Carbon markets for the GCC region: why? how?

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Three key points

1. Clarity on key policy goals
Economic diversification, GHG mitigation, innovation, economic development, anticipate international developments (e.g. BCAs)…?

2. Map policy instruments
For mitigation: regulatory instruments, carbon markets, green finance…

3. Understand possible role of carbon markets
Voluntary / compliance: what is the incentive required? Domestic compliance demand may be the best approach. What to keep, what to sell?
CORSIA as a compliance buyer

SUPPLY 2021-2023**

~400Mt

DEMAND 2021-2023*

~0 Mt

* as per programmes approved in March 2020

** even in optimistic covid recovery scenarios

Source: Ecosystem Marketplace (2020)

Source: Schneider & Graichen (2020)

Source: based on adelphi for GIZ (2020)
International voluntary buyers

Annual Voluntary Carbon Offset Issuances and Retirements

Source: Ecosystem Marketplace (2020)
Use of international offsets by countries

International offsets in NDCs, by number of countries

Sellers

Buyers

Switzerland
Sweden
New Zealand
Japan
Norway
Singapore
South Korea
Thank you very much!

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