domestic policy context)

- **Credit Generation and Transfer**

- Organize credit generation (project, jurisdictional, policy-based) and prevent double-counting

- **Credit Authorization**

- Determine if-and-when to Authorize specific credit types for international sales, including risk management

- **Non-Authorized Credits for International Sales**

- Organize international sales of non-authorized credits, ensuring reputational integrity

- **Incorporating Credits into Carbon Pricing Instruments and Domestic Credit Uses**

- Explore uses for non-authorized credits within domestic markets and manage competitiveness impacts
- Define limits and credit types allowed in CPIs

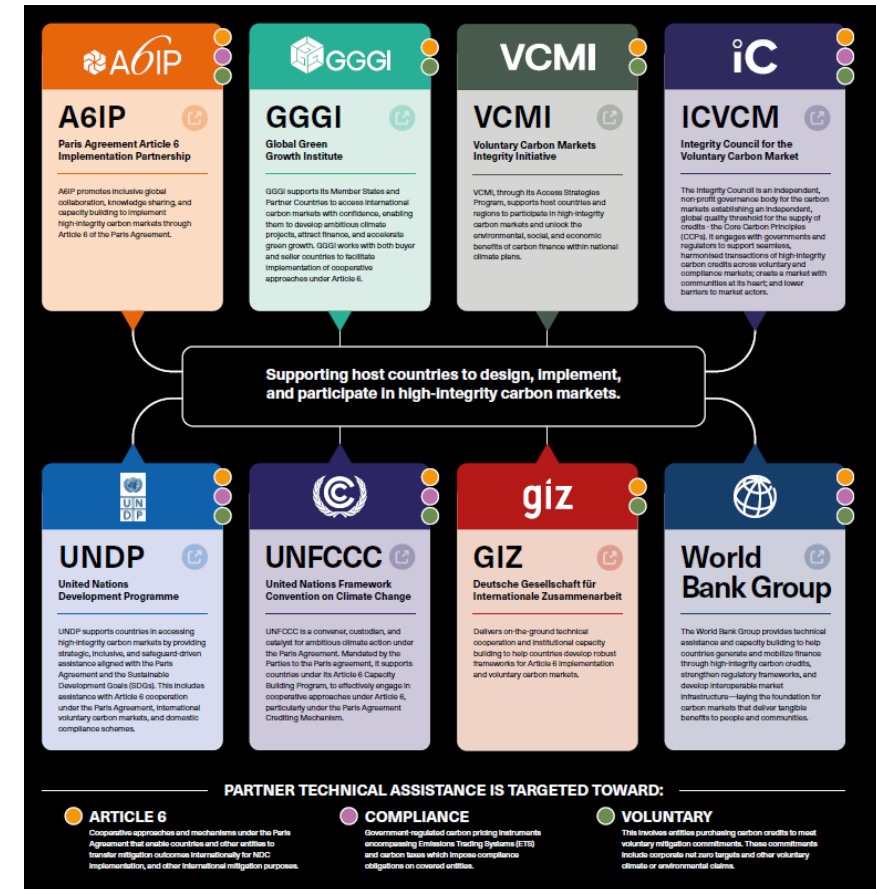
- **Cross-Cutting Issues**

- Establish institutional/regulatory frameworks, infrastructure needs, and community benefit strategies



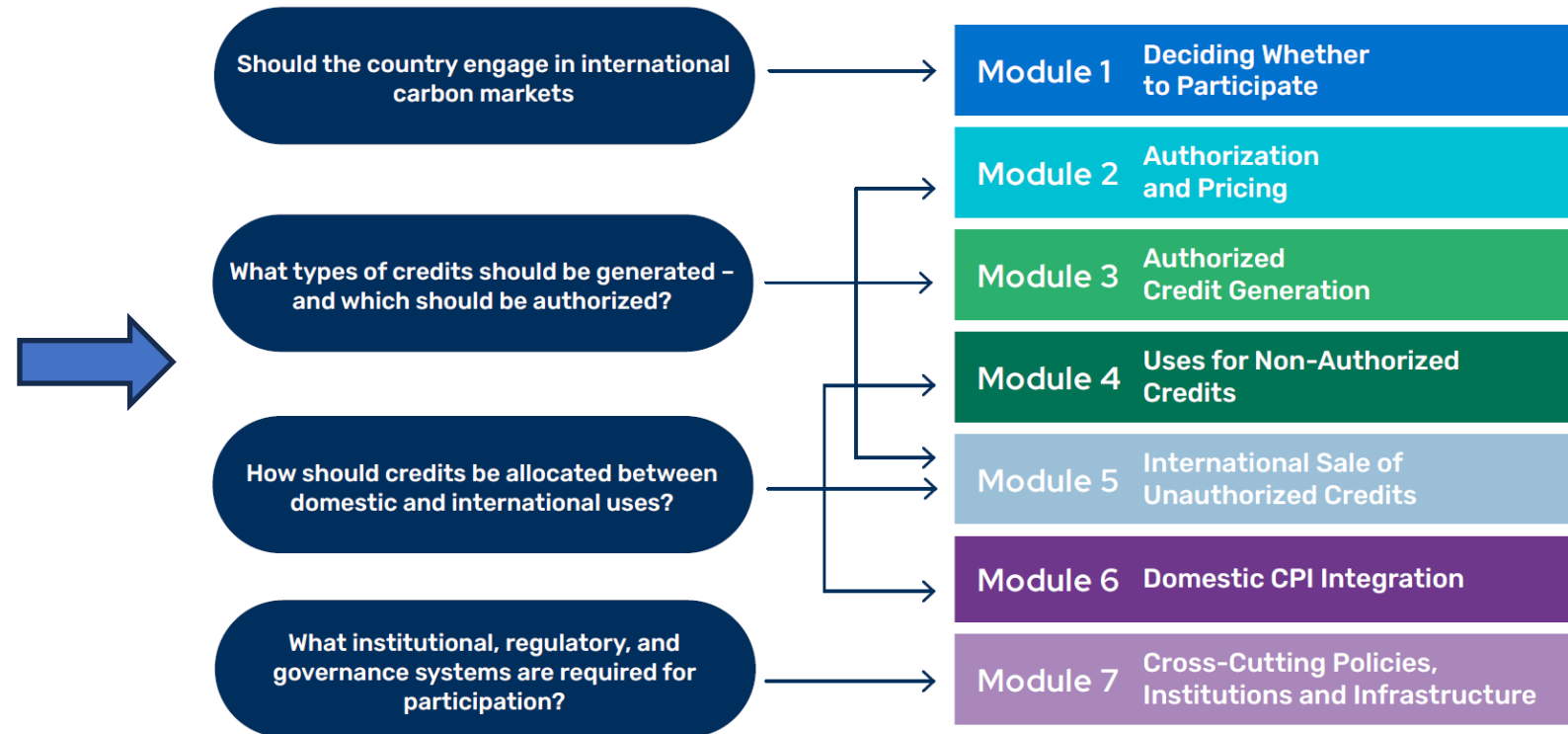
# A Harmonized Approach to Technical Assistance for Countries is Needed

