Carbon Offsetting in North America 101

North American Carbon World
April 4, 2018
Forest Trends’ Ecosystem Marketplace
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Outline

• Compliance Markets in North America
  • Current markets
  • Potential upcoming markets
  • Offsets in the California market

• Voluntary Offset Market Activity in North America
  • Issuances and retirements
  • Transactions
Compliance Markets for Carbon Offsets in North America

- **Active**
- **In development**
Canada
British Columbia
Alberta
Québec and Ontario (Western Climate Initiative)
Newfoundland and Labrador
Upcoming Markets
United States
California (Western Climate Initiative)
Oregon
Regional Greenhouse Gas Initiative (RGGI)
Potential Upcoming markets
Mexico
Voluntary Offset Market Activity
Offset Lifecycle
Offset Lifecycle
Voluntary Offset Projects

Number of projects that have issued offsets on the voluntary market

- 0 - 2
- 3 - 5
- 6 - 8
- 9 - 11
- 12 - 15
- 16 - 21
- 22 - 29
Timeline of Voluntary Market Issuances and Retirements: United States

- **US Issuances**
- **US Retirements**

Graph showing millions of tCO₂e for the years 2008 to 2017.
Timeline of Voluntary Market Issuances and Retirements: Canada and Mexico

Thousands of tCO$_2$e

- Canada Issuances
- Canada Retirements
- Mexico Issuances
- Mexico Retirements

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2016 Voluntary Transactions

United States
Volume: 9,981,860 tCO2e
Value: $21,222,760
Average price: $2.77

Canada
Volume: 113,709 tCO2e
Value: $1,142,079
Average price: $11.01

Mexico
Volume: 143,490 tCO2e
Value: $768,917
Average price: $5.36
Transactions by price (2016)
Buyers’ Sectors

- Public sector
- Other
- Private sector: Small-to-medium enterprise
- Private sector: Domestic
- Private sector: Multinational
- Private sector/for profit
What’s next?

• Upcoming compliance markets:
  • Lack of US federal action, but state and local pricing initiatives
  • Canadian provinces and territories
  • Mexico
  • Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA)

• Voluntary markets
  • Initiatives encouraging deep carbon cuts, but unclear what role offsets will play
Thank you!
Any questions?

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