- Technical assistance and capacity-building efforts have been fragmented
  - insufficient or inconsistent information prevents the development of country-owned strategies
- Coordination of support aims to address the fragmentation of technical assistance and provide a coherent supporting framework to countries
  - streamline countries' access to appropriate technical support to enable them to make informed decisions





# Country Guidance Document is a First Step Towards Achieving Such Harmonization



Launch on June 12, 2025 @ 10:40 AM, Espana 1 Room

# Country Guidance for Navigating Carbon Markets



**Module 1** offers support to countries regarding making an initial decision on whether to participate in international carbon markets as a host country.



**Module 2** addresses core questions: whether and when to authorize carbon credits, thereby converting them into Internationally Transferred Mitigation Outcomes (ITMOs), as well as the associated risks and opportunities.



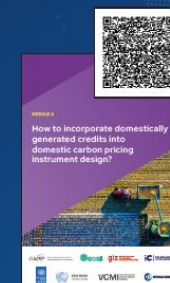
**Module 3** explores host country options for generating and transferring authorized credits (ITMOs). This includes options for credit generation, identifying and selecting buyers, and the necessary infrastructure for tracking and reporting authorized credits.



**Module 4** covers credits that host countries choose not to authorize for international transfer—and explores options such as selling these credits to international voluntary buyers, using them domestically, and other possible uses.



**Module 5** considers critical policy issues surrounding the international sale of unauthorized credits.

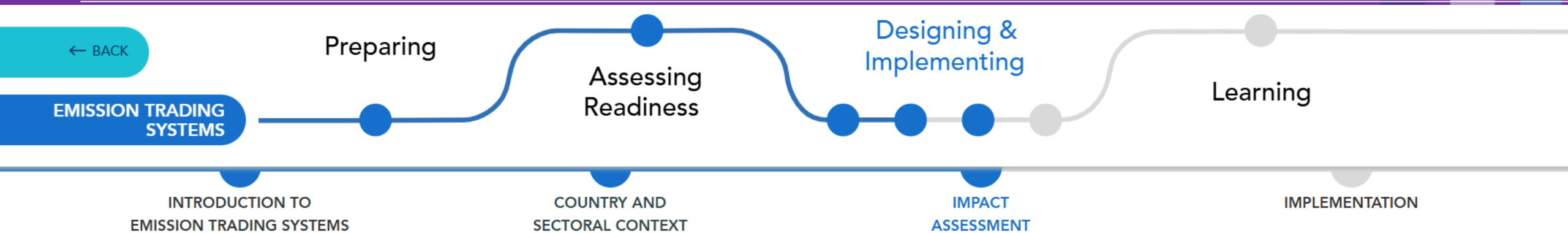


**Module 6** provides guidance on using credits domestically, particularly within the context of carbon pricing instruments and their interaction with international carbon markets.



**Module 7** addresses important cross-cutting considerations such as setting up the right institutions and policies, and ensuring that carbon markets create strong social benefits.

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### [State and Trends of Carbon Pricing Dashboard](#)

The State and Trends of Carbon Pricing Dashboard is an interactive online tool aimed at policymakers, businesses, and researchers. It provides the latest information on existing and emerging direct carbon pricing initiatives around the world.



### [State and Trends of Carbon Pricing Series](#)

The State and Trends of Carbon Pricing series reflects on the growing momentum for carbon pricing worldwide. It targets public and private stakeholders engaged in carbon pricing design and implementation. This report provides an overview of existing and emerging carbon pricing instruments around the world, including regional, national and subnational initiatives.